Wanbury Limited
Regd. Office : BSEL Tech Park, B-Wing
10th Floor, Sector-30A
Opp. Vashi Railway Station
Vashi, Navi Mumbai 400 703
Maharashtra, INDIA
Tel : +91-22-6794 2222
Fax : +91-22-6794 2111/333
CIN L51900MH1988PLC048455
Email : info@wanbury.com
Website : www.wanbury.com

WANBURY

30 September, 2016

To,
Department of Corporate Services,
National Stock Exchange of India Limited,
Exchange Plaza, C-1, Block-G,
Bandra Kurla Complex,
Bandra (East),
Mumbai - 400 051.

Scrip Symbol: WANBURY

Dear Sir,

Sub.: Submission of Annual Report for the financial year 2015 - 2016.

Pursuant to Regulation 34 (1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith the Annual Report of the Company for the Financial year 2015-2016, approved by the shareholders of the Company at their 28th Annual General Meeting held on Thursday, 29 September, 2016 at 11:30 A.M. at Hotel Tunga Regenza, Plot No. 37, Sector 30-A, Vashi, Navi Mumbai - 400 703.

Kindly take the above on your records and acknowledge the receipt.

Thanking you,

Yours faithfully,
For Wanbury Limited

Jitendra J. Gandhi
Company Secretary

Encl.: As above.

ANNUAL REPORT
2015-2016

WANBURY

Towards Better Healthcare

CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. K. Chandran	-	Vice Chairman & Wholetime Director
Mr. N. K. Puri	-	Non-Executive Independent Director
Mr. S. K. Bhattacharya	-	Non-Executive Independent Director
Ms. Anita Belani (w.e.f. 13 August, 2015)	-	Non-Executive Independent Director
Mr. A. L. Bongirwar (upto 18 September, 2015)	-	Non-Executive Independent Director
Dr. P. L. Tiwari (upto 18 September, 2015)	-	Non-Executive Independent Director

CHIEF FINANCIAL OFFICER

Mr. Vinod Verma (w.e.f. 22 April, 2016)

COMPANY SECRETARY

Mr. Jitendra J. Gandhi

REGISTERED & HEAD OFFICE
BSEL Tech Park
B-Wing, 10th Floor, Sector 30-A,
Opp. Vashi Railway Station,
Vashi, Navi Mumbai - 400 703. India
Tel : +91-22-67942222
Fax : +91-22-67942111/333
CIN : L51900MH1988PLC048455
E-mail : shares@wanbury.com
Website: www.wanbury.com

Plants at Patalganga, Tarapur (Maharashtra) and Tanuku (Andhra Pradesh)

AUDITORS

M/s. Kapoor & Parekh Associates

Chartered Accountants, Mumbai

BANKERS
Bank of India
EXIM Bank
State Bank of Mysore
Axis Bank
Andhra Bank
IDBI Bank

REGISTRAR & SHARE TRANSFER AGENT

M/s. Sharex Dynamic (India) Pvt. Ltd.
Unit – 1, Luthra Industrial Premises, Safed Pool,
Andheri - Kurla Road, Andheri (East),
Mumbai – 400 072. India
Telephone No.: +91-22-28516338, 28528087
Fax No.: +91-22-28512885
E-mail: sharexindia@vsnl.com

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NOTICE

Notice is hereby given that the **Twenty Eight (28th)** Annual General Meeting of the Members of Wanbury Limited will be held on **Thursday, 29th day of September, 2016 at 11:30 A.M. at Hotel Tunga Regenza, Plot No. 37, Sector 30-A, Vashi, Navi Mumbai – 400 703** to transact the following business, with or without modifications.

ORDINARY BUSINESS:

1. To receive, consider and adopt;
   a. the Standalone Audited Financial Statements of the Company for the Financial Year ended 31 March, 2016 along with the Reports of Directors and Auditors thereon.
   b. the Consolidated Audited Financial Statements of the Company for the Financial Year ended 31 March, 2016.
2. To appoint a Director in place of Mr. K. Chandran (DIN – 00005868) of the Company, who retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.
3. To consider and if thought fit, to pass, with or without modification (s), the following resolutions as an **ORDINARY RESOLUTIONS** relating to the ratification of appointment of Statutory Auditors of the Company:
   (a) **"RESOLVED THAT** pursuant to the provisions of Section 139 and any other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification/s or re-enactment thereof for the time being in force), M/s. Kapoor & Parekh Associates, Chartered Accountants (Firm Registration No. 104803W) be and are hereby appointed as Statutory Auditors of the Company, to hold the office from the conclusion of this Annual General Meeting (AGM) till the conclusion of next Annual General Meeting at a remuneration to be decided by the Board of Directors."
   (b) **"RESOLVED THAT** pursuant to the provisions of Section 139 and any other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification/s or re-enactment thereof for the time being in force), the appointment of M/s. Kolath & Co., Chartered Accountants, Chennai, be and are hereby ratified as Branch Auditors of the Company, to audit the accounts of the Company's Plant Situated at Tanuku, West Godavari District, Andhra Pradesh, to hold the office from the conclusion of this Annual General Meeting (AGM) till the conclusion of next Annual General Meeting at a remuneration to be decided by the Board of Directors."

SPECIAL BUSINESS:

4. To consider and if thought fit, to pass, with or without modification (s), the following resolution as an **ORDINARY RESOLUTION** relating to the ratification of appointment and remuneration of Cost Auditor:

   "RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions, if any, of the Companies Act, 2013 and Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), approval of the Board of Directors of the Company for payment of remuneration of ₹1,75,000/- (₹ One Lakh Seventy Five Thousand only) plus service tax as applicable and reimbursement of actual travel and out-of-pocket expenses for the Financial Year ending 31 March 2017, to M/s. Hemant Shah & Associates, Cost Accountants, for conducting audit of cost accounts for Pharmaceutical Business of the Company, be and is hereby ratified and confirmed.

   FURTHER RESOLVED THAT the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds, things and matters and take all such steps as may be necessary, proper or expedient to give effect to this resolution."
5. To consider and if thought fit, to pass, with or without modification(s), the following resolution as a **SPECIAL RESOLUTION**:

   "RESOLVED THAT pursuant to the provisions of Sections 196, 197, 198, 203 and other applicable provisions, if any, of the Companies Act, 2013 read with Schedule V as amended upto date, Listing Regulations entered into with the Stock Exchanges and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 {including any statutory modification(s) or re-enactment thereof, for the time being in force}, and subject to necessary approval of the Central Government, on recommendation of the Nomination & Remuneration Committee Meeting and Board of Directors, consent of the Members be and is hereby accorded for the re-appointment of Mr. K. Chandran (DIN: 00005868), Wholetime Director of the Company for a period of three years with effect from 1 September, 2016 on such terms and conditions including remuneration as set out hereunder, with liberty to the Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include the Human Resources, Nomination and Remuneration Committee of the Board) to alter and vary the terms and conditions of the said re-appointment and / or remuneration as it may deem fit and as may be acceptable to Mr. K. Chandran, Wholetime Director of the Company subject to the same not exceeding the limits specified under Schedule V to the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof as under:

A. Period:

Three years w.e.f. 1 September, 2016 with liberty to either party to terminate the appointment on three months' notice in writing to the other.

B. Remuneration:

i) Basic Salary:

Basic Salary of ₹ 3,63,000/- (₹ Three Lakhs Sixty Three Thousand only) per month with such increments as may be decided by the Board from time to time, subject however to a ceiling as may be specified under the Companies Act, 2013 and Rules made thereunder read with Schedule V of the Act.

ii) House Rent Allowance:

House Rent Allowance of ₹ 7,260/- (₹ Seven Thousand Two Hundred Sixty only) per month with such increments as may be decided by the Board from time to time, subject however to a ceiling as may be specified under the Companies Act, 2013 and Rules made thereunder read with Schedule V of the Act.

iii) Special Allowance

Special Allowance of ₹ 2,930/- (₹ Two Thousand Nine Hundred Thirty only) per month with such increments as may be decided by the Board from time to time, subject however to a ceiling as may be specified under the Companies Act, 2013 and Rules made thereunder read with Schedule V of the Act.

iv) Leave Travel Allowance

Leave Travel Allowance of ₹ 7,000/- (₹ Seven Thousand only) per month with such increments as may be decided by the Board from time to time, subject however to a ceiling of actual expenses.

v) Medical Allowance:

Medical Allowance of ₹ 1,250/- (₹ One Thousand Two Hundred Fifty only) per month with such increments as may be decided by the Board from time to time, subject however to a ceiling of actual expenses.

vi) Annual Performance Bonus:

At present not applicable as the Net worth of the Company is running into negative.

C. Perquisites:

i) Reimbursement of Expenses on actual, pertaining to gas, fuel, electricity and telephone.

ii) Personal Accident Insurance coverage for self as per the rules of the Company.

iii) Company's contribution towards Provident Fund and superannuation fund or annuity fund on basic salary as per the rules applicable to Senior Executives of the Company to the extent these either singly or put together are not taxable under the Income Tax Act, 1961.

iv) Gratuity payable at a rate not exceeding half a month's salary for each completed year of service as per the rules applicable to Senior Executives of the Company.

v) Leave and encashment of leave at the end of the tenure as per the rules applicable to Senior Executives of the Company.

vi) A car for use of Company's business.

vii) Spouse accompanying on any official domestic and overseas trip will be governed as per the policy of the Company as applicable to Wholetime Director/Senior Executives of the Company.

viii) Fees of one corporate club in India (including Admission and Membership fees).

ix) Any other policies/benefits that are introduced by the Group from time to time as applicable at his level.

FURTHER RESOLVED THAT the aggregate of the Salary, allowances and perquisites in any financial year shall be subject to the limits prescribed from time to time under Sections 196, 197, 198, 203 and other applicable provisions of the Companies Act, 2013, if any, and Rules made thereunder read with Schedule V to the Act as may be from time to time be in force or otherwise as may be permissible under the law.

FURTHER RESOLVED THAT in any financial year comprised by the period of appointment, the Company has no profits or its profits are inadequate, the aforesaid remuneration will be minimum remuneration subject to the approval of Central Government wherever required.

FURTHER RESOLVED THAT subject as aforesaid, Mr. K. Chandran shall be governed by such other rules as may be applicable to the Senior Executives of the Company from time to time.

FURTHER RESOLVED THAT the period of office shall be liable to determination by retirement of directors by rotation.

FURTHER RESOLVED THAT the Board of Directors ("Board")/Nomination and Remuneration Committee of Directors ("NRC") of the Company be and are hereby authorized to alter and vary the terms and conditions of the said appointment including authority from time to time to determine the amount of salary, performance linked incentive and commission as also the type and amount of perquisites, other benefits and allowances payable to Mr. K Chandran, WTD of the Company subject to the limits prescribed under Section 197 and Schedule V to the Act (including any amendment, modification, variation or re-enactment thereof) and to do all such acts, deeds, matters and things and execute all such agreements, documents, instruments and writings as may be required in regard to the said appointment as it may in its sole and absolute discretion deem fit, to give effect to this resolution."

6. To consider and if thought fit, to pass, with or without modification (s), the following resolution as a **SPECIAL RESOLUTION:**

"RESOLVED THAT in accordance with the provisions of Section 62 and all other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modifications, amendment or re-enactment thereof for the time being in force) (the "Act") and in accordance with the provisions of the Memorandum and Articles of Association of the Company, Listing Regulations and Listing Agreement entered into by the Company with the stock exchanges, where the securities of the Company are listed and in accordance with the existing Preferential Issue Guidelines issued by the Securities & Exchange Board of India ("SEBI") contained in Chapter VII of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended (the "SEBI ICDR Regulations") and subject to all other applicable rules, regulations and guidelines, such approvals, permissions, sanctions and consents as may be necessary and required under the applicable laws, rules and regulations and on such terms and conditions (including any alterations, modifications, corrections, changes and variations, if any, that may be stipulated under such approvals, permissions, sanctions and consents as the case may be), which may be accepted by the Board of Directors of the Company (herein referred to as "Board", which term shall include any duly constituted and authorized committee thereof, which the Board may constitute to exercise its powers) and subject to any alterations, modifications, corrections, changes and variations that may be decided by the Board in their discretion, consent of the Company be and is hereby accorded to the Board to create, offer, issue and allot from time to time in one or more tranches 32,59,500 equity shares of ₹10/- each (₹ Ten only) at a premium of ₹27.50 (₹ Twenty Seven and Paise Fifty only) per equity share aggregating to an issue price of ₹37.50 (₹ Thirty Seven and Paise Fifty only) per equity share to the following allottee being Promoters of the Company on preferential basis (hereinafter referred to as "Preferential Issue of Shares"), on such terms and conditions and in such manner as the Board may think fit:

Sr. No.	Name of the Allottee	No. of Shares	Category
1.	M/s. Expert Chemicals (India) Pvt. Ltd.	32,59,500	Indian Promoter (Body Corporate)
	Total	**32,59,500**	

FURTHER RESOLVED THAT,

i. the equity shares to be so offered and allotted to the aforesaid allottee shall be in dematerialised form and shall be subject to the provisions of the Memorandum and Articles of Association of the Company;

ii. the equity shares to be issued, shall rank pari passu with the existing equity shares of the Company in all respects including as to dividend and be listed on the stock exchanges, where the equity shares of the Company are currently listed;

iii. the **'Relevant Date'** under SEBI (ICDR) Regulations on Preferential Issue, in relation to the offer and issue of Equity Shares, for the purpose of determining the issue price i.e. **23 May, 2011** being the **date of scheme approved under the Corporate Debt Restructuring Cell of Reserve Bank of India** prior to the date of passing of this resolution;

iv. the equity shares to be issued shall be subject to a lock-in for such period from the date of their allotment as provided and pursuant to the provisions of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended up to date.

v. the allotment of equity shares shall be completed within a period of 15 days from the date of passing of Special Resolution by the Members according their approval to the said issue. As the present issue is pursuant to a Scheme of Corporate Debt Restructuring as per the Corporate Debt Restructuring framework specified by the Reserve Bank of India, the requirement of allotment of Equity Shares within a period of Fifteen (15) days shall not apply to allotment of specified securities on preferential basis.

vi. If the said Promoter will not subscribe to the said Preferential Issue in full then in such case the unsubscribed portion will be subscribe by remaining Promoter or Promoters Group or to a new Promoter or Persons in control of the Issuer of the Company subject to such terms and conditions and other applicable law from time to time and the provisions of SEBI (SAST) Regulations, 2011, specified securities held by Promoters and locked-in, in terms of sub-regulation (1) of

Regulation 78 may be transferred among Promoters or Promoters Group or to a new Promoter or Persons in control of the Issuer.

FURTHER RESOLVED THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorized on behalf of the Company to take all such actions and do all such acts, deeds, matters and things as it may, in its absolute discretion deem fit, and issue clarifications on the issue and allotment of fresh equity shares, to effect any modification to the foregoing (including any modification to the terms of the issue) in the best interests of the Company and its Shareholders and to execute all such writings and instruments as the Board may in its absolute discretion deem necessary or desirable.

FURTHER RESOLVED THAT the Board be and is hereby also authorised to delegate all or any of the powers to the Committee of Directors of the Company to give effect to the aforesaid resolution."

7. To consider and if thought fit, to pass, with or without modification (s), the following resolution as a **SPECIAL RESOLUTION:**

"**RESOLVED THAT** pursuant to the provisions of Section 62 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any statutory modification or re-enactment thereof for the time being in force), the Memorandum and Articles of Association of the Company, Listing Regulations and Listing Agreements entered into by the Company with the stock exchanges where the securities of the Company are listed, the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended ("SEBI Regulations") and subject to all other applicable laws, rules, regulations, circulars and guidelines and subject to such approvals, permissions, sanctions and consents as may be necessary and required under the applicable laws, rules, regulations, circulars and guidelines and on such terms and conditions (including any alterations, modifications, corrections, changes and variations, if any, that may be stipulated under such approvals, permissions, sanctions, and consents as the case may be) which may be accepted by the Board of Directors of the Company (herein referred to as "Board" which term shall include any duly constituted and authorized committee thereof to exercise its powers under the resolutions) and subject to any other alterations, modifications, conditions, corrections, changes and variations that may be decided by the Board in its absolute discretion, consent of the Company be and is hereby accorded to the Board to create, offer, issue and allot, from time to time, in one or more tranches, on a preferential basis:

a) upto an aggregate of 5,00,000 (Five Lakhs only) Compulsorily Convertible Debentures (hereinafter referred to as "CCDs") of face value of ₹ 200/- (₹ Two Hundred only) each at par aggregating ₹ 10 Crore (₹ Ten Crore only), with each CCD convertible into 1 (One) equity share at a conversion price of ₹ 200/- (₹ Two Hundred only) per equity share (Face Value of ₹ 10/- and Premium of ₹ 190/-) per equity share (hereinafter referred to as "CCD Shares"), to Edelweiss Asset Reconstruction Company Ltd. ("**EARC"**) as a Trustee of EARC Trust SC 145 (hereinafter referred to as the **"Edelweiss").**

FURTHER RESOLVED THAT the CCDs being offered, issued and allotted to Edelweiss by way of a preferential basis issue shall inter alia be subject to the following:

(i) The **CCD shares** to be offered, issued and allotted to Edelweiss shall be in dematerialised form and shall be subject to the provisions of the Memorandum and Articles of Association of the Company. CCDs to be offered, issued and allotted to Edelweiss shall be either in physical form or in dematerialised form and shall be subject to the provisions of the Memorandum and Articles of Association of the Company ;

(ii) The **CCD Shares** arising upon conversion of CCDs shall rank pari passu with the existing equity shares of the Company in all respects including as to dividend and other corporate benefits from time to time;

(iii) The "Relevant Date" for the offer, issue and allotment of the CCDs by way of a preferential issue, as per the SEBI Regulations, for the determination of the minimum price for the issue of the CCDs is **30 August, 2016** (which is the day 30 days prior to the date of ensuing Annual General Meeting which is scheduled to be held on 29 September, 2016, has been taken as the **"Relevant Date"**);

(iv) The CCDs and **CCD Shares** to be offered, issued and allotted shall be subject to lock-in as provided under the provisions of SEBI (ICDR) Regulations;

(v) The CCDs shall be converted into **CCD Shares** within a period of 18 months from the date of allotment of the CCDs, in the manner specified in the explanatory statement, which shall be deemed to be a part hereof; and

(vi) **CCD Shares** upon conversion of the CCDs will be listed subject to the receipt of the necessary regulatory permissions and approvals.

FURTHER RESOLVED THAT the Board be and is hereby authorised to offer, issue and allot requisite number of **CCD Shares** to the holder of CCDs upon conversion.

FURTHER RESOLVED THAT subject to the provisions of the SEBI Regulations and other applicable laws, the Board be and is hereby authorized to decide and approve terms and conditions of the issue of the CCDs including the time, mode and manner of conversion of CCDs into **CCD Shares** and subject to aproval from **Edelweiss** to vary, modify or alter any of the terms and conditions, including size of the preferential issue to **Edelweiss**, as it may deem expedient.

FURTHER RESOLVED THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorized on behalf of the Company to do all such acts, deeds, things and matters as the Board may, in its absolute discretion, deem necessary, expedient or desirable for such purpose, including without limitation to issue clarifications on the offer, issue and allotment of the CCDs and conversion of CCDs into **CCD Shares**, to execute all such writings and instruments and enter into arrangement/ agreements as the Board may in its absolute discretion deem necessary or desirable for the purpose of this resolution, to settle all questions, difficulties or doubts that may arise in regard to the offer, issue and allotment of the CCDs, conversion of CCDs into **CCD Shares** and utilisation of proceeds of the CCDs, take all others steps which may be incidental, consequential, relevant or ancillary in this connection and to effect any modification to the foregoing in the best interests of the Company and its Shareholders.

FURTHER RESOLVED THAT the Board be and is hereby also authorised to delegate all or any of its powers to any officer(s) or authorized signatory (ies) of the Company to give effect to this resolution including execution of any documents on behalf of the Company and to represent the Company before any governmental/statutory authorities and to appoint any merchant bankers or other professional advisors, consultants and legal advisors, if required, to give effect to the aforesaid resolution."

8. To consider and if thought fit, to pass, with or without modification (s), the following resolution as a **SPECIAL RESOLUTION:**

"RESOLVED THAT pursuant to the applicable provisions, if any, of the SEBI (Share Based Employee Benefit) Regulations, 2014, Companies Act 2013 and Rules made thereunder, the Memorandum and Articles of Association of the Company and subject to such other approvals, permissions and sanctions as may be necessary and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions, the consent of the Company be and is hereby accorded to the 'Wanbury Limited Employee Stock Option Plan 2016 (hereinafter referred to as the "WANBURY ESOP 2016"/ "Plan") and to the Board of Directors of the Company (hereinafter referred to as "the Board" which term shall be deemed to include any Committee, which the Board may constitute to exercise its powers, including the powers, conferred by this resolution), to create, offer, issue and grant at any time to or benefit of such person(s) who are in permanent employment of the Company, whether working in India or outside India, including any Director of the Company (other than Promoter(s) or belonging to the Promoter Group of the Company, Independent Directors and Directors holding directly or indirectly more than 10% of the outstanding equity shares of the Company), whether whole time or otherwise, options exercisable into 9,98,464 (Nine Lakhs Ninety Eight Thousand Four Hundred and Sixty Four) equity shares of the Company, being not exceeding 5% (Five Percent) of the paid-up equity share capital of the Company as on the date of passing the resolution, of face value ₹ 10/- each (Rupees Ten), under Employee Stock Option Scheme 2016, in one or more tranches, and on such terms and conditions as may be fixed or determined by the Board in accordance with the provisions of the law or guidelines issued by the relevant authority from time to time.

FURTHER RESOLVED THAT in case of any corporate action (s) such as rights issues, bonus issues, merger and sale of division/undertaking or other re-organisation and others, for the purpose of making a fair and reasonable adjustment, the number of options to be granted and / or the exercise price payable under the Scheme shall be appropriately adjusted, without affecting any other rights or obligations under the Scheme.

FURTHER RESOLVED THAT the Board be and is hereby authorised to issue and allot equity shares upon exercise of options from time to time in accordance with the Employee Stock Option Scheme and such equity shares shall rank pari passu in all respects with the then existing equity shares of the Company.

FURTHER RESOLVED THAT in case the equity shares of the Company are either sub-divided or consolidated, then the number of shares to be allotted and the price of acquisition payable by the option grantee/s under the Scheme shall automatically stand augmented or reduced, as the case may be, in the same proportion as the present face value of ₹10/- (₹ Ten) per equity share bears to the revised face value of the equity shares of the Company after such sub-division or consolidation, without affecting any other rights or obligations of the said option grantee/s.

FURTHER RESOLVED THAT the Board be and is hereby authorized to make modifications, changes, variations, alterations or revisions in the said scheme as it may deem fit, from time to time in its sole and absolute discretion in conformity with the provisions of the SEBI (Share Based Employee Benefit) Regulations 2014, Companies Act 2013 and Rules made thereunder, the Memorandum and Articles of Association of the Company and any other applicable laws.

FURTHER RESOLVED THAT the Company shall conform to the accounting policies prescribed from time to time under the SEBI SBEB Regulations and any other applicable laws and regulations to the extent relevant and applicable to the WANBURY ESOP 2016.

FURTHER RESOLVED THAT the Board be and is hereby also authorized to take necessary steps for listing of the equity shares allotted under the WANBURY ESOP 2016 on the Stock Exchanges, where the equity shares of the Company are listed as per the provisions of the Listing Regulations with the concerned Stock Exchanges and other applicable laws, guidelines, rules and regulations.

FURTHER RESOLVED THAT for the purpose of giving effect to this resolution the Board be and is hereby authorised to do all such acts, deeds, things and matters and to take all steps and to do all things and give such directions as may be necessary, expedient, or desirable and also to settle any queries, question or difficulties that may arise in such manner and the Board / such authorised person in its/ his/her absolute discretion may deem fit and take steps which are incidental and ancillary in this connection."

9. To consider and if thought fit, to pass, with or without modification (s), the following resolution as a **SPECIAL RESOLUTION:**

   "RESOLVED THAT Mr. P.V. Pasupathy, President of the Company, be granted 3,00,000 options, which exceeds 1% of the issued capital (excluding outstanding warrants and conversions) of the Company as on the date of this resolution."

Registered Office:
BSEL Tech Park, B - Wing,
10th Floor, Sector 30-A, Vashi,
Navi Mumbai – 400 703.
Tel.: 91 22 67942222
Fax: 91 22 67942111/333
Email: shares@wanbury.com
Website: www.wanbury.com
CIN: L51900MH1988PLC048455

Mumbai, 12 August, 2016

By Order of the Board of Directors
For Wanbury Limited

Jitendra J. Gandhi
Company Secretary

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ALSO ENTITLED TO APPOINT A PROXY TO ATTEND THE MEETING AND VOTE ON POLL; INSTEAD OF HIMSELF / HERSELF AND THE PROXY NEED NOT BE A MEMBER. THE INSTRUMENT APPOINTING A PROXY MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**
2. A person can act as a proxy on behalf of Members not exceeding fifty and holding in the aggregate not more than ten percent (10 %) of the total share capital of the Company carrying voting rights. A Member holding more than ten percent (10 %) of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder. Proxies submitted on behalf of limited companies, societies act, etc. must be supported by an appropriate resolution/authority as applicable.
3. The Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 in respect of the Special Business as per **Item Nos. 4 to 9** herein above, is annexes herewith.
4. The Register of Members and Share Transfer Books of the Company will remain closed from **Friday, 23 September, 2016 to Thursday, 29 September, 2016** (both days inclusive) for the purpose of Annual General Meeting.
5. The Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate Governance" by allowing paperless Compliances by the Companies pursuant to the applicable provisions of Information Technology Act, 2000. The Members are requested to notify their e-mail addresses to Company and enable the Company to send notices, annual report and other documents through electronic mode (e-mail). The Members can notify their e-mail addresses to the Company by sending a request on e-mail ID shares@wanbury.com or by sending a letter addressed to the Company Secretary.
6. The Members are requested to notify immediately changes, if any, in their registered address: (i) to the Company's **Registrar & Share Transfer Agent, M/s. Sharex Dynamic (India) Pvt. Ltd., Unit – 1, Luthra Industrial Premises, Andheri-Kurla Road, Safed Pool, Andheri (East), Mumbai – 400 072** in respect of the Shares held in Physical Form and (ii) to their Depository Participants (DPs) in respect of Shares held in Dematerialized Form.
7. In case the mailing address mentioned on this Annual Report is without the PIN CODE, Shareholders are requested to kindly inform their PIN CODE immediately to their DP or the Company's Registrar & Share Transfer Agent, M/s. Sharex Dynamic (India) Pvt. Ltd., as mentioned above.

8. Members who hold Shares in Dematerialized Form are requested to write their Client ID and DP ID numbers and those who hold shares in Physical Form are requested to write their Registered Folio Number in the Attendance Slip for easy identification at the meeting and number of shares held by them.

9. Shareholders desiring any information as regards to the Accounts of the Company are requested to write to the Company at least seven days in advance of the Annual General Meeting; so that the information to the extent practicable can be made available at the Annual General Meeting.

10. Members attending the meeting are requested to bring with them the Attendance Slip attached to the Annual Report duly filled in and signed and handover the same at the entrance of the meeting hall.

11. Pursuant to Section 205A and Section 205C to the Companies Act, 1956 and Section 124 and 125 of the Companies Act, 2013, the Company has transferred the unpaid or unclaimed dividends for the financial year 2007-2008 to Investor Education and Protection Fund ("the IEPF") established by the Central Government.

    Pursuant to provisions of Investor Education and Protection Fund (Uploading of Information regarding unpaid and unclaimed amounts lying with Companies) Rules, 2012, the Company has uploaded the details of unpaid and unclaimed dividend on the website of the Company (www.wanbury.com) as also on the website of the Ministry of Corporate Affairs (www.mca.gov.in).

    Dividends for the financial years 2007-2008 and thereafter which remain unpaid or unclaimed for a period of 7 years from the date they became due for payment will be transferred by the Company to IEPF. Members who have not yet encashed their dividend warrants for financial year 2009-10 and seek revalidation of their warrants are requested to write to Company's Registrars without any delay.

12. Facility of nomination is now available and Members are requested to make use of the same by contacting the Registrars in case of physical holding and DPs in case of dematerialised holdings.

13. Pursuant to Section 108 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 and Regulation 44 of SEBI Listing Regulations (earlier Clause 35B of the Listing Agreement entered into with stock exchanges) all the business as per **Item Nos. 1 to 9** herein above, is required to be transacted by electronics means.

14. The Board of Directors of the Company has appointed Ms. Kala Agarwal of M/s. Kala Agarwal, Practicing Company Secretary as Scrutinizer for conducting the voting and remote e-voting process in a fair and transparent manner.

15. Process and manner for Members opting for remote e - Voting is as under:

    (i) The remote voting period begins on **Monday, 26 September, 2016 at 9:00 A.M. and ends on Wednesday, 28 September, 2016 at 5:00 P.M.** During this period Shareholders' of the Company, holding shares either in physical form or in dematerialised form, as on the cut-off date **22 September, 2016 (Record Date),** may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.

    (ii) The Shareholders should log on to the e-voting website www.evotingindia.com

    (iii) Click on Shareholders.

    (iv) 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 Registered Folio Number registered with the Company.

    (v) Next enter the Image Verification as displayed and Click on Login.

    (vi) If you are holding shares in dematerialised form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

(vii) If you are a first time user follow the steps given below:

	For Members holding shares in Dematerialised Form and Physical Form
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both dematerialised shareholders as well as physical shareholders) • 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 the PAN field. • In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. e.g. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
Dividend Bank Details or Date of Birth (DOB)	Enter the Dividend Bank details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the Company records in order to login. • If both the details are not recorded with the depository or Company please enter the Member ID/Regd. Folio Number in the Dividend Bank details field as mentioned in instruction (v).

(viii) After entering these details appropriately, click on "SUBMIT" tab.

(ix) 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.

(x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(xi) Click on the **EVSN** for **Wanbury Limited**.

(xii) 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.

(xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(xiv) 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.

(xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xvi) You can also take print out of the voting done by you by clicking on "Click here to print" option on the Voting page.

(xvii) If Demat account holder has forgotten the same password then enter the User ID and the image verification code and click on Forgot Password and enter the details as prompted by the system.

(xviii) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively on or after 30th June 2016. Please follow the instructions as prompted by the mobile app while voting on your mobile.

(xix) **Note for Non – Individual Shareholders and Custodians:**

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com 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.
- After receiving the login details a compliance user should be created 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.

(xx) 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.com, under help section or write an email to helpdesk.evoting@cdslindia.com

16. The persons who have acquired shares and become members of the Company after dispatch of the notice of Annual General Meeting, may obtain User ID and Password for Remote e-voting by sending request to the Company / Sharex Dynamics (India) Pvt. Ltd. either by way of a letter or by sending email to shares@wanbury.com / sharexindia@vsnl.com

17. The facility for voting, either through electronic voting system or ballot or polling paper shall also be made available at the Annual General Meeting and the Members attending the Annual General Meeting who have not already cast their vote by remote e-voting shall be able to exercise their right at the Annual General Meeting.

18. The Members who have cast their vote by remote e-voting prior to the Annual General Meeting may also attend the Annual General Meeting but shall not be entitled to cast their vote again.

19. A Member's voting rights shall be in proportion to his/her share of the paid-up equity share capital of the Company as on **22 September, 2016 ('cut-off date').** A person whose name is recorded in the Register of Members of the Company or in the Register of Beneficial Owners maintained by the depositories as on the **'cut-off date only'** shall be entitled to avail the facility of remote e-voting as well as voting in the Annual General Meeting.

20. The Scrutinizer will submit his/her report addressed to Mr. K. Chandran, Vice Chairman after completion of the scrutiny and the results of the voting will be announced on or before **1 October, 2016**.

21. Members are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically with respective Depository Participant (if holding shares in electronic form) or the Company / Sharex Dynamic (India) Pvt. Ltd. (if holding shares in physical form). The requests to the Company / Sharex Dynamic (India) Pvt. Ltd. can either be sent by way of a letter or by sending e-mail to shares@wanbury.com / sharexindia@vsnl.com

22. 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 (from 10:00 A.M. to 5:00 P.M.) on all business working days except Sundays, upto and including the date of the Annual General Meeting of the Company.

ANNEXURE TO THE NOTICE

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 (1) OF THE COMPANIES ACT, 2013.

ITEM NO. 4:

APPOINTMENT & REMUNERATION OF COST AUDITORS:

In pursuance of Section 148 and all other applicable provisions of the Companies Act, 2013 and Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the Board of Directors (Board) shall appoint an Individual who is Cost Accountant in practice, or a firm of Cost Accountants in practice, as Cost Auditor on the recommendation of the Audit Committee, which shall also recommend remuneration for such auditor. The remuneration recommended by the Audit Committee shall be considered and approved by the Board and ratified by the Members.

On recommendation of Audit Committee, the Board has considered and approved appointment of M/s. Hemant Shah & Associates, Cost Accountants, (the firm) for conducting the Cost Audit of "all applicable products and group of products" at a remuneration of ₹ 1,75,000/- (₹ One Lakh Seventy Five Thousand only) plus service tax as applicable and reimbursement of actual travel and out-of-pocket expenses for the Financial Year ending 31 March, 2017.

None of the Directors and/or Key Managerial Personnel or their relative(s) is / are in any way concerned or interested, in passing of the above mentioned resolution.

The Board recommends passing of the Ordinary Resolution set out in Item No. 4 of the accompanying notice for approval of the Shareholders.

ITEM NO. 5:

RE-APPOINTMENT OF MR. K. CHANDRAN FOR 3 YEARS AS WHOLETIME DIRECTOR OF THE COMPANY.

The Members of the Company had approve the appointment of Mr. K. Chandran as Wholetime Director of the Company for a period of three years at their 25th Annual General Meeting held on 24 September, 2013. The term of appointment of Mr. K. Chandran is expires on 31 August, 2016.

Mr. K. Chandran has rich experience and knowledge of pharmaceutical industry and has contributed substantially to the growth of the Company. Keeping this in view, the Board of Directors at its meeting held on 18 May 2016, on the recommendation of Nomination & Remuneration Committee has approved the re-appointment of Mr. K. Chandran as Whole-time Director of the Company w.e.f. 1 September, 2016 for a period of Three (3) years on such terms and conditions subject to necessary approval of Shareholders in General Meeting and Central Government. Mr. K. Chandran fulfills the eligibility criteria set out under part I of Schedule V to the Companies Act, 2013.

The information as required under Schedule V to the Companies Act, 2013 are as under:

I. GENERAL INFORMATION:

(1) Nature of Industry – **Pharmaceutical Industry**.

(2) Date of commencement of commercial production – **The Company commenced its pharmaceutical business from 1988 onwards.**

(3) In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus – **Not Applicable**.

(4) **FINANCIAL PARAMETERS:**

(Amount ₹ in Lakhs)

Financial Parameters	**2015-16**	2014-15**	2013-14*	2012-13	2011-12
Total Income	**42,466.78**	25,640.73	66,732.11	41,868.58	35,537.46
Total Expenditure	**43,170.25**	25,192.47	69,271.06	44,401.77	37,934.34
Profit / (Loss) Before Tax	**(703.49)**	448.25	(26,715.27)	(2,533.18)	(1,613.68)
Profit / (Loss) After Tax	**(703.49)**	320.78	(27,000.93)	(2,546.88)	(1,613.68)
Rate of Dividend recommended/ declared	**0%**	0%	0%	0%	0%

*** Financial Year 2013-14 was of 18 months period starting from 1 April, 2013 to 30 September, 2014.**

**** Financial Year 2014-15 was of 6 months period starting from 1 October, 2014 to 31 March, 2015.**

(5) **Foreign investments or collaborators, if any:**

The Company has five foreign subsidiaries namely Wanbury Holding B.V., Wanbury Global FZE, Cantabria Pharma S. L., Laboratories Wanbury S. L. and Ningxia Wanbury Fine Chemicals Company Limited. Kindly refer to the Note No. 28 in the notes to accounts for the investment made by the Company in the subsidiaries, which forms part of Annual Report.

II. INFORMATION ABOUT THE APPOINTEE:

(1) **Background details:** Mr. K. Chandran aged about 58 years, is a Science Graduate and has rich experience and knowledge of pharmaceutical industry and has contributed substantially to the growth of the Company.

(2) **Past Remuneration:** Remuneration of ₹ 49.77 Lakhs was paid to Mr. K. Chandran for the year 2015-2016 which is pending for Central Government's approval.

(3) **Job profile and his suitability**: Mr. K. Chandran is in-charge of the overall administration of the Company and its Subsidiary Companies, subject to the superintendence, direction and control of the Board of Directors of the Company.

(4) **Remuneration proposed:** As set out in the resolution. The remuneration of Mr. K. Chandran has the approval of Board.

(5) **Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case of expatriates the relevant details would be w.r.t. the country of his origin)** – Taking into consideration, size of the Company, the profile of Mr. K. Chandran, an Indian National, the responsibility shouldered by him, the remuneration package set out in resolution is commensurate with the remuneration package paid to managerial position in other Companies.

