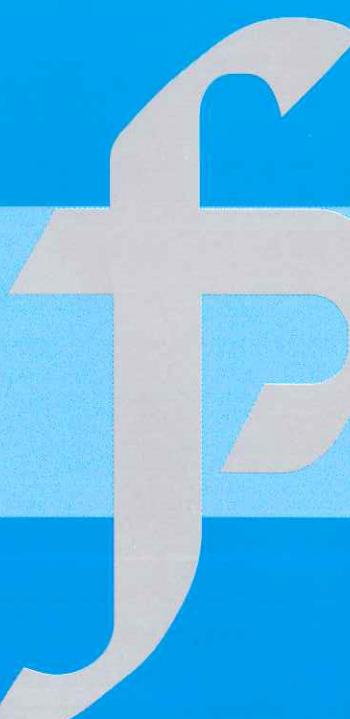




FREDUN PHARMACEUTICALS LIMITED



**29TH ANNUAL REPORT
2015 - 2016**

FREDUN PHARMACEUTICALS LTD

CIN: L24239MH1987PLC043662

1. THE DIRECTORS

Dr. (Mrs.) Daulat N Medhora

Chairperson

Mr. Nariman B. Medhora

Mr. Fredun N. Medhora

Dr. C. K. Shah

Dr. Aspi N. Raimalwala

Dr. Rohinton Kanga

2. AUDITORS

M/s. Savla & Associates

3. BANKERS

Shamrao Vitthal Co-op Bank Ltd

Indusind Bank Ltd.

4. FACTORY

14,15,16 Zorabian Industrial Complex,

Veoor, Palghar(East) – 401404

District – Thane

5. REGISTRAR & TRANSFER AGENTS & CUSTODIANS OF SHARES

Purva Sharegistry (India) Pvt. Ltd. Unit No. 9

Shiv Shakti Ind. Estate

J. R. Boricha Marg, Opp. Kasturba Hospital

Lane, Lower Parel (E), Mumbai – 400011

6. REGISTERED OFFICE

26, Manoj Industrial Premises G. D. Ambekar
Marg, Wadala Mumbai - 400031

TWENTY-NINTH ANNUAL REPORT

Fredun Pharmaceuticals Ltd. Annual Report 2015-2016

2015-16

NOTICE

TWENTY NINTH ANNUAL REPORT

Notice is hereby given that the TWENTY NINTH ANNUAL GENERAL MEETING of the members of FREDUN PHARMACEUTICALS LIMITED will be held on Tuesday the 27th September 2016 at 11.00 a.m. at Ramee Guest Line , Hotel – Dadar Plot No.3, Kohinoor Road, Dadar Mumbai -400014 to transact the following business:-

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31st March, 2016 together with the reports of the Board of Directors and the Auditors thereon; and
2. To confirm the payment of Interim Dividend on Equity shares.
- 3 Re-appointment of Dr. (Mrs) D.N. Medhora as an Executive Director of the Company.

"RESOLVED THAT pursuant to provisions of Section 152 and all other applicable provisions, if any, of the Companies Act, 2013 to appoint a Director in place of Dr. (Mrs.) D. N. Medhora (DIN No. 01745277) who retires by rotation and being eligible offers herself for re-appointment.

4. Appointment of the Auditors.

To consider and if thought fit, to pass with or without modifications, if any the following as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 139 and other applicable provisions if any of The Companies Act, 2013 read with Companies (Audit and Auditors) Rules 2014, M/S. Savla & Associates Chartered Accountants (Firm Registration No 109361W) be and is hereby appointed as the Auditors of the Company, to hold the office from the conclusion of this Annual General Meeting for Two consecutive years that is until the conclusion of the Thirty First Annual General Meeting of the Company that will be held in 2018, on such remuneration as shall be fixed by the Board of Directors."

SPECIAL BUSINESS:

5. TRANSACTION WITH RELATED PARTIES U/S 188 OF THE COMPANIES ACT, 2013

To consider and if thought fit, to pass with or without modification, the following as Special Resolution:

"RESOLVED THAT pursuant to Section 188 and other applicable provisions of The Companies Act, 2013 read with Companies (Meetings of Board and its Powers) Rules 2014 and other applicable rules, regulations and notifications if any, approval of the members be and is hereby accorded for entering into related party transactions by the Company with effect from 1st April, 2016 up to the maximum amounts as appended below:

Maximum aggregate value of contracts/transactions as may be entered into W.E.F 1st APRIL 2016

NAME OF THE RELATED PARTIES	Sale, Purchase, Supply, Disposing off, or Buying, Leasing, Availing, Rendering, Using, etc. of any kind of Goods, Materials, Services and or Property of any description.
COMPANIES	
Fredun Healthcare Pvt. Ltd	Rupees One Crore (Rs. 1,00,00,000)
INDIVIDUAL	
Daulat Medhora	Rupees Five Lakhs (Rs. 5,00,000)
Fredun Medhora	Rupees Fifteen Lakhs (Rs. 15,00,000)
Firms & Others	
Fredna Enterprises	Rupees Five Crores (Rs. 5,00,00,000)

"RESOLVED FURTHER THAT to give effect to this Resolution the Board of Directors and / or any Committee thereof be and is hereby authorized to settle any question, difficulty or doubt that may arise with regard to giving effect to the above Resolution and to do all acts, deeds, things as may be necessary in its absolute discretion deem necessary, proper, desirable and to finalize any documents and writings related thereto".

**By order of the Board
For FREDUN PHARMACEUTICALS LIMITED**

**Dr. (Mrs). D.N. Medhora
Chairperson**

Place : Mumbai
Date : 30/05/2016

REGISTERED OFFICE:
26, Manoj Industrial Premises
G.D. Ambekar Marg, Wadala, Mumbai-400 031

NOTES

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE 29th ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND ON A POLL, VOTE INSTEAD OF HIMSELF/ HERSELF. A PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES, IN ORDER TO BE EFFECTIVE, MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LATER THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.

Proxies submitted on behalf of companies, societies, etc. must be supported by an appropriate resolution/authority, as applicable. A person shall not act as a Proxy for more than 50 members and holding in the aggregate not more than ten percent of the total voting share capital of the Company. However, a single person may act as a proxy for a member holding more than ten percent of the total voting share capital of the Company, provided that such person shall not act as a proxy for any other person or shareholder.

Every member entitled to vote at the 29th Annual General Meeting of the Company can inspect the proxies lodged at the Company at any time during the business hours of the Company during the period beginning twenty four hours before the time fixed for the commencement of the Annual General Meeting and ending on the conclusion of the meeting. However, a prior notice of not less than 3 (three) days in writing of the intentions to inspect the proxies lodged shall be required to be provided to the Company.

2. The Register of Members and Share Transfer Books of the Company shall remain closed from 21st September 2016 to 27th September, 2016 (both days inclusive).

3. The members/proxies should bring their attendance slips sent herewith, duly filled in for attending the meeting.

4. Entry in the meeting hall shall be strictly restricted to the members/valid proxies only carrying the attendance slip.

5. The members are requested to notify any change in their registered address/residential status immediately to the Registrars M/S. Purva Shareregistry (India) Pvt. Limited, Unit No. 9, Shiv Shakti Indl. Estate, J.R. Boricha Marg, Off N. M. Joshi Marg, Near Lodha Excelus , Lower Parel (E), Mumbai-400 011. In case of Dematerialised shares, the aforesaid information should be given to the depository participant with whom the member has an account.

6. Members may note that The Companies Act, 2013 and Rules there under, allow the Company to send notices and documents, including Annual Report to the shareholders through electronic mode to the Registered e-mail addresses of shareholders.

6.1. Keeping in view the green initiative taken by the MCA and to save the cost involved in printing and dispatch, we propose to send all future communications including all the notices of General Meetings, Financial Statements and Postal Ballot Notices etc. of the Company, in electronic mode.

6.2. In order to facilitate the same, we request you to furnish your consent with e-mail ID quoting your folio number to our Registrar & Share Transfer Agents M/S. Purva Shareregistry (India) Pvt. Limited.

6.3 In case of any changes in your email address, the same may be communicated immediately.

6.4 In case you are holding shares in electronic form, please update your e-mail ID with your depository participant.

6.5 Please note that as a member of the Company, you will always be entitled to receive all communications in, Physical form, upon request.

7. The relevant Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 in respect of the item no. 5 of the Notice is annexed herewith.

8. All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company during normal business hours (10:00 A.M. to 5:00 P.M.) on all working days except Saturdays, Sundays and Holidays, up to and including the date of the Annual General Meeting of the Company.

9 In compliance with the provisions of Section 108 of the Companies Act, 2013, the Rules framed there under and as per the Listing Agreement the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by CDSL, on all resolutions set forth in this Notice. All shareholders holding shares as on **20th September 2016** (end of the day) being the cut-off date [i.e record date for the purpose of Rule 20(2)(ii) of The Companies (Management and Administration) Rules, 2015] fixed for determining voting rights of members will be entitled to participate in e-voting process.

10. Members who do not have access to e-voting facility may send duly completed Ballot form (attached with this notice) so as to reach the scrutinizer Mr. Rajendra R. Vaze, the Practising Company Secretary C/O Purva Shareregistry, 9 Shiv Shakti Ind. Estate, J R Boricha Marg, Off N. M. Joshi Marg, Near Lodha Excelus, Lower Parel (East), Mumbai 400 011 not later than **26th September 2016** Ballot forms received after this date will be treated as invalid.

11. Members can opt for only one mode of voting, i.e. either by Ballot Form or e –voting. In case members cast their votes through both the modes, voting done by e-voting shall prevail and votes cast through the Ballot form shall be treated as invalid. The members who have cast their votes by remote E voting prior to the meeting can also attend the meeting but shall not be entitled to cast their votes.

12. The Board, vide its Resolution passed on 30th May 2016 , has appointed Mr. Rajendra R. Vaze, Practising Company Secretary (Membership No. FCS 4247 CP NO.1975) as Scrutinizer for conducting the remote e-voting and Ballot form process in accordance with the law and in a fair and transparent manner.

13. Members may contact Mr. Fredun Medhora the Managing Director of the Company for any grievances connected with electronic means at the Registered office of the Company i.e. at 26, Manoj Industrial Premises G.D. Ambekar Marg Wadala, Mumbai-400 031

14. The Scrutinizer shall, after the conclusion of the voting at the General Meeting, first count the votes cast at the meeting and then unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make **not later than three days of the conclusion of the AGM**, a consolidated Scrutinizer's report of the total votes cast in favour or against, if any, to the chairperson of Company/Meeting in writing, who shall countersign the same and declare the results of the voting forthwith. The results declared with the Scrutinizer's report shall be placed on the website of the Company and will be forwarded to the BSE Limited.

PROCESS AND MANNER FOR MEMBERS OPTING FOR E- VOTING

The instructions for members for voting electronically are as under:-

- (I) The E voting period begins on Saturday the 24th September 2016 (9.00 a. m IST) and ends on Monday the 26th September 2016 (5.00 p. m IST) . During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 20th September 2016 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) **The shareholders should log on to the e-voting website www.evotingindia.com during the voting period**
- (iii) **Click on "Shareholders" tab.**
- (iv) **Now, select the "Fredun Pharmaceuticals Limited " from the drop down menu and click on "SUBMIT"**
- (v) Now Enter your User ID
 - a. **For CDSL: 16 digits beneficiary ID,**
 - b. **For NSDL: 8 Character DP ID followed by 8 Digits Client ID,**
 - c. **Members holding shares in Physical Form should enter Folio Number registered with the Company.**
- (vi) **Next enter the Image Verification code/Captcha code as displayed and Click on Login.**

- (vii) If you are holding shares in demat form and had logged on to www.evotingindia.com and cast your vote earlier for EVSN of any Company, then your existing password is to be used.
- (viii) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <p>Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in their PAN Field.</p>
DOB	Enter the Date of Birth as recorded in your demat account maintained with the DP of CDSL or with the company records for the said demat account or folio in dd/mm/yyyy format.
	•

- (ix) After entering these details appropriately, click on "SUBMIT" tab.
- (x) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN for the relevant Fredun Pharmaceuticals Limited on which you choose to vote.
- (xiii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A

- confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xviii) If Demat account holder has forgotten the same password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) Note for Institutional Shareholders
- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporate.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details they have to create compliance user using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

In case you have any queries or issues regarding e-voting, you may refer the frequently asked Questions ("FAQs") and e-voting manual available at www.evotingindia.co.in under help section or write an email to helpdesk.evoting@cdslindia.com

Other Instructions:

1. The e-voting period commences on Saturday the 24th September 2016 (9.00 a. m IST) and ends on Monday the 26th September 2016 (5.00 p. m IST). During this period, members of the Company, holding shares either in physical form or in dematerialized form, as on 20th September 2016 , may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
2. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date 20th September 2016 .

3. Mr. Rajendra R. Vaze Practising Company Secretary has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
4. The Scrutinizer shall, within a period not exceeding three working days from the conclusion of the e-voting period, unblock the votes in the presence of at least two witnesses not in the employment of the Company and make a consolidated Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairperson of the Company.
5. Members who do not have access to e-voting facility may send duly completed Ballot Form (Attached to this notice) so as to reach the Scrutinizer, Mr. Rajendra R. Vaze, Practising Company Secretary, C/O Purva Shareregistry, 9 Shiv Shakti Ind. Estate, J R Boricha Marg, Off N. M. Joshi Marg, Near Lodha Excelus, Lower Parel(East), Mumbai 400 011 not later than 26th September 2016. Ballot Form received after this date will be treated as invalid.
6. In case of any queries, you may refer the frequently asked Questions (FAQs) for shareholders and e-voting user manual for shareholders available at the "downloads" section of www.evoting.com or write an email to helpdesk.evoting@cdslindia.com

ANNEXURE TO NOTICE :

Explanatory statement Pursuant to Section 102 of the Companies Act, 2013

The provisions of Section 188(1) of the 2013 Act read with Companies (Meetings of Board and its Powers) Rules 2014 govern the following Related Party Transactions which requires a Company to obtain prior approval of the Board of Directors and in case the paid up share capital of a company is Rs. 10 crores or more or where the transaction or transactions to be entered into as contracts or arrangements with respect to clauses (a) to (e) of Sub- Section (1) of Section 188 with criteria , as mentioned below crosses certain limits as stated below , the prior approval of shareholders by way of a Special Resolution is also required. :

Particulars	LIMITS
(a) sale, purchase or supply of any goods or materials directly or through appointment of any agents	Exceeding 25% of the Annual Turnover as per clause (a) & (e) respectively.
(b) selling or otherwise disposing of, or buying, property of any kind directly or through appointment of any agent	Exceeding 10% of net worth as per clause (b) & clause(e) respectively.
(c) leasing of property of any kind	Exceeding 10% of the Net worth or
(d) availing or rendering of any services directly or through appointment of agents	exceeding 10% of the turnover. Exceeding 10% of the net worth.

- (e) appointment to any office or place of profit in the Company , its subsidiary or associate Company Exceeding monthly remuneration of Rs. Two and half lakhs.
- (f) underwriting the subscription of any securities or derivatives thereof, of the company Exceeding 1% of the net worth

Further, third proviso to section 188(1) provides that nothing shall apply to any transaction entered into by the company in its ordinary course of business other than transactions which are not on arm's length basis.

In the light of provisions of the 2013 Act, the Board of Directors of your Company has approved the proposed transactions along with annual limits that your Company may enter into with its Related Parties (as defined under the Companies Act, 2013) for the financial year 2016-17 and beyond.

All the prescribed disclosures as required to be given under the provisions of the 2013 Act and the Companies (Meetings of Board and its Power) Rules, 2014 are given herein below in a tabular format for kind perusal of the members.

Maximum aggregate value of contracts/transactions as may be entered into at any point of time w.e.f 1st APRIL 2016	
NAME OF THE RELATED PARTIES	Sale, Purchase, Supply, Disposing off, or Buying, Leasing, Availing, Rendering, Using, etc. of any kind of Goods, Materials, Services or Property
COMPANIES	
Fredun Healthcare Pvt. Ltd	Rupees One Crore (Rs. 1,00,00,000)
INDIVIDUAL	
D.N. Medhora	Rupees Five Lakhs (Rs. 5,00,000)
Fredun Medhora	Rupees Fifteen Lakhs (Rs. 15,00,000)
Firms & Others	
Fredna Enterprises	Rupees Five Crores (Rs. 5,00,00,000)

Pursuant to explanation 3 of Rule 15 of Chapter XII the following particulars of the transactions with related party are given below:

1.	Name of the related party	Fredun Healthcare Private Limited.	Fredna Enterprises.	The Directors of the Company
2.	Name of the director or key managerial personnel who is related party	Mr. Nariman Medhora & Mr. Fredun Medhora	Mr. Nariman Medhora	Mr. Nariman Medhora Mr. Fredun Medhora Dr. (Mrs.) D N Medhora
3.	Nature of relationship	Common Directors	Proprietor	Self
4.	Nature, material terms, monetary value, and particulars of the contract or arrangement.	1. To purchase & sale of goods, material and articles and rendering of services. 2. To take/give on lease office space, flats or premises if/as and when required	1. To purchase & sale of goods, material and articles and rendering of any services . 2. Entering into a Lease and License Agreement - for taking on lease the premises for the factory premises of the Company	To take on lease flat(s), land or any other premises as and when as may be required by the Company

Members are hereby informed that pursuant to second proviso of section 188(1) of the 2013 Act, no member of the Company shall vote on such special resolution to approve any contract or arrangement which may be entered into by the Company, if such member is a related party.

The Board of Directors of your Company have approved this item in the Board Meeting held on 30th May 2016 and have recommended the Resolution as set out in the accompanying Notice for the approval of members of the Company as a Special Resolution.

Except Promoter Directors and Key Managerial Personnel of the Company and their relatives, no other Director is concerned or interested in this Resolution.