(6) **Pecuniary relationship directly or indirectly with the Company or relationship with the managerial personnel, if any:** Besides, the remuneration proposed, Mr. K. Chandran does not have any other pecuniary relationship with the Company or relationship with any managerial personnel.

III. OTHER INFORMATION:

(1) Reason of loss or inadequate profits:

The Company has made a Loss of ₹ (703.47) Lakhs for the financial year 2015-16. But in the previous period, the Company has made a profit of ₹ 320.78 Lakhs.

(2) Steps taken or proposed to be taken for improvement:

The Company has taken a number of initiatives to improve the yield and other cost reduction by improving the manufacturing process. All vacancies have been filled across the country with the best talent. The Company has also engaged some of the best talent in the industry at senior management leadership levels. The new product pipeline is robust and the launch of these products should help to achieve a significant growth in revenues and profitability.

(3) Expected increase in productivity and profits in measurable terms:

Over the next three years the Company is targeting an overall compounded annual growth rate of 33%, which as aforesaid would be laid by growth in existing products, new product introductions, foray in new divisions and markets, increased geographical spread of the Company and expansion of its manufacturing and research capacities.

None of the Directors and/or Key Managerial Personnel or their relative(s) is/are in any way concerned or interested, in passing of the above mentioned resolution, except Mr. K. Chandran and his relatives.

The Board recommends passing of the Special Resolution set out in Item No. 5 of the accompanying notice for approval of the Shareholders.

ITEM NO. 6:

ISSUE OF EQUITY SHARES ON PREFERENTIAL BASIS TO M/S. EXPERT CHEMICALS (INIDA) PVT. LTD., PROMOTERS OF THE COMPANY UNDER CDR SCHEME:

Bank of India as the lead bank of the consortium of bankers of the Company had referred the Company for restructuring of its debt to the Corporate Debt Restructuring (CDR) Cell. The Corporate Debt Restructuring Cell has approved Corporate Debt Restructuring Scheme and has issued letter of approval (LOA) dated 23 May, 2011.

As per the terms and conditions of the Corporate Debt Restructuring of the Company, the Promoters of the Company are required to contribute specified amount in the Capital of the Company from time to time. Therefore, Expert Chemicals (India) Pvt. Ltd. has contributed till date ₹ 19.80 Crores and the Company has allotted 52,80,000 Equity Shares to Expert Chemicals (India) Pvt. Ltd. pursuant to the provisions of Corporate Debt Restructuring Scheme.

Expert Chemicals (India) Pvt. Ltd. has further contributed ₹ 12.22 Crore. The Company will therefore be required to issue & allot 32,59,500 Equity Shares of the Company on preferential allotment basis to Expert Chemicals (India) Pvt. Ltd. at a price of ₹ 37.50 (₹ Thirty Seven and Paisa Fifty only) {Face Value of ₹ 10/- and Premium of ₹ 27.50/-} per equity share or at a price, which will be in accordance with the provisions of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 and subsequent amendment(s) thereof.

The present resolution is proposed to be passed in order to enable the Board of Directors to make the Preferential Issue to Promoters of the Company.

The following disclosure is made for the Preferential Issue of Equity Shares in accordance with the provisions of Chapter VII of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended (hereinafter referred to as "ICDR"): -

i) **OBJECTS OF THE PREFERENTIAL ISSUE:**

The Object of the issue is the restructuring of the various obligations/liabilities of the Company, in accordance with the Letter of Approval by the Corporate Debt Restructuring Empowered Group ("CDR EG"), a non-statutory voluntary mechanism set up under the aegis of the Reserve Bank of India (RBI) for the efficient restructuring of corporate debt (hereinafter referred to as the "CDR") and to make issue & allotment of equity shares to the Promoters of the Company in accordance with the said Letter of Approval (LOA).

ii) **INTENTION OF THE PROMOTERS / DIRECTORS / KEY MANAGEMENT PERSONS TO SUBSCRIBE TO THE OFFER:**

M/s. Expert Chemicals (India) Pvt. Ltd., Promoter of the Company, proposes to subscribe to the equity shares under the said offer. If the said Promoter will not subscribe to the said Preferential Issue in full then in such case the unsubscribed portion will be subscribe by remaining Promoter or Promoters Group or to a new Promoter or Persons in control of the Issuer of the Company subject to such terms and conditions and other applicable law from time to time and the provisions of SEBI (SAST) Regulations, 2011. Specified securities held by Promoters and locked-in, in terms of sub-regulation (1) of Regulation 78 may be transferred among Promoters or Promoters Group or to a new Promoter or Persons in control of the Issuer.

No person belonging to the Promoters and Promoters Group have sold their shares in the Company during the six months preceding the Relevant Date.

The existing Promoters of the Company will continue to be in control of the Company and there will not be any change in the management / control of the Company as a result of the proposed preferential allotment. As a result of this preferential allotment, there shall be no changes in the Board of Directors of the Company.

iii) **SHAREHOLDING PATTERN OF THE COMPANY BEFORE AND AFTER THE PROPOSED PREFERENTIAL ISSUE:**

The Shareholding Pattern before and after the preferential issue:

Shareholders Category	Pre Issue		Allotment of Equity Shares	Post Issue	
	Number of shares held	%	No. of shares	Number of shares held	%
PROMOTERS					
Indian:					
Expert Chemicals (India) Pvt. Ltd.	67,54,730	33.83	32,59,500	1,00,14,230	43.11
Foreign:					
Kingsbury Investment Inc.	30,24,000	15.14	-	30,24,000	13.02
Total Shareholding of Promoter and Promoter Group (A)	**97,78,730**	**48.97**	**32,59,500**	**1,30,38,230**	**56.13**
PUBLIC SHAREHOLDING					
Institutions	5,83,050	2.92	-	5,83,050	2.51
Non-institutions	96,07,506	48.11	-	96,07,506	41.36
Total Public Shareholding (B)	**1,01,90,556**	**51.03**	-	**1,01,90,556**	**43.87**
TOTAL – (A + B)	**1,99,69,286**	**100.00**	-	**2,32,28,786**	**100.00**

iv) **PROPOSED TIME WITHIN WHICH ALLOTMENT OF PREFERENTIAL ISSUE WILL BE COMPLETED:**

As required under Chapter VII of the SEBI ICDR Regulations,, the Company will complete the allotment of Equity Shares within a period of Fifteen (15) days from the date of passing of the Special Resolution by the Members or where the allotment on preferential basis requires any approval by any Regulatory Authorities or Central Government, the allotment of shares will be completed within a period of Fifteen (15) days from the date of such approval. As the present issue is pursuant to a Scheme of Corporate Debt Restructuring as per the Corporate Debt Restructuring framework specified by the Reserve Bank of India, the requirement of allotment of Equity Shares within a period of Fifteen (15) days shall not apply to allotment of specified securities on preferential basis.

v) **IDENTITY OF THE PROPOSED ALLOTTEE AND THE PERCENTAGE OF CAPITAL HELD BY IT/HIM AND CHANGE IN CONTROL, IF ANY, OF THE ISSUER :**

The following is the person to whom Equity Shares are proposed to be allotted on a preferential basis. The number of shares and percentage of holding by the proposed allottee prior to and after the proposed issue is as under:

Name of the proposed Allottee	Pre-issue Equity Shareholding		Post-issue Equity Shareholding	
	No. of shares	%	No. of shares	%
M/s. Expert Chemicals (India) Pvt. Ltd.	67,54,730	33.83	1,00,14,230	43.11
TOTAL	**67,54,730**	**33.83**	**1,00,14,230**	**43.11**

The existing Promoters of the Company will continue to be in control of the Company and there will not be any change in the management / control of the Company as a result of the proposed preferential allotment. As a result of this preferential allotment, there shall be no changes in the Board of Directors of the Company.

vi) **PRICING OF THE EQUITY SHARES:**

The pricing of the Equity Shares to be allotted to Expert Chemical (India) Pvt. Ltd., on preferential basis shall not be lower than the price determined in accordance with the SEBI ICDR Regulations. Currently, SEBI ICDR Regulations provides that the issue of shares on a preferential basis can be made at a price not less than the higher of the following:

a. The average of the weekly high and low of the closing prices of the related equity shares quoted on the recognized stock exchange during the twenty six weeks preceding the relevant date; OR

b. The average of the weekly high and low of the closing prices of the related Equity Shares quoted on a recognized stock exchange during the two weeks preceding the relevant date.

The "Relevant Date" for the preferential issue of aforesaid Equity Shares is 23 May, 2011, the date of approval of the Corporate Debt Restructuring Scheme by Corporate Debt Restructuring Cell, under the Corporate Debt Restructuring framework of Reserve Bank of India, in accordance with the provisions of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 and subsequent amendment(s) thereof.

'Stock Exchange' for this purpose shall mean any of the recognized stock exchanges and on which the highest trading volume in respect of the shares of the Company has been recorded during the preceding six months prior to the Relevant Date.

vii) **UNDERTAKING TO RECOMPUTED PRICE AND UNDERTAKING TO PUT UNDER LOCK-IN TILL THE RECOMPUTED PRICE IS PAID:**

As specified under the SEBI ICDR Regulations, wherever it is required, the Company shall re-compute the issue price of the Equity Shares to be allotted under the Preferential Issue in accordance with the SEBI ICDR Regulations. Further, if the amount payable on account of the re-computation of issue price is not paid by the Investor i.e. M/s. Expert Chemicals (India) Pvt. Ltd. within the time stipulated under the SEBI ICDR Regulations, the Equity Shares allotted to Investor shall continue to be locked-in till the time such amounts are paid by them.

viii) **LOCK IN REQUIREMENTS:**

The equity shares to be issued on preferential basis to the Promoters and Promoters Group shall be subject to a lock-in for such period as specified under Chapter VII of ICDR, as amended from time to time.

As it is proposed to issue Equity Shares on Preferential basis, Special Resolution is required to be approved by the Members pursuant to the Provisions of Section 62 of the Companies Act, 2013 and Chapter VII of the SEBI (ICDR) Regulations, 2009 as amended.

None of the Directors and/or Key Managerial Personnel or their relative(s) is/are in any way concerned or interested, in passing of the above mentioned resolution, except Mr. K. Chandran being the promoter director of the Company.

The Board recommends passing of the Special Resolution set out in Item No. 6 of the accompanying notice for approval of the Shareholders.

ITEM NO. 7:

ISSUE/ALLOTMENT OF CCD's CONVERTIBLE INTO EQUAL NUMBER OF EQUITY SHARES ON PREFERENTIAL BASIS TO EDELWEISS ASSET RECONSTRUCTION COMPANY LTD. (EARC):

As a part of Restructuring of Debt, State Bank of India (SBI) has assigned its loan to Edelweiss Asset Reconstruction Company Ltd. (EARC) and as per the mutually agreed terms between the Company & Edelweiss, the Company needs to issue & allot 5,00,000 CCDs @ ₹ 200/- (₹ Two Hundred Only) per debenture to Edelweiss upto an amount of ₹ 10 Crore convertible into equal number of equity shares on preferential basis. The Company would have to issue and allot equity shares of the Company to Edelweiss on conversion of CCDs into equity shares after 18 months period.

However, based on the agreement to restructure the debts of the Company with Edelweiss, the Company shall issue equity shares and / or CCDs to Edelweiss.

The following details of the proposed preferential issue of CCDs/equity shares are disclosed in accordance with the provisions of Chapter VII – "Preferential Issue" of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 ("ICDR Regulations"), as amended from time to time:

a. THE OBJECT OF THE PREFERENTIAL ISSUE:

The object of the issue is to comply with the restructuring proposal formed by Edelweiss for the outstanding dues of the Company by allotting 5,00,000 CCDs @ ₹ 200/- per debenture to Edelweiss upto an amount of ₹ 10 crore convertible into equal number of equity shares after a period of 18 Months at a price of ₹ 200/- (₹ Two Hundred only) per equity share (Face Value of ₹ 10/- and Premium of ₹ 190/-) per equity share

b. THE INTENTION OF THE PROMOTERS, DIRECTORS AND KEY MANAGERIAL PERSONNEL" OF THE COMPANY TO SUBSCRIBE TO THE PROPOSED PREFERENTIAL OFFER:

The present Preferential Issue is not being made to the Promoters, Directors or Key Management Personnel of the Company and None of the promoters, directors or Key Managerial Personnel intends to subscribe to the proposed preferential offer.

c. THE SHAREHOLDING PATTERN OF THE COMPANY BEFORE AND AFTER THE PREFERENTIAL ISSUE:

The Company will make an application to the stock exchanges at which the existing shares are listed, for listing of the CCD Shares. Such CCD Shares, once allotted, will rank pari passu with the existing equity shares of the Company in all respects, including dividend. The shareholding pattern of the Company before and after considering the preferential issues of CCDs and after conversion of CCDS into **CCD Shares** of the company under this Notice is provided hereunder:

The Shareholding Pattern before and after the preferential issue of CCDs and CCD Shares:

Shareholders Category	Pre Issue shareholding		Allotment of Equity Shares	After allotment of CCD shares	
	Number of shares held	% of holding	No. of shares	Number of shares held	% of holding
PROMOTERS					
Indian:					
Expert Chemicals (India) Pvt. Ltd.	1,00,14,230	43.11	-	1,00,14,230	42.20
Foreign:					
Kingsbury Investment Inc.	30,24,000	13.02	-	30,24,000	12.74
Total Shareholding of Promoter and Promoter Group (A)	**1,30,38,230**	**56.13**	**-**	**1,30,38,230**	**54.95**
PUBLIC SHAREHOLDING					
Institutions	5,83,050	2.51	5,00,000	10,83,050	4.56
Non-institutions	96,07,506	41.36	-	96,07,506	40.49
Total Public Shareholding (B)	**1,01,90,556**	**43.87**	**-**	**1,06,90,556**	**45.05**
TOTAL – (A + B)	**2,32,28,786**	**100.00**	**5,00,000**	**2,37,28,786**	**100.00**

d. PROPOSED TIME WITHIN WHICH THE ALLOTMENT OF PREFERENTIAL ISSUE SHALL BE COMPLETED:

As required under Chapter VII of the SEBI ICDR Regulations, the Company shall complete the allotment of the CCDs by way of preferential issue within a period of 15 days from the date of passing of the above-referred special resolutions in the captioned Annual General Meeting or 15 days from the date of receipt of necessary regulatory approvals, if any, whichever is later or within such further period as may be prescribed or allowed by the SEBI, stock exchange(s) or other concerned regulatory authorities as the case may be.

e. IDENTITY OF THE PROPOSED ALLOTTEE AND THE PERCENTAGE OF CAPITAL HELD BY IT/HIM AND CHANGE IN CONTROL, IF ANY, OF THE ISSUER:

The following is the body corporate/Institution to whom CCDs and **CCD Shares** convertible after 18 mouths are proposed to be issued/allotted on a preferential basis. The number of shares and percentage of holding by the proposed allottee prior to and after the conversion of proposed CCDs into equal number of equity shares is as under:

Name of the Proposed Allottee	Pre-issue Equity Shareholding		Post-issue Equity Shareholding	
	No. of shares	%	No. of shares	%
M/s. Edelweiss Asset Reconstruction Company Ltd. (EARC) as a Trustee of EARC Trust SC-145	NIL	NIL	5,00,000	2.11
Total	NIL	NIL	**5,00,000**	**2.11**

The existing Promoters of the Company will continue to be in control of the Company and there will not be any change in the management or control of the Company as a result of this preferential allotment, except a corresponding change in shareholding pattern as well as voting right.

f. UNDERTAKING TO RECOMPUTED PRICE AND UNDERTAKING TO PUT UNDER LOCK-IN TILL THE RECOMPUTED PRICE IS PAID:

As specified under the SEBI ICDR Regulations, wherever it is required, the Company shall re-compute the issue price of the Equity Shares to be allotted under the Preferential Issue in accordance with the SEBI ICDR Regulations. Further, if the amount payable on account of the re-computation of issue price is not paid by the Investor i.e. M/s. Edelweiss Asset Reconstruction Company Ltd. as a Trustee of EARC Trust SC-145 within the time stipulated under the SEBI ICDR Regulations, the Equity Shares allotted to Investor shall continue to be locked-in till the time such amounts are paid by them.

G. CERTIFICATE FROM STATUTORY AUDITORS

M/s. Kapoor & Parekh, Chartered Accountants, Statutory Auditors of the Company have certified that the issue of the securities is being made in accordance with the SEBI ICDR Regulations. A copy of the said certificate is open for inspection at the Registered Office of the Company during normal business hours (i.e. between 11:00 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.

h. RELEVANT DATE:

The "Relevant Date" in terms of Regulation 71(a) as per the SEBI ICDR Regulations, for the offer, issue and allotment of the CCDs by way of a preferential issue, for the determination of the minimum price for the issue of the CCDs is **30 August, 2016** (which is the day 30 days prior to the date of ensuing Annual General Meeting i.e. **29 September, 2016**, has been taken as the "Relevant Date");

i. LOCK-IN PERIOD:

The CCDs and CCD Shares to be offered, issued and allotted to EARC shall be subject to lock-in as provided under the provisions of SEBI ICDR Regulations.

j. THE JUSTIFICATION FOR THE ALLOTMENT PROPOSED TO BE MADE FOR CONSIDERATION OTHER THAN CASH TOGETHER WITH VALUATION REPORT OF THE REGISTERED VALUER:

This is not applicable in the present case since the Company being a listed company the pricing is in terms of SEBI ICDR Regulations. Further, the proposed allotment is for cash consideration.

k. BASIS ON WHICH THE PRICE HAS BEEN ARRIVED AT ALONG WITH REPORT OF THE REGISTERED VALUER:

This is not applicable in the present case since the Company is a listed company and its shares are frequently traded both on the National Stock Exchange of India Ltd. and BSE Ltd. However, it is agreed that the issue price shall be calculated in accordance with the SEBI ICDR Regulations.

I. THE TOTAL NUMBER OF CCDs and CCD SHARES TO BE ISSUED AND PRICE AT WHICH THE PREFERENTIAL ISSUE IS PROPOSED:

The Board intends to offer, issue and allot up to 5,00,000 (Five Lakhs) CCDs converted into equal number of equity shares after 18 months at a price of ₹ 200/- (₹ Two Hundred only) per CCD converted into equal number of Equity Share at ₹ 200/- (₹ Two Hundred only) (face value of ₹ 10/- and Premium of ₹ 190/-) per equity share to the Edelweiss, the minimum price at which the issue shall be made as determined as on Relevant Date in accordance with Regulation 76 of the ICDR Regulations and applicable law.

The consent of the Members is sought for the issue of equity shares and / or CCDs, and the equity shares allotted pursuant to conversion of the CCDs, in terms of Section 62 of the Companies Act, 2013, and all other applicable provisions and in terms of the provisions of the ICDR Regulations and the listing agreements entered into by the Company with the stock exchanges, where the Company's equity shares are listed.

None of the Directors and/or Key Managerial Personnel or their relative(s) is/are in any way concerned or interested, in passing of the above mentioned resolution.

The Board recommends passing of the Special Resolution set out in Item No. 7 of the accompanying notice for approval of the Shareholders.

ITEM NO. 8:

EMPLOYEE STOCK OPTION SCHEME, 2016:

THE SALIENT FEATURES OF THE EMPLOYEE STOCK OPTION SCHEMES, 2016 ARE AS UNDER:

1. **BRIEF DESCRIPTION OF THE SCHEME:**

The Company recognizes and appreciates the critical role played by the employees of the Company in bringing about the growth of the organization. It strongly feels that the value created by them should be shared with them. To promote the culture of employee ownership in the Company, approval of the Shareholders is being sought for issue of stock options under the **Employee Stock Option Plan 2016** to the employees of the Company.

2. **TOTAL NUMBER OF OPTIONS TO BE GRANTED:**

Employee Stock Options exercisable into 9,98,464 (Nine Lakh Ninety Eight Thousand Four Hundred and Sixty Four) equity shares of the Company being not exceeding 5% of the Paid-up Capital of the Company of face value ₹10 each, would be available for being granted to eligible employees of the Company, either directly and / or through a Trust, under one or more Employee Stock Option Scheme. Each option when exercised would be converted into one equity share of ₹10 each fully paid-up.

Vested options that lapse due to non-exercise or unvested options that get cancelled due to resignation of the employees or otherwise, would be available for being re-granted at a future date.

3. **IDENTIFICATION OF CLASSES OF EMPLOYEES ENTITLED TO PARTICIPATE IN THE EMPLOYEE STOCK OPTION SCHEME(S):**

All permanent employees of the Company including Directors in Whole-time employment (excluding Promoters and Independent Directors & their Relatives) as may be decided by the Board, from time to time, would be entitled to participate in the Employee Stock Option Scheme.

4. **REQUIREMENTS OF VESTING AND PERIOD OF VESTING:**

The options granted shall vest so long as the employee continues to be in the employment of the Company, its subsidiaries and the holding company, as the case may be. The Board may, at its absolute discretion, lay down certain performance metrics/parameters on the achievement of which the granted options would vest, the detailed terms and conditions relating to such performance-based vesting and the proportion in which options granted would vest (subject to the maximum vesting period as specified below):

The options have a minimum vesting period of one year from the date of grant. The exact proportion in which and the exact period over which the options would vest would be determined by the Board.

5. **MAXIMUM PERIOD WITHIN WHICH OPTIONS SHALL BE VESTED:**

The options would vest not later than five years from the date of grant of options.

6. **EXERCISE PRICE OR PRICING FORMULA:**

The options will be granted at an exercise price equal to the face value per equity share that is ₹10/- per equity share.

7. **EXERCISE PERIOD AND THE PROCESS OF EXERCISE:**

The Exercise period shall commence from the date of vesting of Options and would expire not later than two years from the date of vesting. The exact Exercise period shall be decided by the Board subject to a maximum period of two years from the date of vesting of options.

The options will be exercisable by the employees by a written application to the Company / Trust to exercise the options in such manner, and on execution of such documents, as may be prescribed by the Board of the Company from time to time. The options will lapse if not exercised within the specified exercise period.

8. **APPRAISAL PROCESS FOR DETERMINING THE ELIGIBILITY OF THE EMPLOYEES TO ESOP:**

The appraisal process for determining the eligibility of the employee will be specified by the Board of the Company, and will be based on criteria such as criticality of the role, designation, length of service, past performance record, future potential of the employee and / or such other criteria that may be determined by the Board of the Company from time to time at its sole discretion.

9. **MAXIMUM NUMBER OF OPTIONS TO BE ISSUED PER EMPLOYEE AND IN AGGREGATE:**

The total number of options that may be granted to any specific employee under one or more Scheme during any one year shall not exceed 1% of the Paid up capital at the time of grant and in aggregate shall not exceed 9,98,464 (Nine Lakhs Ninety Eight Thousand Four Hundred and Sixty Four) equity shares.

10. **WHETHER THE SCHEME IS TO BE IMPLEMENTED AND ADMINISTERED DIRECTLY BY THE COMPANY OR THROUGH A TRUST:**

The ESOP scheme(s) shall be implemented directly by the Company.

11. **WHETHER THE SCHEME INVOLVES NEW ISSUE OF SHARES BY THE COMPANY OR SECONDARY ACQUISITION BY THE TRUST OR BOTH:**

The ESOP Scheme(s) involves new issue of equity shares by the Company.

12. **A STATEMENT TO THE EFFECT THAT THE COMPANY SHALL CONFORM TO THE ACCOUNTING POLICIES SPECIFIED IN REGULATION 15**:

The Company shall comply with the disclosure and the accounting policies prescribed as per SEBI (Share Based Employee Benefit) Regulations, 2014 and those issued by Institute of Chartered Accountants of India.

13. **STATEMENT TO BE INSERTED:**

In case the Company opts for expensing of Share Based Employee Benefits using the Intrinsic value, the difference between the employee compensation cost so computed and the cost that shall have been recognized if it had used the Fair Value of the options shall be disclosed in the Directors' Report and also the impact of this difference on profits and on EPS of the Company shall also be disclosed in the Directors' Report.

As the Employee Stock Option Plan (ESOP) provide for issue of shares to be offered to persons other than existing Shareholders of the Company, consent of the Members is being sought pursuant to the applicable provisions, if any, of the Companies Act, 2013.

None of the Directors and/or Key Managerial Personnel or their relative(s) is/are in any way concerned or interested, in passing of the above mentioned resolution, except to the extent of the securities that may be offered to them under the Scheme.

The Board recommends passing of the Special Resolution set out in Item No. 8 of the accompanying notice for approval of the Shareholders.

ITEM NO. 9:

ISSUE OF 3,00,000 OPTIONS, TO MR. P.V. PASUPATHY, PRESIDENT OF THE COMPANY EXCEEDING 1% OF THE PAID-UP/ISSUED CAPITAL:

In accordance with SEBI (Share Based Employee Benefits) Regulations 2014, consent of the Members is being sought by a separate resolution since a substantial number of options are being granted to one employee.

Except Mr. P.V. Pasupathy, President of the Company who is interested in this resolution to the extent of the options granted to him, none of the Directors and/or Key Managerial Personnel or their relative(s) is/are in any way concerned or interested, in passing of the above mentioned resolution.

The Board recommends passing of the Special Resolution set out at Item No. 9 of the accompanying notice for approval of the Shareholders.

Registered Office:
BSEL Tech Park, B - Wing,
10th Floor, Sector 30-A, Vashi,
Navi Mumbai – 400 703.
Tel.: 91 22 67942222
Fax: 91 22 67942111/333
Email: shares@wanbury.com
Website: www.wanbury.com
CIN: L51900MH1988PLC048455

By Order of the Board of Directors
For Wanbury Limited

Jitendra J. Gandhi
Company Secretary

Mumbai, 12 August, 2016

ANNEXURE TO NOTICE

INFORMATION AS REQUIRED UNDER REGULATION 36(3) OF THE SEBI LISTING REGULATIONS IN RESPECT OF DIRECTORS.

Details of Directors seeking appointment/re-appointment at the Annual General Meeting pursuant to Regulation 36(3) of the SEBI (Listing Obligations & Disclosure Requirements), Regulations, 2015 with Stock Exchanges is annexed hereto:

ITEM NO. 5

Name of the Director	**Mr. K. Chandran**
Date of Birth	**1 January,1958**
DIN	**00005868**
Qualification	**Graduate**
Expertise in Specific Area	**Pharmaceutical Industry** **Mr. K. Chandran has rich experience and knowledge of Pharmaceutical Industry and has contributed substantially to the growth of the Company.** **Mr. K. Chandran fulfills the eligibility criteria set out under part I of Schedule V to the Companies Act, 2013.**
Date of First Appointment on the Board of the Company	**23 January, 2001**
No. of Shares held in the Company	**NIL**
Relationship with other Directors and Key Managerial Personnel	**N.A.**
No. of Board meetings attended during FY 2015-16	**Six (6)**
Name of the other public limited companies in which Directorship held:	**(1) Cantabria Pharma S.L., Spain** **(2) Wanbury Holding B.V., Netherlands** **(3) Wanbury Global FZE, UAE** **(4) Ningxia Wanbury Fine Chemicals Co. Ltd., China**
Membership of committees (M- Member) (C- Chairman)	**Wanbury Limited:** **Audit Committee (M)** **Stakeholders Relationship Committee (M)**
Terms and conditions of appointment	**Whole-time director, liable to retire by rotation.**

DIRECTORS' REPORT

To

The Members,

Your Directors have pleasure in presenting herewith the 28th Annual Report of the business and operations alongwith Audited Financial Statements of the Company for the Financial Year ended 31 March, 2016.

FINANCIAL HIGHLIGHTS (STANDALONE):

The summarised financial highlights for the year under review are as under:

(₹ in Lakhs)

PARTICULARS	2015-16	2014-15*
Total Revenue from operations (including Other Income)	**42,326.16**	24,992.33
Other Income	**140.62**	648.40
Total Income	**42,466.78**	25,640.73
Total Expenses	**43,170.27**	25,192.50
Profit /(Loss) Before Tax	**(703.49)**	448.24
Less: Tax	**-**	127.48
Net Profit / (Loss) after tax	**(703.49)**	320.75

* Financial Year 2014-15 was of 6 months period starting from 1 October, 2014 to 31 March, 2015.

OPERATIONAL REVIEW/AFFAIRS OF THE COMPANY & FUTURE OUTLOOK:

The figures of Financial Year 2015-16 being for the period of 12 months are not strictly comparable with the figures of Financial Year 2014-15 being for the period of 6 months. However, the financial highlights are as under:

The Total Revenue for the financial year under review was ₹ 42,466.78 Lakhs as against ₹ 25,640.73 Lakhs in the previous year. The Total Expenditure incurred in the current financial year was ₹ 43,170.27 Lakhs as against ₹ 25,192.50 Lakhs in the previous year. Exceptional items during the year under review were ₹ Nil as against ₹ Nil in the previous year.

The Loss after tax for the financial year under review was (₹ 703.49 Lakhs) as against a Profit after tax of ₹ 320.75 Lakhs for the previous financial year.

The Company had entered into a Corporate Debt Restructuring (CDR) in 2011 with its lenders. Post CDR also, the Bankers have reposed faith in the Company's business model and have continuously supported the Company with additional working capital facilities and term loans. The Operations of the Company will continue in future years without any interruption.

DIVIDEND:

As the networth of the Company is in the negative, the Board of Directors of the Company has not recommended any dividend for the financial year 2015-2016.

DISCLOSURE UNDER SECION 134 (3) (j) OF THE COMPANIES ACT, 2013:

As the Company has reported a loss for the Financial Year 2015-16, no amount is available to add to the reserve. Hence, disclosure under Section 134 (3) (j) of the Companies Act, 2013 is not required.

EXTRACT OF ANNUAL RETURN:

Pursuant to Section 92 of the Companies Act, 2013, extract of Annual Return of the Company in Form **MGT-9** is annexed herewith as **Annexure - I** to this Report.

DEPOSITS:

The Company has not accepted any deposits during the year under review. Further, there are no deposits which remained unpaid/unclaimed at the beginning or at the end of the year under review.

BOARD OF DIRECTORS AND NUMBER OF MEETINGS:

The Board of Directors of the Company has 4 Directors. Details of Directors and their category are as under:

Sr. No.	Name of Directors		Category
1	Mr. K. Chandran	-	Promoter and Executive Director
2	Mr. N. K. Puri	-	Non-Executive Independent Director
3	Mr. S.K. Bhattacharyya	-	Non-Executive Independent Director
4	Ms. Anita Belani (w.e.f. 13.08.2015)	-	Non-Executive Independent Director
5	Mr. A.L. Bongirwar (upto 18.09.2015)	-	Non-Executive Independent Director
6	Dr. P.L. Tiwari (upto 18.09.2015)	-	Non-Executive Independent Director

Six (6) Board Meetings were held during the financial year 2015-16. These meetings were held on 21 May 2015, 13 August 2015, 28 September 2015, 5 November 2015, 11 February 2016, and 22 March 2016.

DECLARATION BY INDEPENDENT DIRECTORS:

Independent Directors have given declaration that they meet the criteria of independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013 and Regulation 25 (earlier Clause 49 of Listing Agreement) of the Listing Regulations.

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS UNDER SECTION 186:

The Company has not given any loans, guarantee and made any investments pursuant to the provisions of Section 186 of Companies Act, 2013 during the year under review.

DETAILS OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES:

Your Company has five foreign subsidiaries viz. Wanbury Holding B. V. (Netherlands), Wanbury Global FZE (UAE), Ningxia Wanbury Fine Chemicals Co. Ltd. (China), Cantabria Pharma S. L. (Spain) and Laboratories Wanbury S. L. (Spain).

The accounts of Cantabria Pharma S. L. and Laboratories Wanbury S. L. are not available due to the companies being into liquidation.

The salient features of the financial statements of the subsidiaries in pursuance of Section 129 (3) of the Companies Act, 2013, read with Rule 5 of the Companies (Accounts) Rules, 2014 are given in prescribed **Form AOC-1** attached as **Annexure - II** to this Report.

The Company is not having any Holding Company or Joint Venture or any Associate Company.

The details in specified format on the performance and financial position of other subsidiary companies are attached as **Annexure - III** to this report.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:

Pursuant to the provisions of Section 188 of Companies Act, 2013, all contracts / arrangements / transactions entered into by the Company during the financial year with related parties were in the ordinary course of business and on an arm's length basis. During the year under review, the Company had not entered into any contract / arrangement / transaction with related parties which could be considered material in accordance with the policy of the Company on materiality of related party transactions.

The transactions entered into with M/s. Wanbury Infotech Private Limited, related party are in the normal course of business and at arm's length basis. The Policy on materiality of Related Party Transactions and dealing with related party transactions as approved by the Board may be accessed on the Company's website at www.wanbury.com.

The details, in specified format in **Form AOC-2**, of the transactions with the related parties are given in the **Annexure - III** forming part of this Report.

Your Directors draw attention of the Members to **Note 45** to the financial statement which sets out Related Party disclosures.

AUDITORS' AND AUDITORS REPORT:

The Shareholders of the Company in their Twenty Sixth Annual General Meeting held on March 23, 2015 had accorded their approval pursuant to the provisions of Sections 139 and other applicable provisions of Companies Act, 2013 and Rules made thereunder to appoint M/s. Kapoor & Parekh Associates, Chartered Accountants, as the Statutory Auditor of the Company for the period of three years commencing from the conclusion of Twenty Sixth Annual General Meeting until the conclusion of Twenty Ninth Annual General Meeting.

The Shareholders of the Company in their Twenty Sixth Annual General Meeting held on March 23, 2015 had accorded their approval pursuant to the provisions of Sections 139 and other applicable provisions of Companies Act, 2013 and Rules made thereunder to appoint M/s. Kolath & Co., Chartered Accountants, as Branch Auditor to audit the accounts of the Company's Plant

Situated at Tanuku, West Godavari District, Andhra Pradesh, for the period of three years commencing from the conclusion of Twenty Sixth Annual General Meeting until the conclusion of Twenty Ninth Annual General Meeting.

The Board of Directors of the Company has, pursuant to the provisions of Section 139, recommended the appointment of M/s. Kapoor & Parekh Associates, Chartered Accountants and M/s. Kolath & Co., Chartered Accountants, for the approval of the Shareholders from the conclusion of Twenty Eighth Annual General Meeting till the conclusion of Twenty Ninth Annual General Meeting.

The observations made in the Standalone Auditor's Report read together with relevant notes thereon are self explanatory and explained in notes to accounts and hence do not call for any further comments under the Companies Act, 2013. Auditors' Report to the Shareholders for the year under review does not contain any qualification, reservation or adverse remark or disclaimer.

RISK MANAGEMENT COMMITTEE:

The Board of Directors of the Company has constituted Risk Management Committee to consider the potential risks of the business of the Company and to plan for the mitigation of the same.

Following are the Members of the Risk Management Committee:

Sr. No.	Name of Directors	Designation	Category
1.	Mr. N. K. Puri	Chairman	I & NED
2.	Mr. S. K. Bhattacharyya	Member	I & NED
3.	Ms. Anita Belani	Member (w.e.f. 13.08.2015)	I & NED
4.	Mr. K. Chandran	Member (w.e.f. 28.09.2015)	P & WTD
5.	Mr. A. L. Bongirwar	Member (upto 18.09.2015)	I & NED

DIRECTORS AND KEY MANAGERIAL PERSONNEL:

In accordance with the provisions of Section 152 (6) of the Act and the Articles of Association of the Company, Mr. K. Chandran, Whole-time Director of the Company, retire by rotation at the ensuing Annual General Meeting and being eligible offers himself for re-appointment.

Mr. N. K. Puri, Mr. S. K. Bhattacharya and Ms. Anita Belani are Independent Directors who are not liable to retire by rotation.

The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed both under the Act and Regulation 25 of the Listing Regulations (earlier Clause 49 of the Listing Agreement) with the Stock Exchanges.

Ms. Anita Belani was appointed as the Non-Executive Independent Woman Director of the Company w.e.f. 13 August, 2015.

Mr. A. L. Bongirwar and Dr. P. L. Tiwari, have resigned as Directors of the Company w.e.f. 18 September, 2015.

Mr. Vinod Verma was appointed as Chief Financial Officer w.e.f. 22 April, 2016.

Mr. Rajesh Bahal was appointed as Director-Sales & Marketing, Formulation Division w.e.f. 6 April, 2016.

Mr. Indranil Chakravartty, President, Formulation resigned w.e.f. 13 August, 2015.

Mr. Rajiv Kohli, President, Formulation resigned w.e.f. 31 March, 2016.

Other than this, no Director or Key Managerial Personnel was appointed or has resigned during the year under review.

ANNUAL PERFORMANCE EVALUATION:

The Company has devised a policy for performance evaluation of Independent Directors, Board, Committees and other Individual Directors which includes criteria for performance evaluation of the Non-executive Directors and Executive Directors.

The Company follows the best practices prevalent in the industry with respect to evaluation of Board Members.

The details of programmes for familiarisation of Independent Directors with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company and related matters are put up on the website of the Company at www.wanbury.com.