**By order of the Board
For FREDUN PHARMACEUTICALS LIMITED**

Place : Mumbai
Date : 30/05/2016

**Dr. (Mrs). D.N. Medhora
Chairperson**

REGISTERED OFFICE:
26, Manoj Industrial Premises
G.D. Ambekar Marg, Wadala, Mumbai-400 031

DIRECTORS SEEKING APPOINTMENT/ REAPPOINTMENT

Fredun Pharmaceuticals Ltd. Annual Report 2015-2016

Details of the Directors seeking Appointment/Reappointment at the Annual General Meeting as per the Listing Agreement

NAME	Dr. (Mrs) D.N. Medhora
Date of Birth	16/03/1945
Date of Appointment	01/01/2015
Qualification	Masters in Chemistry Ph. D in Chemistry
Brief Profile	<p>She is a Promoter Director of the Company & holds a Ph.D in Chemistry from UDCT. She was awarded Lady Tata Scholarship for her R & D work. She started her career as an R&D Manager in a leading Company and was approved as an expert staff in Fine Chemicals by FDA where she developed manufacturing processes of a number of drugs and drug intermediaries.</p> <p>In 1994 she along with her husband Mr. N B. Medhora set up an Export Oriented Pharmaceutical Unit employing about 150 persons in the backward areas of Palghar in the name of Fredun Pharmaceuticals Ltd.</p> <p>She is a Life member of Indian Pharmaceuticals Association, in the year 2001 was awarded with Rashtriya Rattan Award by Global Economic Council, New Delhi, in November of 2008 she was also awarded Bharat Nav Nirman Ratan Award by All India Business Development Association, New Delhi.</p>
Directorship held in other companies	NILL
Membership of committees across companies	NILL
Shares held as on 30/06/2016	1321310
Relationship Between the Directors	Related to Mr. Fredun Medhora and to Mr. Nariman Medhora

Directors Report

Fredun Pharmaceuticals Ltd. Annual Report 2015-2016

To
The Members
Fredun Pharmaceuticals Limited
Mumbai.

Your Directors are pleased to present the Twenty Ninth Annual Report of your Company with the Audited Accounts for the year ended March 31, 2016..

FINANCIAL RESULTS

FINANCIAL PERFORMANCE AND FUTURE PROSPECTS :

Amount in Rs.

	March 31st 2016	March 31st 2015
Sales Income	423,213,498	253,575,495
Other Income	8,618,240	4,864,148
Total Income	431,831,738	258,439,643
Profit/Loss before Interest & Depreciation	47,661,493	21,423,059
Finance Cost	20,593,943	10,477,909
Depreciation / Amortization	8,042,758	5,463,803
Profit/Loss before taxes	19,024,792	5,481,347
Exceptional Income /Expenses	(632,620)	(289,724)
Prior Period adjustments	(42,356)	(500)
Profit/Loss before Taxes	18,349,816	5,191,123
Income Tax	7,655,120	2,634,137
Profit/Loss after tax.	10,694,696	2,556,985

The Turnover and the profitability of the Company has increased substantially as compared to the previous year on account of overall increase in the business activities. This also resulted in an exponential increase in the net profit for the year compared to that of the previous year. Revenue from operations for Financial Year 2015-16 at ₹43,18,31,738/- was higher compared to the revenue of ₹25,84,39,642/- and Net profit was ₹1,06,94,696/- compared to the net profit of ₹25,56,985/-

Your Directors are taking aggressive steps to increase the business activities of the Company and they are confident, that the Company will be able to show better results in the current year. Your Company registered a growth of 318.25% as compared to last year.



BUSINESS ACTIVITIES :

The regulatory norms for approving pharma manufacturing units are getting tougher. There is intense competition and pricing pressure due to Governments' intervention and promotion of generics. The branded generics account for a fifth of the global market and is expected to nearly double in the near future with the impending patent expiration in the next 4 years. The generic market would reach 30% of Global Pharmaceutical Market. The Company expects good growth in the branded generics on a sustainable basis.

The Company has the capabilities to produce latest generics and enter niche areas where there are good sales potential with relatively limited competition.

Over the years the Company has focused on increasing the Export activities and as on date the Company has its presence in various countries and plans to expand globally. The Company is in a continuous process of modernizing the technology and introducing new formulations to meet the growing requirements of different customers. The Company has made various process improvements to cut down the costs and improve the quality of the products.

The Company also caters to development of formulation of drugs that are equivalent to the Innovator products for sale in the emerging markets. Highly technical personnel are involved in the process and analytical method validations and BA/BE studies.

To increase volumes of the product portfolio, the Company has been systematically investing in its productive infrastructure. It has invested more than ₹4Cr in the last year to increase the capacity of existing infrastructure and create new capacities for oral dosage department. To maintain the cGMP Standards, the Company follows a well-documented Quality Management System. The Company has installed the ERP System to modernize and develop the business with complete transparency and efficiency.

DIVIDEND

The Board of Directors are pleased to take on record the issue of Interim Dividend at Six percent (6%) per equity share as declared by the Board of Directors.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

The particulars required to be stated as per the provisions of Section 134(3) (m) of The Companies Act, 2013 relating to conservation of energy and technology absorption is provided as under:

ENVIRONMENT PROTECTION

The Company has been complying with the requirements of the Pollution Control Regulations-in the State of Maharashtra.

CONSERVATION OF ENERGY

The Company conducts In-House energy audit at regular intervals with proper monitoring and maintenance of all the machineries. Low energy lighting and high efficiency meters have been installed to yield significant investment benefits and additional savings.

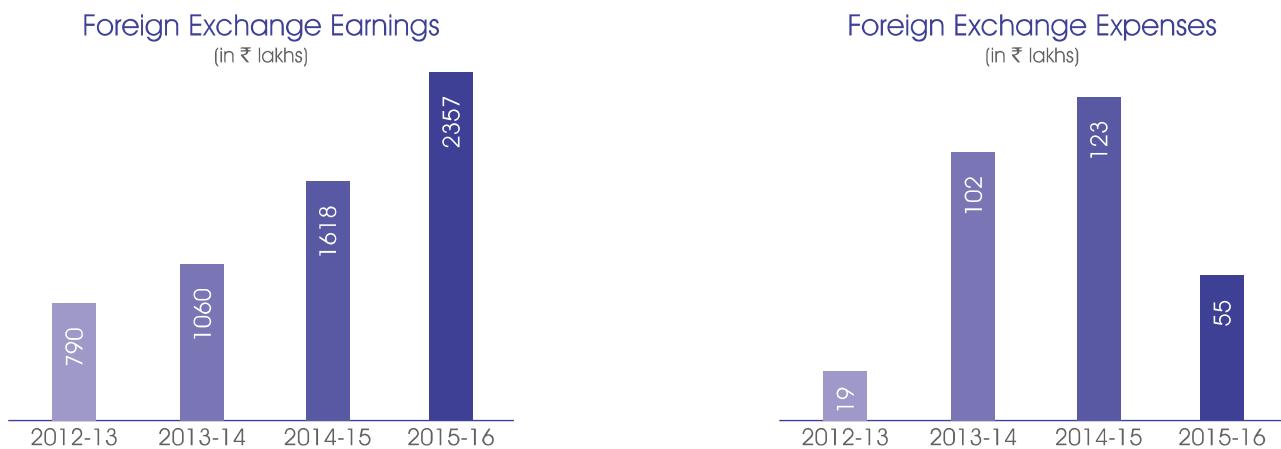
TECHNOLOGY ABSORPTION & RESEARCH AND DEVELOPMENT

A patented drug is the result of research and innovation and a generic drug is only a continuance of the same at a low price. World Health Organization (WHO) defines a generic drug as "pharmaceutical product, usually intended to be interchangeable with an innovator product that is manufactured without a license from the Innovator Company and marketed after the expiry date of the patent or other exclusive rights". Your Company has set up a complete R & D Department to develop new formulations with proper process and analytical method validations. Improvements in existing manufacturing processes are continuously carried out to economize the cost of production and improve the quality of the formulation.

FOREIGN EXCHANGE EARNINGS AND OUTGO:

Foreign Exchange Earnings: - Rs. 2357 lakhs

Foreign Exchange Expenses: - Rs. 55 lakhs



DEPOSITORY SYSTEM:

Details of the Depository System are given in the section 'Additional Information' which forms a part of the Corporate Governance Report and is attached with the Annual Accounts.

DIRECTORS:

As per the provisions of section 152 of the Companies Act 2013 Dr. (Mrs.) D.N. Medhora retires by rotation and being eligible for appointment offers herself for re-appointment.

The Company has received the necessary declaration from each Independent Director in accordance with section 149(7) of the Companies Act 2013, that he/she meets the criteria of Independence as laid down in sub-section 6 of Section 149 of The Companies Act 2013, and Regulation 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

BOARD MEETINGS

Details of Board Of Directors Meetings held during the year:-

A total of Six (6) Board Meetings were held during the year, the details and attendance of the Directors in regards to the same is mentioned in the Corporate Governance Report.

COMMITTEE MEETINGS

The Board has constituted various committees of the Board as per the provisions of law and for the improvement in efficiency of the function of the management of the Company. The various details such as its composition, attendance, functioning, etc. are mentioned in the Corporate Governance Report.

ANNUAL EVALUATION OF BOARD PERFORMANCE AND PERFORMANCE OF ITS COMMITTEES AND OF INDIVIDUAL DIRECTORS

Pursuant to the provisions of the Act , the Board of Directors has carried out an annual evaluation of its own performance, Board committees and Individual Directors.

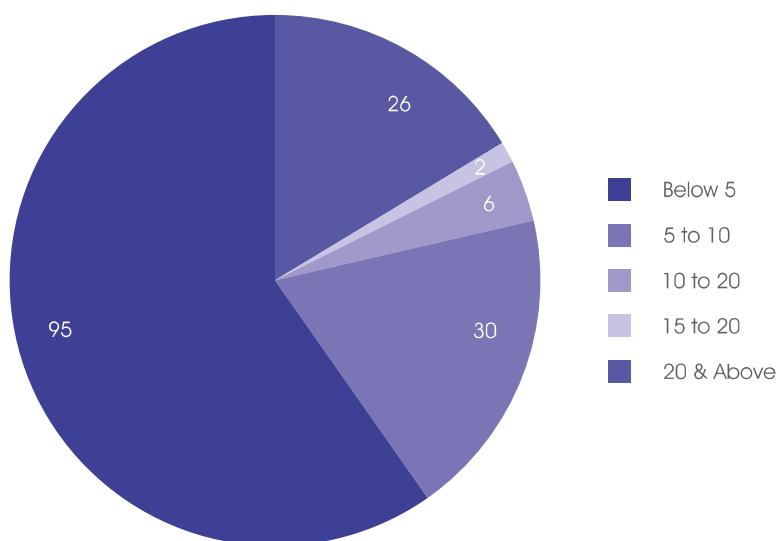
The performance of the Board was evaluated by the Board after seeking inputs from all the Directors on the basis of criteria such as the Board composition and structure effectiveness of Board process, participation in the long-term strategic planning, information, functioning etc. The performance of the Committees was evaluated by the Board after seeking inputs from the Committee members on the basis of the criteria such as the composition of Committees, effectiveness of Committee Meetings, etc

The Board reviewed the performance of the Individual Directors on the basis of the criteria such as the contribution of the Individual Director to the Board and Committee Meetings, preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in Meetings, etc. In addition, the Chairperson was also evaluated on the key aspects of her role.

TRAINING AND HUMAN RESOURCE MANAGEMENT:

Morale of our professionals continued to be high. The Company continues to put concerted efforts in recruiting quality people .Development and training programs are undertaken where key focus is being given to areas like employee development, growth and satisfaction alongwith employee relations during the year. The relationship between management and employees continues to be one of mutual respect, appreciation and cordial.

Current Employees Tenure with the Company In years



AUDITORS

The Auditors M/s. Savla & Associates Mumbai Chartered Accountants (ICAI Registration No.: 109361W) hold the office from the conclusion of this Annual General Meeting for Two consecutive years that is until the conclusion of the Thirty First Annual General Meeting of the Company that will be held in the year 2018.

Members are requested to consider their re-appointment and to fix their remuneration for the same. Their appointment will be as per the provisions of Section 139 of The Companies Act, 2013

The Company has received a confirmation from M/S. Savla & Associates to the effect that their appointment, if made, will comply with the eligibility criteria in terms of Section 141 (3) of The Companies Act, 2013.

SECRETARIAL AUDIT

In terms of Section 204 of the Act and Rules made thereunder, Mr. Rajendra Vaze of M/s. Rajendra And Co. Practising Company Secretaries, have been appointed as Secretarial Auditors of the Company. The report of the Secretarial Auditors is annexed as Annexure I to this Report. The report is self-explanatory and does not call for any further comments.

DETAILS OF SIGNIFICANT MATERIAL ORDERS

No significant and material orders were passed by the Regulatory Authorities or the Courts or Tribunals that may have an impact on the going concern status and Company's operations in foreseeable future

EXTRACT OF ANNUAL RETURN:

Pursuant to Section 92(3) of the Act and rule 12(1) of the Companies (Management and Administration) Rules, 2014, extract of annual return in Form MGT 9 is annexed as Annexure II to this Report

DIRECTOR'S RESPONSIBILITY STATEMENT

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, work performed by the Internal, Statutory, and Secretarial Auditors and External consultant(s) and the reviews performed by management and the relevant Board Committees, including the Audit Committee, the Board is of the opinion that the Company's internal financial controls were adequate and effective during the Financial Year 2015-16

Accordingly, pursuant to Section 134(5) of the Act, the Board of Directors, to the best of their knowledge and ability, confirm that:

- (a) in the preparation of the annual accounts, the applicable Accounting Standards have been followed along with proper explanation relating to material departures;
- (b) they have selected such Accounting Policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the Financial Year and of the profit of the Company for that period;
- (c) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) they have prepared the annual accounts on a "going concern basis";
- (e) they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- (f) they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS :

The Company has not given any loans or any guarantee and has not done any Investments during the year.

RELATED PARTY TRANSACTIONS

All related party transactions entered into during the financial year were on an arm's length basis, in the ordinary course of business and were in compliance with the applicable provisions of the Act and the Listing Agreement. The details of the transactions with related parties are provided in the accompanying financial statements.

There were no materially significant related party transactions made by the Company during the year that would have required members approval under Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements), 2015. The policy on materiality of related party transactions and dealing with related party transactions has been approved by the Board.

VIGIL MECHANISM/ WHISTLEBLOWER POLICY

The Company has adopted a Whistleblower Policy, to provide a formal mechanism to the Directors, employees and its stakeholders to report their concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct or Ethics Policy.

The policy provides for adequate safeguards against victimization of employees who avail of the mechanism and also provides for direct access to the Chairman of the Audit Committee. It is affirmed that no personnel of the Company has been denied access to the Audit Committee.

MANAGEMENT DISCUSSION AND ANALYSIS AND REPORT OF THE DIRECTORS ON CORPORATE GOVERNANCE

Pursuant to Regulation 27 of the SEBI (Listing Obligations and Disclosure Requirements), 2015 the Management Discussion and Analysis and the Corporate Governance Report, as required under Regulation 27 of the SEBI (Listing Obligations and Disclosure Requirements), 2015 is presented in a separate section forming part of the Annual Report.

ACKNOWLEDGMENTS :

The Company would like to acknowledge all its stakeholders, Shamrao Vittal Co-operative Bank Ltd, Indusind Bank, Company's various customers and associates, also our other key partners such as the Bombay Stock Exchange, for their support and all our employees for their dedication and hard work.

The Directors appreciate the continued guidance received from various Regulatory Authorities including RBI, SEBI, Ministry of Corporate Affairs, The Registrar of Companies, The Stock Exchange, Mumbai, Excise Authorities, Income Tax and Sales Tax Authorities.

On Behalf of the Board of Directors

Dr. (Mrs.) D. N. Medhora
Chairperson

Place : Mumbai
Date : 30th May 2016.

Secretarial Audit Report

Fredun Pharmaceuticals Ltd. Annual Report 2015-2016

FORM NO. MR-3

Secretarial Audit Report

for the Financial Year ended 31st March, 2016

[Pursuant to Section 204 (1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,

The Members,

FREDUN PHARMACEUTICALS LIMITED

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Fredun Pharmaceuticals Limited (hereinafter called 'the Company').

Secretarial audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company, the information provided by the Company, its officers, agents and authorised representatives during the conduct of Secretarial Audit, the explanations and clarifications given to us and the representations made by the Management, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2016 ,generally complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records made available to us and maintained by the Company for the financial year ended on 31st March, 2016 according to the provisions of :

- (I) The Companies Act, 2013 ('the Act') and the rules made thereunder;
- (ii) The Securities Contract (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings:- (Not applicable to the Company during the audit period);
- v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act')
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 and The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 and amendments from time to time;
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 - (Not applicable to the Company during the audit period);
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client.
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 - (Not applicable to the Company during the audit period); and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (Not applicable to the Company during the audit period).
- (vi) Other laws applicable specifically to the Company namely :
1. Bombay Shops and Establishments Act.
 2. The Factories Act, 1948 and rules and regulations thereunder;
 3. Income Tax Act 1961 relating to Tax Deducted at source .
 5. The Employees Provident Fund Act.
 6. The Payment of Wages Act, 1936
 7. The Minimum Wages Act, 1948
 8. The payment of Bonus Act, 1965

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India with respect to Board and General Meetings.
- (ii) The Listing Agreements entered into by the Company with BSE Limited read with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 made effective from 1st December, 2015.

During the period under review, the Company has complied with the provisions of the Act, rules, regulations, guidelines, standards, etc. mentioned above.

We further report that:

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- Adequate notice was given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- Decisions at the Board Meetings were taken unanimously.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations, guidelines, etc.

We further report that during the audit period the Company has following event which had bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, etc.

The company is now listed with Bombay Stock Exchange with effect from 21st March 2016.

The shareholders have passed necessary resolutions in an Extra Ordinary General Meeting held on 10th July 2015 for the following :

- a. Increasing the Authorized Capital from Rs. 3 Crores to Rs. 6 Crores.
- b. The appointment of Mr. Fredun Medhora as the Managing Director and Mr. Nariman Medhora as the Whole Time Director designated as the Joint Managing Director.

For Rajendra And Co.,
Company Secretaries

CS. Rajendra R. Vaze
FCS No : 4247 CP No 1975

Place: Mumbai
Date : 30th May, 2016

This Report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.

ANNEXURE A'

To,
The Members,
FREDUN PHARMACEUTICALS LIMITED

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the process and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events, etc
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For Rajendra And Co.,
Company Secretaries

CS Rajendra R. Vaze
FCS No.: 4247 CP No.: 1975

Place: Mumbai
Date : 30th May, 2016

EXTRACT OF ANNUAL RETURN

Fredun Pharmaceuticals Ltd. Annual Report 2015-2016

FORM NO. MGT 9 EXTRACT OF ANNUAL RETURN

as on financial year ended 31.03.2016

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1)
of the Company (Management & Administration) Rules, 2014.

I REGISTRATION & OTHER DETAILS:		
I	CIN	L24239MH1987PLC043662
ii	Registration Date	06/08/1987
iii	Name of the Company	FREDUN PHARMACEUTICALS LIMITED
iv	Category/Sub-category of the Company	Company limited by shares/Indian Non-Government Company
v	Address of the Registered office & contact details	26 Manoj Industrial Premises , G.D. Ambekar Marg, Wadala Mumbai-400 031
vi	Whether listed company	Yes
vii	Name , Address & contact details of the Registrar & Transfer Agent, if any	Purva Sharegistry(India)Pvt.Ltd Unit no.9, Shivshakti Ind.Estt. J.R.Boricha marg Opp. Kasturba Hospital Lane Lower Parel (E) Mumbai-400011

II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY			
All the business activities contributing 10% or more of the total turnover of the company shall be stated			
SL No	Name & Description of main products/services	NIC Code of the Product /service	% to total turnover of the company
1	Manufacture of pharmaceuticals, neutraceuticals,herbal /dietary supplements	24231	98
2	Veterinary products		2

III PARTICULARS OF HOLDING , SUBSIDIARY & ASSOCIATE COMPANIES					
SL No	Name & Address of the Company	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION
1	N.A.				
2	N.A.				

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year	
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares		
A. Promoters										
(1) Indian	0	0	0	0	0	0	0	0		
a) Individual/HUF	1649900	101210	1751110	74.44	1751110	0	1751110	74.44		
b) Central Govt.or State Govt.	0	0	0	0	0	0	0	0		
c) Bodies Corporates	0	0	0	0	0	0	0	0		
d) Bank/FI	0	0	0	0	0	0	0	0		
e) Any other	0	0	0	0	0	0	0	0		
*Directors	0	0	0	0	0	0	0	0		
* DIRECTORS RELATIVES	0					0				
SUB TOTAL:(A) (1)	1649900	101210	1751110	74.44	1751110	0	1751110	74.44		
(2) Foreign										
a) NRI- Individuals	0	0	0	0	0	0	0	0	0	0
b) Other Individuals	0	0	0	0	0	0	0	0	0	0
c) Bodies Corp.	0	0	0	0	0	0	0	0	0	0
d) Banks/FI	0	0	0	0	0	0	0	0	0	0
e) Any other...	0	0	0	0	0	0	0	0	0	0
SUB TOTAL (A) (2)	0	0	0	0	0	0	0	0	0	0
Total Shareholding of Promoter (A)=(A)(1)+(A)(2)	1649900	101210	1751110	74.44	1751110	0	1751110	74.44	0	0
B. PUBLIC SHAREHOLDING										
(1) Institutions										
a) Mutual Funds	0	75000	75000	3.19	0	75000	75000	3.19	0	0
b) Banks/FI	0	0	0	0	0	0	0	0	0	0
C) Cenctral govt	0	0	0	0	0	0	0	0	0	0
d) State Govt.	0	0	0	0	0	0	0	0	0	0
e) Venture Capital Fund	0	0	0	0	0	0	0	0	0	0
f) Insurance Companies										
g) FIIS	0	0	0	0	0	0	0	0	0	0

h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0	0
I) Others (specify)	0	0	0	0	0	0	0	0	0	0
SUB TOTAL (B) (1)	0	75000	75000	3.19	0	75000	75000	3.19	0	0
(2) Non Institutions										
a) Bodies corporates	0	0	0	0	0	0	0	0	0	0
I) Indian	0	19000	19000	0.81	0	19000	19000	0.81	0	0
ii) Overseas	0	0	0	0	0	0	0	0	0	0
b) Individuals										
I) Individual shareholders holding nominal share capital upto Rs.2 lakhs	20000	274790	274790	12.53	21500	271770	293270	12.47	0	-0.06
ii) Individuals shareholders holding nominal share capital in excess of Rs. 2 lakhs	51000	161500	212500	9.03	62000	0	154000	6.55	0	-2.49
c) Others (specify)										
c-1) NRI (Repeat & Non Repeat)	0	0	0	0	0	0	0	0	0	0
c-2) OCB's	0	0	0	0	0	0	0	0	0	0
c-3) Hind Undivided Family	0	0	0	0	60020	0	60020	2.55	0	2.55
SUB TOTAL (B) (1)	71000	455290	526290	22.37	235520	290770	526290	22.37	0	0
Total Public Shareholding (B)= (B)(1)+(B)(2)	71000	530290	601290	25.57	235520	365770	601290	25.56	0	0
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	1720900	631500	2352400	100	1986630	365770	2352400	100	0	0

(ii) SHARE HOLDING OF PROMOTERS								
SL No	Shareholders Name	Shareholding at the beginning of the year 31/03/2015			Shareholding at the end of the year 31/03/2016			% change in share holding during the year
		NO of shares	% of total shares of the company	% of shares pledged encumbered to total shares	NO of shares	% of total shares of the company	% of shares pledged encumbered to total shares	
	Dr. (Mrs) D.N. Medhora	1328810	56.48	0	1321310	56.17	0	-0.31
	Mr. Nariman Medhora	342100	14.53	0	342100	14.54	0	0.01
	Mr. Fredun Medhora	80200	3.4	0	87700	3.73	0	0.33
	Total	1751110	74.41	0	1751110	74.44	0	1.19

(iii) CHANGE IN PROMOTERS' SHAREHOLDING (SPECIFY IF THERE IS NO CHANGE)						
SL No	Shareholders Name	ShareHolding at the beginning of the year		Cumulative Shareholding during the year		% change in share holding during the year
		31/03/2015	31/03/2016	No. of Shares	% change in share holding during the year	
		No. of Shares	% of Total Shares of the company	No. of Shares	% change in share holding during the year	Type
1	DAULAT NARIMAN MEDHORA	1328810	56.49			
	08/07/2015	28510	1.21	1317310	56	Buy
	14/08/2015	4000	0.17	1317310	56.17	Buy
	31/03/2016			1317310	56.17	
2	NARIMAN MEDHORA	342100	14.54			
	08/07/2015	300	0.01	342100	14.54	Buy
	31/03/2016			342100	14.54	
3	FREDUN N MEDHORA	80200	3.41			
	31/03/2015	19300	0.82	70200	2.98	Buy
	24/07/2015	7500	0.32	77700	3.3	Buy
	08/07/2015	10000	0.43	87700	3.73	Buy
	31/03/2016			87700	3.73	

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters & Holders of GDRs & ADRs)						
SL No	Shareholders Name	ShareHolding at the beginning of the year		Cumulative Shareholding during the year		% change in share holding during the year
		31/03/2015	31/03/2016	No. of Shares	% of Total Shares of the company	
1	PHIROZ HOMI ECHAPORIA	99520	4.23			
	23/05/2015	500	0.02	100020	4.25	Buy
	29/01/2016	-100020	-4.25	0	0	Sell
	31/03/2016			0	0	
2	BANK OF INDIA A/C BOI MUTUAL FUND	75000	3.19			
	31/03/2016			75000	3.19	
3	SUDHA M DOSHI	62000	2.64			
	31/03/2016			62000	2.64	
4	SURIN C SHAH	20000	0.85			
	31/03/2016			20000	0.85	
5	MIHIR SHAH	16000	0.68			
	31/03/2016			16000	0.68	
6	TAPATI BHASKAR MEHTA	15000	0.64			
	23/10/2015	1000	0.04	16000	0.68	Buy
	31/03/2016			16000	0.68	
7	TATA INVESTMENT CORPORATION LTD	15000	0.64			
	31/03/2016			15000	0.64	
8	SMRUTI MUKESH SHROFF	10000	0.43			
	31/03/2016			10000	0.43	
9	HIRA SHAH	10000	0.43			
	31/03/2016			10000	0.43	
10	SACHIN J SHAH	10000	0.43			
	31/03/2016			10000	0.43	

(v) Shareholding of Directors & KMP					
SL No	Name of the Directors & KMP	Shareholding at the end of the year		Cumulative Shareholding during the year	
		No. of Shares	% of Total Shares of the company	No. of Shares	% change in share holding during the year
1	Dr. Mrs. D.N. Medhora				
	At the beginning of the year	1328810	56.48	1328810	56.48
	Bought During the Year	1328810	56.48	1328810	56.48
	Sold During the Year	7500	-0.32	7500	-0.32
	At the end of the Year	1321310	56.13	1321310	56.13
2	Mr. Nariman Medhora				
	At the beginning of the year	34200	14.53	342100	14.53
	Bought During the Year	0	0	342100	14.53
	Sold During the Year	0	0	0	
	At the end of the Year	342100	14.53	342100	14.53
3	Mr Fredun Medhora				
	At the beginning of the year	80200	3.4	80200	3.4
	Bought During the Year	7500	0.3	7500	0.3
	Sold During the Year	0	0	0	0
	At the end of the Year	87700	3.73	87700	3.73

1. Dr. Aspi Raimalwala, Dr. Rohinton Kanga and Dr. C. K. Shah did not hold any shares of the Company during the FY 2015-16.

(vi) INDEBTEDNESS						
Indebtedness of the Company including interest outstanding/accrued but not due for payment						
	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness		
Indebtedness at the beginning of the financial year						
I) Principal Amount	25647623.00	3798933.33	1351405.00	30797961.33		
ii) Interest due but not paid	0.00	0.00	0.00	0.00		
iii) Interest accrued but not due	0.00	0.00	0.00	0.00		
Total (i+ii+iii)	25647623.00	3798933.33	1351405.00	30797961.33		
Change in Indebtedness during the financial year						
Additions	20286256.00	12196649.82	601635.00	33084540.82		
Reduction	0.00	0.00	0.00	0.00		
Net Change	20286256.00	12196649.82	601635.00	33084540.82		
Indebtedness at the end of the financial year						
I) Principal Amount	45933879.00	15995583.15	1953040.00	63882502.15		
ii) Interest due but not paid	0.00	0.00	0.00	0.00		
iii) Interest accrued but not due	0.00	0.00	0.00	0.00		
Total (i+ii+iii)	45933879.00	15995583.15	1953040.00	63882502.15		
(vii) REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL						
A. Remuneration to Managing Director, Whole Time Director and/or Manager:						
SL No	Particulars of Remuneration		Name of the MD/WTD/Manager		Total Amount	
			Fredun Medhora Managing Director	Daulat Medhora JT Managing Director	Nariman Medhora JT managing Director	
1	Gross salary					
	(a) Salary as per provisions contained in section 17(1) of the Income Tax. 1961.		2400000.00	1200000.00	1320000.00	4920000.00
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961		0.00	0.00	0.00	0.00

	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961		0.00	0.00	0.00	0.00
2	Stock option		0.00	0.00	0.00	0.00
3	Sweat Equity		0.00	0.00	0.00	0.00
4	Commission		0.00	0.00	0.00	0.00
	as % of profit		0.00	0.00	0.00	0.00
	others (specify)		0.00	0.00	0.00	0.00
5	Others, please specify		0.00	0.00	0.00	0.00
	Total (A)		2400000.00	1200000.00	1320000.00	4920000.00
	Ceiling as per the Act					
B. Remuneration to other directors: (NOT APPLICABLE)						
C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD (NOT APPLICABLE)						

(viii) PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES					
Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority (RD/NCLT/Court)	Appeal made if any (give details)
			N.A.		N.A.
A. COMPANY					
Penalty					
Punishment			NIL		N.A.
Compounding					
B. DIRECTORS					
Penalty					
Punishment			NIL		N.A.
Compounding	N.A.	N.A.			
C. OTHER OFFICERS IN DEFAULT : N.A.					
Penalty					
Punishment			NIL		
Compounding					N.A.

Corporate Governance Report for the year 2015-16

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Corporate Governance helps to serve corporate purposes by providing a framework within which stakeholders can pursue the objectives of the organization most effectively. Corporate Governance signifies acceptance by management of the inalienable rights of shareholders as the true owners of the organization and of their own role as trustees on behalf of the shareholders.

The Company believes in adopting and adhering to the best recognized Corporate Governance practices and continuously company itself against each such practice. The Company understands and respects its fiduciary role and responsibility to the shareholders and strives hard to meet their expectations. The Company believes that best board practices, transparent disclosures and shareholder empowerment are necessary for creating shareholder's value.

The Company has infused the philosophy of Corporate Governance into all its activities. The philosophy on Corporate Governance is an important tool for shareholders' protection and maximization of their long term values. The cardinal principals such as independence, accountability, responsibility, transparency, fair and timely disclosures, credibility etc serve as the means for implementing the philosophy of Corporate Governance in letter and spirit.

The Company is in compliance with the requirements of the guidelines on Corporate Governance stipulated under Clause 49 of the Listing Agreement entered into with the Stock Exchange and with the requirements stipulated under The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Company has moved ahead in its pursuit of excellence in Corporate Governance.

CODE OF CONDUCT

The Board of Directors have laid down a code of conduct for all Board Members and Senior Management of the Company.

All Board Members and Senior Management personnel have affirmed compliance with the said code of conduct for the year ended 31st March 2016.

The Annual Report of the Company contains a declaration to this effect signed by the Managing Director.

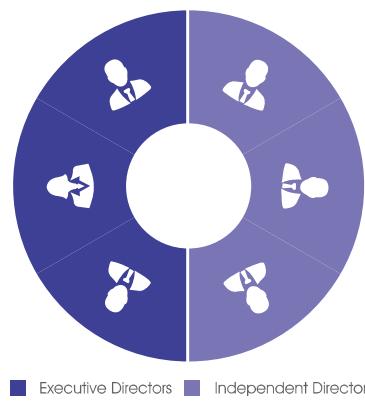
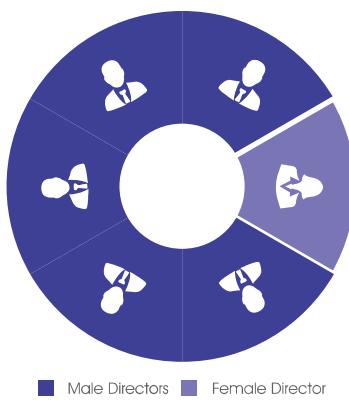
BOARD OF DIRECTORS

The Board of Directors, along with its Committees, provides leadership and guidance to the Company's management and directs, supervises and controls the performance of the Company.

The Board currently comprises of Six Directors of which Three Directors are Executive Promoter Directors. The other Three Directors are non-executive Independent Directors.

The Chairperson of the Board is an Executive Director, and Half of the Board comprises of Independent Directors. All the Independent Directors have confirmed that they meet

'Independence' criteria as mentioned under Regulation 25 of the SEBI (Listing Obligations and Disclosure Requirements), 2015



None of the directors on the Company's Board is a member of more than ten Committee and Chairman of more than five committees (Committees being, Audit committees and Investors Grievance Committee) across all the Indian Public Limited Companies in which he is a Director. All the Directors have made necessary disclosures regarding Committee position held by them in other Companies and do not hold the office of Director in more than fifteen Public Companies. None of the Independent Directors of the Company are related to each other. The appointment of Executive Director including the tenure and terms of remuneration are also approved by the members from time to time.

The Board periodically reviews compliance reports of all laws applicable to the Company, prepared by the Company, as well as steps taken by the Company to rectify instances of non-compliances.

During the Financial Year 2015-16 a total of 6(Six) meetings have been held. The maximum time gap between any two consecutive meetings did not exceed four months. The necessary quorum was present for all the meetings. None of the Non-Executive Directors have any material pecuniary relationship or transactions with the Company.

Attendance of directors during fiscal 2016

Name of the director	Attendance at the last AGM	No. of Board meeting held, and attended, during tenure						% of attendance
		1	2	3	4	5	6	
Mr. N. B. Medhora	▼	▼	▼	▼	▼	▼	▼	100
Dr. (Mrs.) D.N.Medhora	▼	▼	▼	▼	▼	▼	▼	100
Mr. Fredun Medhora	▼	▼	▼	▼	▼	▼	▼	100
Dr. Aspi Raimalwala	▼	▼	▼	▼	▼	▼	▼	85.71
Dr. C.K. Shah	▼	▼	▼	▼	▼	▼	▼	100
Dr. Rohinton Kanga	▼	▼	▼	▼	▼	▼	▼	85.71

▼ Attended in person

▼ Absent

Meeting on 05/05/2015, 30/05/2015, 14/08/2015, 14/11/2015, 30/01/2016 & 31/03/2016

During the year 2015-16, information as per SEBI (Listing Regulations and Disclosure Requirements) has been placed before the Board for its consideration.

Necessary declaration to this effect signed by the Managing Director forms a part of the Annual Report of the Company for the year ended 31st March 2016. All Directors have made necessary disclosures regarding Committee positions occupied by them in other Companies.

Further necessary declaration has also been furnished by all the Independent Directors of the Company to confirm that:

- a) The Directors do not have any material pecuniary relationships or transactions with the Company, its Promoters, its Directors, its Senior Management or its holding Company, its subsidiaries and associates which may affect independence of the Director.
- b) Is not related to promoters or persons occupying management positions at the Board level or at one level below the Board.
- c) Has not been an executive of the Company in the immediately preceding three financial years.
- d) Is not a partner or an executive or was not a partner or an executive during the preceding three years, of any of the following:

The Statutory Audit Firm or the Internal Audit Firm that is associated with the Company.