ADEQUACY OF INTERNAL FINANCIAL CONTROLS:

Your Company has made special efforts to improve its internal control systems by improving the information flow and automating the processes in support systems. Support functions are now monitored through a Quarterly Shared Services Survey for the field employees to ensure that we are able to provide the best services to our internal customers.

Your Company has sound, well-established and adequate internal control systems commensurate with its size and nature of business. The internal control systems ensure protection of assets and proper recording of all transactions. The Company has an Internal Audit Department consisting of a team of skilled employees, which carries out regular audits across all operations of the Company.

SECRETARIAL AUDIT REPORT:

Pursuant to Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors of the Company has appointed Ms. Kala Agarwal, Practicing Company Secretary [FCS: 5976 and COP: 5356] to conduct the Secretarial Audit for the financial year ended on 31 March, 2016 (i.e. from 1 April, 2015 to 31 March, 2016). The Secretarial Audit Report in **Form MR-3** is annexed as **Annexure - IV** to this Report.

The observations made in the Secretarial Audit Report are as under:

i. *The Company received a Show Cause Notice dated 21 August, 2015 from Registrar of Companies, Mumbai for Non-appointment of Women Director on the Board as required under the provisions of Section 149(1) of the Companies Act, 2013 and Clause 49(II)(A) of the Listing Agreement. Also, the Company received a Notice from National Stock Exchange of India Ltd. imposing a penalty of ₹ 50,000/- for the same.*

ii. *The Company has not appointed Chief Financial Officer as required to be appointed pursuant to the provisions of Section 203 of the Companies Act, 2013 during the year under review.*

iii. *Only 69.08 % of the Shareholding of Promoter & Promoter Group is in dematerialised form. However, as per SEBI circular No. SEBI/Cir/ISD/05/2011 & Regulation 31(2) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, 100 % Shareholding of Promoter & Promoter Group has to be in dematerialised form.*

iv. *The Company is yet to formulate a Policy for Preservation of documents required to be formulated as per Regulation 9 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 during the period under review.*

v. *The Company has accepted an amount of ₹ 12,22,31,250/- as Share Application Money from Expert Chemicals (India) Pvt. Ltd.*

vi. *The Company has filed an Application with Central Government in Form MR-2 for seeking approval for payment of excess remuneration to Whole Time Director for the year ended 31 March, 2016.*

Management Response to the aforesaid observations verbatim as under:

1. ***The Company has filed a petition with Company Law Board, Mumbai Bench for Compounding of Offence under Section 621A of the Companies Act, 1956 for Non-appointment of Woman Director within due date. The Company has also paid penalty of ₹50,000/- to National Stock Exchange of India Ltd. (NSE) on 23 July, 2015 for Non-appointment of Woman Director. Ms. Anita Belani was appointed as the Non-Executive Independent Woman Director of the Company w.e.f. 13 August, 2015.***

2. ***The Company could not appoint Chief Financial Officer due to administrative problems. However, subsequently the Board has appointed Mr. Vinod Verma as Chief Financial Officer of the Company w.e.f. 22 April, 2016.***

3. ***The share certificate aggregating 30,24,000 equity shares held by M/s. Kingsbury Investment INC. (Promoter Group Company) of Wanbury Limited were in the custody of EXIM Bank Limited. These shares held by them are in physical mode. We have been requesting EXIM Bank to release those 30,24,000 equity shares and this matter is regularly discused in our Consortium of Lenders meeting. The Company is undertaking necessary steps to dematerialize these shares.***

4. ***The Company has formulated the Policy on preservation of Documents which was approved by the Board of Directors at their meeting held on 18 May, 2016.***

5. ***The Board of Directors of the Company has discussed and decided to issue 32,59,500 equity shares of ₹ 10/- (₹ Ten only) each at a premium of ₹ 27.50 per equity share (₹ Twenty Seven and Paise Fifty only) aggregating to an issue price of ₹ 37.50/- (₹ Thirty Seven and Paise Fifty only) and up to an aggregate amount of ₹ 12,22,31,250/- (₹ Twelve Crore Twenty Two Lakhs Thirty One Thousand Two Hundred Fifty Only) to M/s. Expert Chemicals (India) Pvt. Ltd. against the Share Application Money of ₹ 12,22,31,250 received from them. The allotment will be made post Shareholders approval.***

6. ***The Company had paid excess remuneration to Mr. K. Chandran, Whole Time Director of the Company beyond the prescribed limits under Section 197 read with Schedule V of the Companies Act, 2013. The Company has filed Form MR-2 for seeking Central Government's approval for payment of excess remuneration for the financial year ended 31 March, 2016 exceeding the limits provided in Schedule V and the approval from Central Government is in process.***

CORPORATE SOCIAL RESPONSIBILITY POLICY:

Provisions of Section 135 of the Act related with Corporate Social Responsibility are not applicable to the Company. Therefore, the Company has not constituted Corporate Social Responsibility Committee.

AUDIT COMMITTEE:

Your Company's Audit Committee has been constituted in accordance with the provisions of Regulation 18 (earlier Clause 49 of Listing Agreement) of Listing Regulations and Section 177 of the Companies Act, 2013.

During the year under review, six Meetings of the Audit Committee were held on 21 May 2015, 13 August 2015, 28 September 2015, 5 November 2015, 11 February 2016 and 22 March 2016 alongwith the Board Meetings.

Following are the Members of the Audit Committee:

Sr. No.	Name of Directors	Designation	Category
1.	Mr. N. K. Puri	Chairman	I & NED
2.	Mr. S. K. Bhattacharyya	Member	I & NED
3.	Ms. Anita Belani	Member (w.e.f. 13.08.2015)	I & NED
4.	Mr. K. Chandran	Member (w.e.f. 28.09.2015)	P & WTD
5.	Mr. A. L. Bongirwar	Member (upto 18.09.2015)	I & NED
6.	Dr. P. L. Tiwari	Member (upto 18.09.2015)	I & NED

The broad terms and conditions are already given in Corporate Governance Report. The Members are requested to refer to the same.

NOMINATION AND REMUNERATION COMMITTEE POLICY:

Nomination and Remuneration Committee Policy *inter alia* containing appointment criteria, qualifications, positive attributes, independence of Directors, removal, retirement and remuneration of Directors, Key Managerial Personnel (KMP) and Senior Management Personnel of the Company has been formulated by the Nomination and Remuneration Committee of the Company and approved by the Board of Directors.

Nomination and Remuneration Policy is available on the website of the Company at www.wanbury.com.

CORPORATE GOVERNANCE:

Pursuant to Regulation 27 (earlier Clause 49 of the Listing Agreement) of the Listing Regulations with the Stock Exchanges, a separate section titled as '**Corporate Governance**' is attached to this Annual Report.

COST AUDITOR:

Your Directors have appointed M/s. Hemant Shah & Associates, Cost Accountant as the Cost Auditor for the Financial Year 2016-17. M/s. Hemant Shah & Associates will submit the Cost Audit Report alongwith annexure to the Central Government (Ministry of Corporate Affairs) in the prescribed form within specified time and at the same time forward a copy of such report to your Company.

The Cost Audit Report for the Financial Year ended 31 March, 2015 which was due for filing on 28 October, 2015 was filed with the Central Government (Ministry of Corporate Affairs) on 14 October, 2015.

As required by Section 148 of the Act, necessary resolution has been included in the Notice convening the 28th Annual General Meeting, seeking ratification by Members to the appointment & remuneration proposed to be paid to the Cost Auditors for the Financial Year 2016-17.

PERSONNEL/MANAGERIAL REMUNERATION:

In terms of the provisions of Section 197(12) of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement showing the names and other particulars of the employees drawing remuneration in excess of the limits set out in the said rules forms part of this Report.

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 also forms part of this Report.

However, having regard to the provisions of the first proviso to Section 136(1) of the Act, the Annual Report excluding the aforesaid information is being sent to the Members of the Company. The said information is available for inspection at the Registered Office of the Company during business hours for a period of 21 days before the date of ensuing Annual General Meeting and any Member interested in obtaining such information may write to the Company Secretary and the same will be furnished on request.

VIGIL MECHANISM/ WHISTLE BLOWER POLICY:

Proper vigil mechanism, which includes a Whistle Blower Policy, has been established for Directors and Employees to report their genuine concerns or grievances to the Company. The whistle Blower Policy is posted on the Website of the Company at www.wanbury.com.

SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013:

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013.

Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

The following is a summary of sexual harassment complaints received and disposed off during the year 2015-16:

No of complaints received: **Nil**

No of complaints disposed off: **Nil**

FRAUD REPORTING (REQUIRED BY COMPANIES AMENDMENT BILL, 2014):

During the year under review, there were no such instances reported by the Company.

DISCLOSURE UNDER SECTION 134 (3) (CA) READ WITH SECTION 143 (12) OF THE COMPANIES ACT, 2013:

The Auditors of the Company have not reported any instances of fraud or irregularities in the Management of the Company during financial year under review.

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

As required by the Companies (Accounts) Rules, 2014 the relevant data pertaining to conservation of energy, technology absorption and foreign exchange earnings and outgo is given in the Annexure as **Annexure -V** forming part of this Report.

DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to the provisions of sub-section (5) of Section 134 of the Companies Act, 2013, your Directors confirm that:

i) in the preparation of the annual accounts for the financial year ended on 31 March, 2016 the applicable accounting standards had been followed along with proper explanation relating to material departures;

ii) the accounting policies had been selected and applied 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 ended on 31 March, 2016 and of the profit and loss of the Company for that year;

iii) proper and sufficient care had been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

iv) the annual accounts had been prepared on a going concern basis;

v) internal financial controls, to be followed by the Company, have been laid down and these controls are adequate and were operating effectively; and

vi) the Company has devised proper systems which are in place to ensure compliance with the provisions of all applicable laws which are considered adequate and are operating effectively.

ACKNOWLEDGEMENT:

Your Company and its Directors wish to extend their sincere thanks to the Bankers, Central & State Government, Customers, Suppliers, Stakeholders and Staff for their continuous co-operation & guidance and also looking forward for the same in the future.

For and on behalf of the Board of Directors,

	K. Chandran	**N. K. Puri**
	Vice Chairman	Director
Mumbai, 18 May, 2016	DIN: 00005868	DIN: 00002226

ANNEXURE- I

FORM NO. MGT-9

EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31 March, 2016.

Pursuant to section 92 of the Act and Rule 12(1) of the Companies (Management and Administration) Rules, 2014.

I. REGISTRATION DETAILS:

1.	**CIN**	L51900MH1988PLC048455
2.	**Registration Date**	11.08.1988
3.	**Name of the Company**	Wanbury Limited
4.	**Category / Sub-Category of the Company**	Public Limited Company
5.	**Address of the Registered office and contact details**	BSEL Techpark, B - Wing, 10th Floor, Sector 30A, Opp. Vashi Railway Station, Vashi, Navi Mumbai - 400 703. Maharashtra.
6.	**Whether listed company Yes / No**	Yes
7.	**Name, Address and Contact details of Registrar and Transfer Agent, if any**	Sharex Dynamic (India) Pvt. Ltd Unit 1, Luthra Industrial Premises, Safed Pool, Andheri Kurla Road, Andheri (East), Mumbai – 400 072. Maharashtra.

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:-

Sr. No	Name and Description of main Products / Services	NIC Code of the Product/ Service	% to total turnover of the Company
1	Manufacturing of API & Marketing of branded Formulations	21001 & 21002	100

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

Sr. No	Name and Address of the Company	NIC Code of the Product/ Service	CIN/ GLN	Holding/ Subsidiary/ Associate	% of Share held	Applicable section
1	Wanbury Holding B.V. 1015DE, Amsterdam, Netherlands.	-	N.A.	Subsidiary	100	2(87)
2	Wanbury Global FZE (UAE) P.O. Box No. 327377, RAK Free Trade Zone, Ras AL Khaimah, United Arab Emirates.	-	N.A.	Subsidiary	100	2(87)
3	Ningxia Wanbury Fine Chemicals Co. Ltd. (China) Room No. 5-2, building no. 2, Pingxi Road, Chengguan, District - Pingluo Ningxia, China – 753 401.	-	N.A.	Subsidiary	100	2(87)
4	Cantabria Pharma S. L. (Spain) * C/ Lanzarote 13, 2ºC, San Sebastián de los Reyes, 28703 - Madrid –Spain.	-	N.A.	Subsidiary	100	2(87)
5	Laboratories Wanbury S. L. ** C/ Lanzarote 13, 2ºC, San Sebastián de los Reyes, 28703 - Madrid – Spain.	-	N.A.	Subsidiary	100	2(87)

***** Cantabria Pharma S. L. (Spain) is wholly owned subsidiary of Wanbury Holding B. V. Netherlands.

****** Laboratories Wanbury S. L. (Spain) is wholly owned subsidiary of Cantabria Pharma S. L. (Spain).

IV. SHARE HOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY):

i. Category wise Share Holding:

Category of Shareholder	No. of Shares held at the beginning of the year, 1 April 2015				No. of Shares held at the end of the year, 31March, 2016				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	-	-	-	-	-	-	-	-	-
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt. (s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	6754730	-	6754730	33.83	6754730	-	6754730	33.83	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any Other (Specify)	-	-	-	-	-	-	-	-	-
Sub-total (A) (1):-	**6754730**	**-**	**6754730**	**33.83**	**6754730**	**-**	**6754730**	**33.83**	**-**
(2) Foreign									
a) Individuals NRIs/ For Ind	-	-	-	-	-	-	-	-	-
b) Other Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	3024000	3024000	15.14	-	3024000	3024000	15.14	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Qualified Foreign Investor	-	-	-	-	-	-	-	-	-
f) Any Other (Specify)	-	-	-	-	-	-	-	-	-
Sub-total (A) (2):-	**-**	**3024000**	**3024000**	**15.14**	**-**	**3024000**	**3024000**	**15.14**	**-**
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	**6754730**	**3024000**	**9778730**	**48.97**	**6754730**	**3024000**	**9778730**	**48.97**	**-**
(B) 1. Public Shareholding									
1. **Institutions**									
a) Mutual Funds	66	49	115	0.00	66	49	115	0.00	-
b) Banks / FI	2951	521	3472	0.02	2951	521	3472	0.02	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	151	0	151	0.00	1	0	1	0	-0.00
e) Venture Capital Fund	-	-	-	-	-	-	-	-	-
f) Insurance Companies	750729	-	750729	3.76	579462	0	579462	2.90	-0.86
g) FIIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
Other (Specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	**753897**	**570**	**754467**	**3.78**	**582480**	**570**	**583050**	**2.92**	**-0.86**
2. Non-Institutions									
a). BODIES CORP.									
i) Indian	1533205	4746	1537951	7.70	1434797	4746	1439543	7.21	-0.49
ii) Overseas	-	-	-	-	-	-	-	-	-
b) INDIVIDUALS									
i) Individual shareholders holding nominal share capital upto ₹ 2 lakh	4558557	460734	5019291	25.14	4627733	455910	5083643	25.46	0.32
ii) Individual shareholders holding nominal share capital in excess of ₹ 2 lakh	1902952	-	1902952	9.53	2471477	-	2471477	12.38	2.85

Category of Shareholder	No. of Shares held at the beginning of the year, 1 April 2015				No. of Shares held at the end of the year, 31March, 2016				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
c) OTHERS (SPECIFY)									
a) Non Resident Indians	115002	17070	132072	0.66	236019	17070	253089	1.27	0.60
b) Overseas Corporate Bodies	-	94680	94680	0.47	-	94680	94680	0.47	-
Foreign Nationals	-	-	-	-	-	-	-	-	-
Clearing Members	182143	-	182143	0.91	265074	-	265074	1.33	0.42
Trusts	-	-	-	-	-	-	-	-	-
Foreign Bodies - D R	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	**8291859**	**577230**	**8869089**	**44.41**	**9035100**	**572406**	**9607506**	**48.11**	**3.70**
Total Public Shareholding (B)=(B)(1)+(B)(2)	**9045756**	**577800**	**9623556**	**48.19**	**9617580**	**572976**	**10190556**	**51.03**	**2.84**
C. Shares held by Custodian for GDRs & ADRs	**567000**	-	**567000**	**2.84**	-	-	-	-	-
Grand Total (A+B+C)	**16367486**	**3601800**	**19969286**	**100.00**	**16372310**	**3596976**	**19969286**	**100.00**	**-**

ii. Share Holding of Promoter:

Sr. No	Shareholder's Name	Shareholding at the beginning of the year 1 April, 2015			No. of Shares held at the End of the year 31 March, 2016			
		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	% Change in share holding during the year
1.	Kingsbury Investment Inc	3024000	15.14	-	3024000	15.14	-	-
2.	Expert Chemicals (India) Pvt Ltd	6754730	33.83	.	6754730	33.83	-	-

iii. Change in Promoters' Shareholding (please specify, if there is no change):

Sr. No		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
	At the beginning of the year	-	-	-	-
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	-	-	-	-
	At the End of the year	-	-	-	-

iv. Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year 1 April, 2015		Date	Increase/ Decrease in share holding	Reason	Shareholding at the end of the year 31 March, 2016	
		No. of Shares	% of total Shares of the Company				No. of Shares	% of total Shares of the Company
1	Inchem Inc	94680	0.47	01-04-2015				
	-Closing Balance			31-03-2016			94680	0.47
2	General Insurance Corporation of India	471267	2.36	01-04-2015				
				16-10-2015	-30000	Transfer	441267	2.21
				23-10-2015	-41267	Transfer	400000	2.00
				08-01-2016	-100000	Transfer	300000	1.50
	-Closing Balance			31-03-2016			300000	1.50
3	Life Insurance Corporation of India	279462	1.40	01-04-2015				
	-Closing Balance			31-03-2016			279462	1.40
4	T Udayaraj	60530	0.30	01-04-2015				
				10-04-2015	15100	Transfer	75630	0.38
				17-04-2015	659	Transfer	76289	0.38
				24-04-2015	4696	Transfer	80985	0.41
				01-05-2015	217	Transfer	81202	0.41
				08-05-2015	10522	Transfer	91724	0.46
				15-05-2015	3226	Transfer	94950	0.48
				22-05-2015	6252	Transfer	101202	0.51
				05-06-2015	748	Transfer	101950	0.51
				19-06-2015	1782	Transfer	103732	0.52
				03-07-2015	1000	Transfer	104732	0.52
				10-07-2015	9570	Transfer	114302	0.58
				17-07-2015	11147	Transfer	125449	0.63
				24-07-2015	10323	Transfer	135772	0.68
				31-07-2015	22107	Transfer	157879	0.79
				07-08-2015	15614	Transfer	173493	0.87
				14-08-2015	2000	Transfer	175493	0.88
				21-08-2015	2118	Transfer	177611	0.89
				11-09-2015	8705	Transfer	186316	0.93
				18-09-2015	3847	Transfer	190163	0.95
	-Closing Balance			31-03-2016			190163	0.95
5	Yelamarthi Thimma Raja	277839	1.39	01-04-2015				
	-Closing Balance			31-03-2016			277839	1.39

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year 1 April, 2015		Date	Increase/ Decrease in share holding	Reason	Shareholding at the end of the year 31 March, 2016	
		No. of Shares	% of total Shares of the Company				No. of Shares	% of total Shares of the Company
6	Globe Fincap Limited	139310	0.70	01-04-2015				
				12-06-2015	1700	Transfer	141010	0.71
				28-08-2015	-28010	Transfer	113000	0.57
				20-11-2015	-2000	Transfer	111000	0.56
				31-12-2015	-105000	Transfer	6000	0.03
				08-01-2016	-3900	Transfer	2100	0.01
				15-01-2016	32000	Transfer	34100	0.17
				22-01-2016	-24488	Transfer	9612	0.05
				19-02-2016	-2100	Transfer	7512	0.04
				26-02-2016	-2900	Transfer	4612	0.02
				18-03-2016	-2512	Transfer	2100	0.01
	-Closing Balance			31-03-2016			2100	0.01
7	SIDBI Trustee Company Limited A/C	285000	1.43	01-04-2015				
				15-01-2016	-2937	Transfer	282063	1.412
	-Closing Balance			31-03-2016			282063	1.412
8	Magnum Equifin Private Limited	500100	2.50	01-04-2015				
	-Closing Balance			31-03-2016			500100	2.504
9	Sharekhan Limited	17645	0.09	01-04-2015				
				03-04-2015	375	Transfer	18020	0.09
				10-04-2015	4760	Transfer	22780	0.114
				17-04-2015	-1008	Transfer	21772	0.109
				24-04-2015	15313	Transfer	37085	0.186
				01-05-2015	2289	Transfer	39374	0.197
				08-05-2015	3124	Transfer	42498	0.213
				15-05-2015	4830	Transfer	47328	0.237
				22-05-2015	2367	Transfer	49695	0.249
				29-05-2015	-4040	Transfer	45655	0.229
				05-06-2015	578	Transfer	46233	0.232
				12-06-2015	-11738	Transfer	34495	0.173
				19-06-2015	2645	Transfer	37140	0.186
				26-06-2015	-1965	Transfer	35175	0.176
				30-06-2015	4415	Transfer	39590	0.198
				03-07-2015	-19072	Transfer	20518	0.103
				10-07-2015	13106	Transfer	33624	0.168
				17-07-2015	-5616	Transfer	28008	0.14
				24-07-2015	1979	Transfer	29987	0.15
				31-07-2015	-4230	Transfer	25757	0.129
				07-08-2015	-2386	Transfer	23371	0.117
				14-08-2015	9178	Transfer	32549	0.163
				21-08-2015	16289	Transfer	48838	0.245

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year 1 April, 2015		Date	Increase/ Decrease in share holding	Reason	Shareholding at the end of the year 31 March, 2016	
		No. of Shares	% of total Shares of the Company				No. of Shares	% of total Shares of the Company
				28-08-2015	21050	Transfer	69888	0.35
				04-09-2015	3254	Transfer	73142	0.366
				11-09-2015	2380	Transfer	75522	0.378
				21-09-2015	8800	Transfer	84322	0.422
				25-09-2015	10175	Transfer	94497	0.473
				30-09-2015	8836	Transfer	103333	0.517
				09-10-2015	13038	Transfer	116371	0.583
				16-10-2015	11425	Transfer	127796	0.64
				23-10-2015	-2760	Transfer	125036	0.626
				30-10-2015	-4167	Transfer	120869	0.61
				06-11-2015	-1051	Transfer	119818	0.60
				13-11-2015	860	Transfer	120678	0.60
				20-11-2015	5020	Transfer	125698	0.63
				27-11-2015	-5980	Transfer	119718	0.60
				04-12-2015	289	Transfer	120007	0.60
				11-12-2015	-1639	Transfer	118368	0.59
				18-12-2015	7025	Transfer	125393	0.63
				25-12-2015	-9449	Transfer	115944	0.58
				31-12-2015	-21916	Transfer	94028	0.47
				08-01-2016	-7145	Transfer	86883	0.44
				15-01-2016	8441	Transfer	95324	0.48
				22-01-2016	27750	Transfer	123074	0.62
				29-01-2016	-420	Transfer	122654	0.61
				05-02-2016	500	Transfer	123154	0.62
				12-02-2016	-370	Transfer	122784	0.62
				19-02-2016	135	Transfer	122919	0.62
				26-02-2016	-10996	Transfer	111923	0.56
				04-03-2016	-3838	Transfer	108085	0.54
				11-03-2016	17580	Transfer	125665	0.63
				18-03-2016	4890	Transfer	130555	0.65
				25-03-2016	73	Transfer	130628	0.65
	Closing Balance			31-03-2016	43647	Transfer	174275	0.87
10	Hina Nitin Parikh	59950	0.30	01-04-2015				
				10-04-2015	50	Transfer	60000	0.30
				17-04-2015	9542	Transfer	69542	0.35
				24-04-2015	-9542	Transfer	60000	0.30
				08-05-2015	-4785	Transfer	55215	0.28
				29-05-2015	4974	Transfer	60189	0.30
				05-06-2015	2811	Transfer	63000	0.32
				19-06-2015	2064	Transfer	65064	0.33
				26-06-2015	2796	Transfer	67860	0.34
				30-06-2015	-3360	Transfer	64500	0.32

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year 1 April, 2015		Date	Increase/ Decrease in share holding	Reason	Shareholding at the end of the year 31 March, 2016	
		No. of Shares	% of total Shares of the Company				No. of Shares	% of total Shares of the Company
				03-07-2015	2023	Transfer	66523	0.33
				10-07-2015	3477	Transfer	70000	0.35
				17-07-2015	6254	Transfer	76254	0.38
				24-07-2015	25000	Transfer	101254	0.51
				31-07-2015	25746	Transfer	127000	0.64
				21-08-2015	-9000	Transfer	118000	0.59
				28-08-2015	-22497	Transfer	95503	0.48
				20-11-2015	1000	Transfer	96503	0.48
				08-01-2016	25000	Transfer	121503	0.61
				15-01-2016	3597	Transfer	125100	0.63
				04-03-2016	-16098	Transfer	109002	0.55
				11-03-2016	-8902	Transfer	100100	0.50
	Closing Balance			31-03-2016			100100	0.50
11	Tara Chand Jain	271528	1.36	01-04-2015				
				31-12-2015	-240000	Transfer	31528	0.16
				12-02-2016	1000	Transfer	32528	0.16
	Closing Balance			31-03-2016			32528	0.16
12	Pandian Ilangovan	14322	0.08	21-08-2015				
				04-09-2015	7720	Transfer	22042	0.11
				11-09-2015	5570	Transfer	27612	0.14
				18-09-2015	10500	Transfer	38112	0.19
				09-10-2015	-9305	Transfer	28807	0.14
				16-10-2015	-1153	Transfer	27654	0.14
				20-11-2015	-11134	Transfer	16520	0.08
				27-11-2015	-1272	Transfer	15248	0.08
				22-01-2016	32738	Transfer	47986	0.24
				12-02-2016	56616	Transfer	104602	0.52
	Closing Balance			31-03-2016			104602	0.52
13	Rajesh Kumar Gupta	90600	0.45	01-04-2015				
				15-05-2015	-85000	Transfer	5600	0.03
				30-09-2015	15000	Transfer	20600	0.10
	Closing Balance			31-03-2016	70000	Transfer	90600	0.45
14	Kanishka Jain	3000	0.02	01-04-2015				
				03-04-2015	-101	Transfer	2899	0.02
				10-04-2015	-1000	Transfer	1899	0.01
				31-12-2015	240000	Transfer	241899	1.21
	Closing Balance			31-03-2016			241899	1.21

v. Shareholding of Directors and Key Managerial Personnel:

Sr. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
	For Each of the Directors and KMP	-	-	-	-
	At the beginning of the year	-	-	-	-
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	-	-	-	-
	At the End of the year	-	-	-	-

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment: (₹ in Lakhs)

	Secured Loans Excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year as on 01.04.2015				
i) Principal Amount	396.75	30.57	-	427.32
ii) Interest due but not paid	-	0.48	-	0.48
iii) Interest accrued but not due	3.26	1.94	-	5.20
Total (i+ii+iii)	**400.01**	**32.99**	**-**	**433.00**
Change in Indebtedness during the financial year:				
• Addition	-	-	-	0.00
• Reduction	12.03	5.04	-	17.07
Net Change	-12.03	-5.04	-	-17.07
Indebtedness at the end of the financial year as on 31.03.2016				
i) Principal Amount	387.97	27.95	-	415.92
ii) Interest due but not paid	10.37	3.29	-	13.66
iii) Interest accrued but not due	3.66	0.06	-	3.72
Total (i+ii+iii)	**402.00**	**31.30**	**0.00**	**433.30**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. *Remuneration to Managing Director, Whole-time Directors and/or Manager:*

Sr. No.	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount in ₹
		K. Chandran - WTD	
1.	Gross salary (a) Salary as per provisions contained section 17(1) of the Income-tax Act, 1961	49,77,288	49,77,288
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-

Sr. No.	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount in ₹
2.	Stock Option	-	-
3.	Sweat Equity	-	-
4.	Commission	-	-
	- as % of profit	-	-
	- others, specify…	-	-
5.	Others, please specify	-	-
	Total (A)	**49,77,288**	**49,77,288**

*** An application has been made to the Central Government for the above mentioned remuneration, which is pending for approval and the same is recorded in the Books of accounts as recoverable.**

B. *Remuneration to other Director:*

Sr. No.	Particulars of Remuneration	Name of Directors					Total Amount in ₹
1.	**Independent Director**	**N. K. Puri**	**S. K. Bhattacharyya**	**Anita Belani**	**A. L. Bongirwar**	**P. L. Tiwari**	
	Fee for attending board / committee meetings	3,64,000/-	3,64,000/-	5,80,000/-	26,000/-	-	**13,34,000/-**
	Commission	-	-	-	-	-	**-**
	Others, please specify	-	-	-	-	--	**-**
	Total (1)	3,64,000/-	3,64,000/-	5,80,000/-	26,000/-	-	**13,34,000/-**
2.	**Other Non-Executive Directors**						
	Fee for attending board / committee meetings	-	-	-	-	-	**-**
	Commission	-	-	-	-	-	**-**
	Others, please specify	-	-	-	-	-	**-**
	Total (2)	-	-	-	-	-	**-**
	Total (B)=(1+2) Total Managerial Remuneration	**3,64,000/-**	**3,64,000/-**	**5,80,000/-**	**26,000/-**	**-**	**13,34,000/-**

C. *Remuneration to key managerial personnel other than MD / Manager / WTD:*

Sr. No.	Particulars of Remuneration	Key Managerial Personnel						Total Amount in ₹
		President-API	**President Formulation**	**President-Formulation**	**CEO**	**Company Secretary**	**CFO**	
		P. V. Pasupathy	**Indranil Chakravartty**	**Rajiv Kohli**	**-**	**Jitendra J. Gandhi**	**-**	
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	2,96,66,290	87,53,540	1,46,77,548	**-**	22,08,208	-	**5,53,05,866**
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-	-	-	-
2.	Stock Option	-	-	-	-	-	-	-
3.	Sweat Equity	-	-	-	-	-	-	-

Sr. No.	Particulars of Remuneration	Key Managerial Personnel						Total Amount in ₹
		President-API	President Formulation	President-Formulation	CEO	Company Secretary	CFO	
		P. V. Pasupathy	Indranil Chakravartty	Rajiv Kohli	-	Jitendra J. Gandhi	-	
4.	Commission	-	-	-	-	-	-	-
	- as % of profit	-	-	-	-	-	-	-
	- others, specify…	-	-	-	-	-	-	-
5.	Others, please specify	-	-	-	-	-	-	-
	Total (A)	**2,96,66,290**	**87,53,540**	**1,36,77,548**	**-**	**22,08,208**	**-**	**5,53,05,866**

VII. 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)
Penalty	Section 149 of Companies Act 2013 & Clause 49(II)(A)(1) of Listing Agreement.	Appointment of Women Director	₹ **50,000/-** Paid as penalty on **23 July, 2015** for contravention of Clause 49(II)(A)(1) of Listing Agreement.	SEBI (Securities Exchange Board of India) /NSE (National Stock Exchange of India Limited)	**-**
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
OTHER OFFICERS IN DEFAULT					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

For and on behalf of the Board of Directors,

K. Chandran
Vice Chairman
DIN: 00005868

N. K. Puri
Director
DIN: 00002226

Mumbai, 18 May, 2016

ANNEXURE – II

FORM AOC-1

[Pursuant to first proviso to sub-section (3) of section 129 read with rules 5 of the Companies (Accounts) Rules, 2014]

Statement containing salient features of the financial statement of subsidiaries/ associate companies/joint ventures

Part-"A": Subsidiaries

(Amount ₹ in Lakhs)

Sr. No.	Particulars			
1	Name of the Subsidiary	**Wanbury Holding BV**	**Wanbury Global FZE**	**Ningxia Wanbury Fine Chemicals Co. Ltd.**
2	Reporting period for the subsidiary concerned, if different from the holding company's reporting period.	1 April, 2015 to 31 March, 2016	1 April, 2015 to 31 March, 2016	1 April, 2015 to 31 March, 2016
3	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	Euro 1 Euro = ₹ 67.51	AED 1 AED= ₹ 17.02	CNY 1 CNY= ₹ 10.20
4	Share Capital	6515.26	1322.68	5.29
5	Reserves & Surplus	(16426.57)	(1320.46)	(128.79)
6	Total Assets	135.28	3.12	0
7	Total Liabilities	135.28	3.12	0
8	Investments	0	0	0
9	Turnover	0	0	0
10	Profit before taxation	0	(0.27)	(105.97)
11	Provision for taxation	0	0	0
12	Profit after taxation	0	(0.27)	(105.97)
13	Proposed Dividend	NIL	NIL	NIL
14	% of shareholding	100	100	100

Notes:

1. Name of subsidiaries which are yet to commence operations: **NOT APPLICABLE**
2. Name of the subsidiaries which have been liquidated or sold during the year: **NOT APPLICABLE**

Part-"B": Associates and Joint Ventures: N.A.

(Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures)

Name of Associate/ Joint Venture	Not Applicable
1. Latest audited balance Sheet Date	
2. No. of Shares of Associate / Joint Ventures held by the Company on the year end	
- Amount of Investment in Associate/ Joint Venture	
- Extend of Holding %	
3. Description of how there is significant influence	
4. Reason why the associate/ joint venture is not consolidated	
5. Net-worth attributable to Shareholding as per latest audited Balance Sheet	
6. Profit/ Loss for the year	
i. Considered in Consolidation	
ii. Not Considered in Consolidation	

Notes:

1. Name of associate or joint ventures which are yet to commence operations: **NOT APPLICABLE**
2. Names of associate or joint ventures which have been liquidated or sold during the year: **NOT APPLICABLE**

For and on behalf of the Board of Directors,

K. Chandran
Vice Chairman
DIN: 00005868

N. K. Puri
Director
DIN: 00002226

Mumbai, 18 May, 2016

ANNEXURE - III

FORM AOC-2

[Pursuant to clause (h) of sub – section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014].

Form for disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub – section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso:

1.	Details of contracts or arrangements or transactions not at arm's length basis.	**Not Applicable**
	a. Name (s) of the related party and nature of relationship.	
	b. Nature of contract / arrangement/ transaction.	
	c. Duration of the contract / arrangement or transaction including the value, if any.	
	d. Salient terms of the contracts or arrangements or transactions including the value, if any.	
	e. Justification for entering into such contracts or arrangement or transaction.	
	f. Date(s) of approval by the Board.	
	g. Amount paid as advance, if any.	
	h. Date on which the special resolution was passed in general meeting as required under first proviso to section 188.	
2.	Details of material contracts or arrangements or transactions at arm's length basis.	
	a. Name (s) of the related party and nature of relationship.	**Wanbury Infotech Private Limited**
	b. Nature of contract / arrangement/ transaction.	**Services provided**
	c. Duration of the contract / arrangement or transaction including the value, if any.	**12 Months. (i.e. from 1 April 2015 to 31 March 2016)**
	d. Salient terms of the contracts or arrangements or transactions including the value, if any.	**₹235.06**
	e. Date(s) of approval by the Board, if any.	**21.05.2015**
	f. Amount paid as advance, if any.	**Nil**

For and on behalf of the Board of Directors,

K. Chandran
Vice Chairman
DIN: 00005868

N. K. Puri
Director
DIN: 00002226

Mumbai, 18 May, 2016

ANNEXURE - IV

FORM NO. - MR- 3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2016

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
WANBURY LIMITED
BSEL Tech Park, B-Wing, 10th Floor,
Sector 30-A, Opp. Vashi Railway Station,
Vashi, Navi Mumbai - 400703

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s. Wanbury 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 and also information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the company has during the audit period covering the financial year ended on 31st March, 2016 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 maintained by **M/s. Wanbury Limited** 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 Contracts (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;

(v) The Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') viz.:

- (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, 2015;
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
- (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;
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; and
- (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

(vi) Other laws specifically applicable to the company, namely:

1) Pharmacy Act, 1948
2) Drugs and Cosmetics Act, 1940
3) Homoeopathy Central Council Act, 1973
4) Drugs and Magic Remedies (Objectionable Advertisement) Act, 1954
5) Narcotic Drugs and Psychotropic Substances Act, 1985
6) Petroleum Act, 1934
7) Poisons Act, 1919
8) Food Safety and Standards Act, 2006

9) Insecticides Act, 1968
10) Biological Diversity Act, 2002
11) The Indian Copyright Act, 1957
12) The Patents Act, 1970
13) The Trade Marks Act, 1999
14) Indian Boilers Act, 1923
15) Factories Act, 1948
16) Industrial Disputes Act, 1948
17) Payment of Wages act, 1936
18) The Minimum Wages Act, 1948
19) Employees State Insurance Act, 1948
20) The Employees' Provident Fund And Miscellaneous Provisions Act, 1952
21) The Payment of Bonus Act, 1965
22) Payment of Gratuity Act, 1972
23) The Contract Labour (Regulation And Abolition) Act, 1970
24) The Maternity Benefit Act, 1961
25) The Child Labour (Prohibition and Regulation) Act, 1986
26) The Industrial Employment (Standing Orders) Act, 1946
27) The Employees' Compensation Act, 1923
28) The Environment (Protection) Act, 1986
29) The Hazardous Wastes (Management, Handling And Transboundary Movement) Rules, 2008
30) The Water (Prevention & Control of Pollution) Act, 1974
31) The Air (Prevention & Control of Pollution) Act, 1981
32) Energy Conservation Act, 2001
33) Industries (Development & Regulations) Act, 1951
34) Indian Customs Act, 1962
35) State and Central Sales Tax Act, 1956
36) Shops and Establishment Act
37) Income Tax Act, 1961
38) Central Excise & Salt Act, 1944
39) Workmen's Compensation Act, 1923
40) Personnel Injuries (Compensation) Act, 1963
41) Public Liability Insurance Act, 1961
42) The Apprentices Act, 1961
43) Equal Remuneration Act, 1976
44) Employment Exchanges (Compulsory vacation of notices) Act, 1959
45) The Information Technology Act, 2000
46) The Competition Act, 2002
47) Consumer Protection Act, 1986
48) Prevention of Money Laundering Act, 2002
49) Right to Information Act, 2005
50) Emblems and Names (Prevention of Improper Use) Act, 1950
51) Essential Commodities Act, 1955
52) The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

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

(i) Secretarial Standards issued by The Institute of Company Secretaries of India.