And

The Legal Firm(s) and consulting firm(s) that have a material association with the Company.

- e) Is not a material supplier, service provider or customer or a lessor or lessee of the Company which may affect independence of the Director.
- f) Is not a substantial shareholder of the Company i.e. owning 2% or more of the block of voting shares.
- g) Is not less than 21 years of age.

SCHEUDLING AND SELECTION OF AGENDA ITEMS FOR BOARD MEETINGS:

All departments of the Company schedule their work plans in advance, particularly with regard to matters requiring consideration at the Board/Committee meetings. All such matters are communicated to the Managing Director in advance so that the same could be included in the Agenda for the Board/Committee meetings. The Agenda and Notes on Agenda are circulated to Board of Directors in advance.

The minutes of proceedings of each Board and Committee meeting are recorded in respective minutes book.

POST MEETING FOLLOW-UP MECHANISM:

The important decisions taken at the Board/Committee meetings are promptly communicated to the concerned departments.

NUMBER OF BOARD MEETINGS HELD WITH DATES.

During the year under review six Board meetings were held. The dates on which the said meetings were held are as follows:

- a) 05/05/2015
- b) 30/05/2015
- c) 14/08/2015
- d) 14/11/2015
- e) 30/01/2016
- f) 31/03/2016

The composition of the Board, attendance at Board Meetings held during the financial year under review and at the General Meeting, number of directors (Including details of other companies) memberships/chairmanship of the Board on and committees of the Public Companies as on 31st March, 2016 the details are as follows:

Name Of Director	Category	Board meetings held during the year 2015-16		AGM held on 30th September, 2015	Number of Directorships in other Public Limited Companies		Number of Committee positions held in other Public Limited Companies	
		Held	Attended		Chairman/Director	Member	Chairman	Member
Dr. Mrs. Daulat Medhora	Executive JT. Managing Director	6	6	Attended	Chairman/Director	NILL	NILL	NILL
Mr. Nariman Medhora	Executive JT. Managing Director	6	6	Attended	Chairman/Director	NILL	NILL	NILL
Mr. Fredun Medhora	Executive Managing Director	6	6	Attended	Chairman/Director	NILL	NILL	NILL
Dr. C.K. Shah	Non-Executive Independent Director	6	6	Attended	Chairman/Director	NILL	NILL	NILL
Dr. Rohinton Adi Kanga	Non-Executive Independent Director	6	6	Not-attended	Chairman/Director	NILL	NILL	NILL
Dr. Aspi Raimalwala	Non-Executive Independent Director	6	5	Attended	Chairman/Director	NILL	NILL	NILL

Proper quorum was present at each board/committee meeting.

THE COMMITTEES OF THE BOARD:

The Board has constituted a) Audit Committee, b) Remuneration & Nomination Committee and c) Stakeholders Relationship committee. The minutes of the meeting of all Committees of the Board are placed before the Board for discussions / and for noting.

AUDIT COMMITTEE

(i) The Audit Committee of the Company is constituted in line with the provisions of Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements), 2015 read with Section 177 of the Companies Act, 2013

(ii) The terms of reference of the Audit Committee are broadly as under:

- Overview of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements reflect a true and fair position and that sufficient and credible information is disclosed.
- Recommending the Board, the appointment, re- appointment and if required replacement or removal of external auditors, fixation of audit fees and also approval for payment for any other services.
- Discussion with the external auditors before the audit commences, of the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
- Reviewing the financial statements and draft audit report, including the quarterly/half-yearly financial information.
- Reviewing with the management the annual financial statements before submission to the Board, focusing primarily on:
 - any changes in accounting policies and practices;
 - major accounting entries based on exercise of judgment by management;
 - qualifications in draft audit report;
 - significant adjustments arising out of audit;
 - the going concern assumption;
 - compliance with accounting standards;
 - compliance with stock exchange and legal requirements concerning financial statements;
 - any related party transactions as per Accounting Standard 18
 - Reviewing the Company's financial and risk management policies.
 - Disclosure of contingent liabilities.
 - Reviewing with the management, external and internal auditors, the adequacy of internal control systems.
- Reviewing the adequacy of internal audit function, including the audit charter, the structure of the internal audit department, approval of the audit plan and its execution, staffing and seniority of the official heading the department, reporting structure, coverage and frequency of internal audit.
- Discussion with internal auditors on any significant findings and follow-up thereon
- Reviewing the findings of any internal investigations by the internal auditors into matters

where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.

- Looking into the reasons for substantial defaults in payments to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
- (iii) The Audit Committee invites such of the executives, as it considers appropriate (particularly the Head of the finance function), representatives of the Statutory Auditors and representatives of the Internal Auditors to be present at its meetings.
- (iv) The composition of the Audit Committee and the details of meetings attended by its members are given below:

Name	Category	Number of meetings during the year 2015-16	
		Held	Attended
Mr. Fredun Medhora	Executive Non Independent Director	4	4
Dr.C.K. Shah	Non-Executive Independent Director	4	4
Dr. Aspi Raimahwala	Non-Executive Independent Director	4	3

The necessary quorum was present for all the meetings

REMUNERATION & NOMINATION COMMITTEE

The Company has a Nomination & Remuneration Committee of Directors.

The broad terms of reference of the Nomination & Remuneration Committee are as under:

- To approve the annual remuneration plan of the Company;
- To approve the remuneration and commission/incentive remuneration payable to the Managing Director and Whole Time Director for each financial year;
- To approve the remuneration and annual performance bonus payable to the Senior Managerial personnel and the Executives of the Company for each financial year;
- Such other matters as the Board may from time to time request the Remuneration Committee to examine and recommend/approve.

Dr. Kanga, Dr. C.K. Shah and Dr. Aspi Raimahwala are the members of the committee. During the year one(1) committee meeting was held on 5th May 2015.

STAKEHOLDERS RELATIONSHIP COMMITTEES

The Stakeholders Relationship committee comprises of two Independent Directors and one - Executive Jt. Managing director. The Stakeholders Relationship committee committee of the Board is empowered to oversee the redressal of investors' complaints, share transfers, non-

receipt of annual report, dividend payment, issue of duplicate certificate, transmission (with and without legal representation) of shares and other miscellaneous complaints.

During the year under review 6 meetings of the committee were held as under:

- a) 05/05/2015
- b) 30/05/2015
- c) 14/08/2015
- d) 14/11/2015
- e) 30/01/2016
- f) 31/03/2016

The composition of the Stakeholders Relationship committee

Name	Category
Dr. (Mrs). Daulat Medhora	Executive Managing Director
Dr. Aspi Raimalwala	Non-Executive Independent Director
Dr. C.K. Shah	Chairman Non-Executive Independent Director

The Company has always valued its Stakeholder relationship.

Details of Investors Complaint received and redresses during the year 2015-16 are as follows:

Opening Balance	Received During the year	Resolved During the Year	Closing Balance
Nil	Nil	Nil	Nil

SUBSIDIARY COMPANIES

There are no subsidiary companies.

MANAGING DIRECTOR/WHOLE TIME DIRECTOR

Terms of Appointment and Remuneration

Mr. Fredun Medhora was appointed as the Managing Director of the Company by the shareholders of the Company at an Extra Ordinary General Meeting of the Company held on 10th July 2015 for the period of three years, i.e. upto 14th October 2017.

Mr. Nariman Medhora was also appointed as the Whole Time Director of the Company by the shareholders of the Company at an Extra Ordinary General Meeting of the Company held on 10th July 2015, for the period of three years i.e. upto 4th May 2018

Dr. Mrs. D.N. Medhora was also appointed as the Whole Time Director of the Company by the shareholders of the Company at the 27th Annual General Meeting of the Company held on 30th September 2014, for the period of three years i.e. upto 31st December 2017.

Service of the Managing Director and the Whole time Director may be terminated by either party giving the other party two (2) months' notice. There are no separate provisions for the payment of severance fees.

DIRECTORS SHAREHOLDING

Details of shares of the Company held by the Directors as on March 31, 2016 are given below:

Sr. No.	Name of the director	Number of shares held.
1.	Dr. (Mrs). Daulat Medhora	13,21,310
2.	Mr Nariman Medhora	3,42,100
3.	Mr.Fredun Medhora	87,700
4.	Dr.C.K. Shah	0
5.	Dr. Aspi Raimahwala	0
6.	Dr. Rohinton Kanga	0
7.	Total	17,51,110

COMPLIANCE OFFICER

Name, designation and address of Compliance Officer:

Mr. Fredun Medhora

Managing Director

26, Manoj Industrial Premises G.D. Ambekar Marg, Wadala, Mumbai-400 031.

DISCLOSURES

Details of related party transactions entered into by the Company are included in the notes to account. Material individual transaction with related party are in the normal course on an arm's length basis and do not have potential conflict with the interest of the Company at large. A statement in summery form of Transactions with related party entered into by the Company in the normal course of business is placed before the Audit Committee.

Details of material individual transactions with related parties, which are not in the normal course of business, are placed before the Audit Committee.

Details of material individual transactions with related parties or others, which are not on an arm's length basis, are also placed before the Audit Committee, together with management's justification for the same.

As at March 31, 2016 the Company has not accepted any fixed deposits nor any such deposits are outstanding.

The Company has complied with various rules and regulations prescribed by Stock exchange, Securities and Exchange Board of India or any other statutory authority relating to

capital markets during the last three years . No penalties or strictures have been imposed by them on the Company.

ISSUE OF EQUITY SHARES :

The Company has not made any equity issue during the financial year ended 31st March, 2016.

THE STATUS OF THE COMPLIANCE IN RESPECT OF NON-MANDATORY REQUIREMENTS OF SEBI (Listing Obligations and Disclosure Requirements)

Remuneration Committee :

Details are given under the heading 'Remuneration Committee'

Shareholders Right :

Details are given under the heading "Means of communication"

Audit Qualifications :

During the year under review, there was no qualification in the auditor's report on the Company's financial statements.

Mechanism for evaluating non-executive board members:

The performance evolution of the non-executive Directors are done by the Board annually based on the criteria of attendance and contribution at Board / Committee meetings and also for the role played at the other meetings.

Reconciliation Audit :

A qualified Practicing Company Secretary carried out audit to reconcile the total admitted equity share capital with the National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL) and the total issued and listed equity share capital. The audit report confirms that the total issued/paid-up capital is in agreement with the total number of shares in physical form and the total number of dematerialised shares held with NSDL and CDSL.

Secretarial Audit

Mr. Rajendra R. Vaze (FCS No 4247 CP No. 1975) Practicing Company Secretary have conducted the Secretarial Audit of the company for the financial year 2015-16. Their Audit Report confirms that the Company has complied with the applicable provisions of The Companies Act, 2013 and the rules made there under, Listing Agreements with the Stock Exchange, Listing Regulations, applicable SEBI Regulations and other Laws applicable to the Company. The Secretarial Audit Report forms part of the Board's Report.

Accounting Standards

The Company mandatorily complies with all the accounting standards issued by the Institute of Chartered Accountants of India (ICAI) from time to time.

GENERAL SHAREHOLDERS INFORMATION:

Details of general body meetings held during last three years are as under:

AGM/ EGM	Financial year ended	Date of meeting	Location of the Meeting	Time	Special resolution passed
26th AGM	31/03/2013	30/12/2013	Mumbai Marathi Granthasangrahalay, 172, Mumbai Marathi Granthasangrahalay Marg, Naigaon, Mumbai -400 014	11.00 a.m	One Special Resolution was passed.
27th AGM	31/03/2014	30/09/2014	Mumbai Marathi Granthasangrahalay, 172, Mumbai Marathi Granthasangrahalay Marg, Naigaon, Mumbai -400 014	11.00 a.m	Three Special Resolutions were passed.
28th AGM	31/03/2015	30/09/2015	Mumbai Marathi Granthasangrahalay, 172, Mumbai Marathi Granthasangrahalay Marg, Naigaon, Mumbai -400 014	03.00 p.m.	One Special Resolution was passed.
EGM	During year 2015-16	10/07/2015	Mumbai Marathi Granthasangrahalay, 172, Mumbai Marathi Granthasangrahalay Marg, Naigaon, Mumbai -400 014	11.00 a.m	Two Special Resolutions were passed.

No Postal Ballot was conducted during the Financial Year 2015-16

MEANS OF COMMUNICATION:

- a) The quarterly and half-yearly unaudited financial results were from time to time published in Free Press Journal in English and in Navshakti Marathi newspaper. The results are displayed on the Company's website.
- b) The Management Analysis Report forms part of the Annual Report, which is posted to the shareholders of the Company

Certain rights that a shareholder in the Company enjoys:

- To transfer the shares.
- To receive the share certificates upon transfer within the stipulated period prescribed in the Listing Agreement.

- To receive notice of general meetings, annual report, the balance sheet and Profit and Loss account and the auditor's report.
- To appoint proxy to attend and vote at the General Meetings.
- To attend and speak in person, at General Meeting.
- To vote at the General Meeting on show of hands wherein every shareholder has one vote. In case of vote on poll, the number of votes of a shareholder is proportionate to the number of equity shares held by him.
- To demand poll along with other shareholder(s) who collectively held not less than 1/10th of the total voting power or holding shares on which an aggregate sum of not less than ₹5,00,000/- (Rupees five lacs only) or such higher amount as may be prescribed has been paid up.
- To requisition an Extraordinary General Meeting of any Company by shareholders who collectively hold not less than 1/10th of the total paid-up capital of the Company.
- To move amendments to resolutions proposed at General Meeting.
- To receive dividend and other corporate benefits like rights, bonus shares etc. as and when declared/announced.
- To inspect various registers of the Company.
- To inspect the minute books of General Meetings & to receive copies thereof after complying with the procedure prescribed the Companies Act, 2013.
- To appoint or remove director(s) and auditor(s) and thus participate in the management through them.
- Right to the nomination and election as board members.
- Minority shareholders are protected from abusive actions by, or in the interest of, controlling shareholders acting either directly or indirectly, and have effective means of redress.
- To proceed against the Company by way of civil or criminal proceedings.
- To apply for the winding-up of the Company.
- To receive the residual proceeds upon winding up the Company.

Kindly note that the rights mentioned above are prescribed in The Companies Act, 2013 and should be followed only after careful reading of the relevant sections. These rights are not necessarily absolute and subject to change or be modified as per the applicable Acts Rules & Notifications as issued by the concerned authorities.

GENERAL INFORMATION FOR MEMBERS.

FINANCIAL CALENDAR:

Financial Year April 1st 2015 to March 31st 2016 as well as up to the date of the AGM i.e. up to 27th September 2016	
Board Meeting for consideration of accounts	: 30th May 2016
Book Closure dates	: 21/09/2016 to 27/09/2016

Last date of Receipt of proxy forms	: 25th September, 2016
Date, Time and Venue of 29th AGM 2016	Tuesday, the 27th September at 11.00 a.m. at Ramee Guest Line, Hotel-Dadar, Plot No.3, Kohinoor Roead, Dadar Mumbai-400014
Financial Results for the quarter ending : June 30th 2015	14th August, 2015
September 30th 2015	14th November 2015
December 31st 2015	30th January 2016
Financial results for the year ending March 31st 2016.	30th May, 2016

Particulars of Directors seeking appointment/re-appointment at the forthcoming Annual General Meeting (AGM) are given in the Annexure to the Notice of the AGM to be held on 27th September, 2016.

Corporate Identification Number (CIN): L2439MH1987CO43662
of the Company:

LISTING ON STOCK EXCHANGES:

The Equity shares of the Company were listed at OTC Exchange, but the OTC Exchange has now been closed and hence the Equity shares of the Company are now listed at Bombay Stock Exchange with effect from 21st March 2016.

DISTRIBUTION OF SHAREHOLDING AS ON MARCH 31, 2016

Shareholding of Nominal Value	No. of Shareholders	% of Total no. of Shareholders	Amount (in Rs)	% to Total Capital
Up to 5000	354	69.28	657700	2.80
5001 to 10000	100	19.57	933000	3.97
10001 to 20000	24	4.70	430000	1.83
20001 to 30000	6	1.17	157000	0.67
30001 to 40000	2	0.39	75000	0.32
40001 to 50000	7	1.37	350000	1.49
50001 to 100000	4	0.78	370000	1.57
100001and above	14	2.74	20551300	87.36

19,86,630 shares forming 84.45% of the share capitals are in demat 3,65,770 shares forming 15.55% of share capital are in Physical form.

REGISTRARS AND TRANSFER AGENTS

The Company has appointed M/S. Purva Shareregistry (India) Pvt. Ltd., at Mumbai as Registrars for physical and for Demat segment.

Registrar and Share Transfer Agents:

Purva Shareregistry (India) Pvt. Ltd., 9,Shiv Shakti Ind. Estate, J R Boricha Marg, Off N M Joshi Marg, Near Lodha Excelus, Lower Parel (E), Mumbai - 400 011. Tel. No. 23018261 / 23016761 Fax No. 23012517, E-mail: busicomp@vsnl.com.

SHARE TRANSFER PROCESS:

The Company's shares which are in demat form are transferable through the Depository Systems. Shares in physical form are processed by the Registrars and Share Transfer Agents, Purva Shareregistry (India) Pvt. Ltd., and approved by the Investor Grievance (Share) Committee of the Company or authorized officials of the Company. The share transfers are processed within a period of 15 days from the date of receipt of the transfer documents by Purva Shareregistry (India) Pvt. Limited.

Shareholding Pattern as at March 31, 2016

CATEGORIES OF SHAREHOLDERS

Category	No. of Shareholders	Total	% to Share capital
A. Promoters and Promoter Group	3	1751110	74.44
B. Foreign Institutional Investors	0	0	0
C. Other Bodies Corporate	2	19000	0.81
D. Bank, Mutual Funds and Financial Institutions	1	75000	3.19
E. Overseas Corporate Body	0	0	0
F. (Non-Promoter) Directors	0	0	0
G.NRI	0	0	0
H. HUF	3	60020	2.55
Others(Individuals)	502	447270	19.01
TOTAL	511	2352400	100

INVESTOR HELP DESK:

Share transfer, transmissions and all other investor related activities are attended to and processed at the office of our Registrars and Transfer Agents.