(ii) The Listing Agreements entered into by the Company with National Stock Exchange of India Ltd. and BSE Ltd.

During the year under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above except to the extent as mentioned below:

i. The Company received a Show Cause Notice dated 21st August, 2015 from Registrar of Companies, Mumbai for Non-appointment of Women Director on the Board as required under the provisions of Section 149(1) of the Companies Act, 2013 and Clause 49(II)(A) of the Listing Agreement. Also, the Company received a Notice from National Stock Exchange of India Ltd. imposing penalty of ₹ 50,000 for the same.

ii. The Company has not appointed Chief Financial Officer as required to be appointed pursuant to the provisions of Section 203 of the Companies Act, 2013 during the year under review.

iii. Only 69.08 % of the Shareholding of Promoter & Promoter Group is in dematerialised form. However, as per SEBI circular No. SEBI/Cir/ISD/05/2011 & Regulation 31(2) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, 100 % Shareholding of Promoter & Promoter Group has to be in dematerialised form.

iv. The Company is yet to formulate a Policy for Preservation of documents required to be formulated as per Regulation 9 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 during the year under review.

v. As on 31 March 2016, an amount of ₹ 12,22,31,250 was lying with the Company *as Share Application Money from Expert Chemicals (India) Pvt. Ltd.*

vi. The Company has filed an Application with Central Government in Form MR-2 for seeking approval for payment of excess remuneration to Whole Time Director for the year ended 31st March, 2016.

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 except there was delay in appointment of Woman Director during the year under review.

Adequate notice is 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.

All the Board/Committee decisions are 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 and guidelines.

sd/-
Kala Agarwal
Practising Company Secretary
C P No.: 5356

Place: Mumbai
Date: 18 May, 2016

Note: *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,
WANBURY LIMITED
BSEL Tech Park, B - Wing, 10th Floor,
Sector 30-A, Opp. Vashi Railway Station,
Vashi, New Mumbai – 400 703.

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 processes 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 processes 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 procedures 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.

sd/-
Kala Agarwal
Practising Company Secretary
C P No.: 5356

Place: Mumbai
Date: 18 May, 2016

ANNEXURE - V

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

Details of conservation of energy, technology absorption and foreign exchange earnings & outgo pursuant to the provision of Section 134 (3) (m) of Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 are as under:

A. CONSERVATION OF ENERGY

Company has taken below mentioned measures for conservation of energy during the year under review: -

(i) Coal usage reduced with Briquette which is agro based fuel which will have a good impact on the reduction of non-renewable energy sources.

(ii) We are targeting to reduce Distillation time cycle of major product thereby reducing boiler fuel and power consumption in vacuum pumps.

(iii) Technology and process improvements are being made for major products like Tramadol and Sertraline which should reduce the product cost.

(iv) Usage of CFL lamps instead of normal lamps.

(v) Continuous centrifuge in place of batch centrifuge to conserve energy.

INFORMATION AS PER PRESCRIBED FORM A:

		For the year ended on 31.03.2016	For the period ended on 31.03.2015
1.	**Electricity**		
(a)	Purchased		
	Unit (KWH)	**1,42,34,595**	72,05,804
	Total Amount (in ₹)	**10,46,83,535**	521,56,530
	Rate / Unit (in ₹)	**7.35**	7.24
(b)	Own Generation		
	Unit (KWH)	**4,51,766**	72,815
	Total Amount (in ₹)	**84,26,324**	19,96,402
	Rate / Unit (in ₹)	**18.65**	27.42
2.	**Furnace Oil & LDO**		
	Quantity (Liters)	**96,185**	15,155
	Total Amount (in ₹)	**55,41,327**	900,867
	Average Rate (₹ per Liter)	**57.61**	59.44
3.	**Briquette**		
	Quantity (MT)	**10,652**	6,590
	Total Amount (in ₹)	**6,82,21,186**	41,346,954
	Average Rate (₹ per MT)	**6404.54**	6,273.99
4.	**Coal**		
	Quantity (MT)	**367**	85
	Total Amount (in ₹)	**14,34,789**	316,466
	Average Rate (₹ per MT)	**3,913.35**	3,718.75

(B) CONSUMPTION PER UNIT OF PRODUCTION

The Company manufactures APIs having varied product cycles. It is therefore, impractical to apportion the consumption and cost of utilities to each product.

NOTE: There are no specific standards, as the consumption per unit depends upon the product mix. Variations in consumption are due to different product mix.

B. TECHNOLOGY ABSORPTION

Research and Development centre is situated at Mhape, Navi Mumbai and has strength of 29 dedicated scientist. They are engaged in process development of new products, cost improvement projects as well scale up of the newly developed products in the factory. This effort of R and D has also been reinforced by setting up a Technical Services Dept at Tanuku whose role relating to smooth transfer of technology of new products, trouble shooting issues in regular production and working on New Technologies has been of a high order.

In the last year, R & D has mainly concentrated on enhancement of capacity and cost improvement. Cost improvement of products along with five new product process developments were successfully completed in labs and some of these were executed in manufacturing plants.

R & D has also filed two patent applications last year to protect the intellectual assets of the company.

R & D Centre has launched innovative fixed dose combination: Chymonac MR tablets (Fast Dispersing Tablets).

New oral formulation Collage P (Collagen Peptide sachet) launched.

Unique Myo- Inositol Chewable tablets with Strawberry flavor (Small Chicklet shaped tablet) has been developed first time in India to replace the big Myotol F soft gelatin capsules currently marketed. This innovative development will give edge to marketing for boosting the sale of Myotol F brand.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO:

(₹ in Lakhs)

Particulars	For the year ended on 31.03.2016	For the period ended on 31.03.2015
INCOME:		
Foreign Exchange earned by the Company:		
FOB Value of Exports	**16,901.79**	12,492.56
Freight, Insurance etc.	**315.94**	304.23
TOTAL INCOME	**17,217.73**	12,796.79
EXPENDITURE:		
CIF Value of Imports:		
Raw Materials [Including High Seas purchases ₹ 923.93 Lakhs] (Pr. Yr. ₹ 600.99 Lakhs]	**5,102.40**	2,765.41
Capital Goods	**353.65**	46.43
Interest	**298.43**	133.48
Commission expense	**67.68**	83.39
Legal & Professional Fees	**65.99**	20.86
Other Expenses (including traveling and business promotion)	**200.25**	196.26
TOTAL EXPENDITURE	**6,088.40**	3,244.99

For and on behalf of the Board of Directors,

K. Chandran
Vice Chairman
DIN: 00005868

N. K. Puri
Director
DIN: 00002226

Mumbai, 18 May, 2016

STATEMENT PURSUANT TO SECTION 129 (3) READ WITH RULES 5 OF THE COMPANIES ACT, 2013 RELATING TO SUBSIDIARY COMPANIES

Name of the Subsidiary Company	Financial year/ Period of the Subsidiary company	Date from which it Became Subsidiary	Extent of Interest of Holding Company in the Capital and Reserves of the subsidiary company at the end of the financial year / Period of the Subsidiary Company		Net aggregate amount of the Subsidiary Company's Profit / (Loss) not Dealt with in the Holding Company's Accounts		Net aggregate amount of the Subsidiary company's Profit / (Loss) not Dealt with in the Holding Company's Accounts	
			a) Number of shares Held	b) Extent of Holding	Current Year/ Period	Previous Year / Period	Current Year/ Period ₹ in Lakhs	Previous Year / Period ₹ in Lakhs
Wanbury Holding B.V., Netherlands	1 April, 2015 to 31 March, 2016	15 September, 2006	6489 ordinary Equity Shares of Face value of Euro 1000 each.	100%	**NIL**	NIL	-	0.04
Cantabria Pharma S. L., Spain (Refer Note 6)	1 April, 2015 to 31 March, 2016	2 October, 2006	1000 Shares of Face Value of Euro 60 each. (Refer Note 1)	100%	**NIL**	NIL	-	-
Laboratories Wanbury S. L., Spain (Refer Note 6)	1 April, 2015 to 31 March, 2016	28 September, 2007	2709 Shares of Face value of Euro 1 each. (Refer Note 2)	100%	**NIL**	NIL	-	-
Ningxia Wanbury Fine Chemicals Co. Ltd., China	1 April, 2015 to 31 March, 2016	24 October, 2007	13260 Shares of face value of US$ 1 each.	100%	**NIL**	NIL	-	-
Wanbury Global FZE, UAE	1 April, 2015 to 31 March, 2016	6 April, 2009	5 shares of Face Value of AED 100000/- each.	100%	**NIL**	NIL	**(0.27)**	0.31

Notes:

(1) Shares are held by Wanbury Holding B.V., Netherlands, a Wholly Owned Subsidiary of the Company.

(2) Shares are held by Cantabria Pharma S. L., Spain.

(3) There is no change in Holding Company's interest in the Subsidiaries between the end of Financial Period of the Subsidiaries and the end of Holding Company's Financial Period.

(4) No material change have been occurred between the end of the Financial period of the subsidiaries and end of the Holding Company's Financial Period in respect of – (a) the subsidiary's Fixed Assets (b) the Subsidiary's Investment (c) the money lent by Subsidiary (d) the money Borrowed by Subsidiary for any purpose other than that of meeting current liabilities.

(5) Pursuant to the exemption given by the Central Government, Ministry of Corporate Affairs, vide its General Circular No. 2/2011 dated 8 February, 2011, the company not attached along with its Annual Report, detailed Financial statement of accounts Comprising Balance sheet, Profit and Loss account, Report of Directors & the Auditors and other information of its Subsidiary Companies. Any Shareholder interested in obtaining a copy of Balance sheet, Profit and Loss account, Report of Directors and Auditors Report of the said subsidiaries, may write the Company Secretary at the registered office of the Company.

(6) Cantabria Pharma S. L., (CP) has filed for Voluntary insolvency in the Commercial Court of Madrid, Spain on 4 November, 2013. As per the order of Commercial Court of Madrid, Spain, the Receiver has taken the control of CP on 26 February 2014. Consequently, Wanbury Holding BV, Netherlands, the holding company and Wanbury Limited, India the ultimate holding company ceases to have control effective from aforesaid date as required by AS-21 ''Consolidated Financial statement". Due to non availability of Consolidated Financial statement of CP for the 1 April 2015 to 31 March 2016, the same have not been incorporated in consolidated Financial Statement of the previous period.

For and on behalf of the Board of Directors,

K. Chandran
Vice Chairman
DIN: 00005868

N. K. Puri
Director
DIN: 00002226

Mumbai, 18 May, 2016

INFORMATION ON FINANCIAL OF THE SUBSIDIARY COMPANIES FOR THE YEAR ENDED 31 MARCH, 2016

Name of the Subsidiary Company	Wanbury Holding B.V., Netherlands	Wanbury Global FZE, Ras Al Khaimah, UAE	Ningxia Wanbury Fine Chemicals Co. Ltd., China
The Financial year / Period ended on	**31 March, 2016**	**31 March, 2016**	**31 March, 2016**
	(₹ In lakhs)	**(₹ In Lakhs)**	**(₹ In lakhs)**
Capital	6515.26	1322.68	5.29
Ordinary Share Application Money	10,004.46	-	-
Reserves	(16426.57)	(1320.46)	(129.39)
Total Liabilities	135.28	17.30	-
Total Assets	135.28	17.30	-
Turnover (Net)	-	-	-
Profit before taxation	-	(0.27)	(105.97)
Provision for taxation	-	-	-
Profit after taxation	-	(0.27)	(105.97)

For and on behalf of the Board of Directors,

K. Chandran
Vice Chairman
DIN: 00005868

N. K. Puri
Director
DIN: 00002226

Mumbai, 18 May, 2016

MANAGEMENT DISCUSSION AND ANALYSIS REPORT (MDA)

Industry Overview

Introduction:

The Indian pharmaceutical market is expected to grow at 15% per annum for the next few years to reach $ 55 Billion in size by 2020. India will thus become the sixth largest market globally by absolute size.

Technology in India and overall standards have seen an improvement as witnessed by an increase of 84% in overall drug approvals from 109 in FY 2014-15 to 201 in FY 2015-16 as per US Food and Drug Administration. India is currently the largest exporter of generic drugs in the world (20% by volume) and is expected continue to grow.

Additional infrastructure spending ($ 200 Billion by 2024), friendly FDI policy (100% investment allowed) and lower cost of production will continue to drive growth for the Indian pharmaceutical market.

Industry Characteristics:

Local Indian companies continue to dominate the Indian Pharma market with nearly 70% market share while MNCs have a 30% share. In terms of type of drugs, 70% of sales are for generic drugs while patented drugs have a 9% share. OTC drugs account for the rest.

Hospital market is expected to grow in significance from current 13% to 26% in 2020 though retail market will remain strong. Rural market share will increase to 25% from current 20%.

Per capita sales are expected to increase to $ 27 in 2016 compared to $ 23 in 2015. This coupled with increase in population is expected to increase market by 20%.

Government Initiative:

Share of government expenditure on healthcare has increased from 27% of the total healthcare expenditure in 2008 to nearly 40% expected in 2016.

As per the union budget of 2015-16, the Government continues to incentivise exports with additional incentives from different states. Government also provides R&D benefits with 200% weighted tax deduction for both capital and revenue expenditure on scientific research and development.

The Government is supporting start-ups with planned launch of Rs. 1000 Crores investment fund for R&D in pharmaceutical and biotech industry.

Current Challenges:

- Compliance issues and good manufacturing practices – Better oversight and control systems are needed at state and central level
- Highly fragmented industry – This is a challenge presently but the Indian market continues to consolidate
- Low profit margins for drugs under DPCO – This provides economic benefit but quality of drugs can be affected without proper oversight and control
- IP regulations – Government and judiciary are currently focused on providing low cost generics to the masses as nearly 70% of healthcare expenditure remains out of pocket

Road Ahead:

Improving economy, higher penetration of health insurance, increased government spending and friendly policies are expected to drive growth. By 2025, Indian Pharma industry is expected to cross the $ 100 Billion mark.

Chronic therapy segments like Cardiology, Diabetology, Neuro-Psychiatry and Oncology will be key to future growth. Your company is increasing its focus in these segments to be in line with the Industry.

With an estimated $ 190 Billion worth of patents expiring in the next decade, the boom for the Indian generic pharmaceutical market is expected to continue.

References: India Brand Equity Foundation (IBEF), Make in India – Pharmaceuticals, Consulting White Papers, Research Firm Reports.

Company Overview

(A) Domestic Formulations Business

Company maintains its position in the top 75 companies being currently ranked at 71 by CMarc. In key specialties, like Gynecology and Orthopedics, it is ranked among the top 55 companies as per CMarc. Overall formulations business showed a decline of 15% in revenues, mainly driven by high attrition. However, key focus brands registered growth including Cpink

(6%), Coriminic (31%) and CalK2 (23%) The new brands launched last year including Cusena and Breakfix achieved Rs. 1 crore in sales in the year of launch and are poised for further growth.

Your Company undertook various initiatives which would help the Formulation business grow significantly over the mid-long term. Some of the key initiatives are as follows:

Set-up new Product Development Team

Your Company has a NPD (New Product Development) Committee in April-2013. The Committee is responsible for clearing new product launches after ensuring that the set process is followed. The team ensures that the Product selection is based on therapy gap with clear innovation and differentiation. It also ensures that, proper market research is done to identify the therapy and Test marketing is undertaken before launching a new product.

The Company's newly launched products Cpink Total (for high risk pregnancies), Cusena (an innovative natural laxative formulation), Breakfix (for faster fracture healing) and Productive PCOS (to treat infertility in women with PCOS) have received a tremendous response in the industry. Each division currently has at least two products in the pipeline for the year 2016-17.

Strengthen Leadership and Team Stability:

- Top Leadership was strengthened by hiring a new Director of Sales and Marketing.
- Monitoring and control systems were improved to enable quick action.
- Field force training was a key focus and will continue to be so.
- MDP [Managers Development Program] was undertaken in the division so as to build capability of managers.
- A new department termed **Commercial Excellence** was inducted last year to improve sales force effectiveness, standardize review mechanisms, align strategy between head office & field, and improve sales hygiene.
- Structured appraisal and promotion program, LEVNEX launched in 2013.

Because of the aforesaid initiatives, the Company aims to reduce attrition by 20% compared to last year.

Sales Hygiene Improved:

Various initiatives were undertaken to ensure that the health of the business is unaffected by unanticipated challenges:

- Converting the discount rate schemes to free goods schemes thereby reducing the overall scheme amount.
- Fixing of credit limit for each stockiest.

Robust Internal Control Systems and Processes:

Your Company has undertaken a number of steps to establish best in class systems such as:

- Launch of Inventory Module in SFA for the field force to monitor effective utilization of the inputs for the customer in a systematic way.
- Launch of Campaign Module in SFA to empower marketing team to track all campaigns in a systematic way & to help field force to monitor campaign customers.
- Uniform & structured review meetings of field force.

Other Strategic initiatives:

Various initiatives to improve the mid/long term business health of the organization were introduced during the year including:

- Bringing together two divisions (erstwhile Surglife and Osteolife) to form Unniva, to help rationalize the field force, reduce overlap and improve their product basket.
- Scientific Promotion through CMEs (Continued Medical Education)/RTMs (Round Table Meetings) to engage the customers and hence increase the base.
- Specific targets for field force to conduct OPD and haemoglobin camps along with doctors to further reach out to patients and doctors
- Customer coverage increased from 90 Drs/BE to 110 Drs/BE.
- Increased market penetration through better coverage of potential geographies.
- Highly focused project/activity to increase/expand prescriber base and to build key focused brands from key specialities across the three divisions
- Price increases were initiated to improve the profitability of the products
- Low performing teritorries to be monitored for closure/clubbing regularly to improve profitability and productivity.
- Incentive plan for field force encompassing the best incentive practices across the industry.

The Company continues to focus on Gynecology, Orthopedics, Gastrointestinal and Surgery therapeutic segments.

Some of the key brands with unique differentiation include:

- **Cpink:** An iron supplement with revolutionized IIC (Integrated Iron Complexation) technology which offers maximum absorption and compliance to the patients. Ranked among the top 4 brands in the respective segment.
- **Cpink Total:** An improved solution to cater to high risk pregnancies. It includes homocystiene lowering vitamins along with vitamin D3 which reduce risk of IUGR and Pre-eclampsia.
- **Adtrol Plus:** the only calcium supplement which addresses the missing link in osteoporosis that is hyperhomocysteinemia. The brand is ranked 7th in its respective segment.
- **Rabiplus:** Prepared with unique optimally stabilized tri-layered enteric coated pallet technology which ensures 100% availability of drug at the site of absorption, offers faster onset of action as compared to competitors.
- **Folinine:** Wanbury was first to launch this combination in Indian market. Wanbury launched the concept of hyperhomocysteinemia being an independent causal factor for pregnancy complication and proposed usage of this formulation for all 9 months which was a unique and highly successful concept. The product is currently ranked 1st in the respective segment
- **CalK2:** Wanbury was the first to launch this combination in India. It is the most comprehensive formula that bridges the gap in management of osteoporosis and helps to manage the underlying risk factors of osteoporosis. Labeled as one of the best launches in its respective categories by the industry auditors. As per AICOD data Ranked 7th in its category.
- **Cusena:** Wanbury is the first to launch this globally available combination in Indian market. It is first of its kind combination of natural laxative & stool softener. Available in tablet form, it is easy to take with no dosage variation or electrolyte imbalance, and offers better patient compliance. It is non-diabetogenic & safe in pregnancy.
- **Breakfix:** It is innovative combination that is indicated in fracture healing. Wanbury is the first company to introduce this combination that helps to fix fractures faster.

(B) Active Pharmaceutical Ingredients (API) Business:

The API division has otherwise continued its performance, however owing to low requirement of one of the product in key regulatory markets have negatively impacted the top line growth. However, business saw significant growth in Sertraline for regulatory markets which has resulted in Sertraline to be another key product within API portfolio.

During the year under review, API division has widened its reach with access to new geographies and increased customer base which is significant achievement and de-risking of business model. Price realization was key factor last year, this year they remained either flat or marginally declined on exchange rate basis in line with fall in key input/raw material prices.

Cost consciousness was the theme this year along with QUALITY initiatives. Besides augmenting manpower & strengthening the QA/QC processes, the Company continued investing in capital expenditure to strengthen quality requirements for the regulated markets. The platform has been set for marketing & business development activities to further expand customer reach to new geographies, improve customer traction & promoting new products with attractive margins.

(C) Research & Development (R & D)

The Company's R & D is recognized by DSIR (Department for Scientific & Industrial Research) – India and its team of dedicated Scientists and Research Doctors are into:

- **Process Research:** APIs for Regulated Markets / Emerging Markets and Custom Synthesis
- **Pharma Research:** Development of ANDAs and finished dosages for Regulated Markets
- **NDDS:** Development of Novel platforms for Speciality Generics and IPR

Your Company's Research and development centre is situated in Mhape, Navi Mumbai, Govandi and Tanuku, Andhra Pradesh have strength of 61 dedicated scientists. They are engaged in process development in new API's, Cost improvement projects as well as to scale up of the newly developed API's in the factory. Cost improvement of products along with nine new API process developments were successfully completed in Labs and some of them were executed in the manufacturing plants. R & D has also filed four patent applications last year to protect the intellectual assets of the Company.

In light of the number of New Products getting introduced the need for ensuring strong and improved systems, there is an imperative need to keep pace with the regulatory demands. Necessary steps are being taken to beef up the QA and QC wings to take care of these above needs.

Your Company also maintains a separate research facility for its Formulation division at Govandi since early 1990s. The R&D facility has high-tech imported equipment and is able to develop & test different dosage forms including tablets, capsules, syrups and ointments.

Through the in-house R&D & detailed QA studies your Company is able to ensure high quality & efficacy of products for its end-consumers.

(D) Cost Reduction Initiatives:

Over the last year your Company has extended its efforts to reduce costs as a whole to increase profits thereby increasing the cash available for investment in business and provide higher returns for the investor. The focus of the cost reduction strategy has been largely on Energy cost savings. Major energy saving areas included fuel input, boiler operation, steam transmission, lighting & power distribution, Motors & Pumps & cooling towers.

(E) Human Resource (HR) Initiatives at Wanbury

The Wanbury family consists of over 1,600 members spread across various geographic locations and functions. From manufacturing to marketing to sales, each member adds the immense value in our endeavour to grow and enable to take your Company to scale newer and greater heights. People form a key part of our growth strategy and to keep them motivated and empowered, we have set our focus on the following areas:

Build Talent Capability - Talent sourcing is being strengthened to bring in experienced professionals at all levels. Last year, we hired professionals with relevant background and expertise in Pharma and API division that helped Wanbury builds to strengthen its talent base and build the culture of performance. Different initiatives were rolled out to upgrade the critical skills, improve knowledge and build capabilities across the organisation through different training programs, for new hires, a structured program has been implemented to ensure that new employees are effective from day one. Employees are regularly coached by leaders and professional experts in a direction that would help them to achieve their individual and business objectives. Apart from regular training interventions, leaders regularly meet to identify the areas of improvement and accordingly, align and execute on the strategies.

Enhance Employee Engagement – Number of engagement initiatives aimed at build a strong functional and business teams were rolled last year. Employee Connect programs, Annual Event was organised at all our plants for employees and their families, different festivals / events were organised throughout the year. Some of the unique steps include providing free employee counselling by professional experts on psychological areas such as managing stress and conflicts, parenting, mental and sexual harassment etc.

(F) Process Improvement

To create a sustainable and healthy business it is important to have efficient and robust internal processes to support the business owners. Your Company has taken a number of steps to improve and establish best-in-class support systems.

(G) Threats, Risk and Concern

As any other business, your Company is subject to various risks and threats. The key risks/ threats are as follows:

Competition

Your Company operates in a highly competitive environment with pricing being one of the key determining factors of success. In the API business, your Company has been able to overcome this risk by influencing the prices as it is the largest manufacturer of Metformin in the world with over 30% market share. Another product Tramadol has also been in high demand especially in American markets. Also, the company's efforts to have more and more products contributing significantly has paid off and reduced the risk of dependence on the single product - Metformin. In the Formulations Business the Company has mitigated this risk to a very large extent by diversifying its product portfolio and launching new value added products. The continuous rise in crude oil in the past and other commodities prices impacted the prices of raw material and intermediates and in turn increased the cost of APIs.

Patents / IPR

The success of your Company depends largely on its ability to obtain patents, protect trade secrets and other proprietary information and operate without infringing on the proprietary rights of others. Your Company has a dedicated Research and Development team that continuously innovates and remains competitive by developing / acquiring ability to sort out simple and effective solutions to practical problems. The Company has a team of highly competitive scientists supported by excellent instrumentation.

Regulatory

Manufacturing of pharmaceutical products is heavily regulated and controlled by regulatory and government authorities across the world. Failure to fully comply with such regulations, could lead to stringent actions from the authorities/ government.

Regulators across the world, including the USFDA, have become stricter with the pharmaceutical industry. Regulatory requirements and consequences for non-compliance are also getting more severe.

Foreign Exchange Fluctuations

As the share of exports to total sales made by your Company is considerable, it is prone to losses due to exchange rate fluctuations; however, the Company has hedged its exposure to a large extent thereby reducing the risk.

Human Resource Risk

Your Company's ability to deliver value is shaped by its ability to attract, train, motivate, empower and retain the best professional talents. These abilities have to be developed across the Company's rapidly expanding operations. Your Company continuously benchmarks HR policies and practices with the best in the industry and carries out the necessary improvements to attract and retain the best talent.

(H) Internal Control Systems and Adequacy

Your company has made special efforts to improve its internal control systems by improving the information flow and automating the processes in support systems. Support functions are now monitored through a Quarterly Shared Services Survey for the field employees to ensure that we are able to provide the best services to our internal customers.

Your Company has sound, well-established and adequate internal control systems commensurate with its size and nature of business. The internal control systems ensure protection of assets and proper recording of all transactions.

(I) Financial Review:

(₹ In Lakhs)

Particulars	**2015-16**	2014-15*
Revenue from Operations (Net)	**42,326.16**	24,992.33
Other Income	**140.62**	648.40
Total Income	**42,466.78**	25,640.73
Total Expenses	**43,170.27**	25,192.50
Profit (Loss) before tax	**(703.49)**	448.24
Tax	**-**	127.48
Profit (Loss) after tax	**(703.49)**	320.75

***Financial Year 2014-15 was of 6 months period starting from 1 October, 2014 to 31 March, 2015.**

Your Company has generated Net Revenue from operations of Rs. 42,326.16 Lakhs as against Rs. 24,992.33 Lakhs in the previous period.

The Loss after tax for the financial year under review was Rs. (703.49) Lakhs as against a Profit after Tax of Rs. 320.75 Lakhs for the previous financial period.

(J) Cautionary Statement:

Statements in the "Management Discussion and Analysis" describing the Company's objectives, estimates, expectations or projections may be "forward looking statements" within the meaning of applicable laws and regulations. Actual results may differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations, include Government regulations, patent laws, tax regimes, economic developments within India and countries in which the Company conducts business, litigation and other allied factors.

For and on behalf of the Board of Directors,

K. Chandran
Vice Chairman
DIN: 00005868

N. K. Puri
Director
DIN: 00002226

Mumbai, 18 May, 2016

CORPORATE GOVERNANCE REPORT

(1) COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE:

Your Company believes in and practices good corporate governance. Your Company's philosophy of Corporate Governance envisages attainment of the transparency, accountability and equity in all its dealings with all stakeholders. As a Public Listed Company, your Company is committed to complete, accurate and timely disclosure in reports and documents that it files with regulatory authorities.

Your Company is fully compliant with all the mandatory provisions of Regulation 72 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (earlier Clause 49 of Listing Agreement of Stock Exchanges).

The details of Compliances are as follows:

(2) BOARD OF DIRECTORS:

The composition of the Board, Category of the Directors and Number of Directorship & Membership / Chairmanship of Committees in other companies are as under:

Name of the Directors	Category **	Age (in years)	No. of Other Directorship(s) Held *	No. of Committee Position Held in all Companies#	
				Member	Chairperson
Mr. K. Chandran	P&WTD	58	Nil	Nil	Nil
Mr. N. K. Puri	I & NED	73	Nil	Nil	Nil
Mr. S. K. Bhattacharyya	I & NED	66	4	2	2
Ms. Anita Belani (w.e.f. 13.08.2015)	I & NED	52	2	1	Nil
Mr. A. L. Bongirwar (upto 18.09.2015)	I & NED	73	2	Nil	Nil
Dr. P. L. Tiwari (upto 18.09.2015)	I & NED	71	1	Nil	Nil

* Excluding Directorship in private limited and foreign companies.

** P – Promoter, WTD - Whole-time Director, I – Independent, NED - Non-Executive Director.

includes only Audit Committee & Stakeholders Relationship Committee (earlier known as Investor Grievance Committee).

Disclosure of relationship between Directors Inter-se:

None of the Directors of the Board is a member of more than 10 Committees and no Director is Chairman/Chairperson of more than 5 Committees across all public limited companies in which he/she is a Director.

The Board/Committee Meetings are scheduled well in advance after considering availability of all the Board Members. The Notice and Agenda papers of each Board/Committee Meeting are given to each Director well in advance. All the items on the Agenda are accompanied by Notes/Memorandum to the Board giving comprehensive information on the related subject. Detailed presentations are made at the Board/Committee Meetings in relation to the matters like Financial/ Business Plans, Financial Results, etc. The Board/Committee Members are free to recommend the inclusion of any matter for discussion in consultation with the Chairman.

The Board Meeting is scheduled at least once in a quarter to consider the quarterly performance and the financial results. The Minutes of the Board/Committee Meetings are circulated on conclusion of the Board/Committee Meeting to the Board/ Committee Members for their comments and confirmed at the subsequent meeting.

During the year under review i.e. from 1 April 2015 to 31 March 2016, Six (6) Board Meetings were held on 21 May 2015, 13 August 2015, 28 September 2015, 5 November 2015, 11 February 2016, and 22 March 2016. The gap between two Board Meetings has not exceeded more than 120 days.

Directors Attendance Record:

Name of Directors	No. of Board Meetings attended during the year	Whether last AGM attended
Mr. K. Chandran	6	YES
Mr. N. K. Puri	6	YES
Mr. S. K. Bhattacharyya	6	YES
Ms. Anita Belani (w.e.f. 13.08.2015)	5	YES
Mr. A. L. Bongirwar (upto 18.09.2015)	1	NO
Dr. P. L. Tiwari (upto 18.09.2015)	Nil	NO

(3) BOARD COMMITTEES:

At present, the Board has five committees namely the Audit Committee, the Stakeholders Relationship Committee, the Nomination & Remuneration Committee, the Risk Management Committee and the Day to Day Affairs Committee.

(A) AUDIT COMMITTEE:

Your Company's Audit Committee has been constituted in accordance with the provisions of Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (earlier Clause 49 of Listing Agreement) and Section 177 of the Companies Act, 2013.

During the year under review, Six (6) meetings of the Audit Committee were held on 21 May 2015, 13 August 2015, 28 September 2015, 5 November 2015, 11 February 2016, and 22 March 2016. The gap between two Audit Meetings has not exceeded more than 120 days.

The Audit Committee comprises of below mentioned directors and their attendance was as under:

Name of Directors	Designation	Category	No. of Meetings Attended
Mr. N. K. Puri	Chairman	I & NED	6
Mr. S. K. Bhattacharyya	Member	I & NED	6
Ms. Anita Belani (w.e.f. 13.08.2015)	Member	I & NED	5
Mr. K. Chandran (w.e.f. 28.09.2015)	Member	P&WTD	3
Mr. A. L. Bongirwar (upto 18.09.2015)	Member	I & NED	1
Dr. P. L. Tiwari (upto 18.09.2015)	Member	I & NED	Nil

Mr. Jitendra J. Gandhi acts as Company Secretary of the Audit Committee meeting.

All Members are financially literate and have expertise in accounting and related financial management field.

Terms of Reference:

The terms of reference to the Audit Committee include:

(I) Powers of Audit Committee:

The Audit Committee shall have, *inter alia*, following powers:

1. To investigate any activity within its terms of reference.
2. To seek information from any employee.
3. To obtain outside legal or other professional advice.
4. To secure attendance of outsiders with relevant expertise, if it considers necessary.

(II) Role of Audit Committee

The role of the Audit Committee shall, *inter alia*, include the following:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
3. Approval for payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:

a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013
b. Changes, if any, in accounting policies and practices and reasons for the same
c. Major accounting entries involving estimates based on the exercise of judgment by management
d. Significant adjustments made in the financial statements arising out of audit findings
e. Compliance with listing and other legal requirements relating to financial statements
f. Disclosure of any related party transactions
g. Qualifications in the draft audit report

5. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval;
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
7. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the Company with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the Company, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussion with internal auditors of any significant findings and follow up there on;
15. 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;
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. to look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. To review the functioning of the Whistle Blower Mechanism;
19. Approval of appointment of Chief Financial Officer (i.e. the Whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background etc. of the candidate;
20. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

(III) Review of information by Audit Committee

The Audit Committee shall mandatorily review, *inter alia,* the following information:

1. Management Discussion and Analysis of financial condition and results of operations;
2. Statement of significant related party transactions (as defined by the Audit Committee), submitted by the Management;
3. Management letters / letters of internal control weaknesses issued by the statutory auditors;
4. Internal Audit Reports relating to internal control weaknesses; and
5. The appointment, removal and terms of remuneration of the Chief Internal Auditor shall be subject to review by the Audit Committee.

(B) NOMINATION AND REMUNERATION COMMITTEE:

Your Company's Nomination & Remuneration Committee has been constituted in accordance with the provisions of Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (earlier Clause 49 of Listing Agreement) and Section 178 of the Companies Act, 2013. The Committee consists of 3 Directors. The Chairperson of the Committee is an Independent Director. Mr. Jitendra J. Gandhi acts as Company Secretary of the meeting.

During the year under review, Five (5) meetings of the Nomination & Remuneration Committee were held on 21 May 2015, 13 August 2015, 5 November 2015, 11 February 2016 and 22 March 2016.

The attendance records of the Members at the meeting are as under:

Name of Directors	Designation	Category	No. of Meetings Attended
Ms. Anita Belani (w.e.f. 28.09.2015)	Chairperson	I & NED	3
Mr. N. K. Puri	Member	I & NED	5
Mr. S. K. Bhattacharyya	Member	I & NED	5
Mr. A. L .Bongirwar (upto 18.09.2015)	Member	I & NED	1
Dr. P. L. Tiwari (upto 18.09.2015)	Member	I & NED	Nil

The terms of reference:

(a) The Committee shall identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every director's performance.

(b) The Committee shall formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees.

(c) The Committee shall, while formulating the policy shall ensure that:

(i) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully;

(ii) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and

(iii) remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

None of the directors of the Company holds any equity share of the Company as on 31 March 2016.

The Board of Directors of the Company at its meeting held on 5 November 2015 has granted 3,00,000 Options to permanent employee/s of the Company in accordance with Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 as amended from time to time (hereinafter referred to as SBEB Regulations) and other applicable laws and, the said options granted have lapsed.

Subsequently, the Board has decided to come out with new ESOP Scheme and in view of the same, the ESOP Scheme 2015 stands withdrawn.

Remuneration to Executive Director/s:

Payment of remuneration to Executive Director is governed by the agreement executed between Mr. K. Chandran, WTD and the Company subject to the provisions of Schedule V of the Companies Act, 2013 for the Financial Year ended 31 March, 2016.

Payments of Remuneration: **(₹ in Lakhs)**

Name of Director	Salary & Perquisites	Performance Linked Bonus	Total	Service Tenure
Mr. K. Chandran	49.77*	Nil	49.77	Upto 31 August 2016

* The Company has made an application to Ministry of Corporate Affairs (Central Government) for payment of aforesaid remuneration which is pending for approval.

Remuneration to Non Executive Directors:

The Fees paid to Non-Executive Directors for attending Meetings of Board of Directors as well as Committees of the Board as decided by the Board are within the limits prescribed by the Companies Act, 2013.

The sitting fees paid to Non-executive Directors for the year under review is as under:

Sitting Fees paid:

Name of Non-Executive Director	Sitting Fee (₹)
Mr. N. K. Puri	3,64,000
Mr. S. K. Bhattacharyya	3,64,000
Ms. Anita Belani	5,80,000
Mr. A. L. Bongirwar	26,000
Dr. P. L. Tiwari	-

(C) STAKEHOLDERS RELATIONSHIP COMMITTEE:

Your Company's Stakeholders Relationship Committee (earlier known as Investors' Grievance Committee) has been constituted in accordance with the provisions of Regulation 20 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (earlier Clause 49 of Listing Agreement) and Section 178 of the Companies Act, 2013. The Committee consists of 4 Directors. The Chairman of the Committee is an Independent Director. Mr. Jitendra J. Gandhi acts as Company Secretary of the meeting.

During the year under review, Four (4) meetings of the Stakeholders Relationship Committee were held on 21 May 2015, 13 August 2015, 5 November 2015 and 11 February 2016.

The attendance records of the Members at the meeting are as under:

Name of Directors	Designation	Category	No. of Meetings Attended
Mr. S. K. Bhattacharyya (w.e.f. 28.09.2015)	Chairman	I & NED	4
Mr. N. K. Puri	Member	I & NED	4
Ms. Anita Belani (w.e.f. 13.08.2015)	Member	I & NED	2
Mr. K. Chandran	Member	P&WTD	4
Mr. A. L. Bongirwar (upto 18.09.2015)	Member	I & NED	1
Dr. P. L. Tiwari (upto 18.09.2015)	Member	I & NED	Nil

Total 14 complaints received and replied to the satisfaction of shareholders during the year under review. No complaint and no share transfer request were pending at the beginning of the year i.e. on 1 April 2015 and at the end of the year i.e. 31 March 2016.

(D) RISK MANAGEMENT COMMITTEE:

Risk Management Committee (earlier known as Risk Committee) has been formed by the Board of Directors of the Company to consider the potential risks of the business of the Company and to plan for the mitigation of the same. The Committee did not meet during the year under review. Following are the Members of Risk Management Committee:

Name of Directors	Designation	Category
Mr. N. K. Puri	Chairman	I & NED
Mr. S. K. Bhattacharyya	Member	I & NED
Ms. Anita Belani (w.e.f. 13.08.2015)	Member	I & NED
Mr. K. Chandran	Member	P&WTD
Mr. A. L .Bongirwar (upto 18.09.2015)	Member	I & NED

(E) DAY TO DAY AFFAIRS COMMITTEE:

The Day to Day Affairs Committee comprises of following Members:

Name of Directors	Designation
Mr. K. Chandran	Chairman
Mr. P. V. Pasupathy	Member
Mr. Rajiv Kohli (w.e.f. 20.04.2015)	Member
Mr. Indranil Chakravartty (upto 24.08.2015)	Member
Mr. Vinod Verma (w.e.f. 18.05.2016)	Member

Mr. Jitendra J. Gandhi acts as Company Secretary of the meeting.
The Day to Day Affairs Committee meets to take decisions on the matters delegated by the Board of Directors. During the year under review, Eleven (11) meetings of the Day To Day Affairs Committee were held on 30 April 2015, 16 June 2015, 24 August 2015, 8 October 2015, 30 November 2015, 18 January 2016, 19 February 2016, 26 February 2016, 9 March 2016, 16 March 2016 and 29 March 2016.

At present the Day to Day Affairs Committee has been authorised by the Board of Directors to consider following matters:

(i) to take decisions relating to the Bank Accounts i.e. opening of account, change of authorisation, closing of account, availing any facility (internet banking, at par facility) etc.

(ii) to undertake the borrowings and give guarantees to the extent of ₹ 5 Crore and to decide terms & conditions of such borrowings and guarantees.

(iii) giving Power of Attorney to personnel of the Company to deal with Government Authorities / Semi Government Authorities and private bodies including Income Tax Department, Excise Department, Sales Tax Department, Custom Department, Court Matters, Company Law Matters, Maharashtra Industrial Development Corporation, Maharashtra Pollution Control Board, etc.

(iv) to appoint C & F Agent, Selling Agent, Purchasing Agent, Distributor on Consignment Basis (DCBs), Transport Agent, Warehouse Agent, and other agents relating to the operations of the Company.

(v) to authorise the persons to represent the Company in the general meeting of the other company, in which the Company is member.

(vi) to obtain manufacturing license or any other license on loan license basis or any other basis.

(vii) to issue and allot Equity Shares of the Company upon conversion request from the FCCB Holders.

(viii) to issue and allot Equity Shares of the Company to the OFCD Holders, as and when the OFCD holders exercise conversion option.

(ix) to issue and allot Equity Shares of the Company to the Warrant Holders, as and when the Warrant Holders exercise conversion option.

(x) to allow companies, whether already incorporated or to be incorporated, to use “Wanbury” word in their name and also to use logo of the Company.

INDEPENDENT DIRECTORS MEETING:

Schedule IV of the Companies Act, 2013 and the Rules made thereunder mandates that the Independent Directors of the Company hold at least one meeting in a year without the attendance of non-independent directors and Members of the Management. It is recommended that all the Independent Directors of the Company be present at such meetings. These meetings are expected to review the performance of the non-independent directors and the Board as a whole as well as the performance of the Chairman of the Board taking into account the views of the executive directors and non-executive directors, assess the quality, quantity and timeliness of the flow of information between the Management and the Board that is necessary for it to effectively and reasonably perform its duties.

At such meetings, the independent directors discuss, among other matters, the performance of the Company and risks faced by it, the flow of information to the Board, competition, strategy, leadership, strengths & weaknesses, governance, compliance, Board movements, human resource matters and performance of the executive members of the Board including the Chairman.

Following are the Members of Independent Directors meeting:

Name of Director	Category
Mr. N. K. Puri	I & NED
Mr. S. K. Bhattacharyya	I & NED
Ms. Anita Belani (w.e.f. 13.08.2015)	I & NED
Mr. A. L .Bongirwar (upto 28.09.2015)	I & NED
Dr. P. L. Tiwari (upto 28.09.2015)	I & NED

During the year under review, one meeting of Independent Directors was held on 22 March, 2016 in compliance with the requirements of Schedule IV of the Companies Act, 2013. Following items were considered at the said meeting:

a. Presentation on familiarising the Independent Directors with operations of the Company;

b. Performance review of Non-independent Directors, Board as a whole and Chairman of the Company;

c. Assess the quality, quantity and timeliness of flow of information between Company Management and the Board.

All the Independent Directors were present at the meeting.

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149 (7) of the Companies Act, 2013 and Regulation 25 of the Listing Regulations.

The Company had issued formal letter of appointment to all Independent Directors alongwith terms and conditions and the draft of the same is placed on the website of the Company.

The details of the familiarisation program of Independent Directors have been put on the website of the Company.

The Company has adopted a Code of Conduct for Directors and Senior Management Personnel and the same is available on Company's website.

The Company has adopted a Whistle Blower Policy and the same is available on Company's website.

The Schedule IV of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (earlier Clause 49 of Listing Agreement of Stock Exchanges) mandates the Company to familiarise the Independent Directors with the Company, their roles, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company etc. through various programmers. The details of familiarising programs imparted to the Independent Directors by the company is placed on the Company's website, the web link of the same is:

http://www.wanbury.com/investorrelsl/policies/Familiarisation%20Programme%20for%20Independent%20Directors.pdf

PREVENTION OF INSIDER TRADING:

The Company has adopted a Code of Conduct for Prevention of Insider Trading in order to regulate, monitor and control trading in securities by the Directors and designated employees of the Company. The Code requires pre-clearance for dealing in the Company shares and prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of Unpublished Price Sensitive Information (UPSI) in relation to the Company and during the period when the trading window is closed. The Company Secretary is responsible for implementation of the Code.

(4) GENERAL BODY MEETING:

(a) Details of last three Annual General Meetings are as under:

Financial Year	Date	Time	Venue
2014-15	28 September, 2015	11:30 A.M.	Hotel Tunga Regenza, Plot No. 37, Sector 30-A, Vashi, Navi Mumbai - 400 703.
2013-14	23 March, 2015	12:00 Noon	Hotel Tunga Regenza, Plot No. 37, Sector 30-A, Vashi, Navi Mumbai - 400 703.
2012-13	24 September, 2013	12:00 Noon	Hotel Four Points, Plot No. 39/1, 6 to 15, Sector 30-A, Vashi, Navi Mumbai - 400 703.

(b) Postal Ballot:

During the year under review, the Company has not passed any resolution through Postal Ballot.

(c) Special Resolutions passed in the Last Three Annual General Meetings:

The Company has passed below mentioned special resolution in the last three Annual General Meetings (AGM):

Sr. No.	Date of AGM	Subject matter
01	28 September, 2015	Revision in remuneration of Mr. K. Chandran, Whole time Director of the Company
02	23 March, 2015	Consent to borrow moneys upto ₹ 1,000 Crore (₹ One Thousand Crore only).
03	23 March, 2015	Consent to mortgage / charge / hypothecate / encumber any of the Company's movable and / or immovable properties wherever situated both present and future or to lease or otherwise dispose of the whole or substantially the whole of the undertaking(s) of the Company.
04	23 March, 2015	Issue and allot Equity Shares up to an aggregate amount of ₹ 2 Crore (₹ Two Crore Only) in one or more tranches to Expert Chemicals (India) Pvt. Ltd., a Promoter Group Company, on preferential allotment basis.
05	23 March, 2015	Employee Stock Option Scheme.
06	24 September, 2013	Appointment of and Remuneration to be paid to Mr. K. Chandran as Whole-time Director of the Company.

(d) Subsidiary Companies:

Audited Annual Financial Statements of Subsidiary Companies are tabled at the Audit Committee and Board Meetings.

The Company does not have material non listed Indian Subsidiary. However, the Company has below mentioned 5 foreign subsidiaries:

(i) Wanbury Holding B. V., Netherlands;

(ii) Cantabria Pharma S. L., Spain; # (under liquidation)

(iii) Laboratories Wanbury S. L., Spain; *

(iv) Wanbury Global FZE, Ras Al Khaimah, UAE.

(v) Ningxia Wanbury Fine Chemicals Co. Ltd., China;

Subsidiary of Wanbury Holding B. V, Netherlands

* Subsidiary of Cantabria Pharma S. L., Spain

The Policy on material subsidiaries is placed on Company's website.

(e) Means of Communication:

The Quarterly (un-audited financial result) and Annual Audited Financial Result of the Company are submitted through e-mail & fax to the Stock Exchanges immediately after approval of the Board, pursuant to the provisions of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (earlier Clause 41 of Listing Agreement with Stock Exchanges). The same results are published in Newspapers in accordance with the provisions of Listing Regulations with Stock Exchanges and also posted on the Website of the Company (www.wanbury.com).

(5) GENERAL SHAREHOLDERS INFORMATION

(a) Annual General Meeting:

Day & Date	:	**Thursday, 29 September, 2016**
Time	:	**11:30 A.M.**
Place/Venue	:	**Hotel Tunga Regenza, Plot No. 37, Sector 30-A, Vashi, Navi Mumbai - 400 703.**

(b) Financial Calendar:

For quarter ending on 30 June 2016	Unaudited Financial Results will be declared within 45 days from the end of the quarter.
For quarter ending on 30 September 2016	Unaudited Financial Result will be declared within 45 days from the end of the quarter.
For quarter ending on 31 December 2016	Unaudited Financial Result will be declared within 45 days from the end of the quarter.
For quarter ending on 31 March 2017	Audited Financial Result will be declared within 60 days from the end of Financial year 2016-17.
Annual General Meeting for the Financial Year ending on 31 March 2017	On or before 30 September 2017.

(c) Book Closure:

The Share Transfer Books and the Register of Members will remain closed from **Friday, 23 September, 2016 to Thursday, 29 September, 2016** (both days inclusive) for the purpose of Annual General Meeting.

(d) Listing on Stock Exchanges & Stock Codes:

Equity Shares of the Company are listed on BSE Limited (BSE), Mumbai & National Stock Exchange of India Limited (NSE), Mumbai.

The Scrip Code/Symbol on BSE is 524212 and on NSE is WANBURY.

The ISIN Number of Company is "INE107F01022".

Global Depository Receipts (GDRs) & Foreign Currency Convertible Bonds (FCCBs) issued by the Company are listed on Luxembourg Stock Exchange. One GDR represents 3 underlying Equity Shares of the Company.

The Scrip Code for GDRs is "WANBURY GDR ne".

The Company has paid listing fees to BSE Ltd. & National Stock Exchange of India Ltd. for the Financial Year 2016-17.

The Company has paid custody fees to National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) for the Financial Year 2016-17.

(e) Corporate Identity Number (CIN):

CIN of the Company allotted by the Ministry of Corporate Affairs, Government of India is **L51900MH1988PLC048455**.

(f) Equity History:

Equity Shares of the Company of face value of ₹ 10/- each have been issued as under:

Particular	No. of Equity Shares Allotted	Cumulative Total	Date of Allotment
Upon amalgamation (Refer Note 1)	9486358	9486358	15 October 2004
GDR Issue (Refer Note 2)	3261000	12747358	3 October 2005
Merger (Refer Note 3)	64668	12812026	2 June, 2007
Merger (Refer Note 3)	562618	13374644	27 June 2007
FCCB Conversion	206674	13581318	3 September 2007
FCCB Conversion	95070	13676388	1 November 2007
FCCB Conversion	103337	13779725	13 December 2007
FCCB Conversion	124004	13903729	16 January 2008
Merger (Refer Note 4)	785557	14689286	17 March 2008
Preferential Allotment (Refer Note 5)	2690000	17379286	30 March 2012
Preferential Allotment (Refer Note 6)	2590000	19969286	5 August 2013

Note 1: Amalgamation of Wander Private Limited with Pearl Organics Limited, whose name was changed to Wanbury Limited.

Note 2: The Company had issued 32,61,000 Equity Shares of face value of ₹ 10/- each, the Global Depository Receipt Holders. {Distinctive Number from 09486359 to 12747358}.

Note 3: The Board for Industrial and Financial Reconstruction (BIFR) had approved the merger of the Pharmaceutical Products of India Limited (PPIL) with the Company vide its Order dated 24 April 2007. As per the Order of BIFR 64,668 Equity Shares of face value of ₹10/- each had been issued to the Secured Creditors of erstwhile PPIL and 5,62,618

Equity Shares of face value of ₹ 10/- each had been issued to the Equity Shareholders of erstwhile PPIL. The Hon'ble Supreme Court vide its order dated 16 May 2008 has set aside the above referred BIFR order and remitted the matter back to BIFR for considering afresh as per the provisions of SICA, 1985 in response to a petition filed by one of the unsecured creditors of erstwhile PPIL. There has since been no further development in the matter.

Note 4: The Board for Industrial and Financial Reconstruction (BIFR) had approved the merger of Doctors Organic Chemical Limited (DOCL) with the Company vide its Order dated 30 April 2007. As per the Order of BIFR 7,85,557 Equity Shares of face value of ₹10/- each had been issued to the Equity Shareholders of erstwhile DOCL.

Note 5: The Corporate Debt Restructuring proposal of the Company has been approved by Corporate Debt Restructuring Cell vide its letter dated 23 May 2011. Pursuant to the provisions of Corporate Debt Restructuring Scheme, the Company has on 30 March 2012 allotted 26,90,000 (Twenty Six Lac Ninety Thousand) Equity Shares at a price of ₹ 37.50 (₹ Thirty Seven and Paisa Fifty only) {Face Value ₹ 10/- and Premium ₹ 27.50/-} per equity share to Expert Chemicals (India) Pvt. Ltd., a promoter group company.

Note 6: The Corporate Debt Restructuring proposal of the Company has been approved by Corporate Debt Restructuring Cell vide its letter dated 23 May 2011. Pursuant to the provisions of Corporate Debt Restructuring Scheme, the Company has on 5 August 2013 allotted 25,90,000 (Twenty Five Lac Ninety Thousand) Equity Shares at a price of ₹ 37.50 (₹ Thirty Seven and Paisa Fifty only) {Face Value ₹ 10/- and Premium ₹ 27.50/-} per equity share to Expert Chemicals (India) Pvt. Ltd., a promoter group company.

(g) Stock Data:

Monthly Volume and High, Low & Close of Market price of Company's Equity Shares traded on the BSE Limited, Mumbai during the year ended on 31 March, 2016 were as under:

Month	High (₹)	Low (₹)	Close (₹)	BSE Sensex Close	Volume (No. of Shares)
April 2015	83.10	59.50	69.00	27011.31	709054
May 2015	72.80	54.00	54.40	27828.44	247991
June 2015	68.55	50.35	55.05	27780.83	275716
July 2015	73.65	49.40	69.95	28114.56	646832
August 2015	77.70	60.00	64.95	26283.09	439531
September 2015	65.00	57.15	61.55	26154.83	106077
October 2015	71.15	60.00	62.85	26656.83	206889
November 2015	64.10	51.65	53.45	26145.67	189410
December 2015	93.20	52.00	92.70	26117.54	644434
January 2016	92.70	58.50	59.70	24870.69	491575
February 2016	64.40	38.05	38.90	23002.00	199177
March 2016	49.00	37.30	46.20	25341.86	261060

Source: BSE Website

Monthly Volume and High, Low & Close of Market price of Company's Equity Shares traded on the National Stock Exchange of India Limited, Mumbai during the period ended on 31 March, 2016 were as under:

Month	High (₹)	Low (₹)	Close (₹)	S & P CNX Nifty Close	Volume (No. of Shares)
April 2015	83.20	62.65	68.55	8181.50	513230
May 2015	72.95	54.10	54.45	8433.65	296934
June 2015	67.95	51.10	55.25	8368.50	201665
July 2015	72.20	49.60	70.75	8532.85	777435
August 2015	78.00	60.70	65.00	7971.30	483610
September 2015	65.00	57.15	61.85	7948.90	183385
October 2015	71.50	60.10	62.40	8065.80	240375
November 2015	64.10	53.00	53.45	7935.25	161443
December 2015	93.30	53.25	91.95	7946.35	602825
January 2016	91.90	58.55	59.50	7563.55	536088
February 2016	64.45	38.00	39.00	6987.05	204708
March 2016	49.75	37.20	47.50	7738.40	404217

Source: NSE Website

(h) Distribution Schedule on number of Shares as on 31 March, 2016:

No. of Shares	No. of Shareholders	% of Shareholders	No. of Shares	% of Shares
Upto 5000	15498	88.44	1825537	9.14
5001 to 10000	929	5.30	775673	3.88
10001 to 20000	489	2.79	756665	3.79
20001 to 30000	199	1.14	511388	2.56
30001 to 40000	95	0.54	342044	1.71
40001 to 50000	91	0.52	431481	2.16
50001 to 100000	123	0.70	888628	4.45
100001 & above	99	0.56	14437870	72.30
Total	**17523**	**100.00**	**19969286**	**100.00**

(i) Distribution Schedule on scrip value as on 31 March, 2016:

Share of Nominal Value in ₹	No. of Shareholders	% of Shareholders	Total Amount in ₹	% of Amount
Upto 5000	15498	88.44	1,82,55,370	9.14
5001 to 10000	929	5.30	77,56,730	3.88
10001 to 20000	489	2.79	75,66,650	3.79
20001 to 30000	199	1.14	51,13,880	2.56
30001 to 40000	95	0.54	34,20,440	1.71
40001 to 50000	91	0.52	43,14,810	2.16
50001 to 100000	123	0.70	88,86,280	4.45
100001 & above	99	0.56	14,43,78,700	72.30
Total	**17523**	**100.00**	**19,96,92,860**	**100.00**

(j) Shareholding Pattern as on 31 March, 2016 was as under:

Category	No. of Shares Held	% of Holding
(A) Promoter Holding		
Indian Promoter:		
(a) Expert Chemicals (India) Private Limited	6754730	33.83
Foreign Promoter:		
(a) Kingsbury Investment INC	3024000	15.14
Person acting in Concert:	-	-
Sub Total (A)	**9778730**	**48.97**
(B) NON – PROMOTERS HOLDING		
Institutional Investors		
Mutual Funds and UTI	115	0.00
Banks, Financial Institutions, Insurance Companies, (Central/State Govt. Institutions / Non - government Institutions)	582935	2.92
FIIs	-	-
Sub – Total (B)	**583050**	**2.92**
(C) Others		
Bodies Corporate	2050836	10.27
Individual Shareholders Holding Nominal Capital up to ₹ 2 Lac.	5750032	28.79
Individual Shareholders Holding Nominal Capital in excess of ₹ 2 Lac	1805088	9.04
Employee Trust	1550	0.01
Clearing Members	-	-
OCB	-	-
NRI	-	-
Bank of New York (GDR issue)	-	-
Sub – Total (C)	**9607506**	**48.11**
GRAND TOTAL (A+B+C)	**19969286**	**100.00**

(k) Dematerialization of shares and liquidity:

81.99 % representing 1,63,72,310 Equity Shares were held in dematerialized form and the balance 18.01 % were in physical form as on 31 March, 2016.

(l) Outstanding GDRs:

1,89,000 GDRs were Outstanding as on 31 March 2016, representing 5,67,000 Equity Shares, constituting 2.84% of the paid-up Equity Share Capital of the Company.

(m) Outstanding Warrants:

11,25,236 Warrants of the face value of ₹ Nil were allotted to the shareholders of erstwhile PPIL pursuant to the order dated 24 April, 2007 of Hon'ble BIFR, which were exercisable upto 27 June, 2012. The matter is under fresh consideration of Hon'ble BIFR pursuant to the order dated 16 May, 2008 of Hon'ble Supreme Court.

(n) Optionally Fully Convertible Debentures:

58,199 Zero Coupon Optionally Fully Convertible Debentures (OFCDs) of face values of ₹ 1,000/- each (₹ One Thousand each) of the aggregate nominal value of ₹ 5,81,99,000/- (₹ Five Crore Eighty One Lac Ninety Nine Thousand only) have remained unpaid as on 31 March 2016.

Zero Coupon Optionally Fully Convertible Debenture Holders had a right to convert the same into Equity Shares of the Company between 1 November, 2008 and 30 April 2012, at higher of:

(i) 67% of the 3 months average weekly closing high low price per share quoted on the BSE preceding the date of notice of conversion; or

(ii) at a price of ₹ 125 per share

However, none of the OFCD Holder had made an application to convert OFCD into Equity Shares of the Company.

The aforesaid OFCD were issued pursuant to the Order of Hon'ble BIFR dated 24 April, 2007. The matter is under fresh consideration of Hon'ble BIFR pursuant to the order dated 16 May, 2008 of Hon'ble Supreme Court.

(o) Rights of Lenders under Corporate Debt Restructuring (CDR) Scheme:

Pursuant to CDR Scheme, lenders have right, to convert at their option, the whole of outstanding amount or 20% of rupee equivalent of the defaulted amount into fully paid up equity shares of the Company at par, in case of certain defaults by the Company.

(p) Reconciliation of Share Capital Audit Report:

In terms of the directives of the Security and Exchange Board of India, Reconciliation of Share Capital Audit is being undertaken by a qualified practicing Company Secretary, on a quarterly basis.

Your Company is on a regular basis submitting Reconciliation of Share Capital Audit Report, as per the circular issued by Security and Exchange Board of India (SEBI) and Compliance Certificate, pursuant to the provisions of Regulation 40(9) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 {earlier Clause 47 (C) of the Listing Agreement} certified by Practicing Company Secretary to Stock Exchanges.

(q) Dividend Profile:

Financial Year	Book Closure / Record Date	Dividend declared	Date of Declaration	Date of Payment of Dividend
2009-2010	2 August 2010 to 12 August 2010	10%	12 August 2010	20 August 2010

The Company had not declared any dividend for the financial years 2010-11, 2011-12, 2012-13, 2013-14 and 2014-15. Further, the Board of Directors of the Company has not recommended any dividend for the financial year ended on 31 March, 2016.

Status of unclaimed dividends:

Unclaimed dividend for the year 2008-2009 onwards shall be transferred to the Investor Education and Protection Fund (IEPF) as under:

Year of dividend	Date of Declaration of dividend	Date of transfer to unpaid / unclaimed dividend account	Due date for transfer to IEPF
2009-2010	12 August, 2010	15 September, 2010	14 September, 2017

Shareholders are advised to confirm their records and claim the amount well before due date, if not encased earlier.

The dividend for 2007-2008 has been transferred to Investor Education & Protection Fund (IEPF) account on 3 March, 2016 well within due date of transfer i.e. 29 March, 2016.

(r) Plant Locations:

a) Plot No. A-15, M.I.D.C., Ind. Area, Patalganga, Maharashtra

b) Plot No. J-17, M.I.D.C. Tarapur, Maharashtra

c) Plot No. N-24, M.I.D.C. Tarapur, Maharashtra (erstwhile PPIL)

d) K. Illindalaparru Village, Tanuku, Dist. - West Godavari, Andhra Pradesh

(s) Compliance Officer:

The Board of Directors has designated Mr. Jitendra J. Gandhi, Company Secretary as the Compliance Officer of the Company.

(t) Address for Correspondence:

Wanbury Limited

Secretarial Department
CIN: L51900MH1988PLC048455
BSEL Tech Park,
B-Wing, 10th Floor, Sector 30-A, Opp. Vashi Railway Station,
Vashi, Navi Mumbai - 400 703, India.
Tel : +91-22-67942222
Fax: +91-22-67942111/333
E-mail: shares@wanbury.com
Website: www.wanbury.com

Shareholders of the Company can lodge their complaints on E-Mail ID: shares@wanbury.com.

(u) Address of Registrar & Share Transfer Agents:

M/s. Sharex Dynamic (India) Pvt. Ltd.
Unit – 1, Luthra Industrial Premises, Safed Pool,
Andheri - Kurla Road, Andheri (East),
Mumbai – 400 072, India.
Telephone No.: +91-22-28516338, 28528087
Fax No.: +91-22-28512885
E-mail: sharexindia@vsnl.com

(v) Management Discussion and Analysis Report:

Management Discussion and Analysis Report is part of Annual Report.

(w) Disclosures:

(1) The Company has not entered into any transaction / agreement of a material nature with the promoters, the directors or the management, their relatives, etc. that may have any potential conflict with the interests of the Company.

(2) Disclosure of Accounting Treatment: In the preparation of the financial statements, the Company has followed the Accounting Standard issued by the Institute of Chartered Accountants of India. The significant accounting policies which are consistently applied are set out in the notes to the accounts.

(3) Risk Management: Business risk evaluation and management is an ongoing process within the Company.

(4) The Company has formulated a policy for Related Party Transactions (RPT) in accordance with the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the same is available on the following link:

http://www.wanbury.com/investorrelsl/policies/WL-Policy%20for%20Related%20Party%20Transactions.pdf

(5) The Company has formulated a policy for determining 'material subsidiaries' in accordance with the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the same is available on the following link:

http://www.wanbury.com/investorrelsl/policies/WL-Policy%20on%20determining%20Material%20Subsidiaries.pdf

(6) Following penalty or strictures have been imposed on the Company by Stock Exchanges and no penalty or strictures have been imposed by SEBI or any statutory authorities or any matter related to capital markets during the last three years.

(i) Penalty aggregating to ₹ 50,000/- (₹ Fifty Thousand only) has been levied by the National Stock Exchange of India Limited for non compliance of clause 49(II)(A)(1) of Listing Agreement regarding appointment of Women Director on Board of the Company by 1 April, 2015 which has been paid on 23 July, 2015.

For and on behalf of the Board of Directors,

	K. Chandran	**N. K. Puri**
	Vice Chairman	Director
Mumbai, 18 May, 2016	DIN: 00005868	DIN: 00002226

DECLARATION

The Board has laid down a Code of Conduct for all Board Members and Senior Management of the Company, which is posted on the Website of the Company. The Board Members and Senior Management have affirmed compliance with the Code of Conduct for the year ended on 31 March, 2016.

For and on behalf of the Board of Directors,

	K. Chandran	**N. K. Puri**
	Vice Chairman	Director
Mumbai, 18 May, 2016	DIN: 00005868	DIN: 00002226

CERTIFICATE PURSUANT TO REGUATION 17(8) OF THE SEBI (LISTING OBLIGATIONS & DISCLOSURE REQUIRMENTS) REGULATIONS, 2015

We, Mr. K. Chandran, Vice Chairman and Mr. Vinod Verma, Chief Financial Officer hereby certify for the Financial Year ended 31 March 2016 that: -

(a) We have reviewed financial statements and the cash flow statement for the year and that to the best of our knowledge and belief:

  (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

  (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

(b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the period which are fraudulent, illegal or violative of the Company's code of conduct.

(c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

(d) We have indicated to the auditors and the Audit committee that:

  (i) there are no significant changes in internal control over financial reporting during the year;

  (ii) there are no significant changes in accounting policies during the year; and

  (iii) there are no instances of significant fraud of which we have become aware.

For and on behalf of the Board of Directors,

Vinod Verma	**K. Chandran**
Chief Financial Officer	Vice Chairman
	DIN: 00005868

Mumbai, May, 18, 2016

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

TO THE MEMBERS OF WANBURY LIMITED

We have examined the compliance of conditions of corporate governance by Wanbury Limited ("the Company"), for the year ended on 31 March 2016, as stipulated in Chapter IV read with Part C of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

The compliance of conditions of corporate governance is the responsibility of the management. Our examinations has been limited to a review of the procedure and implementations thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of the opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, and based on the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Regulations.

We 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 Kapoor & Parekh Associates
Chartered Accountants
ICAI FRN 104803W

Nikhil Patel
Partner
Membership No. 37032

Mumbai, 18 May 2016

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF WANBURY LIMITED

Report on Standalone Financial Statements

We have audited the accompanying standalone financial statements of **WANBURY LIMITED** ("the Company"), which comprise the Balance Sheet as at 31 March 2016, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these standalone financial statements 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. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting 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 adequate internal financial controls, 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

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.

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.

An audit involves performing procedures to obtain audit evidence about the amounts and the 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 a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2016, and its loss and its cash flows for the year ended on that date.

Emphasis of Matters

We draw attention to the following matters in the Notes to the financial statements:

a) Note 52 in the financial statements which indicate that the Company has accumulated losses and its net worth has been fully eroded. The financial statements of the Company have been prepared on a going concern basis for the reasons stated therein.

b) The Company has given guarantee in respect of Exim Bank's investments of USD 60 Lakhs (₹ 3,979.97 Lakhs) in Wanbury Holding B.V., a subsidiary of the Company and State Bank of India's loan of Euro 32.60 Lakhs (₹ 2,448.11 Lakhs) to Cantabria Pharma S.L., the step down subsidiary of the Company, which have been invoked by the respective parties. The said dues being part of the CDR Scheme will be accounted upon arriving at mutually agreed terms of settlement with the respective parties as stated in Note 30 of the financial statements.

Our opinion is not modified in respect of these matters.

Other Matter

We did not audit the financial statements/financial information of one branch included in the standalone financial statements of the Company whose financial statements/financial information reflect total assets of ₹ 10,090.60 Lakhs as at 31 March 2016 and total revenues of ₹ 16,072.61 Lakhs for the year ended on that date, as considered in the standalone financial statements. The financial statements/information of this branch have been audited by the branch auditor whose reports have been furnished to us, and our opinion in so far as it relates to the amounts and disclosures included in respect of this branch, is based solely on the report of such branch auditor.

Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section 11 of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (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 it appears from our examination of those books.
   c) The reports on the accounts of the branch of the Company audited under Section 143(8) of the Act by branch auditors have been sent to us and have been properly dealt with by us in preparing this report.
   d) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
   e) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
   f) On the basis of the 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 31 March 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
   g) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
   h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
      i. The Company has disclosed the impact, if any, of pending litigations as at 31 March 2016 on its financial position in its standalone financial statements – Refer Note 29 to the financial statements;
      ii. The Company has not entered into any long-term contracts including derivative contracts requiring provision under the applicable law or accounting standards, for material foreseeable losses.
      iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For Kapoor & Parekh Associates
Chartered Accountants
ICAI FRN 104803W

Nikhil Patel
Partner
M. No. 37032

Mumbai, 18 May 2016

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

(The Annexure referred to in Para 1 under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date to the Members of **WANBURY LIMITED** on the financial statements for the year ended 31 March 2016.)

1. In respect of its fixed assets:

   a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

   b) As informed to us by the management, the Company has a policy of physically verifying fixed assets in a phased manner over a period which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. We are informed that there were no material discrepancies noticed on such verification and the same has been properly dealt with in the books of account.

   c) According to the information and explanations given to us and the title deeds / lease deeds and other records examined by us, we report that the title deeds / lease deeds in respect of all the immovable properties of land which are freehold, immovable properties of land that have been taken on lease and buildings, as disclosed in Note 11 - fixed assets in the standalone financial statements, are held in the name of the Company or in the erstwhile name of the Company or in the name of the transferor companies which have merged into the Company, as at the balance sheet date.

2. According to the information and explanations given to us, the inventories have been physically verified by the management at reasonable intervals during the year except for stocks with third parties for which most of the confirmation certificates have been obtained by the Company. The discrepancies noticed on such physical verification between physical stock and book records were not material and have been adequately dealt with in the books of account.

3. According to the information and explanations given to us, the Company has not granted any loan, secured or unsecured, to companies, firms, Limited Liability Partnership or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, paragraph 3(iii) of the Order is not applicable to the Company.

4. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013.

5. The Company has not accepted any deposit from the public within the meaning of Section 73 to 76 or any other relevant provisions of the Companies Act, 2013. Accordingly, paragraph 3(v) of the Order is not applicable.

6. We have broadly reviewed the books of account maintained by the Company pursuant to the rules prescribed by the Central Government for maintenance of cost records under 148(1) of the Companies Act, 2013 in relation to products manufactured, and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have, however, not made a detailed examination of the records with a view to determine whether they are accurate and complete.

7. According to the information and explanations given to us :

   a) Except in some cases where there have been delays, the Company has been generally regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Custom Duty, Excise Duty, Value Added Tax, Cess and other material statutory dues with the appropriate authorities during the year. According to the information and explanations given to us, there are no undisputed amounts payable in respect of aforesaid material statutory dues as at 31 March 2016 which were in arrears for a period of more than six months from the date they became payable except statutory dues of erstwhile PPIL referred to in note 32 of the financial statements.

   b) On the basis of our examination of the documents and records of the Company, there are no dues of Income Tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax and Cess which have not been deposited on account of a dispute, except as enumerated herein below which are pending before respective authorities as mentioned there against :

Name of the Statute	Nature of the Dues	Amount ₹ In Lakhs*	Period to which amounts relate	Forum where dispute is Pending
The Income Tax Act, 1961	Income Tax/ TDS/ Interest / Penalty	46.20	AY 1997-98	Bombay High Court
		96.32	AY 2010-11	Deputy Commissioner of Income tax, Mumbai
		5.65	AY 2010-11	Commissioner of Income tax (Appeals), Mumbai
The Central Sales Tax Act, 1956	Sales Tax/Interest / Penalty	220.39 60.35 19.95	FY 2006-07 FY 2007-08 FY 2002-03	Sales Tax Appellate Tribunal Andhra Pradesh
		42.95	FY 1997-98 to FY 2004-05	Andhra Pradesh High Court
The Central Sales Tax Act, 1956	Sales Tax/Interest / Penalty	2,972.28	FY 1992-93 FY 1994-95 FY 1996-97 FY 1997-98 & FY 2000-01 to FY 2004-05	Bombay High Court
Service Tax under Finance Act, 1994	Service Tax/ Interest/ Penalty	275.42	FY 2004-05 to FY 2010-11	Central, Excise and Service Tax Appellate Tribunal, Mumbai
		31.43	FY 2011-12	The Commissioner of Central Excise (Appeals), Mumbai
The Central Excise Act, 1944	Excise Duty	25.31	FY 2009-10 to FY 2010-11	Central, Excise and Service Tax Appellate Tribunal, Bangalore
		2.97	Apr 2011 to Dec 2011	Central, Excise and Service Tax Appellate Tribunal, Bangalore
		9.61	Apr 2005 to Sept 2007	Central, Excise and Service Tax Appellate Tribunal, Bangalore
		21.07	Apr 2011 to Feb 2012	The Commissioner of Central Excise (Appeals), Guntur, Andhra Pradesh
		26.10	Mar 2013 to Dec 2013	The Commissioner of Central Excise (Appeals), Guntur, Andhra Pradesh
		41.94	Jan 2014 to Oct 2014	The Commissioner of Central Excise (Appeals), Guntur, Andhra Pradesh

*Net of amounts paid under protest or otherwise. Amount is as per demand order including interest and penalty wherever quantified.

8. Based on our audit procedures and on the basis of information and explanations given to us, there is no delay in respect of repayment of loans or borrowings to financial institutions, banks, government and dues to debenture holders, except for the following defaults.