For acknowledgement of transfer deeds and any other documents or for any grievances / complaints, kindly contact at the following address:

Registrar and Share Transfer Agents:

Mr. Vinayak Karande,

Purva Shareregistry (India) Pvt. Ltd.,

9,Shiv Shakti Ind. Estate,

J R Boricha Marg, Off N M Joshi Marg,

Near Lodha Excelus,

Lower Parel (E) Mumbai 400 011,
Tel No. 23018261/ 2301676. Fax No. 23012517,
E-mail: busicomp@vsnl.com.

DECLARATION UNDER PARA D OF SCHEDULE V OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS 2015.

In accordance with Para D of Schedule V of SEBI (Listing Obligations and disclosure Requirements) Regulations 2015 , I hereby I confirm that all the Directors and the Senior Management personnel of the Company have affirmed compliance with the code of Conduct as applicable to them for the Financial Year ended 31st March 2016.

For FREDUN PHARMACEUTICALS LIMITED

FREDUN MEDHORA
Managing Director

Place: Mumbai
Date: 30/05/2016

CORPORATE GOVERNANCE CERTIFICATE

Fredun Pharmaceuticals Ltd. Annual Report 2015-2016

PRACTICING COMPANY SECRETARY'S CERTIFICATE ON COMPLIANCE OF THE CONDITIONS OF CORPORATE GOVERNANCE.

To the members of Fredun Pharmaceuticals Limited

1. We have examined the compliance of the conditions of Corporate Governance by Fredun Pharmaceuticals Limited for the year ended 31st March, 2016 as stipulated in :
 - . Clause 49 (excluding clause 49(VII)(E) of the Listing Agreement of the Company with Bombay Stock Exchange for the period from 1st April 2015 to 30th November 2015.
 - . Clause 49 (VII)(E) of the Listing Agreement of the Company with Bombay Stock Exchange for the period from 1st April 2015 to 1st September 2015.
 - . Regulation 23(4)of SEBI(Listing Obligations and Disclosure Requirements)Regulations 2015 (The Listing Regulations)for the period from 2nd September 2015 to 31st March 2016 and
 - . Regulations 17 to 27(excluding regulation 23(4)and clauses (b) to (i) of Regulation 46(2) and Paragraphs C.D, and E of Schedule V of the SEBI Listing Regulations for the period from 1st December 2015 to 31st March 2016.
2. The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to the procedures and implementation thereof adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of an opinion on the financial statements of the Company.
3. In our opinion and to the best of our information and according to the explanations given to us, and the representations made by the Directors, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement/Listing Regulations as applicable.
4. We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For Rajendra And Co.,
Company Secretaries,

CS. Rajendra R. Vaze .
FCS 4847. CP 1975 .

Place: Mumbai
Dated: 30th May, 2016.

1) Management Discussion and Analysis

Fredun Pharmaceuticals Ltd was established with the primary focus of producing quality drugs at affordable prices. The core business of the Company is exporting formulations as Branded Generics and introducing new formulations to meet the growing requirements of different customers globally. The Company has plans to diversify into Neutraceuticals, Dietary Supplements and Veterinary products also.

2) Business Highlights

Fredun Pharmaceuticals Ltd's growth was mainly due to the revenue from exports to African and ASEAN countries. The Company launched many new products and filed for various product registrations and many are under process.

The Company has successfully launched a Herbal Dietary Supplement in Africa and envisages impressive growth of the same.

Several Veterinary and Aqua products registration certificates are obtained and distributors have been appointed to market these products.

3) Business Outlook

The Regulatory norms for approving Pharma manufacturing units are getting tougher. There is an intense competition and pricing pressures due to Government interventions and promotion of generics. The branded generics account for a fifth of the global market and is expected to nearly double in the near future with the impending patent set to expire in the next 2-3 years. The Company expects good growth in the branded generics on a sustainable basis.

The Company has also invested in R & D machineries to build up the capabilities to produce latest generics and enter niche areas where there are good sales potential with relatively limited competition. To increase volumes of the product portfolio, the Company has been systematically investing in its productive infrastructure. The Company has made well planned investments to increase capacity in existing infrastructure and create new capacities in oral dosage departments.

4) Challenges

The regulatory authorities for approving pharmaceutical products are getting tougher. This is a positive development, but it also creates greater challenges for the manufacturer. The market conditions are getting seriously competitive and healthcare costs everywhere continue to rise.

5) Key Growth Segments

Due to Impending patent expiries and a number of litigations, developed markets are expected to register much lower growth and the developing markets are expected to account for a higher growth. The launch of biosimilars at relatively lower cost will be the major boost especially for the Indian Market. It is estimated that the sale of generics will be about US\$400 - 430 billion in the near future.

Fredun Pharmaceuticals Ltd's growth was largely driven by new product launches in the ARV drugs segment and Psychotropic products . The Company expects to maintain robust growth due to strong capabilities, efficient processes and systematic investment on productive infrastructure to increase capacity of existing infrastructure for oral dosage formulations.

6) Human Resource Management at Fredun Pharmaceuticals Ltd

The Company continues to put concerted efforts in recruiting quality people and lowering work stress. Development programs remain the key focus areas for the Company. This will increase the productivity and support the Company's business plan especially in its key Emerging Markets. The Company has a positive Outlook for the next year.

INDEPENDENT AUDITORS' REPORT

Fredun Pharmaceuticals Ltd. Annual Report 2015-2016

TO THE MEMBERS OF, FREDUN PHARMACEUTICALS LIMITED

Report on the Financial Statements

- 1) We have audited the accompanying financial statements of Fredun Pharmaceuticals Limited, which comprise the Balance Sheet as at 31st March 2016, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended on that date, and a summary of significant accounting policies and other explanatory information, which we have signed under reference to this report

Management's Responsibility for the Financial Statements

- 2) The Company's Board of Directors is responsible for the matters in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flow of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

- 3) Our responsibility is to express an opinion on these standalone financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.
- 4) We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
- 5) An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the

financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Company's Directors, as well as evaluating the overall presentation of the financial statements.

- 6) We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

- 7) In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements, give the information required by the Act in the manners required and give a true and fair view in conformity with the accounting principles generally accepted in India;
 - a) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2016;
 - b) In the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
 - c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Emphasis of Matter

- 8) In our opinion & to the best of our information & according to the explanations given to us, attention is drawn to the following, in respect of these financial statements
 - a) Cost Audit is not applicable to the company, as per provisions of section 148(1) of the Act.
 - b) In accordance with the requirements for disclosure of amounts due to SSI units, as per "Micro, Small and Medium Enterprises Development Act, 2006" the company has not complied the list of its sundry creditors who satisfy this criterion. Our opinion is not qualified in respect of these matters.

Report on other Legal and Regulatory Requirements

- 9) As required by the companies (Auditor's Report) Order, 2003, as amended by 'the Companies (Auditor's Report) (Amendment) Order 2004, Issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act (hereinafter referred to as the "Order"), and on the basis of such checks of books of accounts and the record of the company as we considered appropriate and according to the information and explanation given to us, we give in Annexure a statement of the matters specified in the paragraphs 4 and 5 of the Order.

10) As required by section 227(3) of the Act, we report that :

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books
- c) The Balance Sheet, the Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies(Accounts) Rules, 2014.
- e) On the basis of written representations received from the directors as on 31 March, 2016, taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2016, from being appointed as a director in terms of Section 164(2) of the Act.

FOR SAVLA & ASSOCIATES

Chartered Accountants

(Firm Reg. No.109361W)

Kinjal Rishabh Sawla
Partner
Membership No. -134603
Place :- Mumbai
Date :- 30/05/2016

ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT

Fredun Pharmaceuticals Ltd. Annual Report 2015-2016

(Referred to in paragraph 8 of the Our Report under "Report on Other Legal & Regulatory Requirements" section of our report of even date, year ended 31st March 2016.)

- (I) In respect of Fixed Assets :
 - (a) The company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.
 - (b) As explained to us, fixed assets have been physically verified by the management at reasonable intervals no material discrepancies were noticed on such verification.
 - (c) Some of the immovable properties are mortgaged with banks against which secured loans are availed. The details of the same are attached herewith. Rest of the properties are held in the name of the company.
- (II) In respect of its Inventory :
 - (a) As explained to us inventories of finished goods, work in process, and raw materials have been physically verified during the year by the management at reasonable intervals.
 - (b) In our opinion and on the basis of our examination of the records of inventory, the company is generally maintaining proper records of its inventories. The discrepancies noticed on physical verification of stock by the managements as compared to book records were not material.
- (III) Reporting on repayment of loans granted by the Company
During the year the company has obtained any loans from companies, firms or other parties covered under register maintained under section 189 of the companies Act, 2013. Accordingly a resolution is passed in a general meeting and the conditions as prescribed in the rules are duly complied with.
- (IV) Internal Control System
In our opinion and according to the information and explanations given to us, there is generally an adequate internal control procedure commensurate with the size of the company and the nature of its business for purchase of inventories & fixed assets and payment for expenses & for sale of goods during the course of our audit no major instance of continuing failure to correct any weaknesses in the internal controls has been noticed.
- (V) Acceptance of Deposits
In our opinion and according to the information and explanations given to us, the company has not accepted any public deposits, and hence the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant

provisions of the Companies Act and the rules framed there under, are not applicable to the company.

(VI) Cost Records

In our opinion and according to the information and explanations given to us, the company is not covered under cost audit. However, the company has maintained cost records as specified by central Government under sub-section (l) of section 148 of the Companies Act.

(VII) Payment of Applicable Taxes

- (a) According to the records of the company, undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees State Insurance, Income - tax, Sales - tax, Custom Duty, Excise Duty, cess to the extent applicable and any other statutory dues have generally been regularly deposited with the appropriate authorities.
- (b) According to the Information and explanations given to us there were no outstanding statutory dues as on 31st of March 2015, for a period of more than six months from the date they became payable.
- (c) According to the information and explanations given to us there is no amounts payable in respect of income tax, wealth tax, Service tax, Sales tax, customs duty and excise duty which have not been deposited on account of any disputes.

(VIII) Accumulated Losses:

The Company does not have any accumulated losses at the end of the financial year and has not incurred any cash losses during the financial year covered by audit and the immediately preceding financial year.

(IX) Default in Re-payment of Dues :

Based on our audit Procedures and on the information and explanations given by the management, we are of the opinion that the company has not defaulted in repayment of dues to a financial institution, bank or debenture holders.

(X) Guarantee for Loan Taken

In our opinion and according to the information and explanations given to us, the company has not given any guarantee for loans taken by others from bank or financial institutions.

(XI) Applicability of Term Loan

In our opinion and according to the information and explanations given to us, the term loans borrowed by the company were applied for the purpose for which the loans were obtained. Further we would also like to report that the company has ended the loan availed at high rate and instead availed a loan from another bank at low rate. Accordingly company has paid pre closure charges of about Rs. 6.33Lakhs

(XII) Reporting of Fraud

Based on the audit Procedures performed and the information and explanations given to us, we report that no fraud on or by the company has been noticed or reported during the year, nor have we been informed of such case by the management.

FOR SAVLA & ASSOCIATES
Chartered Accountants
(FRN. - 109361W)

Kinjal Rishabh Sawla
Partner
Membership No. -134603
Place :-Mumbai
Date :-30/05/2016

BALANCE SHEET

Fredun Pharmaceuticals Ltd. Annual Report 2015-2016

Fredun Pharmaceuticals Limited				
Balance Sheet as at 31 st March 2016				
	Note		2015-16 (Rs.)	Previous Year
Equity and Liabilities				
<i>Shareholders' funds</i>				
Share Capital	1	2,62,45,500		2,62,45,500
Reserves & Surplus	2	1,33,53,488	3,95,98,988	45,98,288
<i>Non-current liabilities</i>				
Long-term borrowings	3	6,19,29,463		2,94,46,556
Deferred tax liabilities (Net)		68,96,400		52,71,199
Long-term provisions	4	43,17,728	7,31,43,591	21,46,903
<i>Current Liabilities</i>				
Short-term borrowings	5	6,85,34,731		5,09,91,206
Trade payables	6	16,27,36,715		6,99,48,166
Other current liabilities	7	7,17,99,552		2,81,50,168
Short-term provisions	8	1,61,85,987	31,92,56,984	1,31,35,992
			43,19,99,563	22,99,33,978
Assets				
<i>Non-current assets</i>				
Fixed Assets	9	14,50,56,639		7,91,62,055
Capital WIP		0.00		1,40,58,868
Non-current investments	10	2,600		2,600
Loans and advances (long-term)	11	31,18,971		48,49,921
Other non-current assets	12	10,67,889	14,92,46,099	10,67,889
<i>Current assets</i>				
Inventories	13	10,27,04,943		4,28,60,604
Trade receivables	14	11,40,16,600		5,18,75,176
Cash and cash equivalents	15	1,38,84,159		60,16,854
Short Term Loans and advances	16	30,10,419		34,81,587
Other Current Assets	17	4,91,37,343	28,27,53,464	2,65,58,424
			43,19,99,563	22,99,33,978

See accompanying Notes to Financial Statements

As per our report of even date
For SAVLA & ASSOCIATES

For FREDUN PHARMACEUTICALS LIMITED

Chartered Accountants
KINJAL RISHABH SAWLA

DAULAT NARIMAN MEDHORA FREDUN NARIMAN MEDHORA

Partner, M.No.:134603
Firm reg No. 109361W

DIRECTOR

DIRECTOR

Place : Mumbai
Date : 30/05/2016

Place : Mumbai
Date : 30/05/2016

PROFIT & LOSS STATEMENT

Fredun Pharmaceuticals Ltd. Annual Report 2015-2016

Fredun Pharmaceuticals Limited

Profit & Loss Statement for the year ended 31st March 2016

	Note	2015-16 (Rs.)	Previous Year
Revenue from operations	18	42,32,13,498	25,35,75,495
Other income	19	86,18,241	48,64,148
		43,18,31,738	25,84,39,643
Expenses:			
Cost of materials consumed	20	31,25,17,169	15,44,38,818
Variation in Stocks	21	(4,42,05,772)	(13,21,306)
Manufacturing & Service Cost	22	2,82,84,572	1,51,43,900
Employee Benefit Expenses	23	3,82,56,644	3,22,27,558
Finance Cost	24	2,05,93,943	1,04,77,909
Other Expenses ¹	25	4,93,17,632	3,65,27,613
Depreciationn & Amortisation Expenses	26	80,42,758	54,63,803
Exceptional Income / Expenses	27	6,32,620	2,89,725
Prior Period Items	28	42,356	500
Tax Expenses	29	76,55,120	26,34,137
		42,11,37,042	25,58,82,657
Net Profit for the period		1,06,94,696	25,56,986
			-

See accompanying Notes to Financial Statements

As per our report of even date

For SAVLA & ASSOCIATES

For FREDUN PHARMACEUTICALS LIMITED

Chartered Accountants

KINJAL RISHABH SAWLA

Partner, M.No.:134603

Firm reg No. 109361W

DAULAT NARIMAN MEDHORA FREDUN NARIMAN MEDHORA

DIRECTOR

DIRECTOR

Place : Mumbai

Date : 30/05/2016

Place : Mumbai

Date : 30/05/2016

CASH FLOW STATEMENT

Fredun Pharmaceuticals Ltd. Annual Report 2015-2016

FREDUN PHARMACEUTICALS LTD.			
CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2016			
		(RS. IN LACS) F.Y. 2015-2016	(RS. IN LACS) F.Y. 2014-2015
A) CASH FLOW FROM OPERATING ACTIVITIES:			
NET PROFIT BEFORE TAXATION		183.49	51.91
<u>ADJUSTMENTS FOR :</u>			
DEPRECIATION	80.43	54.64	
PROVISION FOR EMPLOYEE BENEFITS	19.39	0.00	
ASSETS WRITTEN OFF DUE TO CHANGE IN DEP POLICY	0.00	11.98	
DEFERRED REVENUE EXPENSES WRITTEN OFF	0.00	7.17	
UNREALISED LOSS ON FOREIGN EXCHANGE FLUCTUATION	0.00	4.60	
INTEREST PAID	156.98	67.96	
SUNDY BALANCE WRITTEN OFF	0.32	0.00	
INTEREST RECEIVED	(1.68)	(3.12)	
CREDITORS WRITTEN BACK	(1.45)	(2.32)	
PROFIT/LOSS ON SALE OF FIXED ASSET	0.00	2.90	
	-	253.99	-
		143.81	195.72
<u>ADJUSTMENT TO OPERATING PROFIT</u>			
PRIOR PERIOD ADJUSTMENTS		0.00	0.01
ADJUSTMENT FOR PROPOSED DIVIDEND & TAX	(19.39)		(2.34)
ADJUSTMENT FOR TAX PROVISION	(60.30)		(26.34)
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES		357.79	167.05
<u>EFFECTS OF CHANGES IN WORKING CAPITAL ITEMS</u>			
<u>INCREASE / DECREASE IN :-</u>			
INVENTORY	(598.44)	(70.53)	
TRADE RECEIVABLES	(621.73)	(163.97)	
LOANS & ADVANCES	4.71	2.01	
OTHER CURRENT ASSETS	(225.79)	(32.71)	
TRADE PAYABLES	929.34	173.78	
CURRENT LIABILITIES & PROVISIONS	466.99	102.87	
	(44.92)		11.45
<u>INCREASE / DECREASE IN :-</u>			
LONG TERM LOANS & ADVANCES	17.31		
LONG TERM PROVISIONS	2.32		
	19.63		178.50
NET CASH FLOW FROM OPERATING ACTIVITIES		332.50	
B) CASH FLOW FROM INVESTING ACTIVITIES			
INVESTMENTS PURCHASED	0.00	0.00	
PURCHASE OF FIXED ASSETS	(739.37)	(164.91)	
CAPITAL WORK IN PROGRESS	140.58	(140.59)	
SALE OF FIXED ASSETS	0.00	5.77	
	(598.79)		(299.73)
	(266.29)		(121.24)

C)	CASH FLOW FROM FINANCING ACTIVITIES				
	INCREASE / DECREASE IN LOANS	500.27		200.64	
	INTEREST RECEIVED	1.68		0.00	
	INTEREST PAID	(156.98)		(61.02)	
			344.97	139.63	
	NET INCREASE / DECREASE IN CASH		78.68	18.39	
	OPENING CASH & BANK BALANCE		60.17	41.79	
	CLOSING CASH & BANK BALANCE		138.85	60.17	
	Note:-				
1	The above Cash Flow Statement has been prepared under the indirect method set out in Accounting Standard - 3 on "Cash Flow Statement".				
2	Cash & cash equivalents consist of cash, cheques and stamps on hand and with collecting agents and balances with scheduled and other banks on current and deposit accounts.				
3	Direct taxes paid are treated as arising from operating activities and not bifurcated between investing and financing activities.				
4	Figures in Negative sign indicate cash outflow.				
5	Previous year figures have been regrouped & recast, wherever necessary, to conform to the current year's classification.				
6	The notes referred to in the Balance Sheet and Profit & Loss A/c. form an integral part of the Cash Flow Statement.				