Particulars	Amount of default as at the balance sheet date (₹ in Lakhs)	Period of default (in days) and Remarks
Andhra bank		
- Principal	19.20	1 day
- Interest	27.94	1 to 32 days
Axis Bank		
- Principal	1.90	1 day
- Interest	2.27	1 day
Bank of India		
- Principal	146.20	1 day
- Interest	29.27	1 day
EXIM Bank		
- Principal	2.14	1 day
- Interest	10.34	1 to 92 days
IDBI Bank		
- Principal	2.15	1 day
- Interest	1.69	1 day
State bank of Mysore		
- Principal	89.97	1 day
- Interest	70.18	1 to 61 days
State bank of India		
- Principal	1,591.32	1 to 367 days
- Interest	895.15	1 to 367 days
Foreign Currency Convertible Bond Holders		
- Principal	717.56	92 to 1,438 days
- Interest	329.28	1,438 to 1,737 days
Non Convertible Debentures	55.67 97.00	Unpaid from 1 May 2009 Unpaid from 1 May 2010 Pending fresh order from BIFR - Refer Note 9.1 and 32 of the financial statements
Optionally Fully Convertible Debentures	290.99 291.00	Unpaid from 30 April 2010 Unpaid from 30 April 2011 Pending fresh order from BIFR - Refer Note 9.2 and 32 of the financial statements
Term Loans taken by erstwhile PPIL from banks / financial institutions	68.02	Unpaid from respective due dates. Pending fresh order from BIFR - Refer Note 9.4, 9.5 and 32 of the financial statements

9. According to the information and explanations given to us, the Company has not raised any moneys by way of initial public offer or further public offer and has not taken any term loan during the year.

10. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.

11. According to the information and explanation given to us, during the year the Company has paid ₹ 49.77 Lakhs in excess of the remuneration payable as per the provisions of section 197 read with Schedule V to the Companies Act, 2013, for which application has been made to the Central Government on 18 January 2016 and the said amount, pending approval of the Central Government, is shown as recoverable in the financial statements.

    In respect of the excess managerial remuneration recoverable aggregating to ₹ 166.19 Lakhs pertaining to financial years 2011-12 to 2014-15 [Refer Note 38(a)], the Board of Directors at its meeting held on 18 May 2016 has extended repayment date and accordingly the said dues are repayable on or before 31 March 2017.
12. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable to the Company.
13. The company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Companies Act, 2013. The details of such related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
14. According to the information and explanation given to us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, paragraph 3(xiv) of the Order is not applicable to the Company.
15. In our opinion and according to the information and explanation given to us, the Company has not entered into any non-cash transactions with directors or persons connected with directors. Accordingly, paragraph 3(xv) of the Order is not applicable to the Company.
16. In our opinion and according to the information and explanation given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, paragraph 3(xvi) of the Order is not applicable to the Company.

For Kapoor & Parekh Associates
Chartered Accountants
ICAI FRN 104803W

Nikhil Patel
Partner
M. No. 37032

Mumbai, 18 May 2016

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT

(The Annexure referred to in para 2 (f) under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date to the Members of **WANBURY LIMITED** on the Standalone financial statements for the year ended 31 March 2016.)

Report on the Internal Financial Controls under Clause (*i*) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **WANBURY LIMITED** ("the Company") as of 31 March 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls. Those Standards and the above mentioned Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2016 based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

For Kapoor & Parekh Associates
Chartered Accountants
ICAI FRN 104803W

Nikhil Patel
Partner
M. No. 37032

Mumbai, 18 May 2016

BALANCE SHEET AS AT 31 MARCH 2016

₹ in Lakhs

	Note No.	31 March 2016	31 March 2015
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	3	1,996.93	1,996.93
Reserves and Surplus	4	(19,525.14)	(18,821.65)
		(17,528.21)	(16,824.72)
Share Application money Pending Allotment	51	1,222.31	-
Non-Current Liabilities			
Long-term borrowings	5	23,092.33	27,048.02
Other Long term liabilities	6	1,168.33	2,022.21
Long-term provisions	7	876.46	748.09
		25,137.12	29,818.32
Current Liabilities			
Short-term borrowings	8	9,059.95	7,785.43
Trade payables			
- Due to Micro & Small Enterprises	36	-	64.33
- Due to Others		8,568.85	9,812.78
Other current liabilities	9	11,452.73	8,546.10
Short-term provisions	10	297.16	237.41
		29,378.69	26,446.05
TOTAL		**38,209.91**	**39,439.65**
ASSETS			
Non-current assets			
Fixed assets	11		
Tangible assets		17,549.64	15,996.58
Intangible assets		103.42	34.90
Fixed Asset held for sale		373.59	373.59
Capital work-in-progress		1,441.80	1,851.62
		19,468.45	18,256.69
Non-current investments	12	0.91	0.91
Long term loans and advances	13	2,661.40	2,987.03
Other non-current assets	14	26.43	98.92
		22,157.19	21,343.55
Current assets			
Inventories	15	3,461.35	3,376.80
Trade receivables	16	7,055.32	9,851.68
Cash and Bank Balances	17	718.34	1,188.92
Short-term loans and advances	18	3,776.00	2,624.04
Other current assets	19	1,041.71	1,054.66
		16,052.72	18,096.10
TOTAL		**38,209.91**	**39,439.65**
Significant Accounting Policies	2		

The accompanying notes are an integral part of these financial statements.

As per our report of even date
For Kapoor & Parekh Associates
Chartered Accountants

Nikhil Patel
Partner

Mumbai, 18 May 2016

For and on behalf of the Board

K. Chandran
Vice Chairman
(DIN : 00005868)

N. K. Puri
Director
(DIN : 00002226)

Jitendra J. Gandhi
Company Secretary

Vinod Verma
Chief Financial Officer

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31 MARCH 2016

₹ in Lakhs

	Note No.	For the year ended 31 March 2016	For the six moth ended 31 March 2015
REVENUE:			
Revenue from operations (Gross)	20	43,377.95	25,467.97
Less: Excise duty		1,051.79	475.64
Revenue from operations (Net)		42,326.16	24,992.33
Other Income	21	140.62	648.40
TOTAL REVENUE		**42,466.78**	**25,640.73**
EXPENSES:			
Cost of materials consumed	22	14,520.18	9,832.12
Purchase of Stock in Trade		3,694.47	1,812.56
Changes in inventories of Finished Goods, Work in Progress and Stock in Trade	23	24.94	360.73
Employee benefits expense	24	8,559.39	3,963.25
Finance costs	25	3,186.81	1,862.48
Depreciation and amortisation expense	11	905.24	480.42
Other expenses	26	12,279.24	6,880.94
TOTAL EXPENSES		**43,170.27**	**25,192.50**
Profit (Loss) before tax		**(703.49)**	**448.24**
Tax expense:			
- Current tax expenses		-	-
- Tax expenses (benefits) for prior years		-	10.23
- Add: Reversal of MAT Credit for prior years (MAT write back)		-	117.25
Net Current Tax Expense		-	127.48
Profit (Loss) for the year from Continuing Operations		**(703.49)**	**320.75**
There are no Exceptional, Extra Ordinary Items and Discontinuing Operations.			
Basic & Diluted Earning (Deficit) Per Share in ₹	27	(3.52)	1.61
[Face Value of Equity Share ₹ 10/-]			
Significant Accounting Policies	2		
The accompanying notes are an integral part of these financial statements.			

As per our report of even date
For Kapoor & Parekh Associates
Chartered Accountants

Nikhil Patel
Partner

Mumbai, 18 May 2016

For and on behalf of the Board

K. Chandran
Vice Chairman
(DIN : 00005868)

N. K. Puri
Director
(DIN : 00002226)

Jitendra J. Gandhi
Company Secretary

Vinod Verma
Chief Financial Officer

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2016

₹ in Lakhs

		31 March 2016	31 March 2015
A	**Cash flows from Operating Activities**		
	Net Profit (Loss) before Tax	(703.49)	448.24
	Adjustments for:		
	Depreciation and amortisation	905.24	480.42
	(Profit) Loss on Fixed Assets Sold (Net)	102.67	1.08
	Provision for Doubtful Trade Receivables	100.00	30.49
	Provision for Doubtful Advances	-	11.00
	Wealth Tax (Included in Other Expenses)	-	3.84
	Finance Cost	3,186.81	1,862.48
	Unrealised Exchange (Gain) Loss (Net)	480.06	(331.89)
	Interest Income	(56.05)	(30.68)
	Amounts Written Off (Net)	66.16	237.82
	Operating Profit (Loss) before Working Capital Changes	**4,081.40**	**2,712.80**
	Changes in Working Capital:		
	Decrease (Increase) in Trade Receivable	2,600.18	390.93
	Decrease (Increase) in Long term Loans and Advances	276.53	193.33
	Decrease (Increase) in Short term Loans & Advances	(1,218.13)	242.33
	Decrease (Increase) in Inventories	(84.54)	139.23
	Increase (Decrease) in Other Long term liabilities	(1,027.84)	(187.85)
	Increase (Decrease) in Other Current Liabilities	1,152.72	(93.91)
	Increase (Decrease) in Long term provisions	128.37	72.96
	Increase (Decrease) in Short term provisions	61.10	(7.64)
	Increase (Decrease) in Trade Payables	(1,311.37)	550.26
	Cash Generated from (Used in) Operations	**4,658.43**	**4,012.45**
	Direct Taxes Paid (Net of Refunds)	(1.35)	(8.24)
	Net Cash generated from (Used in) Operating Activities	**4,657.08**	**4,004.21**
B	**Cash flows from Investing Activities**		
	Capital Expenditure on Fixed Assets including Capital Advances	(2,121.44)	(525.29)
	Proceeds from Sale of Fixed Assets	0.13	12.68
	Interest Income Received	75.22	20.97
	Bank Balance not considered as Cash and Cash Equivalents	82.61	(28.99)
	Net Cash generated from (Used in) Investing Activities	**(1,963.48)**	**(520.63)**

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2016

₹ in Lakhs

		31 March 2016	31 March 2015
C	**Cash flows from Financing Activities**		
	Proceeds from Long Term Borrowings	-	277.73
	Repayment of Long Term Borrowings	(3,346.62)	(1,466.55)
	Proceeds (Repayment) of Short Term Borrowings (Net)	1,269.62	352.57
	Interest paid	(2,283.66)	(2,118.05)
	Advance received for allotment of equity shares	1,222.31	-
	Unpaid dividend transfer to Investor Education Protection Fund	(9.50)	-
	Net Cash generated from (Used in) Financing Activities	**(3,147.84)**	**(2,954.30)**
	Net Increase (Decrease) in Cash & Cash Equivalents	**(454.24)**	**529.27**
	Cash and Cash equivalents as at the beginning of the Year	613.23	83.95
	Cash and Cash Equivalents as at the end of the Year (Refer Note 17.1)	**158.99**	**613.23**

1. Figures in brackets indicates outflow.
2. Previous year's figures are regrouped & recasted wherever required.

Significant Accounting Policies (Refer Note 2)

The accompanying notes are an integral part of the financial statements.

As per our report of even date attached
For Kapoor & Parekh Associates
Chartered Accountants

Nikhil Patel
Partner

Mumbai, 18 May 2016

For and on behalf of the Board

K. Chandran
Vice Chairman
(DIN : 00005868)

N. K. Puri
Director
(DIN : 00002226)

Jitendra J. Gandhi
Company Secretary

Vinod Verma
Chief Financial Officer

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

1. GENERAL INFORMATION:

Wanbury Limited ("the Company") is a public company domiciled in India. The Company is engaged in the business of pharmaceutical and related activities, including research.

2. SIGNIFICANT ACCOUNTING POLICIES:

The accounting policies set out below have been applied consistently to the periods presented in these financial statements.

2.1. Basis of Accounting:

The financial statements of the Company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The Company has prepared these financial statements to comply in all material respects with the accounting standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014, and other recognised accounting practices and policies generally accepted in India. The financial statements have been prepared on an accrual basis and under the historical cost convention unless otherwise specified. The accounting policies adopted in the preparation of financial statements are consistent with those of previous year unless otherwise specified.

2.2. Operating Cycle :

Based on the nature of its activities the Company has considered its operating cycle as twelve months for the purpose of current/ non-current classification of assets and liabilities.

2.3. Use of Estimates:

Preparation of financial statements in conformity with Indian GAAP-requires judgements, estimates and assumption to be made, that affect reported amounts of assets and liabilities, disclosure of contingent liabilities on the date of financial statements and reported amount of revenues and expenses during the reported period. Actual results could differ from these estimates and differences between the actual results and estimates are recognised in the period in which results are known / materialized.

2.4. Inventories:

Raw materials and packing materials are valued at lower of cost and net realisable value, cost of which includes duties and taxes (net off CENVAT and VAT, wherever applicable) and is arrived at on moving weighted average cost basis. Cost of imported raw materials and packing materials lying in bonded warehouse includes customs duty. However, materials and other items held for use in production of inventories are not written below cost, if the finished products in which they will be incorporated are expected to be sold at or above cost.

Finished products including traded goods and work-in-progress are valued at lower of cost and net realisable value. Cost is arrived at on weighted average cost basis.

Cost of finished products and work-in-progress includes material cost, labour, direct expenses, production overheads and excise duty, where applicable.

2.5. Cash Flow Statements :

Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of the non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

2.6. Cash and Cash Equivalents :

Cash and Cash Equivalents for the purpose of cash flow statement comprise of cash on hand and cash at bank including fixed deposit with original maturity period of three months or less and short term highly liquid investments with an original maturity of three months or less.

2.7. Fixed Assets:

Tangible assets are stated at cost of acquisition, installation or construction including other direct expenses incurred to bring the assets to its working condition for its intended use, less accumulated depreciation / amortization / impairment

losses, if any, and adjusted by revaluation of certain fixed assets. Assets held for disposal are stated at the lower of net book value and net realisable value.

Intangible assets are stated at cost or acquisition less accumulated amortization and impairment loss, if any. Intangible assets are recognised only if it is probable that the future economic benefits that are attributable to the assets will flow to the enterprise and the cost of the assets can be measured reliably.

Capital work-in-progress in respect of assets which are not ready for their intended use are carried at cost, comprising of direct costs, related incidental expenses and attributable interest, if any.

2.8. Depreciation and Amortization:

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value.

Depreciation on tangible fixed assets is provided on Straight Line Method based on useful lives of the assets specified in Schedule II of the Companies Act, 2013.

Premium of lease hold land is being written off over the period of lease. Computer software are amortised over estimated useful life.

Brands and Technical Know-how are amortized over a period of ten and five years respectively.

Depreciation is not provided in respect of assets held for sale.

The estimated useful lives of intangibles assets and the amortization period are reviewed at the end of each financial year and the amortization method is revised to reflect the changed pattern, if any.

2.9. Revenue Recognition:

Revenue on sales is recognised when risk and rewards of ownership of products are passed on to customers, which are generally on dispatch of goods. The amount recognised as revenue is exclusive of sales tax, value added tax (“VAT”), and is net off returns, applicable trade discounts and allowances. Excise duty collected on sales is shown by way of deduction from sales. Sales are also netted off for probable non – saleable return of goods from the customers, estimated on the basis of historical data of such returns. Incomes from services are recognised when services are rendered. Dividend income is recognised when the right to receive dividend is established.

Interest income is recognised on time proportion basis.

Export benefits available under prevalent schemes are accrued in the period in which the goods are exported and accounted to the extent considered receivable.

Revenue is recognised when there is reasonable certainty of its realisation.

2.10. Insurance Claims:

Insurance claims are accounted for on the basis of claims admitted/expected to be admitted and to the extent that the amount recoverable can be measured reliably and it is reasonable to expect the ultimate collection.

2.11. Research and Development:

Research and development expenditures of revenue nature are charged to the respective heads in the Statement of Profit & Loss in the year in which it is incurred and expenditures of capital nature are added to respective fixed assets.

2.12. Excise and Custom Duty:

Excise and custom duty is accounted on the basis of payment made in respect of goods cleared and provision is made for goods lying in bonded warehouse and included in the valuation of inventory.

2.13. CENVAT, Service Tax and VAT Credit:

CENVAT, Service tax and VAT credit receivable/availed are treated as an asset when there is reasonable certainty in availing/utilising the credits and relevant expenses being accounted net of such credit. Further the said assets are reduced to the extent of their utilisation.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

2.14. Foreign Currency Transactions:

Foreign currency transactions are recorded at the exchange rates prevailing on the date of the transaction. The net gain or loss on account of exchange differences arising on settlement of foreign currency transactions and / or restatement are dealt with in the Statement of Profit & Loss as income or expenses of the period in which they arise. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are reported using the rate prevailing as on that date. The resultant exchange differences are recognised in the Statement of Profit & Loss.

In respect of the Forward Exchange contracts with underlying transaction, the premium or discount arising at the inception of such forward exchange contracts is amortised as expenses or income over the life of the contract.

Exchange differences on such contracts are recognised in the Statement of Profit & Loss in the year in which the exchange rates change. Any profit or loss arising on cancellation or renewal of forward exchange contract is recognised as income or expense for the year.

2.15. Investments:

Investments which are readily realisable and intended to be held for not more than one year from the date on which such investments are made are classified as current investments. All other investments are classified as long term investments.

Long term Investments are carried individually at cost, less provision for diminution, other than temporary, in the value of such investments. Current investments are carried individually at lower of cost and realisable value.

Cost of investments includes expenses directly incurred on acquisition of investments.

Investments in foreign currency are stated at cost by converting at exchange rate prevailing, at the time of acquisition/ remittance.

2.16. Employee Benefits:

i) Short Term Employee Benefits:

These are recognised as an expense at the undiscounted amount in the Statement of Profit & Loss of the period in which the related services are rendered. Short term compensated absences are provided for based on actuarial valuation in accordance with company's policies.

ii) Post Employment Benefits:

Company's contribution for the period paid / payable to defined contribution retirement benefit schemes are charged to Statement of Profit & Loss.

Company's liability towards defined benefit plan viz. gratuity is determined using the Projected Unit Credit Method as per the actuarial valuation carried out at the balance sheet date.

Defined benefit in the form of compensated absences is provided for based on actuarial valuation at the year-end in accordance with Company's policies.

2.17. Borrowing Costs:

Borrowing costs are interest and other costs (including exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred by the Company in connection with the borrowing of funds.

Borrowing costs that are attributable to acquisition, construction or production of a qualifying asset are capitalized as cost of such assets. A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use.

All other borrowing costs are charged to the Statement of Profit & Loss in the period in which they are incurred.

2.18. Operating Leases:

Assets taken on lease under which all risks and rewards of ownership are effectively retained by the lessor are classified as operating lease. Lease payments under operating leases are recognised as expenses on accrual basis in accordance with respective lease agreements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

2.19. Earnings Per Share :

Basic earnings per share is calculated by dividing the net profit for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

2.20. Accounting for Tax:

Tax expense comprises of Current and Deferred tax.

Current tax is measured on the basis provisions of the Income Tax Act, 1961.

Deferred tax resulting from timing differences between the accounting income and taxable income for the period is accounted for using the tax rates and laws that have been enacted or substantively enacted as of the Balance Sheet date. The carrying amount of deferred tax assets/liabilities are reviewed at each Balance Sheet date. The Company writes down the carrying amount of deferred tax asset to the extent that it is no longer reasonably/virtually certain, that sufficient future taxable income will be available against which deferred tax asset can be realised.

MAT Credit Entitlement as per the provisions of the Income Tax Act, 1961 is treated as an asset by credit to the Statement of Profit & Loss.

2.21. Impairment of Assets:

The fixed assets are reviewed for impairment at each Balance Sheet date. An asset is treated as impaired when the carrying cost of the asset exceeds its recoverable value. An impairment loss is charged to Statement of Profit & Loss in the year in which an asset is identified as impaired. The impairment loss recognised in prior accounting periods is reversed if there has been a change in the estimate of recoverable amount.

2.22. Provisions, Contingent Liabilities and Contingent Assets:

Provisions are recognised only when there is present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation and when a reliable estimate of the amount of obligation can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each balance sheet date and are adjusted to reflect the current best estimates.

Contingent liabilities are disclosed for (i) Possible obligations which will be confirmed only by future events not wholly within the control of the Company or (ii) Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of amount of the obligation cannot be made.

Contingent liabilities are not recognised but are disclosed in the notes. Contingent assets are neither recognised nor disclosed in the financial statements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

		31 March 2016 ₹ in Lakhs	31 March 2015 ₹ in Lakhs
3	**Share Capital**		
	Authorised		
	20,00,000 Preference shares of ₹ 100/- each	2,000.00	2,000.00
	3,00,00,000 Equity Shares of ₹ 10/- each	3,000.00	3,000.00
		5,000.00	5,000.00
	Issued, Subscribed and Paid-Up		
	1,99,69,286 (Pr. Yr. 1,99,69,286) Equity Shares of ₹ 10/- each fully paid up	1,996.93	1,996.93
	Total Share Capital	**1,996.93**	1,996.93

3.1 **Reconciliation of equity shares outstanding at the beginning and at the end of the reporting period:**

Particulars	31 March 2016		31 March 2015	
	Number	₹ in Lakhs	Number	₹ in Lakhs
Shares outstanding at the beginning of the period	19,969,286	1,996.93	19,969,286	1,996.93
Add: Shares allotted as fully paid up during the period	-	-	-	-
Shares outstanding at the end of the period	19,969,286	1,996.93	19,969,286	1,996.93

3.2 **Terms/Rights attached to equity shares**

The Company has only one class of equity shares with voting rights having a par value of ₹ 10 per share. The Company declares & pays dividend in Indian rupees. The final dividend proposed by the board of directors is subject to the approval of the shareholders at the ensuing annual general meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the numbers of equity shares held by the shareholders.

3.3 **Outstanding Options to subscribe to equity shares**

11,25,236 warrants of the face value of ₹ Nil have been allotted to the shareholders of Erstwhile PPIL as per the BIFR order. The warrant holders have the right to subscribe to one equity share of ₹ 10/- each at the premium of ₹ 125/- per share which is exercisable within five years from 27 June 2007,being the date of allotment of the warrants. Also refer note 32.

58,199 Zero Coupon Optionally Fully Convertible Debentures (OFCDs) of face value of ₹ 1,000/- each were allotted to the lenders of erstwhile PPIL pursuant to the order dated 24 April 2007 of Hon'ble BIFR. OFCD were convertible between 1 November 2008 and 30 April 2012 into its equity shares at a price of ₹ 125/- and 67% of the three months average weekly closing price prior to the date of exercise of such right. The matter is under fresh consideration of BIFR pursuant to the order dated 16 May 2008 of Hon'ble Supreme Court.

Refer Note 33 for rights of lender under CDR scheme to convert dues into equity shares of the Company under certain condition stipulated in Master Restructuring Agreement dated 19 September 2011.

3.4 **Details of equity shares held by each shareholders holding more than 5%**

Name of Shareholder	31 March 2016		31 March 2015	
	No. of Shares	% of Holding	No. of Shares	% of Holding
Kingsbury Investments Inc	3,024,000	15.14	3,024,000	15.14
Expert Chemicals (India) Pvt. Ltd.	6,754,730	33.83	6,754,730	33.83

As per records of the Company, including its register of shareholders/members and other declaration received from shareholders/members regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

3.5 The Company has neither allotted any shares as fully paid up pursuant to contract without payment being received in cash and by way of bonus shares nor bought back any shares during the period of five years preceding the date of this balance sheet.

3.6 Out of the above, Equity Shares 5,67,000 (Pr. Yr. 5,67,000) shares are represented by 1,89,000 (Pr. Yr. 1,89,000) Global Depository Receipts.

3.7 The Company is not a subsidiary company.

		31 March 2016	31 March 2015
		₹ in Lakhs	₹ in Lakhs
4	**Reserves & Surplus**		
	Capital Reserves		
	As per last balance sheet	683.41	683.41
	Securities Premium Account		
	As per last balance sheet	4,103.02	4,103.02
	Debenture Redemption Reserve		
	As per last balance sheet	412.25	412.25
	Revaluation Reserve		
	Balance as at beginning	2,441.01	2,574.93
	Less: On Assets Discarded	-	12.67
	Less: Transferred to General Reserve (Refer Note 4.1)	131.71	121.25
	Balance as at the end	**2,309.30**	**2,441.01**
	General Reserve		
	Balance as at beginning	1,191.81	1,070.56
	Add: Transferred from Revaluation Reserve	131.71	121.25
	Balance as at the end	**1,323.52**	**1,191.81**
	Surplus (Deficit) in the Statement of Profit and Loss		
	Balance as at beginning	(27,653.15)	(27,456.51)
	Less : Depreciation adjustment as per Schedule II to the Companies Act, 2013 (Refer Note 11.7)	-	(517.40)
	Profit (Loss) for the period	(703.49)	320.76
	Balance as at the end	**(28,356.63)**	**(27,653.15)**
	Total Reserves and Surplus	**(19,525.14)**	**(18,821.65)**

4.1 As suggested in "The Application Guide on the Provisions of Schedule II to the Companies Act, 2013" issued by the ICAI, the depreciation amounting to ₹ 131.71 Lakhs (Pr. Yr. ₹ 121.25 Lakhs) on the revalued portion of fixed assets, is withdrawn and transferred to General Reserve.

5	**Long Term Borrowings**		
	Term loans (Secured)		
	From Banks (Rupee)	21,230.36	24,730.46
	From Banks (Foreign Currency)	1,855.07	2,303.15
	Vehicle Loans (Secured)		
	From Others (Rupee)	6.90	14.41
		23,092.33	**27,048.02**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

5.1 **(a) For the year ended 31 March 2016:**

Term Loans are secured by pari passu first charge on all the present and future movable and immovable fixed assets of the Company situated at Patalganga and Tarapur, few brands of the Company and second charge, except in respect of Term Loans from State Bank of India which has a first charge, on all the present and future movable and immovable fixed assets of the Company situated at Tanuku and second pari passu charge on entire present and future current assets of the Company and pledge of entire holding of equity shares of the Company held by Expert Chemicals (I) Private Limited & Kingsbury Investment Inc., in addition to guarantee of Expert Chemicals (I) Private Limited, Bravo Healthcare Ltd., Wanbury Global FZE, Wanbury Holding BV, Kingsbury Investment Inc. and Mr. K. Chandran, director of the Company.

(b) For the period ended 31 March 2015 :

Term Loans are secured by pari passu first charge on all the present and future movable and immovable fixed assets of the Company situated at Patalganga and Tarapur, few brands of the Company and second charge, except in respect of Term Loans from State Bank of India which has a first charge, on all the present and future movable and immovable fixed assets of the Company situated at Tanuku and second pari passu charge on entire present and future current assets of the Company and pledge of entire holding of equity shares of the Company held by Expert Chemicals (I) Private Limited & Kingsbury Investment Inc., in addition to guarantee of Expert Chemicals (I) Private Limited, Bravo Healthcare Ltd., Wanbury Global FZE, Wanbury Holding BV, Kingsbury Investment Inc. and Mr. K. Chandran, director of the Company.

5.2 Vehicle Loans are secured by hypothecation of assets acquired against respective loans.

5.3 **Rate of Interest:**

(a) For the year ended 31 March 2016:

The rate of interest on term loans vary between 1% to 11.50% p.a. and on vehicle loans vary between 6.30% to 10.00% p.a.

(b) For the period ended 31 March 2015:

The rate of interest on term loans vary between 1% to 11.50% p.a. and on vehicle loans vary between 6.30% to 10.00% p.a.

		31 March 2016	31 March 2015
5.4	**Repayment of Loans**	**₹ in Lakhs**	₹ in Lakhs
	Term Loan:		
	Year of Repayment		
	2016-17	-	3,276.80
	2017-18	6,086.79	6,082.96
	2018-19	6,700.07	6,706.47
	2019-20	6,892.49	6,874.41
	2020-21	3,406.08	4,092.96
	Vehicle Loan:		
	Year of Repayment		
	2016-17	-	7.24
	2017-18	4.88	4.97
	2018-19	1.10	1.10
	2019-20	0.92	1.10
6	**Other Long Term Liabilities**		
	Dues Payable to FCCB 'B' Bond Holder (Refer Note 35)	523.62	705.09
	Dues payable to FCCB 'A ' Bond Holder (Refer Note 35)	149.11	786.48
	Security Deposits	495.60	530.64
		1,168.33	**2,022.21**
7	**Long Term Provisions**		
	Provision for employee benefits (Refer Note 41)		
	Provision for Gratuity	484.70	398.49
	Provision for Leave Benefits	391.76	349.60
		876.46	**748.09**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

		31 March 2016 ₹ in Lakhs	31 March 2015 ₹ in Lakhs
8	**Short Term Borrowings**		
	Working Capital Loans repayable on demand (Secured)		
	From Banks (Rupee)	8,652.11	7,262.21
	From Others (Foreign Currency)	357.59	373.49
	Buyers Credit Arrangement from Banks (Foreign Currency)	-	99.48
	(Above loans are secured by a pari-passu first charge on current assets and few brands of the Company, second charge on fixed assets and pledge of entire holding of equity shares of the Company held by Expert Chemicals (I) Pvt. Ltd. & Kingsbury Investments Inc, in addition to guarantee of Expert Chemicals (I) Pvt. Ltd., Bravo Healthcare Ltd. , Wanbury Global FZE, Wanbury Holding BV,Kingsbury Investments Inc and Mr. K. Chandran, director of the Company.)		
	(Factoring facilities are secured by first charge on all present and future receivables, book debts, outstandings, monies receivables, claims and bills of the company, which are now due and or which may due at anytime of its approved debtors and subservient charge on all present and future fixed asset and current assets of the company.)		
	Loans repayable on demand (Unsecured) (Refer Note 32)		
	From Banks (Rupee)	29.94	29.94
	From Others (Rupee)	20.31	20.31
		9,059.95	**7,785.43**
9	**Other Current Liabilities**		
	(Unsecured unless otherwise stated)		
	Current maturities of:		
	-Term Loan (Secured) (Refer Note 5.1 & 5.3)	4,032.30	3,214.85
	-Vehicle Loan (Secured) (Refer Note 5.2 & 5.3)	7.52	32.98
	Dues of FCCB Holders (Refer Note 35)	1,123.68	519.46
	Interest accrued but not due:		
	-On borrowings	6.44	193.58
	-On debentures (Secured)	366.23	325.66
	Interest accrued and due (Refer Note 9.3)		
	-On Secured Borrowings (Refer Note 5.1 & 5.3)	1,036.83	268.88
	-On Foreign Currency Convertible Bonds	329.28	47.52
	Advances from related party (Refer Note 45-C)	-	201.00
	(To be utilised for subscribing to equity share of the Company in terms of CDR Scheme Refer Note 33)		
	Unpaid dividends	4.15	13.65
	(Amount transferable to Investor Education & Protection Fund when due)		
	Unpaid Dues:		
	-Of FCCB Holders (Refer Note 9.3 & 35)	717.56	509.35
	-Of Long Term Borrowings (Secured) (Refer Note 9.3, 5.1 & 5.3)	1,852.89	1,158.09
	-Of Long Term Borrowings of erstwhile PPIL (Secured) (Refer Note 9.4 & 9.5)	68.02	68.02
	-Of Matured Zero Coupon Non Convertible Redeemable Debentures (NCD) (Secured) (Refer Note 9.1 & 9.5)	152.67	152.67
	-Of Optionally Fully Convertible Debentures (OFCD) (Secured) (Refer Note 9.2 & 9.5)	581.99	581.99
	Other Payables:		
	- Payables for Fixed Assets	241.97	309.91
	- Statutory Dues Payable	527.35	560.54
	- Others	403.85	387.95
	(Includes Inland bills payable, stale cheques, dues of PPIL etc)		
		11,452.73	**8,546.10**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

9.1 The NCD are to be secured by a pari passu charge on the fixed assets of the Company situated at Patalganga and Plot No. J-17 at Tarapur. The NCD comprises of Part A of ₹ 60 and Part B of ₹ 40 which are redeemable at par at the end of two years and three years respectively from 1 May, 2007. The Company had redeemed Part A of ₹ 60 relating to 1,49,709 NCD's in the earlier years. NCD's amounting to ₹ 55.67 Lakhs and ₹ 97 Lakhs was due for repayment on 1 May 2009 and 1 May 2010 respectively. However, since the matter is under consideration of BIFR, the same will be paid as per the order of BIFR. Also Refer Note 32.

9.2 The OFCD are to be secured by a pari passu charge on the fixed assets of erstwhile PPIL situated at Plot No 24 at Tarapur and fixed assets at Mazgaon. OFCD are convertible between 1 November, 2008 and 30 April, 2012 into equity shares at a price being higher of ₹ 125/- and 67% of the three months average weekly closing price prior to the date of exercise of such right amounting to ₹ 290.99 Lakhs and ₹ 291 Lakhs was due for repayment on 30 April 2010 and 30 April 2011 respectively. However, since the matter is under consideration of BIFR, the same will be paid as per the order of BIFR. Also Refer Note 32.

9.3 There is delay in repayment of

(i) term loan aggregating to ₹ 1,852.89 Lakhs (Pr. Yr. ₹ 1,158.09 Lakhs) ranging from 1 to 367 days (Pr. Yr. 1 to 183 days).

(ii) amount payable to FCCB Holders aggregating to ₹ 717.56 Lakhs (Pr. Yr. ₹ 509.35 Lakhs) ranging from 92 days to 1438 days (Pr. Yr. 91 to 1072 days).

(iii) interest on secured borrowings aggregating to ₹ 1,036.83 Lakhs (Pr. Yr. ₹ 268.88 Lakhs) ranging from 1 to 367 days (Pr. Yr. 1 to 60 days) in respect of dues to banks/ financial institutions.

(iv) interest on FCCB aggregating to ₹ 329.28 Lakhs (Pr. Yr. ₹ 47.52 Lakhs) ranging from 1438 to 1737 days (Pr. Yr. 1072 to 1371 days).

9.4 Term loans of erstwhile PPIL amounting to ₹ 68.02 Lakhs (Pr. Yr. ₹ 68.02 Lakhs) are secured by a pari-passu first charge on its fixed assets of erstwhile PPIL.

9.5 The said dues were payable as per Merger Cum Revival Scheme approved by the BIFR vide its order dated 24 April, 2007. However, since the matter is under fresh consideration of BIFR, the same will be paid as per the order of BIFR. Also Refer Note 32.