EQUITY AND LIABILITIES

Fredun Pharmaceuticals Ltd. Annual Report 2015-2016

Fredun Pharmaceuticals Limited
Notes to Equity and Liabilities as at 31st March 2016

Note	2015-16 Dr (Rs.)	2015-16 Cr (Rs.)	Previous Yr.(Dr)	Previous Yr.(Cr)
1 Share Capital				
Authorised		3,00,00,000		3,00,00,000
Equity Share Capital (Paidup)		2,35,24,000		2,35,24,000
Forfeited Equity Shares Capital		2,21,500		2,21,500
Preference share capital (8% Cumulative)		25,00,000		25,00,000
		2,62,45,500		2,62,45,500
2 Reserves & Surplus				
Profit and Loss Account		45,98,288		20,41,302
Provision for Preference Dividend		2,00,000		
Provision for Equity Dividend		14,11,440		
Provision for Dividend Tax		3,28,057		
Profit for the period		19,39,497		
Balance Carried to B/S				
		1,33,53,488		45,98,288
3 Long-term borrowings				
Unsecured Loans				
Capital First Limited		10,60,812		0
Edelweiss Retail Finance Limited		24,53,265		0
Religare Finvest Limited		11,66,980		0
Tata Capital Limited		8,74,608		0
Shriram City Union Finance Limited		12,44,698		0
Deutsche Bank		22,18,477		0
Kotak Mahindra Bank Limited		2,31,795		0
IndusInd Bank		9,63,383		0
Loans from related parties		57,81,566		37,98,933
ICICI Bank LtdCar Loan -LAMUM00026591859		1,75,296		6,16,000
ICICI Bank LtdCar Loan- LAMUM00029696376		1,80,049		3,62,587
ICICI Bank LtdCar Loan- LAMUM00029772362		1,66,024		2,25,199

Note	2015-16 Dr [Rs.]	2015-16 Cr (Rs.)	Previous Yr.(Dr)	Previous Yr.(Cr)
Indusind Bank Limited Term Loan 103602		2,20,136		0
Indusind Bank Limited Term Loan 103606		25,38,111		0
Indusind Bank Limited Term Loan 103607		38,38,095		0
Indusind Bank Limited Term Loan 103608		29,21,988		0
Indusind Bank Limited Term Loan 103609		63,08,169		0
Indusind Bank Limited Term Loan 103610		72,34,604		0
Indusind Bank Limited Term Loan 103611		76,03,129		0
Indusind Bank Limited Working Capital Term Loan	1,18,17,215	0	3,88,040	
Reliance Capital Ltd RLSRMUM0000245420		2,809	1,74,824	
Reliance Capital Ltd RLSRMUM0000249561		1,859	4,28,494	
Reliance Capital Ltd RLSRMUM000291296		22,61,184	0	
Reliance Capital Ltd RLSRMUM000312312		6,62,245	2,98,375	
Reliance Capital Ltd RLSRMUM000201504		2,967	9,70,598	
The Shamrao Vithal Coop Bank (T/L527)-4	0	0	44,22,940	
The Shamrao Vithal Coop Bank Tl-37	0	0	39,31,401	
The Shamrao Vithal Coop Bank Tl-38	0	0	33,33,710	
The Shamrao Vithal Coop Bk LTD-23	0	0	52,16,154	
The Shamrao Vithal Coop Bk LTD-24	0	0	20,35,260	
The Shamrao Vithal Cooperative Bank (T/L-330)-3	0	0	32,44,041	
The shamrao vithal Coop Term Loan- 33	6,19,29,463	-	2,94,46,556	
4 Long-term provisions				
Provision For Gratuity	23,79,964		17,99,272	
Provision for Leave Salary	19,37,764		3,47,631	
	43,17,728	-	21,46,903	
5 Short-term borrowings				
Indusind Bank Limited (PCFCR)	4,44,40,460	0	0	
Indusind Bank Limited Cash/Credit				
650014054254	1,47,88,785			
Indusind Bank Limited New Rupee Loan	92,29,591			
The National Small Industries Corporation Ltd				
			3,26,755	

Note	2015-16 Dr [Rs.]	2015-16 Cr (Rs.)	Previous Yr.(Dr)	Previous Yr.(Cr)
The Shamrao Vithal Coop Bank Ltd (PCFCR) The Shamrao Vithal Coop Bank Ltd -PSDL A/c The Shamrao Vithal Cooperative Bank Ltd (O.D-1)		0	2,79,97,992 68,55,836	
Indusind Bank Limited CA A/c25250000100075895		0	1,58,10,623	
6 Trade payables		75,895	0	
Sundry Creditors		6,85,34,731	5,09,91,206	
		16,27,36,715	6,99,48,166	
7 Other current liabilities				
Current Maturity of Long Term Borrowings		2,48,95,971	1,05,30,348	
Liability for capital goods		1,55,64,137	60,38,608	
Advance from customers		2,67,80,069	1,01,57,068	
Central Excise / Cenvat Refund Payable		1,03,241	1,03,241	
KGN Pharmaceuticals Central Excise		9,17,645	0	
Zim Laboratories Limited Excise / Cenvat		33,95,254	44,16,140	
USV Limited Excise/Modvat			12,93,527	
Payable towards credit card				
AEBC CREDIT CARD		66,995	8,612	
Citi Bank Credit Card		37,662	18,764	
Indusind Bank Credit Card		460	0	
SBI Credit Card		38,118	1,43,234	
		7,17,99,552	2,81,50,168	
8 Short-term provisions				
Provision for Statutory Liabilities			17,70,680	
Provision for income tax		60,29,919	20,83,101	
Provision for taxation (1516)		2,08,090	12,500	
TDS on rent		25,000	40,474	
TDS on Contractors		48,812	49,528	
TDS on Interest		1,15,424		
TDS on Professional Services		2,88,961	2,82,771	

Note	2015-16 Dr (Rs.)	2015-16 Cr (Rs.)	Previous Yr.(Dr)	Previous Yr.(Cr)
TDS on Salary, wages directors	0	0	33,619	33,619
Profession Tax	26,900	68,07,499	0	0
TDS on Commission	64,393			
<i>Provision for Dividend</i>				
Provision For Proposed Dividend (Preference)	2,00,000		16,00,000	
Provision for Proposed Dividend (Equity)	14,11,440	16,11,440	0	0
<i>Provision for Dividend Distribution Tax</i>				
Provision for Dividend distribution Tax	5,97,522		2,69,465	
<i>Provision for Employee Related Liabilities</i>				
Salary Payable	5,12,142		4,52,824	
Bonus Payable	15,68,085		11,49,256	
Wages Payable	20,88,405	0	15,36,798	
Provision for gratuity payable	0	0	66,635	
Leave Salary Payable	0	0	1,337	
P.F.Employees Contribution Payable	1,58,370		1,10,442	
P.F.Employers Contribution payable	1,64,946		1,10,442	
Bankers Loan to Employees	67,300	45,59,248	68,600	
<i>Other Short Term Provisions</i>				
Provision for o/s Expenses	6,89,700		24,59,437	
P.F.Administration Charges Payable	11,418		12,417	
Directors` Remuneration Payable	4,96,000		97,289	
Electricity Payable	13,30,610		6,90,725	
Profession Fees Payable	82,550		1,98,000	
Telephone Exp Payable	0	26,10,278	30,818	
		1,61,85,987	-	1,31,35,992

FIXED ASSETS

Fredun Pharmaceuticals Ltd. Annual Report 2015-2016

Fredun Pharmaceuticals Limited					
Note. 9-Fixed Assets					
		GROSS BLOCK			
Particulars	As at 1 Apr 15	Additions	Deductions	As at 31 Mar 16	Upto 31 Mar 15
Freehold	5235279.00	-		5235279.00	
Building	28601259.32	26664915.50		55266174.82	11550756.58
Plant & Machinery	71297931.13	18442383.42		89740314.55	30616825.66
Electrical Installation	3901132.43	22767908.00		26669040.43	2280754.17
Lab Glassware	1145071.73	229826.20		1374897.93	1047675.34
Furniture	7499589.83	2795416.34		10295006.17	3469041.23
Motor Car	3845739.00	-		3845739.00	690462.43
Office Premises	6730140.00	-		6730140.00	1601691.30
Computer	2471603.45	326528.00		2798131.45	2012314.08
Factory Equipment	308968.00	382600.00		691568.00	150366.26
Electrical Fittings	1231113.33	1440766.30		2671879.63	766640.64
Office equipment	313077.00	-		313077.00	185213.80
Computer Software	1458215.65	887000.00		2345215.65	505324.89
Total	134039119.87	73937343.76		207976463.63	54877066.38

Note. 9-Fixed Assets					
		DEPRECIATION			NET BLOCK
Particulars	Deductions	For the Year	Upto 31 Mar 16	As at 31 Mar 16	As at 31 Mar 15
Freehold				5235279.00	5235279.00
Building		1433651.30	12984407.88	42281766.94	17050502.74
Plant & Machinery		2949245.29	33566070.95	56174243.60	40681105.47
Electrical Installation		1014075.38	3294829.55	23374210.88	1620378.26
Lab Glassware		12089.61	1059764.95	315132.98	97396.39
Furniture		512773.99	3981815.22	6313190.95	4030548.60
Motor Car		444933.73	1135396.16	2710342.84	3155276.57
Office Premises		208373.18	1810064.48	4920075.52	5128448.70
Computer		242549.64	2254863.72	543267.73	459289.37
Factory Equipment		175072.12	325438.38	366129.62	158601.74
Electrical Fittings		116410.85	883051.49	1788828.14	464472.69
Office equipment		102883.83	288097.63	24979.37	127863.20
Computer Software		830699.37	1336024.26	1009191.39	952890.76
Total		8042758.29	62919824.67	145056638.96	79162053.49

Notes to Assets as at 31st March 2016					
Note	2015-16 Dr (Rs.)		2015-16 Cr (Rs.)	Previous Yr.(Dr)	Previous Yr.(Cr)
10 Non-current investments The SVC Bank Equity Shares		2,600		2,600	
11 Loans and advances (long-term)					
Other Security Deposits	3,00,000.00	22,53,040		0	13,51,405
Other Deposits	19,53,040.00				
Unsecured, Considered good					
Other Long Term Loans and advances					
Advance for capital items					
	8,65,931				34,98,516
	31,18,971				48,49,921
12 Other non-current assets					
Other Trade Receivables ²					
Unamortised Expenses ⁴	10,67,889				10,67,889
10,67,889					
13 Inventories					
Closing Stock	3,03,46,428				14,46,964
Finished Goods					
Packing Materials	2,00,57,700				1,25,06,056
Closing Stock	2,71,13,309				1,89,48,694
Raw Materials					
Closing Stock	0				77,692
Stock In Transit					
Closing Stock	2,51,87,506				98,81,198
Work In Progress					
	10,27,04,943				4,28,60,604
14 Trade receivables					
Over 6 months	10,95,031				0
Others	11,29,21,569				5,18,75,176
Sundry Debtors	11,40,16,600				5,18,75,176

Note	2015-16 Dr (Rs.)	2015-16 Cr (Rs.)	Previous Yr.(Dr)	Previous Yr.(Cr)
15 Cash and cash equivalents				
Balances with Banks				
In Current Accounts	26,77,132.58			15,64,390
In Deposit Account	77,22,543.00			16,20,797
In Other Accounts	53,004.36	1,04,52,680		59,386
Cash In Hand		34,31,479		27,72,281
		1,38,84,159		60,16,854
				-
16 Short Term Loans and advances				
Given to Suppliers				
Advance to Creditors		20,18,082		29,04,779
Given to Employees				3,07,033
Advances to Employees		4,78,284		
Other Short Term Loans & Advances				
Pharma Export Promotion Council (reimbursement)	1,06,358.00			2,38,007
Synthiko Formulation Pvt LtdExcise	51,971.00			31,768
Reliance Capital Limited Loan No 312312	3,55,725.00	5,14,054		0
Margin Money				
		30,10,419		34,81,587
				-
17 Other Current Assets				
Payment of Taxes				
S A Tax (AY201415)		4,39,664.00		5,95,790
TDS		10,00,000.00		5,66,691
Advance Tax				0
Interest Accrued on Investments				
Interest Receivable				
Interest from 26AS		1,31,004.00		36,761
Recoverable from government agencies				
Balance with Central Excise Department	1,52,86,707.17			58,58,614
Central Excise Refund Receivable	1,17,92,212.00			32,84,726
Refund of earlier years	0			14,59,922
Sales Tax Refund	1,84,04,333.49	4,54,83,253		1,25,20,165

Note	2015-16 Dr (Rs.)	2015-16 Cr (Rs.)	Previous Yr.(Dr)	Previous Yr.(Cr)
Export Incentives Receivables		12,47,153		14,21,247
Duty Drawback receivables				
Prepaid Expenses				
Axis Bank Travel (Prepaid) Card 4628609200130211	1,01,725.00		10,005	
Prepaid Expenses	4,08,200.27		2,12,824	
Prepaid Insurance	1,63,752.00		2,62,614	
Prepaid Rates & Taxes	0		46,350	
Prepaid Repairs & Maintenance Expenses	0		7,500	
Standard Chartered Bank Credit Card	5,000.00		0	
Axis Bank 5593410000066103	23,015.38		0	
Indusind Bank Credit Card 524480102189800	179.69		0	
Kotak Mahindra Credit Card No 4147671600861839	150.00		0	
Axis Bank AED (Prepaid) Card 4731360000360731	10,290.00	7,12,312	0	
Other Trade Receivables			2,75,215	
Short Term Loans				
The National Small Industries Corporation Ltd.	5,302.00		0	
Magma fincorp Limited	1,18,655.00	1,23,957	0	
		4,91,37,343		
			2,65,58,424	
			-	

P & L STATEMENT

Fredun Pharmaceuticals Ltd. Annual Report 2015-2016

Fredun Pharmaceuticals Limited

Notes to P&L Statement as on 31st March 2016					
Note		2015-15 Dr. (Rs.)	2015-15 Cr. (Rs.)	Previous Yr. (Dr.)	Previous Yr. (Cr.)
18	Revenue from operations				
	Sale of Products		40,31,20,196		22,83,38,611
	Sale of Services		2,00,93,302		2,52,36,884
			42,32,13,498		25,35,75,495
19	Other income				
	Discount Received		22,263		0
	Dividend (Income)		300		300
	Duty Draw back		32,64,714		29,37,926
	Interest A/c Income		1,68,048		3,03,060
	Misc. Other Income		2,74,589		0
	Sale of Scrap		88,889		0
	Rent		24,000		0
	Insurance Claim Received		35,82,576		0
	Product Registration Charges		4,16,391		0
	Sundry Credit Balance W/off		1,45,486		1,29,965
	DEPB Licence Sale		6,30,984		13,88,925
	P F Employees Contribution		0		112
	Written back Planet Foil		0		1,03,860
			86,18,241		48,64,148
20	Cost of materials consumed				
	Cost of Materials Consumed	30,42,32,783		13,76,98,570	
	Purchases	82,84,386		1,67,40,248	
		31,25,17,169		15,44,38,818	
21	Variation in Stocks				
	<i>Closing stock</i>				
	Closing Stock		4,42,05,772		13,21,306
			4,42,05,772		13,21,306
22	Manufacturing & Service Cost				
	Clearing & Forwarding Exp Inward	2,56,637		3,63,260	
	Electricity ExpensesFactory	1,11,83,661		79,89,736	
	Factory Expenses	29,54,292		18,51,301	
	Fire Safety Expenses	64,510		5,565	
	Freight Inward	3,20,988		1,123	
	Garden Maintenance Expenses	8,85,998		1,65,846	
	Lab Chemical Expenses	4,21,274		3,16,611	
	Labour Charges Expenses	15,250		7,35,952	
	Light Diesel Oil Purchase	1,43,700		1,22,500	
	Rent Plant & Machinery	21,25,200			
	Repairs & Maintenance Expenses	76,55,814		20,31,976	
	Testing & Analytical Expenses	9,92,599		9,84,165	
	Transport Expenses Inward	12,64,649		5,75,865	
		2,82,84,572		1,51,43,900	