		31 March 2016 ₹ **in Lakhs**	31 March 2015 ₹ in Lakhs
10	**Short Term Provisions**		
	Provision for employee benefits (Refer Note 41)		
	Provision for Gratuity	22.29	7.83
	Provision for Leave Benefits	25.16	25.60
	Bonus Provision	92.60	45.52
	Others		
	Provision for Income Tax (Net of Payment)	157.11	152.65
	Provision for Wealth Tax (Net of Payment)	-	5.81
		297.16	**237.41**

11 FIXED ASSETS

11.1 Current Year

₹ in Lakhs

	Description	Gross Block				Depreciation / Amortisation				Net Block
		01-Apr-15	Addition	Deduction	31-Mar-16	01-Apr-15	For the Period	Deduction	31-Mar-16	31-Mar-16
		(1)	(2)	(3)	(4)=(1+2-3)	(5)	(6)	(7)	(8)=(5+6-7)	(9)=(4-8)
A	**Tangible Asset**									
	Free Hold Land	4,739.81	-	-	4,739.81	-	-	-	-	4,739.81
	Lease Hold Land	485.53	-	-	485.53	38.96	6.33	-	45.29	440.24
	Factory Building	3,956.25	732.43	1.35	4,687.32	1,087.23	173.86	0.55	1,260.54	3,426.78
	Plant & Machinery	18,485.01	1,171.95	282.47	19,374.49	11,016.22	467.69	203.62	11,280.29	8,094.19
	Furniture & Fixtures	473.26	109.43	14.26	568.43	336.22	78.23	14.31	400.14	168.28
	Vehicles	350.40	-	-	350.40	178.76	50.71	-	229.47	120.93
	Office Equipments	447.45	36.99	92.98	391.46	363.96	24.18	78.75	309.39	82.07
	Electrical Installations	144.07	10.61	8.27	146.41	106.03	17.74	10.60	113.17	33.24
	Laboratory Equipments	-	356.53	-	356.53	-	14.13	-	14.13	342.40
	Computers	514.65	43.54	221.47	336.72	472.48	23.84	210.19	286.13	50.58
	Leasehold Improvement	-	63.41	-	63.41	-	12.28	-	12.28	51.12
	Total	**29,596.44**	**2,524.89**	**620.80**	**31,500.48**	**13,599.85**	**869.01**	**518.02**	**13,950.84**	**17,549.64**
B	**Intangible Asset**									
	Software	324.40	104.75	1.04	428.11	289.50	36.23	1.04	324.69	103.42
	Total	**324.40**	**104.75**	**1.04**	**428.11**	**289.50**	**36.23**	**1.04**	**324.69**	**103.42**
C	**Asset held for Sale**									
	Office Premises PPIL	243.00	-	-	243.00	46.46	-	-	46.46	196.54
	BUILDING - R & D	400.22	-	-	400.22	223.17	-	-	223.17	177.05
	Total	**643.22**	**-**	**-**	**643.22**	**269.63**	**-**	**-**	**269.63**	**373.59**
D	**Capital Work In Progress**	-	-	-	-	-	-	-	-	**1,441.80**
Total Fixed Assets (A+B+C+D)		**30,564.05**	**2,629.64**	**621.84**	**32,571.81**	**14,158.99**	**905.24**	**519.06**	**14,545.16**	**19,468.45**

WANBURY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

FIXED ASSETS

11.2 Previous Period ₹ in Lakhs

	Description	Gross Block				Depreciation / Amortisation					Net block
		01-Oct-14	Addition	Deduction	31-Mar-15	01-Oct-14	For the Period	Transfer to Reserve (Refer Note 11.7)	Deduction	31-Mar-15	31-Mar-15
		(1)	(2)	(3)	(4)=(1+2-3)	(5)	(6)	(7)	(8)	(9)=(5+6+7-8)	(10)=(4-9)
A	**Tangible Assets**										
	Free Hold Land	4,739.81	-	-	4,739.81	-	-	-	-	-	4,739.81
	Lease Hold Land	485.53	-	-	485.53	35.81	3.15	-	-	38.96	446.57
	Factory Building	3,956.59	-	0.33	3,956.25	1,005.38	81.93	-	0.09	1,087.23	2,869.03
	Plant & Machinery	18,545.39	21.11	81.49	18,485.01	10,568.80	227.99	288.38	68.95	11,016.22	7,468.80
	Furniture & Fixtures	473.51	0.81	1.07	473.26	261.25	72.81	2.87	0.71	336.22	137.04
	Vehicles	344.73	5.67	-	350.40	152.76	24.85	1.15	-	178.76	171.63
	Office Equipments	441.95	5.77	0.27	447.45	208.65	13.88	141.59	0.17	363.96	83.49
	Electrical Installations	144.10	-	0.04	144.07	60.07	33.96	12.01	-	106.03	38.03
	Computers	501.27	16.79	3.41	514.65	426.44	13.92	35.03	2.92	472.48	42.18
	Total	**29,632.89**	**50.15**	**86.61**	**29,596.44**	**12,719.16**	**472.50**	**481.03**	**72.84**	**13,599.85**	**15,996.58**
B	**Intangible Assets**										
	Brand (Setcal)	370.00	-	370.00	-	370.00	-	-	370.00	-	-
	Software	324.40	-	-	324.40	245.20	7.93	36.37	-	289.50	34.90
	Technical Knowhow	4.43	-	4.43	-	4.43	-	-	4.43	-	-
	Total	**698.83**	**-**	**374.43**	**324.40**	**619.63**	**7.93**	**36.37**	**374.43**	**289.50**	**34.90**
C	**Asset held for Sale**										
	Office Premises PPIL	243.00	-	-	243.00	46.46	-	-	-	46.46	196.54
	BUILDING - R & D	400.22	-	-	400.22	223.17	-	-	-	223.17	177.05
	Total	**643.22**	**-**	**-**	**643.22**	**269.63**	**-**	**-**	**-**	**269.63**	**373.59**
D	**Capital Work In Progress**	-	-	-	-	-	-	-	-	-	**1,851.62**
Total Fixed Assets (A+B+C+D)		**30,974.94**	**50.15**	**461.04**	**30,564.05**	**13,608.43**	**480.43**	**517.40**	**447.27**	**14,158.99**	**18,256.69**

11.3 The title deeds of the immovable properties transferred pursuant to the Scheme of Merger are yet to be transferred in the name of the Company.

11.4 Capital Work in Progress includes Machinery under installation, Construction material purchases and other assets under erection. It includes ₹ 896.54 Lakhs (Pr. Yr. ₹ 896.54 Lakhs) of erstwhile PPIL (Also refer Note 32).

11.5 As per the scheme of rehabilitation and merger approved by BIFR, erstwhile PPIL is required to sale office premises at Saki Naka, Mumbai and R & D premises at Turbhe, Navi Mumbai in settlement of part dues of secured and unsecured payables mentioned in the aforesaid scheme. Consequently, the said assets are held for disposal and stated at cost since estimated realisable value is higher than cost (Also refer Note 32).

11.6 Gross block of fixed assets include ₹ 5,375.05 Lakhs (Pr. Yr. ₹ 5,426.34 Lakhs) on account of revaluation of fixed assets carried out on 31 March 2010.

11.7 During the period ended 31 March 2015, amount of Depreciation for the period had been aligned to meet the requirements of Schedule II of the Companies Act 2013 and accordingly an amount of ₹ 517.40 Lakhs (net off deferred tax of ₹ Nil) in relation to assets where useful life has already expired as on 1 October 2014 has been charged to Retained Earnings.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

		31 March 2016 ₹ in Lakhs	31 March 2015 ₹ in Lakhs
12	**Non Current Investments (Long Term Investment)**		
12.1	**Trade Investments**		
	In Subsidiaries (Unquoted)		
	Ningxia Wanbury Fine Chemicals		
	13,260 Share of USD 1 each fully paid up	5.29	5.29
12.2	**Other Investments**		
	In Subsidiaries (Unquoted)		
	Wanbury Holding B. V.		
	6,489 Ordinary Share of Euro 1,000 each fully paid up	3,849.02	3,849.02
	(Pledged with Banks against loan given to the Cantabria Pharma S.L.)		
	Advance for Investment Pending Allotment	10,004.46	10,004.46
	Wanbury Global FZE		
	5 Shares of AED 1,00,000 each fully paid up	68.33	68.33
	Quasi Share Capital	1,254.35	1,254.35
	In Other Entities		
	Unquoted		
	The Saraswat Co-op. Bank Ltd.		
	706 Equity Share of ₹ 10 each fully paid up	0.07	0.07
	The Shamrao Vithal Co-op. Bank Ltd.		
	100 Equity Share of ₹ 25 each fully paid up	0.03	0.03
	Bravo Healthcare Limited		
	12,71,250 Equity Share of ₹ 10 each fully paid up	53.40	53.40
	Quoted		
	Bank of India		
	1,800 Equity Share of ₹ 10 each fully paid up	0.81	0.81
	Less: Provision for diminution in value of investments (Refer Note 12.6)	15,234.85	15,234.85
		0.91	**0.91**
12.3	Aggregate amount of quoted investments-Gross		
	-Cost	0.81	0.81
	-Market Value	1.75	3.52
12.4	Aggregate amount of unquoted investments (Cost/Book value)- Gross	15,234.94	15,234.94
12.5	Aggregate amount of provision for diminution in value of investments	15,234.85	15,234.85
12.6	Provision for diminution in value of investments for:		
	Ningxia Wanbury Fine Chemicals		
	13,260 Share of USD 1 each fully paid up	5.29	5.29
	Wanbury Holding B. V.		
	6,489 Ordinary Share of Euro 1,000 each fully paid up	3,849.02	3,849.02
	Advance for Investment Pending Allotment	10,004.46	10,004.46
	Wanbury Global FZE		
	5 Shares of AED 1,00,000 each fully paid up	68.33	68.33
	Quasi Share Capital	1,254.35	1,254.35
	Bravo Healthcare Limited		
	12,71,250 Equity Share of ₹ 10 each fully paid up	53.40	53.40
		15,234.85	**15,234.85**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

		31 March 2016	31 March 2015
		₹ in Lakhs	₹ in Lakhs
13	**Long Term Loans & Advances**		
	(Unsecured, considered good, unless otherwise mentioned)		
	Capital Advances	66.35	232.67
	Security Deposits	292.71	388.43
	Loans and advances to related parties (Refer Note 45-C):		
	- Considered Good	-	-
	- Considered Doubtful	8,817.37	8,941.48
		8,817.37	8,941.48
	Less: Provision for Doubtful Advances	8,817.37	8,941.48
		-	-
	Mat Credit Entitlement	336.38	336.38
	Other Loans and Advances	1,965.96	2,029.55
		2,661.40	**2,987.03**
14	**Other Non Current Assets**		
	Fixed Deposit with Bank (Under Lien) (With Original Maturity of more than 12 months)	26.32	92.59
	Interest Accrued on fixed deposit	0.11	6.33
		26.43	**98.92**
15	**Inventories**		
	(As certified by the management)		
	Raw Materials and Packing Materials	1,150.18	1,027.89
	Work in Progress	1,149.15	656.13
	Finished Goods	567.40	721.75
	Stock in Trade	581.65	945.26
	Fuel	12.97	25.77
		3,461.35	**3,376.80**
16	**Trade Receivables (Unsecured)**		
	Over Six months from the date they are due for payment:		
	- Considered good	1502.42	2,422.03
	- Considered doubtful	40.00	417.29
		1,542.42	2,839.32
	Others from the date they are due for payment:		
	- Considered good	5,552.90	7,429.65
		7,095.32	10,268.97
	Less: Provision for doubtful trade receivables	40.00	417.29
		7,055.32	**9,851.68**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

		31 March 2016 ₹ in Lakhs	31 March 2015 ₹ in Lakhs
17	**Cash and Bank Balances**		
17.1	**Cash & Cash Equivalents (As per AS-3)**		
	Cash on Hand	1.44	9.08
	Balances with Banks:		
	- In Current Account	153.87	550.85
	- In EEFC Account	3.68	41.89
	- Deposits having original Maturity upto three months	-	11.41
17.2	**Other Bank Balances**		
	Earmarked balances with banks - Unpaid Dividend	4.15	13.65
	(Amount transferable to Investor Education & Protection Fund when due)		
	Fixed Deposits with Banks (Under Lien)*	555.20	562.04
		559.35	575.69
		718.34	**1,188.92**
	*Includes deposits with original maturity		
	- more than 3 months and upto 12 months	540.25	521.10
	- more than 12 months	14.95	40.94
18	**Short-term Loans and Advances**		
	(Unsecured, Considered Good)		
	Advance to Employees:		
	- Considered Good*	300.25	436.01
	- Considered Doubtful	-	20.62
		300.25	456.63
	Less: Provision for Doubtful Advances	-	20.62
		300.25	436.01
	Advance to Creditors	2,531.55	757.33
	Prepaid Expenses	47.22	68.02
	Export Benefit Receivable	168.91	213.46
	Balance with Statutory/Government Authorities:		
	- Balances with Excise Authorities	211.94	457.89
	- VAT Receivable	516.13	691.33
		3,776.00	**2,624.04**
	*Includes excess remuneration receivable from Directors- ₹ 215.96 Lakhs (Pr. Yr. ₹ 166.19 Lakhs)		
19	**Other Current Assets**		
	Interest Accrued on fixed deposit	2.07	14.97
	Other Interest Receivable	1,039.64	1,039.69
		1,041.71	**1,054.66**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

		For the year ended 31 March 2016 ₹ in Lakhs	For the 6 Months ended 31 March 2015 ₹ in Lakhs
20	**Revenue From Operation (Gross)**		
	Sale of products:		
	- Finished Goods	29,377.39	18,491.53
	- Traded Goods	13,517.39	6,421.76
	Processing Charges	-	235.60
	Other Operating Revenue:		
	- Sale of Scrap	75.91	87.87
	- Export Incentive	407.26	231.21
		43,377.95	**25,467.97**
21	**Other Income**		
	Interest on Bank Deposits	50.17	28.21
	Other Interest	5.88	2.47
	Foreign Exchange Gain (Net)	22.50	604.71
	Insurance Claim	14.71	12.37
	Miscellaneous Income	47.36	0.64
		140.62	**648.40**
22	**Cost of Materials Consumed (Refer Note 46)**		
	Raw Materials & Packing Materials		
	Opening Stock	1,027.89	817.21
	Add: Purchases	14,642.47	10,042.80
		15,670.36	10,860.01
	Less: Closing Stock	1,150.18	1,027.89
		14,520.18	**9,832.12**
23	**Changes in Inventories of Finished Goods,Work in Progress and Stock in Trade**		
	Inventories at the beginning of the period		
	- Finished Goods	721.75	836.83
	- Work in Progress	656.13	981.40
	- Stock-in-Trade	945.26	865.64
	(A)	2,323.14	2,683.87
	Inventories at the end of the period		
	- Finished Goods	567.40	721.75
	- Work in Progress	1,149.15	656.13
	- Stock in Trade	581.65	945.26
	(B)	2,298.20	2,323.14
	Net (Increase) Decrease in Inventories **(A-B)**	**24.94**	**360.73**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

		For the year ended 31 March 2016 ₹ in Lakhs	For the 6 Months ended 31 March 2015 ₹ in Lakhs
24	**Employee Benefits Expense**		
	Salaries, Wages, Bonus and Allowances	7,732.93	3,586.57
	Contribution to Provident and Other Funds	518.05	264.64
	Staff Welfare Expenses	308.41	112.04
		8,559.39	**3,963.25**
25	**Finance Cost**		
	Interest expense	3,054.68	1,731.34
	Applicable net (gain) loss on foreign currency transactions and translation	132.13	131.14
		3,186.81	**1,862.48**
26	**Other Expenses**		
	Advertisement & Sales Promotional Expenses	1,930.88	577.42
	Travelling & Conveyance	1,548.23	1,383.61
	Power & Fuel	1,850.58	1,005.47
	Breakages & Expiry	868.14	269.78
	Carriage Outward	772.76	691.76
	Legal & Professional Charges	610.93	581.06
	Commission On Sales	412.33	225.79
	Consumption of Stores,Spares & Consumables	443.64	207.78
	Rent	372.73	170.90
	Repairs to Plant & Machineries	534.10	257.10
	Repairs to Buildings	53.38	30.05
	Repairs- Others	202.64	86.35
	Amounts Written Off- Net	66.16	237.82
	Rates & Taxes	125.33	57.74
	Licence Fees	231.89	62.26
	Provision for Doubtful Trade Receivables	100.00	30.49
	Provision for Doubtful Advances	-	11.00
	Insurance	71.94	50.25
	Loss on sale/discard of Fixed Assets- Net	102.67	1.08
	Excise Duty*	(144.88)	(75.25)
	Sales Tax & Service Tax	302.89	19.84
	Miscellaneous Expenses	1,822.90	998.63
		12,279.24	**6,880.93**
	*Net Impact of the excise duty provision on opening stock and closing stock of finished goods- debit (credit)	46.36	(73.61)
27.	**Earning Per Share:**		
	Profit (Loss) after Tax - ₹ In Lakhs	(703.49)	320.75
	Weighted Average Number of Equity Shares	19,969,286	19,969,286
	Nominal value of Equity Shares in ₹	10.00	10.00
	Basic & Diluted Earning (Deficit) Per Share in ₹	(3.52)	1.61

The market price of the equity shares of the Company being less than the exercise price in respect of various outstanding options to subscribe to equity shares, the outstanding options as at the period end are considered to be anti-dilutive.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

28. **Commitments:**

a) Estimated amount of contracts remaining to be executed on capital account and not provided for, net of advances ₹ 131.88 Lakhs (Pr. Yr ₹ 113.67 Lakhs).

29. **Contingent Liabilities:**

Sr. No.	Particulars	31 March 2016 ₹ in Lakhs	31 March 2015 ₹ in Lakhs
a)	Contract of take out undertaking executed in favour of bank/financial institution for loans given to subsidiaries. Loans outstanding at the year end for undertaking as above.	25,532.47 (Euro 340.00 Lakhs) 19,647.99 (Euro 261.64 Lakhs)	22,953.54 (Euro 340.00 Lakhs) 17,663.66 (Euro 261.64 Lakhs)
b)	Disputed demands by Income Tax Authorities. Amount paid under protest and shown as advance.	207.18 59.01	201.53 59.01
c)	Disputed demands by Sales Tax Authorities. Amount paid under protest and shown as advance.	3,342.22 26.30	3,342.22 26.30
d)	Disputed demands by Service Tax Authorities. Amount paid under protest and shown as advance.	368.22 61.37	724.93 61.37
e)	Disputed demands by Excise Authorities.	127.00	85.06
f)	Disputed demand by National Pharmaceutical Pricing Authority (NPPA)	190.58	190.58
g)	Claims against the Company not acknowledged as debts.	1,600.82	1,560.70
h)	Custom Duty on import under Advance License Scheme, pending fulfillment of Exports obligation.	2424.16	1,719.11

The management considers the Service Tax, Excise Duty, Custom Duty, Sales Tax and Income Tax demand received from the authorities and demand received from NPPA are not tenable against the company, and therefore no provision for these contingencies has been made.

Further, the Company does not expect, in respect of aforesaid matters, to have any material adverse effect on the company's financial conditions, results of operations or cash flows.

Future cash flows in respect of liability under clause (a) is dependent on terms agreed upon with the parties and in respect of liability under clause (b) to (g) are dependent on decisions by relevant authorities of respective disputes.

30. Exim Bank has subscribed to 4,511 Preference Shares of Euro 1,000/- each of Wanbury Holding B. V., a subsidiary company pursuant to the Preference Share Subscription Agreement dated 7 December 2006. Pursuant to the said agreement, Exim Bank has exercised Put Option vide letter dated 8 November 2011 and company is required to pay USD 60 Lakhs (Pr. Yr. USD 60 Lakhs) [₹ 3,979.97 Lakhs (Pr. Yr. ₹ 3,755.45 Lakhs)] to acquire aforesaid preference shares. Further, State Bank of India, London vide its letter dated 11 July 2012, has demanded repayment of Euro 32.60 Lakhs (Pr. Yr. Euro 32.60 Lakhs) [₹ 2,448.11 Lakhs (Pr. Yr. ₹ 2,200.84 Lakhs)] together with interest till the date of repayment from the Company in terms of Guarantee & Loan agreement dated 27 September 2007 vide which aforesaid credit facilities was granted to Cantabria Pharma S. L., the step down subsidiary of the Company. Both the above mentioned dues being part of the CDR Scheme will be accounted upon arriving at mutually agreed terms of settlement with the respective parties.

31. The Company operates solely in the pharmaceuticals segment and hence no separate disclosure for segment wise information is required.

32. Erstwhile the Pharmaceutical Products of India Limited (PPIL) was merged with the Company, pursuant to the Order dated 24 April 2007, passed by Hon'ble Board for Industrial and Financial Reconstruction (BIFR).

The Hon'ble Supreme Court vide its order dated 16 May 2008, has set aside the above referred BIFR order and remitted the matter back to BIFR for considering afresh as per the provisions of Sick Industrial Companies (Special Provisions) Act, 1985 (SICA), in response to a petition filed by one of the unsecured creditors of erstwhile PPIL.

The BIFR has directed IDBI Bank, which has been appointed as an Operating Agency, to formulate new Draft Rehabilitation Scheme (DRS) pursuant to the Order of Hon'ble Supreme Court of India dated 16 May 2008. In the meanwhile, the

Company has sought legal opinion and the Company has been advised to maintain status quo ante with respect to the merger under the said Scheme and that it should take further steps only on the basis of the fresh BIFR Order.

In view of the above, the Company has maintained a status quo. However, all actions taken by the Company pursuant to the sanctioned scheme shall remain subject to and without prejudice to the orders that may be passed by the BIFR while considering the case afresh pursuant to the directions of the Hon'ble Supreme Court in its order dated 16 May 2008.

As per BIFR Order dated 24 April 2007, statutory dues of erstwhile PPIL comprising of income tax ₹ 250.36 Lakhs, profession tax ₹ 6.06 Lakhs, custom duty ₹ 230 Lakhs, sales tax ₹ 8.50 Lakhs and excise duty ₹ 15.62 Lakhs were required to be paid in six annual installments and the Company has pursuant to the scheme, allotted Non Convertible Debentures (NCDs) of ₹ 242.50 Lakhs and Optionally Fully Convertible Debentures (OFCDs) of ₹ 581.99 Lakhs, to some of the lenders of erstwhile PPIL, out of which dues amounting to ₹ 152.67 Lakhs and ₹ 581.99 Lakhs in respect of NCDs and OFCDs respectively, remains payable at the period end. Since BIFR is considering the matter afresh, pending fresh directives from the BIFR, aforesaid dues have not been paid.

33. The Corporate Debt Restructuring (CDR) proposal of the Company, having 30 September 2010 as the cutoff date, has been approved by the CDR Cell vide its Letter of Approval (LOA) dated 23 May 2011. Subsequently on execution of the Master Restructuring Agreement (MRA) dated 19 September 2011, effect of CDR Scheme has been given in the financial statements as per the MRA.

    MRA among other terms and conditions, provide for:

    a) Additional fund, non fund based assistance from the CDR lenders;

    b) Promoters to bring further contributions in stages;

    c) Reporting and other compliances by the Company;

    d) Right to the CDR lenders to convert at their option, the whole of the outstanding amount or 20% of rupee equivalent of the defaulted amount into fully paid up equity shares of the Company at par, in case of certain defaults by the Company; and

    e) Right to receive recompense for the reliefs and sacrifices extended by Lenders within the CDR parameters with the approval of the CDR Empowered Group.

34. During the financial year ended on 31 March 2016, the Company did not have a Chief Financial Officer as required under Section 203 of the Companies Act, 2013. However, the Chief Financial Officer has been appointed w.e.f. 22 April 2016.

35. FCCB 'A' Bonds have matured on 23 April 2012. The Company had negotiated terms with bond holders holding 200 bonds and had been accounted for accordingly. For 30 FCCB 'A' Bonds, pending negotiation with bond holders, effect given in the financial statements are as per the terms at the time of issue of the bonds.

    FCCB 'B' Bonds have matured on 17 December 2012. The Company has negotiated terms with 144 FCCB 'B' bondholder and effect in the accounts have been given as per the terms of settlement with the bondholder.

36. Disclosure of trade payable as defined under the "Micro, Small and Medium Enterprises Development Act, 2006" is based on the information available with the Company regarding the status of the suppliers:

(₹ in Lakhs)

Particulars	**31 March 2016**	31 March 2015
a) The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year		
Principal	Nil	64.33
Interest	Nil	Nil
b) The amount of interest paid by the buyer in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act 2006, along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	Nil	Nil
c) The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act 2006.	Nil	Nil

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

(₹ in Lakhs)

Particulars	31 March 2016	31 March 2015
d) The amount of interest accrued and remaining unpaid at the end of each accounting year.	Nil	Nil
e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under Section 23 of the Micro, Small and Medium Enterprises Development Act 2006.	Nil	Nil

37. The deferred tax assets (liabilities) arising out of timing differences comprise of the followings major components:

(₹ in Lakhs)

Particulars	31 March 2016	31 March 2015
Liabilities:		
Depreciation	1,316.96	1,086.93
Assets:		
43 B Disallowance and other deferments	3,104.13	3,226.99
Unabsorbed Depreciation	312.43	654.43
Total Assets	3,416.56	3,881.42
Deferred Tax Asset Restricted to*	1,316.96	1,086.93
Net Deferred Tax Assets (Liabilities)	Nil	Nil

*As a measure of prudence, deferred tax assets are recognised to the extent of deferred tax liabilities.

38. (a) Managerial Remuneration:

(₹ in Lakhs)

Particulars	31 March 2016	31 March 2015
Salary & Allowances	Nil	Nil
Contribution of P.F. & Other Funds	5.23	2.61

Above excludes, provision for the future liabilities in respect of retirement benefits, which are based on actuarial valuation done on overall Company basis and excess remuneration.

Excess remuneration of ₹ 19.37 Lakhs pertaining to Financial year ended 31 March 2012, ₹ 19.62 Lakhs pertaining to Financial year ended 31 March 2013, ₹ 93.51 Lakhs pertaining to Financial period ended 30 September 2014, ₹ 33.69 Lakhs pertaining to Financial period ended 31 March 2015 and ₹ 49.77 Lakhs pertaining to Financial year ended 31 March 2016 together aggregating to ₹ 215.96 Lakhs (Pr. Yr. ₹ 166.19 Lakhs), being recoverable from Director, is shown under "Short Term Loans & Advances" (Refer Note 18). The Company has applied to the Central Government on 18 January 2016 for the approval of excess remuneration paid for F. Y. 2015-16 which is pending for approval.

(b) Sitting fees to directors ₹ 13.34 Lakhs (Pr. Yr. ₹ 3.98 Lakhs).

39. **Details of Auditors Remuneration**:

(₹ in Lakhs)

Particulars	31 March 2016	31 March 2015
Statutory Auditors Remuneration :		
- Audit Fees	12.50	5.75
- Taxation matters	3.50	1.00
- Certification & Other Matters	6.08	1.80
- Out of Pocket Expenses	0.07	0.13

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

(₹ in Lakhs)

Particulars	31 March 2016	31 March 2015
Branch Auditors Remuneration :		
- Branch Auditor Fees	1.50	1.00
- Certification & Other Matters	1.50	0.25
- Out of Pocket Expenses	0.82	0.42
Cost Auditors Remuneration :		
- Cost Auditor Fees	1.25	0.63
- Out of Pocket Expenses	-	0.05

Note: Above figures are exclusive of service tax.

40. **a) Earning in Foreign Currency :** (₹ in Lakhs)

Particulars	31 March 2016	31 March 2015
FOB Value of Exports	16,770.15	12,492.56
Freight, Insurance etc.	447.58	304.23

b) CIF Value of Imports : (₹ in Lakhs)

Particulars	31 March 2016	31 March 2015
Raw Materials [Including High Seas purchases ₹ 923.93 Lakhs (Pr. Yr. ₹ 600.99 Lakhs]	5,102.40	2,765.41
Capital Goods	353.65	46.43

c) Expenditure in Foreign Currency: (₹ in Lakhs)

Particulars	31 March 2016	31 March 2015
Interest	298.43	133.48
Commission expense	67.68	83.39
Legal & Professional Fees	66.00	20.86
Other Expenses (including traveling and business promotion)	200.25	196.26

41. **Employee Benefits**

As required by Accounting Standard- 15 "Employees Benefits" the disclosure are as under:

Defined Contribution Plans

The Company offers its employees defined contribution plans in the form of Provident Fund (PF) and Employees' Pension Scheme (EPS) with the Government, and certain State plans such as Employees' State Insurance (ESI). PF and EPS cover substantially all regular employees and the ESI covers certain workers. Contributions are made to the Government's funds. While both the employees and the Company pay predetermined contributions into the provident fund and the ESI Scheme, contributions into the pension fund is made only by the Company. The contributions are normally based on a certain proportion of the employee's salary.

During the year, the Company has recognised the following amounts in the Account:

(₹ in Lakhs)

Particulars	31 March 2016	31 March 2015
Provident Fund, Employee's Pension Scheme and MLWF	367.56	168.44
Employees State Insurance	29.21	16.16
Super Annuation Fund	3.78	1.77
TOTAL	**400.55**	**186.37**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

Defined Benefit Plans

Gratuity:

The Company makes annual contributions to the Employees' Group Gratuity-cum Life Assurance (Cash Accumulation) Scheme of the LIC, a funded defined benefit plan for qualifying employees. The scheme provides for payment to vested employees as under:

a) **On normal retirement/early retirement/withdrawal/resignation:**

As per the provisions of Payments of Gratuity Act, 1972 with vesting period of 5 years of service.

b) **On the death in service:**

As per the provisions of Payment of Gratuity Act, 1972 without any vesting period.

Disclosures for defined benefit plans (i.e. Gratuity Funded Plan) based on actuarial reports as on 31 March 2016:

(₹ in Lakhs)

Sr. No.	Particulars	31 March 2016	31 March 2015
a)	**Changes in Defined Benefit Obligation**		
	Opening defined benefit obligation	425.99	354.04
	Current service cost	112.04	48.06
	Interest cost	32.80	14.16
	Actuarial loss / (gain)	(28.41)	9.73
	Benefit (paid)	(24.01)	Nil
	Closing defined benefit obligation	**518.41**	**425.99**
b)	**Changes in Fair Value of Assets**		
	Opening fair value of plan assets	19.68	15.60
	Expected return on plan assets	1.67	0.79
	Actuarial gain / (loss)	(2.74)	(0.81)
	Contributions of employer	3.15	4.10
	Benefits (paid)	(0.86)	Nil
	Closing fair value of plan assets	**20.90**	**19.68**
c)	**Amount recognised in the Balance Sheet**		
	Present value of the obligations as at period end	518.41	425.99
	Fair value of the plan assets as at period end	20.90	19.68
	Net (asset) / liability recognized as at period end	497.51	406.31
d)	**Expenses recognised in the Statement of Profit and Loss Account**		
	Current service cost	112.04	48.06
	Interest on defined benefit obligation	32.80	14.16
	Expected return on plan assets	(1.67)	(0.79)
	Net actuarial loss / (gain) recognized in the current period	(25.68)	10.54
	Total expense	**117.49**	**71.97**
e)	**Asset information**		
	Government of India Securities	Nil	Nil
	Equity shares of listed companies	Nil	Nil
	Property	Nil	Nil
	Bank Balance	Nil	Nil
	Funds managed by Insurer	100%	100%
f)	**Principal actuarial assumptions used**		
	Discount rate (p.a.)	7.70%	8.00%
	Expected rate of return on plan assets (p.a.)	8.00%	9.00%
	Annual increase in salary cost (p.a.)	7.50%	7.50%

The estimates of future salary increase, considered in the actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

The expected contribution for Defined Benefit Plan for the next financial year will be in line with current financial period.

Death Benefit:

The Company provides for death benefit, a defined benefit plan, (the death benefit plan) to certain categories of employees. The death benefit plan provides a lump sum payment to vested employees on death, being compensation received from the insurance company and restricted to limits set forth in the said plan. The death benefit plan is non – funded.

Leave Encashment:

The Company's employees are entitled for compensated absences which are allowed to be accumulated and encashed as per the Company's rule. The liability of compensated absences, which is non-funded, has been provided based on report of independent actuary using the "Projected Unit Credit Method".

Accordingly aggregate of ₹ 416.92 Lakhs (Pr. Yr. ₹ 375.19 Lakhs) being liability as at the year/period-end for compensated absences as per actuarial valuation has been provided in the accounts.

42. During the period, the Company has entered into forward exchange contract, being derivative instrument for hedge purpose and not intended for trading or speculation purposes, to establish the amount of currency in Indian Rupees required or available at the settlement date of certain payables and receivables.

Details of the forward contract outstanding at the period end are as under:

Currency	Buy or Sell	Cross Currency	Amount in US $	
			31 March 2016	31 March 2015
US $	Sell	INR	80.00 Lakhs	66.25 Lakhs

The period end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are as below:

Particulars	Foreign Currency	Foreign Currency Amount in Lakhs		₹ in Lakhs	
		31 March 2016	31 March 2015	**31 March 2016**	31 March 2015
Amount Receivable	EURO	4.90	4.42	368.32	298.30
	USD	0.07	7.07	4.49	442.84
	GBP	-	0.04	-	3.44
Amount Payable	EURO	40.66	48.12	3,053.05	3,248.32
	USD	53.10	70.83	3,522.48	4,433.16
	GBP	-	0.05	-	4.66
	AED	-	0.12	-	2.04

43. Disclosure for operating leases under Accounting Standard 19 - "Accounting for Leases":

The Company has taken various residential/ godown/ office premises (including furniture and fittings, therein as applicable)/ cars under operating lease or leave and license agreements. These are generally cancellable and range from 11 months to 60 months under leave and licence or longer for other leases and are renewable by mutual consent on mutually agreeable terms. The Company has given refundable interest free security deposits in accordance with the agreed terms. The lease payments of ₹ 372.73 Lakhs (Pr. Yr. ₹ 170.90 Lakhs) are recognised in the Statement of Profit and Loss under "Rent" under Note 26.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

The future lease payments and payment profile of non cancellable operating leases are as under:

(₹ in Lakhs)

Particulars	**31 March 2016**	31 March 2015
Not later than one year	Nil	17.02
Later than one year but not later than five years	Nil	Nil
Later than five years	Nil	Nil

44. Disclosure required by regulation 53(f) of SEBI (Listing Obligations and Disclosure Requirements):

a) Interest free Loans/Advances in the nature of Loans/Loans & Advances to:

(₹ in Lakhs)

Particulars	**Outstanding as on 31 March 2016**	**Maximum Balance Outstanding during the period**
Bravo Healthcare Ltd.	7,598.04 (Pr. Yr. 7,598.04)	7,598.04 (Pr. Yr. 7,598.04)
Cantabria Pharma S. L. - a subsidiary company	1,219.33 (Pr. Yr. 1,219.33)	1,219.33 (Pr. Yr. 1,219.33)

b) Investment by loanee:

Particulars	**Number of Shares**	**Amount**
- Cantabria Pharma S.L. in Laboratories Wanbury S. L.	3,010 (Pr. Yr. 3,010)	₹ 2.03 Lakhs Equivalent to Euro 3,010 (Pr. Yr. ₹ 2.03 Lakhs Equivalent to Euro 3,010)

45. Related Party Disclosure:

A. Relationship:

Category I: Major Shareholders:

- Expert Chemicals (India) Pvt. Ltd.

Category II: Subsidiary Companies:

- Wanbury Holding B. V. (Netherlands)
- Cantabria Pharma S. L. (Spain)
- Ningxia Wanbury Fine Chemicals Co. Ltd (China)
- Wanbury Global FZE (Ras-Al-Khaimah, UAE)

Category III: Key Management Personnel and their relatives:

- Mr. K. Chandran-Vice Chairman
- Mr. P. V. Pasupathy-President API
- Mr. Indranil Chakravartty (up to 13 August 2015)
- Mr. Rajiv Kohli - President Formulation (w.e.f. 20 April 2015)
- Mr. Jitendra J. Gandhi – Company Secretary

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

Category IV: Others (Enterprise owned or significantly influenced by key Management personnel or their relatives)

- Wanbury Infotech Pvt. Ltd
- Bravo Healthcare Limited
- Wanbury Pharma Limited

B. Transactions carried out with related parties: **(₹ in Lakhs)**

Sr. No.	Transactions	Category	31 March 2016	31 March 2015
1)	**Share Application Money received:**			
	Expert Chemicals (India) Pvt. Ltd. *includes Advances taken adjusted against Share Application money of ₹ 201 Lakhs	I	*1,222.31	Nil
2)	**Remuneration paid:**			
	Mr. P. V. Pasupathy	III	296.66	133.59
	Mr. Indranil Chakravartty	III	87.54	53.96
	Mr. Rajiv Kohli	III	136.78	Nil
	Mr. Jitendra J. Gandhi	III	22.08	Nil
3)	**Excess Remuneration to Director treated as Receivable (Refer Note 38):**			
	Mr. K. Chandran	III	49.77	33.69
4)	**Information Technology Services taken:**			
	Wanbury Infotech Pvt. Ltd.	IV	235.06	140.20
5)	**Advances written off adjusted against Provision for Advances:**			
	Ningxia Wanbury Fine Chemicals Co. Ltd. (China)	II	124.11	Nil

C. Balances due from/to related parties: **(₹ in Lakhs)**

Sr. No.	Particulars	Category	31 March 2016	31 March 2015
1)	**Advances taken:**			
	Expert Chemicals (India) Pvt. Ltd.	I	Nil	201.00
2)	**Loans and Advances given:**			
	Ningxia Wanbury Fine Chemicals Co. Ltd.	II	Nil	124.11
	Cantabria Pharma S. L.	II	1,219.33	1,219.33
	Bravo Healthcare Ltd.	IV	7,598.04	7,598.04
3)	**Share Application Money pending allotment**			
	Expert Chemicals (India) Pvt. Ltd.	I	1,222.31	Nil
4)	**Amount Payable:**			
	Wanbury Infotech Pvt. Ltd.	IV	57.82	113.82
5)	**Excess Remuneration Receivable:**			
	Mr. K. Chandran	III	215.96	166.19
6)	**For Investments and Diminution in value of investments: Refer Note 12.6**			

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

46. **Consumption of Raw Materials and Packing Materials:**

(₹ in Lakhs)

Item	**31 March 2016**	31 March 2015
DCDA	5,141.83	2,707.33
DMA Hcl	3,881.79	2,484.80
Methanol	760.08	448.49
Meta Bromo Anisole	1,173.48	810.08
Others	3,563.00	3,381.42
Total	**14,520.18**	**9,832.12**

Particulars	**31 March 2016**		31 March 2015	
	%	**₹ in Lakhs**	**%**	₹ in Lakhs
Imported(including High Sea purchases)	37.08	5,384.25	25.62	2,518.85
Indigenous	62.92	9,135.93	74.38	7,313.27
	100.00	**14,520.18**	**100.00**	**9,832.12**

47. Consumption of Consumable Stores is wholly indigenous in the current and previous year.

48. **Details of Closing Stocks of Finished/ Traded Goods**:

(₹ in Lakhs)

Class of Goods	**31 March 2016**	31 March 2015	30 September 2014
a) Finished Goods/Bulk Drugs	**567.40**	**721.75**	**836.83**
Traded Goods			
b) Formulations:			
Liquids	133.89	119.84	91.77
Tablets	306.03	524.47	510.62
Vials	29.33	57.56	67.68
Capsules	78.52	123.03	103.82
Ampoule	3.42	36.08	14.58
Others	0.16	26.99	10.91
Sub Total (b)	**551.35**	**887.97**	**799.38**
c) Processed Food			
Powders	9.58	52.19	51.17
Liquids	20.72	5.10	15.09
Sub Total (c)	**30.30**	**57.29**	**66.26**
Total (a+b+c)	**1,149.05**	**1,667.01**	**1,702.47**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

49 **Details of Purchases & Sales of Finished/Traded Goods:** **(₹ in Lakhs)**

Class of Goods	Purchase during the period		Sales during the period	
	31 March 2016	31 March 2015	**31 March 2016**	31 March 2015
A) Finished Goods/ Bulk Drugs	Nil	Nil	28,325.60	18,015.89
B) Traded Goods				
i) Formulations:				
Liquids	846.32	382.24	2,488.04	1,123.91
Tablets	1,968.92	928.11	7,546.24	3,542.91
Vials	47.08	32.73	183.57	115.67
Capsules	454.77	232.61	2,443.38	1,185.72
Ampoule	7.89	41.56	105.42	54.67
Others	79.70	55.73	38.35	12.24
Sub-Total (i)	3,422.68	1,672.98	12,805.01	6,035.12
ii) Processed Food :				
Powders	50.38	129.06	83.87	345.62
Liquids	221.41	10.52	628.91	41.02
Sub-Total (ii)	271.79	139.58	712.38	386.64
Sub-Total (B)	3,694.47	1,812.56	13,517.39	6,421.76
C) Others	Nil	Nil	75.91	87.87
Total (A+B+C)	**3,694.47**	**1,812.56**	**41,918.90**	**24,525.52**

Note - Sales excludes free replacements /offers.