Note		2015-15 Dr. (Rs.)	2015-15 Cr. (Rs.)	Previous Yr. (Dr.)	Previous Yr. (Cr.)
23	Employee Benefit Expenses				
	Gratuity	7,71,077		1,95,577	
	Labour Welfare Fund Employee Contribution	0		264	
	Labour Welfare Fund Employers Contribution	9,684		9,924	
	Medical Expenses	17,007		59,096	
	P F Administration Charges	1,12,883		1,12,024	
	P F Employers Contribution	16,27,622		12,52,734	
	Salary Wages and Bonus	3,44,44,965		2,97,38,753	
	Staff Welfare	12,73,406		8,59,186	
		3,82,56,644		3,22,27,558	
24	Finance Cost				
	Bank Charges	44,31,212		17,12,987	
	Bank Interest	1,05,83,180		67,95,828	
	Interest Expenses	51,15,008		19,42,920	
	Other Finance Charges	4,64,543		26,174	
		2,05,93,943		1,04,77,909	
25	Other Expenses1				
	Central Excise Duty A/c	0		2,81,636	
	Custom Duty A/c2	60,670		12,734	
	Octroi Duty	3,092		3,651	
	VAT	0		3,57,942	
	Central Sales Tax on Purchase	6,12,094		3,14,510	
	Sales Tax Expenses	26,097		0	
	A.G.M. Expenses	6,788		4,635	
	Agency Expenses	3,74,053		1,56,350	
	Books & Periodicals	27,041		11,995	
	Computer Software Expenses	2,26,683		3,81,003	
	Computer Expenses	2,38,275		0	
	Conveyance Expenses	2,32,952		0	
	Courier charges	7,12,218		6,12,004	
	Directors Sitting Fees	14,443		10,888	
	Donation Expenses	5,000		2,000	
	ECGC Expenses	5,88,251		4,63,415	
	Electricity Expenses office	4,07,195		2,74,545	
	Foreign Exchange Gain/Loss A/C	26,08,449		4,60,011	
	Hire Charges	2,32,800		1,65,760	
	Membership & Subscription	1,94,832		1,84,648	
	Miscellaneous Expenses	2,999		0	
	Miscellaneous Expenses W/off	160		93	
	Motor Car Expenses	3,26,818		5,12,756	
	Newspaper & Magazines	8,630		11,514	
	Printing & Stationery Expenses	8,47,094		6,92,297	
	Profession Tax (Employers)	2,500		2,500	
	Professional Fees	39,30,633		61,06,644	
	ROC Expenses	2,25,000		0	

Note		2015-15 Dr. (Rs.)	2015-15 Cr. (Rs.)	Previous Yr. (Dr.)	Previous Yr. (Cr.)
	Rates , Taxes And Fees	35,51,033		16,88,574	
	Rent Expenses	16,15,000		15,00,000	
	Security Charges Expenses	8,93,424		8,20,995	
	Sundry Debtors W/off	32,338		9,386	
	Telephone expenses	8,94,496		7,78,139	
	Travelling Expenses	20,62,417		10,94,522	
	Office Expenses	29,754		32,478	
	Service Tax (not claimed)	65,380		30,458	
	Audit fees	4,46,550		6,18,746	
	Advertisement Expenses	22,45,029		59,950	
	Business pramotion expenses	6,83,151		14,15,330	
	Product Seminar Charges	16,38,073		0	
	M R Fees	10,41,171		0	
	Insurance Charges	8,49,483		3,73,920	
	Commission expenses	1,18,88,748		25,31,518	
	Discount Expenses	16,684		0	
	Sales Promotion expenses	28,34,712		11,14,311	
	Sample expenses	2,14,433		3,09,009	
	Transport Expenses Outward	8,33,591		8,15,487	
	Clearing & Forwarding Exp Outward	11,42,396		15,68,616	
	Freight Outward expenses	44,25,003		72,84,663	
	Assets written off due to change in depreciation policy	0		11,97,551	
	Other Expenses	0		2,390	
	Defferred revenue expenses written off	0		7,17,386	
	Entertainment Exp	0		11,912	
	Product registration chrges	0		15,27,430	
	Postage & Telegram Exp	0		1,311	
		4,93,17,632		3,65,27,613	-
26	Depreciationn & Amortisation Expenses				
	Depreciation1	80,42,758		54,63,803	
27	Exceptional Income / Expenses				
	Exceptional Expenses	6,32,620		2,89,725	
28	Prior Period Items				
	Prior Period Expenses	42,356		500	
29	Tax Expenses				
	Current tax	60,29,919		20,83,101	
	Deferred tax	16,25,201		5,51,036	
		76,55,120		26,34,137	-

FREDUN PHARMACEUTICALS LIMITED

Notes to financial statements for the year ended 31/03/2016

A.SIGNIFICANT ACCOUNTING POLICY

Basis of Accounting :

The accounts of the company are prepared under the historical cost convention and in accordance with the applicable accounting standards except where otherwise stated. For recognition of Income & Expenditure generally Mercantile system of accounting is followed.

Revenue Recognition :

Sales are exclusive of duty, packing and forwarding charges and sales tax, Revenue from sales of goods are recognised upon passage of title to customer which generally coincides with their delivery.

Use of Estimates :

The presentation of Financial Statements in conformity with generally accepted accounting principles required management to make estimates & assumption that affects the reported amount of assets & liabilities on the date of the financial statements and reported amount of revenue and expenses during the reporting period. Differences between actual results and estimates are recognized in the period in which the results are known/ materialise.

Fixed Assets :

Fixed Assets are shown at cost less depreciation.

Depreciation :

Consequent to the enactment of the companies Act 2013 and its applicability for accounting period commencing on or after April 2014, the company reviewed its method of providing for depreciation on its tangible fixed assets and also reassessed the useful lives of such assets. According the method of providing depreciation has been changed from Written down value method to the straight line method to depreciate all class of tangible assets.

Foreign Currency Transaction :

- i) Monetary assets and liabilities related to foreign currency transactions and outstanding at the close of the year are expressed in Indian Rupees at the rate of exchange prevailing on the date of Balance Sheet.
- ii) Transactions in foreign currency are recorded in the books of accounts in Indian Rupees at the rate of exchange prevailing on the date of transaction.

Contingent Liabilities & Commitments :

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an

outflow of resources. Contingent Liabilities are not recognized but are disclosed in the notes. Contingent assets are neither recognized nor disclosed in the financial statements.

Tax on Income :

Deferred Tax is recognised subject to the consideration of prudence on timing differences, being the differences between taxable income & accounting income that originates in one period & are capable of reversal in one or more subsequent periods.

Retirement Benefits :

Providend Fund is administered through Regional Providend Fund Commissioner. The accruing liability gratuity is calculated according to actuarial valuation and fully provided upto 31st March,2016. However encashment of Leave to staff is accounted on cash basis.

For Savla & Associates
Chartered Accountants

For FREDUN PHARMACEUTICALS LIMITED

Kinjal Sawla
Mem No. 134603

DAULAT NARIMAN MEDHORA FREDUN NARIMAN MEDHORA
DIRECTOR DIRECTOR

Place : Mumbai
Date : 30/05/2016

Place : Mumbai
Date : 30/05/2016

FREDUN PHARMACEUTICALS LIMITED**Notes to financial statements for the year ended 31/03/2016****Reconciliation of Shares Outstanding at the beginning and at the end of the year**

Equity Shares	31/03/2016		31/03/2015	
	No of Shares	Amount	No of Shares	Amount
At the beginning of the year	23,52,400	2,35,24,000	23,52,400	2,35,24,000
Addition during the year	-	-	-	-
Deductions during the year	-	-	-	-
Outstanding at the end of the year	23,52,400	2,35,24,000	23,52,400	2,35,24,000

Preference Shares	31/03/2016		31/03/2015	
	No of Shares	Amount	No of Shares	Amount
At the beginning of the year	25,000	25,00,000	25,000	25,00,000
Addition during the year	-	-	-	-
Deductions during the year	-	-	-	-
Outstanding at the end of the year	25,000	25,00,000	25,000	25,00,000

Rights, Preference & Restrictions attached to each class of Share Capital**I. Equity Shares**

The company has only class of equity share having a par value of Rs. 10/- each. Each holder of the equity share is entitled to one vote per share. No dividend has been declared by the company on these shares. In the event of liquidation of the company the holders of the equity shares are entitled to receive the remaining assets of the company after distribution of preferential amounts. The distribution will be in proportion to the number of equity shares held by the share holder. Of joint holders, the vote of senior who votes in person or by proxy shall be accepted. For this purpose, seniority shall be determined by the order in which names of share holder stand in register of members.

II. 8% Cumulative Redeemable Preference Shares

Dividend - 8% of Face Value

Re redeemable in Financial year 2015-2016

Details of shareholders holding more than 5% shares in the company

Name of the Shareholder	31/03/2016		31/03/2015	
	No of Shares% of Holding		No of Shares% of Holding	
Daulat N. Medhora	13,61,500	57.88	13,61,500	57.88
Nariman B. Medhora	3,45,600	14.69	3,45,600	14.69
Fredun Healthcare Pvt. Ltd.	1,82,000	7.74	1,82,000	7.74
EARNING PER SHARE (EPS)			31/03/2016	31/03/2015
a. Net Profit/Loss attributable to Equity Shareholders (Basic)			4.55	1.09
b. Details of No. of Shares used for Basic Earning Per Share			18,89,100	18,89,100
c. Net Profit/Loss attributable to Equity Shareholders (Diluted)				
d. Details of No. of Shares used for Diluted Earning Per Share				
Face Value per Share				

FREDUN PHARMACEUTICALS LIMITED**Notes to financial statements for the year ended 31/03/2016****VALUE OF IMPORTS (on CIF Basis)**

Particulars	31/03/2016	31/03/2015
Raw Materials	8,60,22,655	1,12,34,934
Packing Materials	0	0
Traded Goods	0	0
Stores, Spares and Components	0	0
Capital Goods	0	0

PAYMENTS TO AUDITORS

Particulars	31/03/2016	31/03/2015
Tax Audit Fees	3,57,240.00	2,92,136.00
Other Consultancy	20,610.00	16,854.00
Certification Fees	68,700.00	56,180.00
	<u>4,46,550.00</u>	<u>3,65,170.00</u>

EARNINGS IN FOREIGN EXCHANGE

Particulars	31/03/2016	31/03/2015
FOB Value of Manufactured Goods Exported	21,95,79,273.00	13,06,77,638.00
FOB Value of Traded Goods Exported	1,00,00,223.00	2,19,78,922.00
Revenue received from Services	-	-
Interest income received	-	-
Dividend income received	-	-
Insurance and freight on exports	61,27,668.00	91,44,697.00
Profit in foreign currency on Sale of Asset	-	-
Royalty, Knowhow, Professional & consultancy fees	-	-
Other Income received in foreign currency	-	-
Total earnings in Foreign Exchange	<u>23,57,07,164.00</u>	<u>16,18,01,257.00</u>

EXPENDITURE IN FOREIGN CURRENCY

Particulars	31/03/2016	31/03/2015
Expenditure incurred in Foreign Exchange	-	-
Interest charges in foreign currency	-	10,19,411.00
Commission, Brokerage and Discount charges	-	-
Professional Charges	4,73,973.00	-
Bank and Finance charges	4,66,973.00	-
Logistic charges	-	-
Foreign Tax	-	-
Royalty charges	-	-
Sales, Marketing and Advertising exps	42,09,786.24	-
Meeting Exps	3,57,341.00	-
Reaserch and development exps	-	-
Intangible Asset Charges	-	-
Membership and Subscription exps	-	-
Insurance charges	-	-
Telecommuniocation exps	-	-
Other expenditure in foreign currency	-	81,196.45
Total Exps in foreign currency	-	11,00,607.45
Net earning in Foreign Currency	-	16,07,00,649.55
Capital Expenditure in Foreign Currency	-	-
	55,08,073.24	16,29,01,864.45

FREDUN PHARMACEUTICALS LIMITED

Notes to financial statements for the year ended 31/03/2016

1. The Company's Board of Directors is responsible for the preparation of these financial statement in term of the requirements of the Companies Act, 2013 that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
2. In the opinion of Board of Directors the provision for depreciation and all known liabilities are adequate and are not in excess of the amounts considered reasonably necessary.
3. Balance of some of the trade receivables, trade payables, loans and advances are subject to confirmation.
4. The liability of VAT and set off have been accounted for on the basis of working prepared by the company.
5. In accordance with the requirement for disclosure of amounts due to SSI units, as per "Micro, Small and Medium Enterprises Development Act, 2006" the company has not complied the list of its sundry creditors who satisfy this criterion.
6. Information given in accordance with Accounting Standard-18 on Related Party Disclosures issued by ICAI :

Names of the Related Parties : Key Management Personnel :

- i) Mr. N.B.Medhora
- ii) Mrs. Dr. D.N.Medhora
- iii) Mr. Fredun N. Medhora

Business Organisation controlled by Key Management Personnel or their relatives :

- i) Fredna Enterprises
- ii) Fredun Healthcare Pvt. Ltd.

Following are the transactions entered into with the related parties :

Director's Remuneration paid to Mr.N.B.Medhora (Managing Director)	Rs.13,20,000/-
Director's Remuneration paid to Mrs. Dr. D.N.Medhora (Joint Managing Director)	Rs.12,00,000/-
Director's Remuneration paid to Mr. Fredun N. Medhora (Director)	Rs.24,00,000/-
Rent paid to Mr. Nariman Medhora for utilising a godown of his proprietary firm	Rs. 15,00,000/-
Purchases made from Fredna Enterprises	Rs. 7,73,437/-

7. The payment made towards Credit cards expenses are in the name of Directors.

8. Information given in accordance with the requirements of Accounting Standard 17 on Segment Reporting :

The Company is operating in only one segment i.e. Pharmaceutical Formulations

The Geographical segment is considered as secondary segment.

Geographical Segments :

The Company primarily operates in India & therefore the geographicals segment is dividend into Indian and Overseas markets :

Sales in India : Rs. 167245788.00

Overseas : Rs. 235874407.00

9. Previous year's figures are regrouped & rearranged wherever necessary.

For Savla & Associates
Chartered Accountants

For FREDUN PHARMACEUTICALS LIMITED

Kinjal Sawla
Mem No. 134603

DAULAT NARIMAN MEDHORA FREDUN NARIMAN MEDHORA
DIRECTOR DIRECTOR

Place : Mumbai
Date : 30/05/2016

Place : Mumbai
Date : 30/05/2016

ENTRANCE SLIP

Fredun Pharmaceuticals Ltd. Annual Report 2015-2016

FREDUN PHARMACEUTICALS LTD

CIN: L24239MH1987PLC043662

Registered Office:

26 Manoj Industrial Premises,
G D Ambekar Marg, Wadala,
Mumbai-400 031 Maharashtra
Phone:022-4031811

ENTRANCE SLIP

29TH Annual General Meeting on Tuesday the 27th September 2016 at 11.00 a.m.

Registered Folio No. / DP ID/Client ID	
Name and address of the Member(s) Joint Holder 1 Joint Holder 2	

I/We hereby record my/our presence at the Annual General Meeting of the Company at Ramee Guestline Hotel- Dadar, Plot No 3, Kohinoor Road, Dadar (E), Mumbai-400014.

on Tuesday, 27th September 2016 at 11.00 a.m.

Member's/Proxy's name in Block Letters

Member's/Proxy's Signature

Please hand it over at the Attendance Verification Counter at the ENTRANCE

(Only Shareholders /Proxies are allowed to attend the meeting)

FREDUN PHARMACEUTICALS LTD

CIN: L24239MH1987PLC043662

Registered Office:

26 Manoj Industrial Premises,
G D Ambekar Marg, Wadala,
Mumbai-400 031 Maharashtra
Phone:022-4031811

PROXY FORM

(Pursuant to Section 105(6) of The Companies Act., 2013 and rule 19(3) of the
Companies (Management and Administrative) Rules 2014.

29th Annual General Meeting on Tuesday the 27th September 2016 at 11.00 a.m.

Name of the Member(s):

Registered Address:

E-mail ID:

Folio No./DP ID/Client ID:

I/We being member(s) of FREDUN PHARMACEUTICALS LTD, holding _____ shares of the Company hereby appoint :

(1) Name..... Address,
Email Id..... Signature or failing him;
(2) Name..... Address,
Email Id..... Signature or failing him;
(3) Name..... Address,
Email Id..... Signature or failing him;

as my/our proxy to attend and vote (on a poll) for me/us and on my/or behalf at the Annual General Meeting of the Company to be held on Tuesday, 27th September 2016 at 11.00 a.m. at Ramee Guestline Hotel-Dadar, Plot No 3, Kohinoor Road, Dadar (E), Mumbai – 400014 ., and at any adjournment there of in respect of following resolutions:

Resolutions :

1. Adoption of the Audited Financial Statements for the year ended 31st March 2016 and the reports of the Board of Directors and Auditors thereon.
2. Confirmation of the Interim Dividend.

3. Appointment of Director in place of Dr. Mrs. D. N. Medhor (DIN No. 01745277) who retires by rotation and being eligible offers herself for re-appointment.
 4. Re-appointment of the Statutory Auditors and fixing their remuneration.
 5. Approval of Related party Transaction with related parties as mentioned in the notice pursuant to applicable provisions.
-

Signed this day of 2016

Signature of the Member

Signature of the Proxy holder(s)

Notes:

1. This form of proxy in order to be effective, should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the meeting.
2. For the Resolutions, Explanatory Statement and Notes please refer to the Notice of the Extra Ordinary General Meeting.

EVSN (Electronic Voting Sequence Number)	
160817068	

xxxxxxxx

FREDUN PHARMACEUTICALS LIMITED

Compassionate Healthcare

CIN No : L24239MH1987PLC043662



Date : 30th May 2016

Dear Shareholder(s),

The Company is in process of updation of its records of the shareholders in order to reduce the physical documentation as far as possible.

With new BSE Listing Agreement, it is mandatory for all the investors including transferors to complete their KYC information. Hence, we intend to update your PAN No., phone no. and e-mail id in our records. We would also like to update your current signature records in our system.

To achieve this we solicit your co-operation in providing the following details to us :

1. If you are holding the shares in dematerialized form you may update all your records with your Depository Participant (DP).
2. If you are holding shares in physical form, you may provide the following :

Folio No. :

Pan No. :

E-mail ID :

Telephone No. :

Name and Signatures :

i.

ii.

iii.

Thanking you,

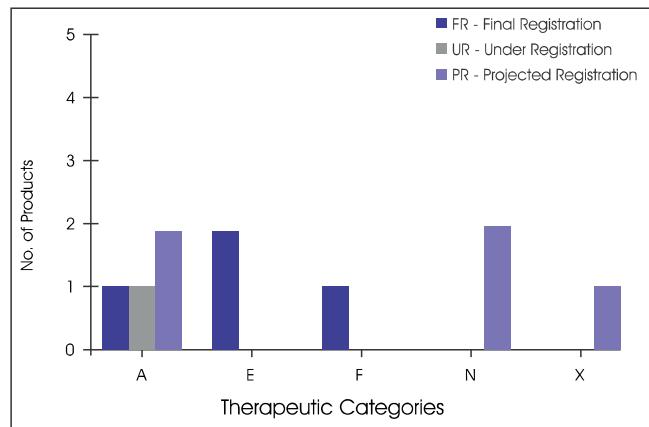
For, Fredun Pharmaceuticals Limited
Fredun Medhora
Managing Director

Manoj Industrial Premises, G.D.Ambekar Marg, Wadala, Mumbai – 400 031, (INDIA)

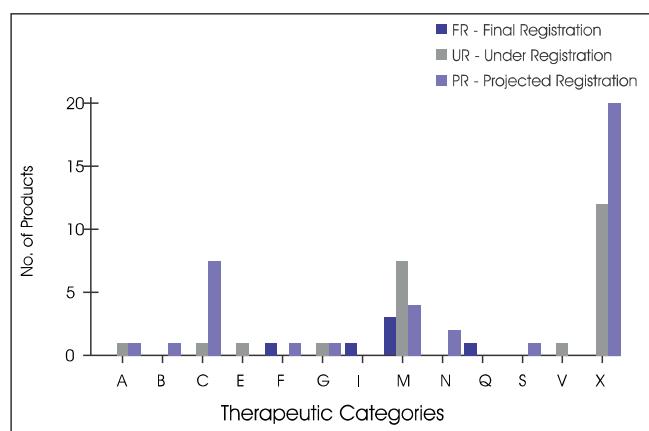
Phone : 91-22 – 4031 8111 Fax : 91-22-40318133 E-mail : business@fredungroup.com Web : www.fredungroup.com

Product Registrations

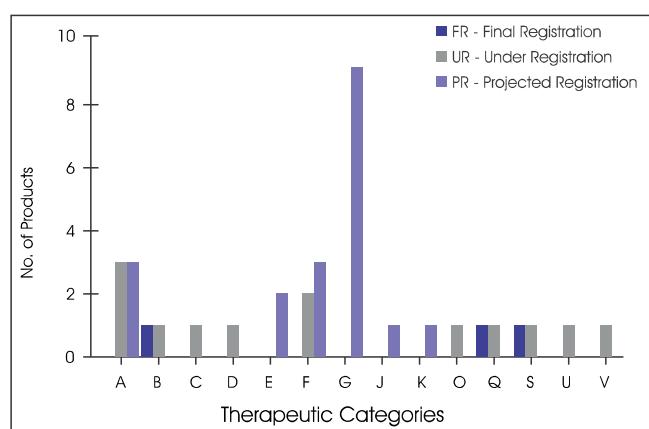
Fredun Pharmaceuticals Ltd. Annual Report 2015-2016



CAMBODIA



MYANMAR

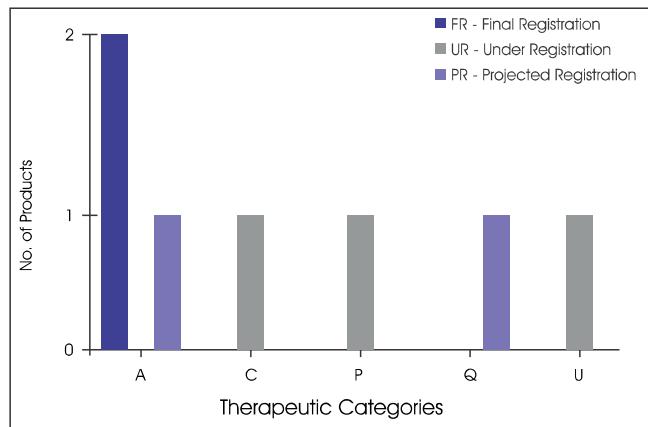


NIGERIA

Category	FR	UR	PR
A - ANTI-BACTERIAL	1	1	2
E - ANTIHISTAMINES / ANTIALLERGIC	2	-	-
F - ANTACID / ANTIULCER / ANTI-EMETIC	1	-	-
N - ANTICONVULSANTS / ANTI-EPILEPTIC	-	-	2
X - PSYCHOTROPICS / ANTI - PSYCHOTICS	-	-	1
TOTAL	4	1	5

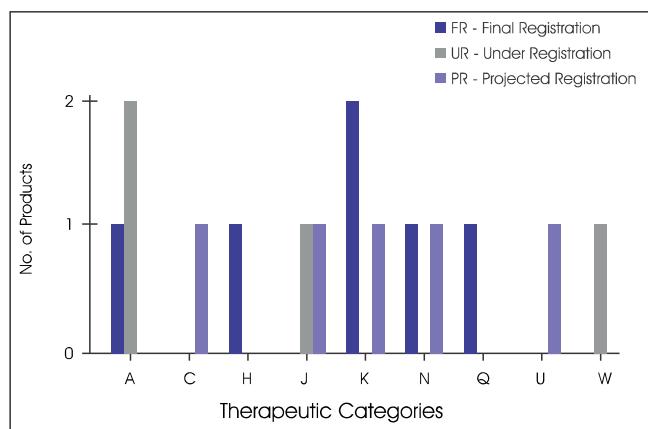
Category	FR	UR	PR
A - ANTI-BACTERIAL	-	1	1
B - ANTI-MALARIAL	-	-	1
C - ANTI-DIABETIC	-	1	7
E - ANTIHISTAMINES / ANTIALLERGIC	-	1	-
F - ANTACID / ANTIULCER / ANTI-EMETIC	1	-	1
G - ANALGESICS / NSAID	-	1	1
I - ANTICOAGULANTS	1	-	-
M - ANTI-RETROVIRAL / ANTI HIV	3	7	4
N - ANTICONVULSANTS / ANTI-EPILEPTIC	-	-	2
Q - CARDIOVASCULAR	1	-	-
S - IMPOTENCE DRUGS	-	-	1
V - BONE MODULATING DRUGS	-	1	-
X - PSYCHOTROPICS / ANTI - PSYCHOTICS	-	11	20
TOTAL	6	23	38

Category	FR	UR	PR
A - ANTI-BACTERIAL	-	3	3
B - ANTI-MALARIAL	1	1	-
C - ANTI-DIABETIC	-	1	-
D - ANTHELMINTIC	-	1	-
E - ANTIHISTAMINES / ANTIALLERGIC	-	-	2
F - ANTACID / ANTIULCER / ANTI-EMETIC	-	2	3
G - ANALGESICS / NSAID	-	-	9
J - ANTI INFLAMMATORY	-	-	1
K - ANTIHYPERTENSIVES	-	-	1
O - ANTIDIARRHOEAL	-	1	-
Q - CARDIOVASCULAR	1	1	-
S - IMPOTENCE DRUGS	1	1	-
U - APPETITE STIMULANT WITH MULTIVITAMINS / MULTIVITAMINS AND MULTIMINERALS	-	1	-
V - BONE MODULATING DRUGS	-	1	-
TOTAL	3	13	19



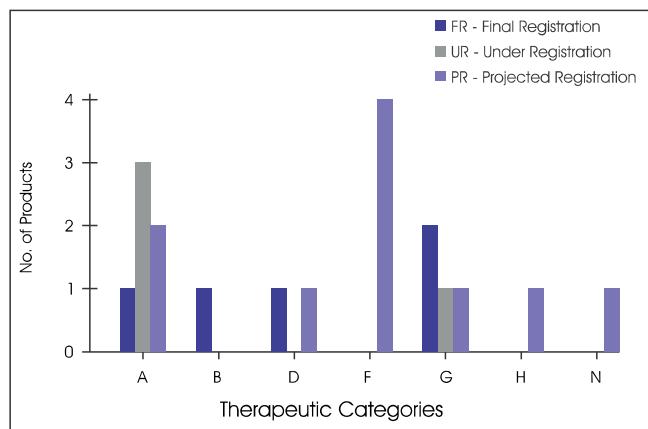
PHILIPPINES

Category	FR	UR	PR
A – ANTI-BACTERIAL	2	-	1
C – ANTI-DIABETIC	-	1	-
P – DIURETIC	-	1	-
Q – CARDIOVASCULAR	-	-	1
U – APPETITE STIMULANT WITH MULTIVITAMINS/MULTIVITAMINS AND MULTIMINERALS	-	1	-
TOTAL	2	3	2



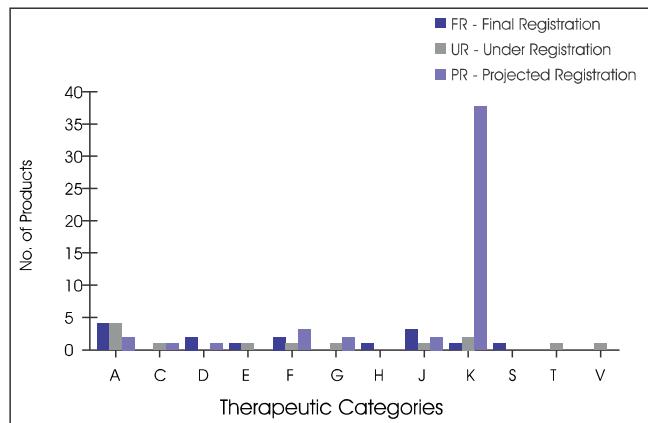
SRILANKA

Category	FR	UR	PR
A – ANTI-BACTERIAL	1	2	-
C – ANTI-DIABETIC	-	-	1
H – ANTIFUNGAL	1	-	-
J – ANTI INFLAMATORY	-	1	1
K – ANTIHYPERTENSIVES	2	-	1
N - ANTICONVULSANTS / ANTI-EPILEPTIC	1	-	1
Q – CARDIOVASCULAR	1	-	-
U- APPETITESTIMULANTWITHMULTIVITAMINS/MULTIVITAMINS AND MULTIMINERALS	-	-	1
W- TREATMENTOFBENIGNPROSTATIC HYPERPLASIA (BPH)	-	1	-
TOTAL	6	4	5



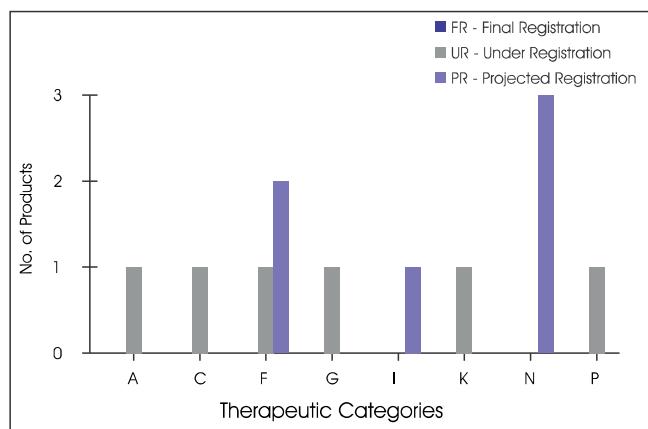
UGANDA

Category	FR	UR	PR
A – ANTI-BACTERIAL	1	3	2
B – ANTI-MALARIAL	1	-	-
D – ANTHELMINTIC	1	-	1
F - ANTACID / ANTIULCER / ANTI-EMETIC	-	-	4
G - ANALGESICS / NSAID	2	1	1
H – ANTIFUNGAL	-	-	1
N - ANTICONVULSANTS / ANTI-EPILEPTIC	-	-	1
TOTAL	5	4	10



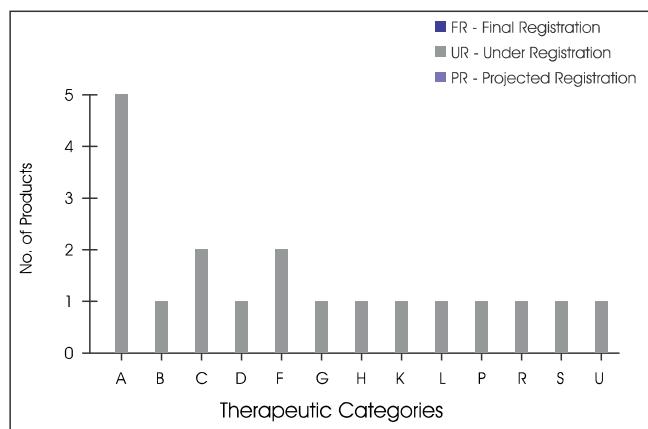
KENYA

Category	FR	UR	PR
A - ANTI-BACTERIAL	4	4	2
C - ANTI-DIABETIC	-	1	1
D - ANTHELMINTIC	2	-	1
E - ANTIHISTAMINES / ANTIALLERGIC	1	1	-
F - ANTACID / ANTIULCER / ANTI-EMETIC	2	1	3
G - ANALGESICS / NSAID	-	1	2
H - ANTIFUNGAL	1	-	-
J - ANTI INFLAMMATORY	3	1	2
K - ANTIHYPERTENSIVES	1	2	37
S - IMPOTENCE DRUGS	1	-	-
T - ANTI OBESITY	-	1	-
V - BONE MODULATING DRUGS	-	1	-
TOTAL	15	13	48



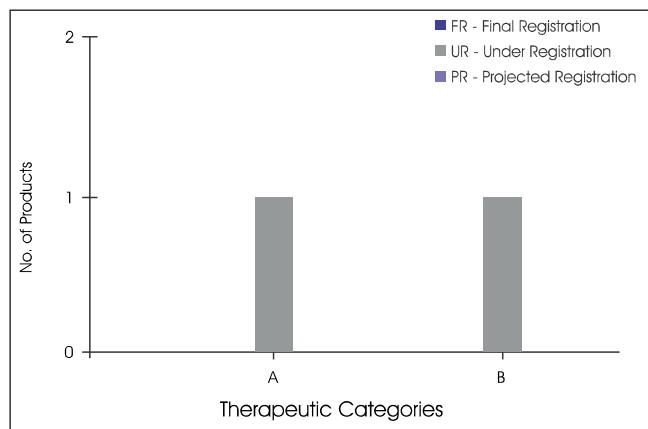
Category	FR	UR	PR
A - ANTI-BACTERIAL	-	1	-
C - ANTI-DIABETIC	-	1	-
F - ANTACID / ANTIULCER / ANTI-EMETIC	-	1	2
G - ANALGESICS / NSAID	-	1	-
I - ANTICOAGULANTS	-	-	1
K - ANTIHYPERTENSIVES	-	1	-
N - ANTICONVULSANTS / ANTI-EPILEPTIC	-	-	3
P - DIURETIC	-	1	-
TOTAL	-	6	6

CENTRAL AMERICA (GUATEMALA, HONDURAS, EI SALVADOR, NICARAGUA, & DOMINICAN REPUBLIC)

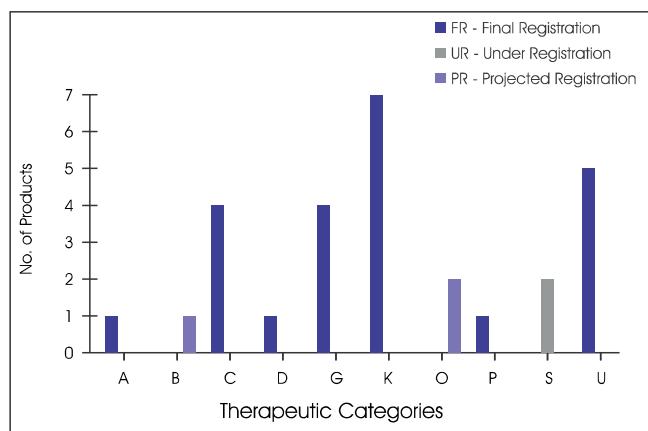


MOZAMBIQUE

Category	FR	UR	PR
A - ANTI-BACTERIAL	-	5	-
B - ANTI-MALARIAL	-	1	-
C - ANTI-DIABETIC	-	2	-
D - ANTHELMINTIC	-	1	-
F - ANTACID / ANTIULCER / ANTI-EMETIC	-	2	-
G - ANALGESICS / NSAID	-	1	-
H - ANTIFUNGAL	-	1	-
K - ANTIHYPERTENSIVES	-	1	-
L - ANTIVIRAL	-	1	-
P - DIURETIC	-	1	-
R - LAXATIVE	-	1	-
S - IMPOTENCE DRUGS	-	1	-
U - APPETITE STIMULANT WITH MULTIVITAMINS/ MULTIVITAMINS AND MULTIMINERALS	-	1	-
TOTAL	-	19	-



RAWANDA



GHANA

Category	FR	UR	PR
A – ANTI-BACTERIAL	-	1	-
B – ANTI-MALARIAL	-	1	-
TOTAL	-	2	-

Category	FR	UR	PR
A – ANTI-BACTERIAL	1	-	-
B – ANTI-MALARIAL	-	-	1
C – ANTI-DIABETIC	4	-	-
D – ANTHELMINTIC	1	-	-
G - ANALGESICS / NSAID	4	-	-
K – ANTIHYPERTENSIVES	7	-	-
O – ANTIDIARRHOEAL	-	-	2
P – DIURETIC	1	-	-
S - IMPOTENCE DRUGS	-	2	-
U - APPETITE STIMULANT WITH MULTIVITAMINS/ MULTIVITAMINS AND MULTIMINERALS	5	-	-
TOTAL	23	2	3

BOOK-POST

If undelivered please return to:

FREDUN PHARMACEUTICALS LIMITED

Manoj Industrial Premises, G.D. Ambekar Marg,
Wadala, Mumbai - 400 031. (INDIA)

business@fredungroup.com

www.fredungroup.com