50. The Company has instituted Employee Stock Option Scheme 2015 ("ESOP 2015") during the year which was approved by the shareholders vide their resolution dated 23 March 2015. The Board of Directors of the Company has granted 3,00,000 option to a employee pursuant to the ESOP 2015 on 5 November 2015. Each option entitles an employee to subscribe to one equity share of the Company at an exercise price of ₹ 61/- per share. Further, all the options granted have lapsed during the year. Subsequently, the Board has decided to come out with new ESOP Scheme and in view of the same, the ESOP Scheme 2015 stands withdrawn.

51. During the year, pursuant to the Corporate Debt Restructuring scheme, the Company has received ₹ 1,222.31 Lakhs from Expert Chemicals (India) Pvt. Ltd. being promoter's contribution towards the preferential allotment of equity shares of ₹ 10/- each to be issued at a premium of ₹ 27.50 per equity share, upon completion of requisite approvals and compliances.

52. Net-worth of the Company as on 31 March 2016 is negative. The Company has initiated various measures, including restructuring of debts/ business and infusion of funds etc. Consequently, in the opinion of the management, operations of the Company will continue without interruption and hence, financial statements are prepared on a "going concern" basis.

53. Figures for the current financial year, being for twelve months from 1 April 2015 to 31 March 2016, are not strictly comparable with those of the previous financial period which are for six months i.e. from 1 October 2014 to 31 March 2015.

54. Figures of previous financial period are regrouped/ rearranged wherever necessary.

For and on behalf of the Board of Directors,

K. Chandran
Vice Chairman
(DIN: 00005868)

N. K. Puri
Director
(DIN: 00002226)

Jitendra J. Gandhi
Company Secretary

Vinod Verma
Chief Financial Officer

Mumbai, 18 May 2016

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF WANBURY LIMITED

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of **WANBURY LIMITED** ("the Holding Company") and its subsidiaries (collectively referred to as "the Group") comprising of the Consolidated Balance Sheet as at 31 March 2016, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group 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. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, 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, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on the consolidated financial statements based on our audit. While conducting the 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.

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 consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31 March 2016, and the consolidated loss of the Group and the consolidated cash flows of the Group for the year ended on that date.

Emphasis of Matter

We draw attention to the following matters in the Notes to the consolidated financial statements:

1. Consolidated Financial Statements are prepared on a "going concern" basis as stated in Note 47; and
2. The Company has given guarantee in respect of EXIM Bank's investments of USD 60 Lakhs (₹ 3,979.97 Lakhs) in Wanbury Holding B.V., a subsidiary of the Company, and State Bank of India's loan of Euro 32.60 Lakhs (₹ 2,448.11 Lakhs) to Cantabria Pharma S.L., the step down subsidiary of the Company, which have been invoked by the respective parties. The said dues being part of the CDR Scheme will be accounted upon arriving at mutually agreed terms of settlement with the respective parties as stated in Note 31;

   Our opinion is not qualified in respect of these matters.

Other Matters

We did not audit the financial statements/financial information of three subsidiaries whose financial statements/financial information reflect total assets of ₹ 138.40 Lakhs as at 31 March 2016, total revenues of ₹ Nil and net cash outflows amounting to ₹ 10.84 Lakhs for the year ended on that date, as considered in the consolidated financial statements. These financial statements/ financial information have been audited by other auditors whose reports have been furnished to us by the management and our opinion, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, is based solely on the reports of other auditors.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the report of the other auditors.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143 (3) of the Act, we report, to the extent applicable, 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 of the aforesaid consolidated financial statements.
   b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.
   c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
   d) In our opinion, the aforesaid consolidated 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 the written representations received from the directors of the Holding Company as on 31 March 2016 taken on record by the Board of Directors of the Holding Company, none of the directors of the Holding company is disqualified as on 31 March 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
   f) With respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate Report in “Annexure A”.
   g) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditor’s) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
      i. The consolidated financial statements disclose the impact, if any, of pending litigations as at 31 March 2016, on its financial position– Refer Note 30 to the consolidated financial statements;
      ii. The Group has not entered into any long-term contracts including derivative contracts requiring provision under the applicable law or accounting standards, for material foreseeable losses.
      iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company.

For Kapoor & Parekh Associates
Chartered Accountants
ICAI FRN 104803W

Nikhil Patel
Partner
M.No.37032

Mumbai, 18 May 2016

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

(The Annexure referred to in para 1 (f) under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date to the Members of **WANBURY LIMITED** on the consolidated financial statements for the year ended 31 March 2016.)

Report on the Internal Financial Controls under Clause (*i*) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated financial statements of the Group as of and for the year ended 31 March 2016, we have audited the internal financial controls over financial reporting of the Holding Company as of that date.

Management's Responsibility for Internal Financial Controls

Board of Directors of the Holding company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI")". These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Holding Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the above mentioned Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Holding Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Holding Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2016, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

Other Matters

Our aforesaid reports under Section 143(3)(*i*) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting is restricted to the Holding Company since all the subsidiaries of the Group are foreign subsidiaries, which are not subject to the Report on the Internal Financial Controls.

For Kapoor & Parekh Associates
Chartered Accountants
ICAI FRN 104803W

Nikhil Patel
Partner
M.No.37032

Mumbai, 18 May 2016

CONSOLIDATED BALANCE SHEET AS AT 31 MARCH 2016

₹ in Lakhs

	Note No.	31 March 2016	31 March 2015
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	3	1,996.93	1,996.93
Reserves and Surplus	4	(22,096.03)	(21,391.00)
		(20,099.10)	(19,394.07)
Share Application money Pending Allotment	46	1,222.31	-
Minority interest	31	2,666.24	2,666.24
Non-Current Liabilities			
Long-term borrowings	5	23,092.33	27,048.02
Other Long term liabilities	6	1,168.33	2,022.21
Long-term provisions	7	876.46	748.09
		25,137.12	29,818.32
Current Liabilities			
Short-term borrowings	8	9,059.95	7,785.43
Trade payables			
- Due to Micro & Small Enterprises	37	-	64.33
- Due to Others		8,610.98	9,850.66
Other current liabilities	9	11,453.64	8,546.95
Short-term provisions	10	297.16	237.41
		29,421.73	26,484.78
TOTAL		**38,348.30**	**39,575.27**
ASSETS			
Non-current assets			
Fixed assets	11		
Tangible assets		17,549.64	15,996.58
Intangible assets		103.42	34.90
Fixed Asset held for sale		373.59	373.59
Capital work-in-progress		1,441.80	1,851.62
		19,468.45	18,256.69
Non-current investments	12	0.91	0.91
Long term loans and advances	13	2,796.06	3,108.10
Other non-current assets	14	26.43	98.92
		22,291.85	21,464.62
Current assets			
Inventories	15	3,461.36	3,376.80
Trade receivables	16	7,055.32	9,851.68
Cash and Bank Balances	17	722.06	1,203.47
Short-term loans and advances	18	3,776.00	2,624.04
Other current assets	19	1,041.71	1,054.66
		16,056.45	18,110.65
TOTAL		**38,348.30**	**39,575.27**
Significant Accounting Policies	**2**		

The accompanying notes are an integral part of these financial statements.

As per our report of even date
For Kapoor & Parekh Associates
Chartered Accountants

Nikhil Patel
Partner

Mumbai, 18 May 2016

For and on behalf of the Board

K. Chandran
Vice Chairman
(DIN : 00005868)

N. K. Puri
Director
(DIN : 00002226)

Jitendra J. Gandhi
Company Secretary

Vinod Verma
Chief Financial Officer

CONSOLIDATED STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31 MARCH 2016

₹ in Lakhs

	Note No.	For the year ended 31 March 2016	For the 6 months ended 31 March 2015
REVENUE:			
Revenue from operations (Gross)	20	43,377.95	25,467.97
Less: Excise duty		1,051.79	475.64
Revenue from operations (Net)		42,326.16	24,992.33
Other Income	21	140.43	648.12
TOTAL REVENUE		**42,466.59**	**25,640.45**
EXPENSES:			
Cost of materials consumed	22	14,520.18	9,832.12
Purchase of Stock in Trade		3,694.47	1,812.56
Changes in inventories of Finished Goods, Work in Progress and Stock in Trade	23	24.94	360.73
Employee benefits expense	24	8,559.39	3,963.25
Finance costs	25	3,186.81	1,862.48
Depreciation and amortisation expense	11	905.24	480.42
Other expenses	26	12,290.20	6,881.03
TOTAL EXPENSES		**43,181.23**	**25,192.59**
Profit (Loss) before tax		**(714.64)**	**447.86**
Tax expense:			
- Current tax expenses		-	-
- Tax expenses (benefits) for prior years		-	10.23
- Add: Reversal of MAT Credit for prior years (MAT write back)		-	117.25
Net Current Tax Expense		**-**	**127.48**
Profit (Loss) for the year from Continuing Operations		**(714.64)**	**320.38**
There are no Exceptional, Extra Ordinary Items and Discontinuing Operations.			
Basic & Diluted Earning (Deficit) Per Share in ₹	27	(3.58)	1.60
[Face Value of Equity Share ₹ 10/-]			
Significant Accounting Policies	2		

The accompanying notes are an integral part of these financial statements.

As per our report of even date
For Kapoor & Parekh Associates
Chartered Accountants

Nikhil Patel
Partner

Mumbai, 18 May 2016

For and on behalf of the Board

K. Chandran
Vice Chairman
(DIN : 00005868)

N. K. Puri
Director
(DIN : 00002226)

Jitendra J. Gandhi
Company Secretary

Vinod Verma
Chief Financial Officer

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2016

			₹ in Lakhs
		31 March 2016	31 March 2015
A	**Cash flows from Operating Activities**		
	Net Profit (Loss) before Tax	(714.64)	447.86
	Adjustments for:		
	Depreciation and amortisation	905.24	480.42
	(Profit) Loss on Fixed Assets Sold (Net)	102.67	1.08
	Provision for Doubtful Trade Receivables	100.00	30.49
	Provision for Doubtful Advances	-	11.00
	Wealth Tax (Included in Other Expenses)	-	3.84
	Finance Cost	3,186.81	1,862.48
	Unrealised Exchange (Gain) Loss (Net)	480.06	(331.89)
	Interest Income	(56.05)	(30.68)
	Amounts Written Off(Net)	66.16	237.82
	Operating Profit (Loss) before Working Capital Changes	**4,070.25**	**2,712.42**
	Changes in Working Capital:		
	Decrease (Increase) in Trade Receivable	2,600.18	390.94
	Decrease (Increase) in Long term Loans and Advances	262.93	212.52
	Decrease (Increase) in Short term Loans & Advances	(1,218.13)	242.29
	Decrease (Increase) in Inventories	(84.55)	139.22
	Increase (Decrease) in Other Long term liabilities	(1,027.84)	(187.85)
	Increase (Decrease) in Other Current Liabilities	1,152.78	(81.21)
	Increase (Decrease) in Long term provisions	128.37	72.96
	Increase (Decrease) in Short term provisions	61.10	(7.63)
	Increase (Decrease) in Trade Payables	(1,307.11)	544.27
	Increase (Decrease) in Foreign Currency Translation Reserve	9.61	(12.99)
	Cash Generated from (Used in) Operations	**4,647.59**	**4,024.92**
	Direct Taxes Paid (Net of Refunds)	(1.35)	(8.22)
	Net Cash generated from (Used in) Operating Activities	**4,646.24**	**4,016.70**
B	**Cash flows from Investing Activities**		
	Capital Expenditure on Fixed Assets including Capital Advances	(2,121.44)	(525.29)
	Proceeds from Sale of Fixed Assets	0.13	-
	Interest Income Received	75.22	20.95
	Bank Balance not considered as Cash and Cash Equivalents (Net)	82.61	(28.99)
	Net Cash generated from (Used in) Investing Activities	**(1,963.48)**	**(533.33)**

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2016

₹ in Lakhs

		31 March 2016	31 March 2015
C	**Cash flows from Financing Activities**		
	Proceeds from Long Term Borrowings	-	277.73
	Repayment of Long Term Borrowings	(3,346.61)	(1,466.53)
	Proceeds (Repayment) of Short Term Borrowings (Net)	1,269.62	352.58
	Interest Paid	(2,283.65)	(2,118.03)
	Advance received for allotment of equity shares	1,222.31	-
	Unpaid Dividend transfer to Investor Education Protection Fund	(9.50)	-
	Net Cash generated from (Used in) Financing Activities	**(3,147.83)**	**(2,954.25)**
	Net Increase (Decrease) in Cash & Cash Equivalents	**(465.07)**	**529.12**
	Cash and Cash equivalents as at the beginning of the Year	627.78	98.66
	Cash and Cash Equivalents as at the end of the Year (Refer Note 17.1)	**162.71**	**627.78**

1. Figures in brackets indicates outflow.
2. Previous year's figures are regrouped & recasted wherever required.

Significant Accounting Policies (Refer Note 2)

The accompanying notes are an integral part of the financial statements.

As per our report of even date attached
For Kapoor & Parekh Associates
Chartered Accountants

Nikhil Patel
Partner

Mumbai, 18 May 2016

For and on behalf of the Board

K. Chandran
Vice Chairman
(DIN : 00005868)

N. K. Puri
Director
(DIN : 00002226)

Jitendra J. Gandhi
Company Secretary

Vinod Verma
Chief Financial Officer

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

1. GENERAL INFORMATION:

Wanbury Limited ("the Holding Company") is a public company domiciled in India. The Holding Company is engaged in the business of pharmaceutical and related activities, including research.

2. SIGNIFICANT ACCOUNTING POLICIES:

2.1. Basis of Accounting

The Consolidated Financial Statement ("CFS") comprises the financial statements of the Holding Company and its Subsidiaries (hereinafter referred to as "the Group"). The financial statements of the subsidiaries used in the consolidation are drawn upto the same reporting date as that of the Holding Company.

The accompanying CFS of the Holding Company has been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The Holding Company has prepared these CFS to comply in all material respects with the accounting standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014, and other recognized accounting practices and policies generally accepted in India. The CFS have been prepared on an accrual basis and under the historical cost convention unless otherwise specified. The accounting policies adopted in the preparation of CFS are consistent with those of previous year unless otherwise specified.

2.2. Principles of Consolidation:

i) The Financial statements of the Holding Company and its subsidiaries have been consolidated in accordance with the Accounting Standard 21 (AS 21) "Consolidated Financial Statements", on line by line basis by adding together the book value of like items of assets, liabilities, income and expenses, after fully eliminating intra-group transactions and unrealised profits/ losses.

ii) The financial statements of the Holding Company and its subsidiaries have been consolidated using uniform accounting policies for like transactions and other events in similar circumstances.

2.3. Operating Cycle :

Based on the nature of its activities, the Holding Company has considered its operating cycle as twelve months for the purpose of current/ non-current classification of assets and liabilities.

2.4. Use of Estimates:

Preparation of CFS in conformity with Indian GAAP requires judgements, estimates and assumption to be made, that affect reported amounts of assets and liabilities, disclosure of contingent liabilities on the date of financial statements and reported amount of revenues and expenses during the reported period. Actual results could differ from these estimates and differences between the actual results and estimates are recognised in the period in which results are known/ materialised.

2.5. Inventories:

Raw materials and packing materials are valued at lower of cost and net realisable value, cost of which includes duties and taxes (net off CENVAT and VAT, wherever applicable) and is arrived at on moving weighted average cost basis. Cost of imported raw materials and packing materials lying in bonded warehouse includes customs duty. However, materials and other items held for use in production of inventories are not written below cost if the finished products in which they will be incorporated are expected to be sold at or above cost.

Finished products including traded goods and work-in-progress are valued at lower of cost and net realisable value. Cost is arrived at on weighted average cost basis.

Cost of finished products and work-in-progress includes material cost, labour, direct expenses, production overheads and excise duty, where applicable.

2.6. Cash Flow Statements :

Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of the non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities are segregated.

2.7. Cash and Cash Equivalents :

Cash and Cash Equivalents for the purpose of cash flow statement comprise of cash on hand and cash at bank including fixed deposit with original maturity period of three months or less and short term highly liquid investments with an original maturity of three months or less.

2.8. Fixed Assets:

Tangible assets are stated at cost of acquisition, installation or construction including other direct expenses incurred to bring the assets to its working condition for its intended use, less accumulated depreciation/ amortisation/ impairment losses, if any, and adjusted by revaluation of certain fixed assets. Assets held for disposal are stated at the lower of net book value and net realisable value.

Intangible assets are stated at cost or acquisition less accumulated amortization and impairment loss, if any. Intangible assets are recognised only if it is probable that the future economic benefits that are attributable to the assets will flow to the enterprise and the cost of the assets can be measured reliably.

Capital work-in-progress in respect of assets which are not ready for their intended use are carried at cost, comprising of direct costs, related incidental expenses and attributable interest, if any.

2.9. Depreciation and Amortisation:

2.9.1. **In case of Holding Company**

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value.

Depreciation on tangible fixed assets is provided on Straight Line Method based on useful lives of the assets specified in Schedule II of the Companies Act, 2013.

Premium on leasehold land is being written off over the period of lease. Computer software are amortised over estimated useful life.

Brands and Technical Know-how are amortized over a period of ten and five years respectively.

Depreciation is not provided in respect of assets held for sale.

The estimated useful lives of intangible assets and the amortisation period are reviewed at the end of each financial year and the amortisation method is revised to reflect the changed pattern, if any.

2.9.2. **In Case Of Subsidiary at China**

Computers are depreciated @ 30% p.a. on SLM basis.

2.10. Revenue Recognition :

Revenue on sales is recognised when risk and rewards of ownership of products are passed on to customers, which are generally on dispatch of goods. The amount recognised as revenue is exclusive of sales tax, value added tax ("VAT"), and is net off returns, applicable trade discounts and allowances. Excise duty collected on sales is shown by way of deduction from sales. Sales are also netted off for probable non – saleable return of goods from the customers, estimated on the basis of historical data of such returns. Incomes from services are recognised when services are rendered. Dividend income is recognised when right to receive dividend is established.

Interest income is recognised on time proportion basis.

Export benefits available under prevalent schemes are accrued in the period in which the goods are exported and accounted to the extent considered receivable.

Revenue is recognised when there is reasonable certainty of its realisation.

2.11. Insurance Claims:

Insurance claims are accounted for on the basis of claims admitted/ expected to be admitted and to the extent that the amount recoverable can be measured reliably and it is reasonable to expect the ultimate collection.

2.12. Research and Development :

Research & development expenditures of revenue nature are charged to the respective heads in the Statement of Profit & Loss in the year in which it is incurred and expenditures of capital nature are added to respective fixed assets.

2.13. Excise and Custom Duty :

Excise and custom duty is accounted on the basis of payment made in respect of goods cleared and provision is made for goods lying in bonded warehouse and included in the valuation of inventory.

2.14. CENVAT, Service Tax and VAT Credit :

CENVAT, service tax and VAT credit receivable/ availed are treated as an asset when there is reasonable certainty in availing/ utilising the credits and relevant expenses being accounted net of such credit. Further the said assets are reduced to the extent of their utilisation.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

2.15. Foreign Currency Transactions / Translation :

Foreign currency transactions are recorded at the exchange rates prevailing on the date of the transaction.

The net gain or loss on account of exchange differences arising on settlement of foreign currency transactions and/ or restatement are dealt with in the Statement of Profit & Loss as income or expense of the period in which they arise. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are reported using the rate prevailing as on that date. The resultant exchange differences are recognised in the Statement of Profit & Loss.

In respect of the Forward Exchange contracts with underlying transaction, the premium or discount arising at the inception of such contracts are recognised as expenses or income over the life of the contract.

Exchange differences on such contracts are recognised in the Statement of Profit & Loss in the year in which the exchange rates change. Any profit or loss arising on cancellation or renewal of forward exchange contract is recognised as income or expense for the year.

The financial statements of foreign subsidiaries, whose operations are non-integral foreign operations for the Holding Company, have been translated to Indian Rupees on the following basis:

i) All income and expenses are translated at the average rate of exchange prevailing during the period.

ii) Monetary and Non-monetary assets and liabilities are translated at the closing rate on the Balance Sheet date.

iii) The resulting exchange difference is accounted in 'Foreign Currency Translation Reserve'.

2.16. Investments:

Investments which are readily realisable and intended to be held for not more than one year from the date on which such investments are made are classified as current investments. All other investments are classified as long term investments.

Long term investments are carried individually at cost, less provision for diminution, other than temporary, in the value of such investments. Current investments are carried individually at lower of cost and realisable value.

Cost of investments includes expenses directly incurred on acquisition of investments.

Investments in foreign currency are stated at cost by converting at exchange rate prevailing, at the time of acquisition/ remittance.

2.17. Employee Benefits :

i) Short Term Employee Benefits :

These are recognised as an expense at the undiscounted amount in the Statement of Profit & Loss of the period in which the related services are rendered. Short term compensated absences are provided for based on actuarial valuation in accordance with company's policies.

ii) Post Employment Benefits :

Company's contribution for the period paid/ payable to defined contribution retirement benefit schemes are charged to Statement of Profit & Loss.

Company's liability towards defined benefit plan viz. gratuity is determined using the Projected Unit Credit Method as per the actuarial valuation carried out at the balance sheet date.

Defined benefit in the form of compensated absences is provided for based on actuarial valuation at the year-end in accordance with Company's policies.

2.18. Borrowing Costs:

Borrowing costs are interest and other costs (including exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds.

Borrowing costs that are attributable to acquisition, construction or production of a qualifying asset are capitalised as cost of such assets. A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use.

All other borrowing costs are charged to the Statement of Profit & Loss in the period in which they are incurred.

2.19. Operating Leases :

Assets taken on lease under which all risks and rewards of ownership are effectively retained by the lessor are classified as operating lease. Lease payments under operating leases are recognised as expenses on accrual basis in accordance with respective lease agreements.

2.20. Earnings Per Share :

Basic earnings per share is calculated by dividing the net profit for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

2.21. Accounting for Tax :

Tax expense comprises of Current and Deferred tax.

Current tax is measured on the basis of tax provisions of the respective countries.

Deferred tax resulting from timing differences between the accounting income and taxable income for the period is accounted for using the tax rates and laws that have been enacted or substantively enacted as of the Balance Sheet date. The carrying amount of deferred tax assets/ liabilities is reviewed at each Balance Sheet date. The carrying amount of deferred tax asset is written down to the extent that it is no longer reasonably/ virtually certain, that sufficient future taxable income will be available against which deferred tax asset can be realised.

In case of the Holding Company, MAT Credit Entitlement as per the provisions of the Income Tax Act, 1961 is treated as an asset by credit to the Statement of Profit & Loss.

2.22. Impairment of Assets:

The fixed assets are reviewed for impairment at each Balance Sheet date. An asset is treated as impaired when the carrying cost of the asset exceeds its recoverable value. An impairment loss is charged to Statement of Profit & Loss in the period in which an asset is identified as impaired. The impairment loss recognised in prior accounting periods is reversed if there has been a change in the estimate of recoverable amount.

2.23. Provisions, Contingent Liabilities and Contingent Assets :

Provisions are recognised only when there is present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation and when a reliable estimate of the amount of obligation can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and are adjusted to reflect the current best estimates.

Contingent liabilities are disclosed for (i) Possible obligations which will be confirmed only by future events not wholly within the control or (ii) Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of amount of the obligation cannot be made. Contingent liabilities are not recognised but are disclosed in the notes.

Contingent assets are neither recognised nor disclosed in the CFS.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

		31 March 2016 ₹ In Lakhs	31 March 2015 ₹ In Lakhs
3	**Share Capital**		
	Authorised		
	20,00,000 Preference shares of ₹ 100/- each	2,000.00	2,000.00
	3,00,00,000 Equity Shares of ₹ 10/- each	3,000.00	3,000.00
		5,000.00	**5,000.00**
	Issued, Subscribed and Paid-Up		
	1,99,69,286 (Pr. Yr. 1,99,69,286) Equity Shares of ₹ 10/- each fully paid up	1,996.93	1,996.93
	Total Share Capital	**1,996.93**	**1,996.93**

3.1 **Reconciliation of equity shares outstanding at the beginning and at the end of the reporting period:**

Particulars	31 March 2016		31 March 2015	
	Number	**₹ in Lakhs**	Number	₹ in Lakhs
Shares outstanding at the beginning of the period	19,969,286	1,996.93	19,969,286	1,996.93
Add: Shares allotted as fully paid up during the period	-	-	-	-
Less: Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the period	19,969,286	1,996.93	19,969,286	1,996.93

3.2 **Terms/Rights attached to equity shares**

The Company has only one class of equity shares with voting rights having a par value of ₹ 10 per share. The Company declares & pays dividend in Indian rupees. The final dividend proposed by the board of directors is subject to the approval of the shareholders at the ensuing annual general meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the numbers of equity shares held by the shareholders.

3.3 **Outstanding Options to subscribe to equity shares**

11,25,236 warrants of the face value of ₹ Nil have been allotted to the shareholders of Erstwhile PPIL as per the BIFR order. The warrant holders have the right to subscribe to one equity share of ₹ 10/- each at the premium of ₹ 125/- per share which is exercisable within five years from 27 June 2007, being the date of allotment of the warrants. Also Refer note 33.

58,199 Zero Coupon Optionally Fully Convertible Debentures (OFCDs) of face value of ₹ 1,000/- each were allotted to the lenders of erstwhile PPIL pursuant to the order dated 24 April 2007 of Hon'ble BIFR. OFCD were convertible between 1 November 2008 and 30 April 2012 into its equity shares at a price of ₹ 125/- and 67% of the three months average weekly closing price prior to the date of exercise of such right. The matter is under fresh consideration of BIFR pursuant to the order dated 16 May 2008 of Hon'ble Supreme Court.

Refer Note 34 for rights of lender under CDR scheme to convert dues into equity shares of the Company under certain condition stipulated in Master Restructuring Agreement dated 19 September 2011.

3.4 **Details of equity shares held by each shareholders holding more than 5%**

Name of Shareholder	31 March 2016		31 March 2015	
	No. of Shares	**% of Holding**	No. of Shares	% of Holding
Kingsbury Investments Inc.	3,024,000	15.14	3,024,000	15.14
Expert Chemicals (India) Pvt. Ltd.	6,754,730	33.83	6,754,730	33.83

As per records of the Company, including its register of shareholders/members and other declaration received from shareholders/members regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

3.5 The Holding Company has neither allotted any shares as fully paid up pursuant to contract without payment being received in cash and by way of bonus shares nor bought back any shares during the period of five years preceding the date of this Balance Sheet.

3.6 Out of the above, Equity Shares 5,67,000 (Pr. Yr. 5,67,000) shares are represented by 1,89,000 (Pr. Yr. 1,89,000) Global Depository Receipts.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

		31 March 2016 ₹ in Lakhs	31 March 2015 ₹ in Lakhs
4	**Reserves & Surplus**		
	Capital Reserves		
	As per last balance sheet	683.41	683.41
	Securities Premium Account		
	As per last balance sheet	4,103.02	4,103.02
	Debenture Redemption Reserve		
	As per last balance sheet	412.25	412.25
	Revaluation Reserve		
	Balance as at beginning	2,441.01	2,574.93
	Less: On Assets Discarded	-	12.67
	Less: Transferred to General Reserve (Refer Note 4.1)	131.71	121.25
	Balance as at the end	**2,309.30**	**2,441.01**
	General Reserve		
	Balance as at beginning	1,191.81	1,070.56
	Add: Transferred from Revaluation Reserve	131.71	121.25
		1,323.52	**1,191.81**
	Foreign Currency Translation Reserve	**(93.72)**	**(103.33)**
	Surplus(Deficit) in the Statement of Profit and Loss		
	Balance as at beginning	(30,119.17)	(29,922.15)
	Less : Depreciation adjustment as per Schedule II to the Companies Act, 2013 (Refer Note 11.7)	-	(517.40)
	Profit (Loss) for the period	(714.64)	320.38
	Balance as at the end	**(30,833.81)**	**(30,119.17)**
	Total Reserves and Surplus	**(22,096.03)**	**(21,391.00)**

4.1 As suggested in "The Application Guide on the Provisions of Schedule II to the Companies Act, 2013" issued by the ICAI, the depreciation amounting to ₹ 131.71 Lakhs (Pr. Yr. ₹ 121.25 Lakhs) on the revalued portion of fixed assets, is withdrawn and transferred to General Reserve.

5	**Long Term Borrowings**		
	Term loans (Secured)		
	From Banks (Rupee)	21,230.36	24,730.46
	From Banks (Foreign Currency)	1,855.07	2,303.15
	Vehicle Loans (Secured)		
	From Others (Rupee)	6.90	14.41
		23,092.33	**27,048.02**

5.1 **(a) For the year ended 31 March 2016:**

Term Loans are secured by pari passu first charge on all the present and future movable and immovable fixed assets of the Company situated at Patalganga and Tarapur, few brands of the Company and second charge, except in respect of Term Loans from State Bank of India which has a first charge, on all the present and future movable and immovable fixed assets of the Company situated at Tanuku and second pari passu charge on entire present and future current assets of the Company and pledge of entire holding of equity shares of the Company held by Expert Chemicals (I) Private Limited & Kingsbury Investment Inc., in addition to guarantee of Expert Chemicals (I) Private Limited, Bravo Healthcare Ltd., Wanbury Global FZE, Wanbury Holding BV, Kingsbury Investment Inc. and Mr. K. Chandran, director of the Company.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

(b) For the period ended 31 March 2015:

Term Loans are secured by pari passu first charge on all the present and future movable and immovable fixed assets of the Company situated at Patalganga and Tarapur, few brands of the Company and second charge, except in respect of Term Loans from State Bank of India which has a first charge, on all the present and future movable and immovable fixed assets of the Company situated at Tanuku and second pari passu charge on entire present and future current assets of the Company and pledge of entire holding of equity shares of the Company held by Expert Chemicals (I) Private Limited & Kingsbury Investment Inc., in addition to guarantee of Expert Chemicals (I) Private Limited, Bravo Healthcare Ltd., Wanbury Global FZE, Wanbury Holding BV, Kingsbury Investment Inc. and Mr. K. Chandran, director of the Company.

5.2 Vehicle loans are secured by hypothecation of assets acquired against respective loans.

5.3 **Rate of Interest:**

(a) For the year ended 31 March 2016:

Holding Company's rate of interest on term loans vary between 1% to 11.50% p.a. and on vehicle loans vary between 6.30% to 10.00% p.a.

(b) For the period ended 31 March 2015:

Holding Company's rate of interest on term loans vary between 1% to 11.50% p.a. and on vehicle loans vary between 6.30% to 10.00% p.a.

Term Loan:		
Year of Repayment		
2016-17	-	3,276.80
2017-18	6,086.79	6,082.96
2018-19	6,700.07	6,706.47
2019-20	6,892.49	6,874.41
2020-21	3,406.08	4,092.96
Vehicle Loan:		
Year of Repayment		
2016-17	-	7.24
2017-18	4.88	4.97
2018-19	1.10	1.10
2019-20	0.92	1.10

6	**Other Long Term Liabilities**		
	Dues Payable to FCCB 'B' Bond Holder (Refer Note 36)	523.62	705.09
	Dues payable to FCCB 'A' Bond Holder (Refer Note 36)	149.11	786.48
	Security Deposits	495.60	530.64
		1,168.33	**2,022.21**
7	**Long Term Provisions**		
	Provision for employee benefits (Refer Note 41)		
	Provision for Gratuity	484.70	398.49
	Provision for Leave Benefits	391.76	349.60
		876.46	**748.09**
8	**Short Term Borrowings**		
	Working Capital Loans repayable on demand (Secured)		
	From Banks (Rupee)	8,652.11	7,262.21
	From Others (Foreign Currency)	357.59	373.49
	Buyers Credit Arrangement from Banks (Foreign Currency)	-	99.48

(Above loans are secured by a pari-passu first charge on current assets and few brands of the Holding Company, second charge on fixed assets and pledge of entire holding of equity shares of the Holding Company held by Expert Chemicals (I) Pvt. Ltd. & Kingsbury Investments Inc, in addition to guarantee of Expert Chemicals (I) Pvt. Ltd., Bravo Healthcare Ltd. ,Wanbury Global FZE, Wanbury Holding BV,Kingsbury Investments Inc and Mr. K. Chandran, director of the Holding Company.)

(Factoring facilities of Holding Company are secured by first charge on all present and future receivables, book debts, outstandings, monies receivables, claims and bills of the company, which are now due and or which may due at anytime of its approved debtors and subservient charge on all present and future fixed asset and current assets of the Holding company.)

	31 March 2016	31 March 2015
	₹ in Lakhs	₹ in Lakhs
Loan repayable on demand (Unsecured) (Refer Note 33)		
From Banks (Rupee)	29.94	29.94
From Others (Rupee)	20.31	20.31
	9,059.95	**7,785.43**
9 Other Current Liabilities		
(Unsecured unless otherwise stated)		
Current maturities of :		
- Term Loan (Secured) (Refer Note 5.1 & 5.3)	4,032.30	3,214.85
- Vehicle Loan (Secured) (Refer Note 5.2 & 5.3)	7.52	32.98
Dues of FCCB Holders (Refer Note 36)	1,123.68	519.46
Interest accrued but not due:		
- On borrowings	6.44	193.58
- On debentures (Secured)	366.23	325.66
Interest accrued and due (Refer Note 9.3)		
- On Secured Borrowings (Refer Note 5.1 & 5.3)	1,036.83	268.88
- On Foreign Currency Convertible Bonds	329.28	47.52
Advances from related party (Refer Note 44-C)	-	201.00
(To be utilised for subscribing to equity share of the Holding Company in terms of CDR Scheme Refer Note 34)		
Unpaid dividends	4.15	13.65
(Amount transferable to Investor Education & Protection Fund when due)		
Unpaid Dues:		
- Of FCCB Holders (Refer Note 9.3 & 36)	717.56	509.35
- Of Long Term Borrowings (Secured) (Refer Note 9.3, 5.1 & 5.3)	1,852.89	1,158.09
- Of Long Term Borrowings of erstwhile PPIL (Secured) (Refer Note 9.4 & 9.5)	68.02	68.02
- Of Matured Zero Coupon Non Convertible Redeemable Debentures (NCD) (Secured) (Refer Note 9.1 & 9.5)	152.67	152.67
- Of Optionally Fully Convertible Debentures (OFCD) (Secured) (Refer Note 9.2 & 9.5)	581.99	581.99
Other Payables:		
- Payables for Fixed Assets	241.97	309.91
- Statutory Dues Payable	527.35	560.54
- Others	404.76	388.80
(Includes Inland bills payable, stale cheques, dues of PPIL etc.)		
	11,453.64	**8,546.95**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

9.1 The NCD are to be secured by a pari passu charge on the fixed assets of the Holding Company situated at Patalganga and Plot No. J-17 at Tarapur. The NCD comprises of Part A of ₹ 60 and Part B of ₹ 40 which are redeemable at par at the end of two years and three years respectively from 1 May, 2007. The Company had redeemed Part A of ₹ 60 relating to 1,49,709 NCD's in the earlier years. NCD's amounting to ₹ 55.67 Lakhs and ₹ 97 Lakhs was due for repayment on 1 May 2009 and 1 May 2010 respectively. However, since the matter is under consideration of BIFR, the same will be paid as per the order of BIFR. Also Refer Note 33.

9.2 The OFCD are to be secured by a pari passu charge on the fixed assets of erstwhile PPIL situated at Plot No. 24 at Tarapur and fixed assets at Mazgaon. OFCD are convertible between 1 November, 2008 and 30 April, 2012 into equity shares at a price being higher of ₹ 125/- and 67% of the three months average weekly closing price prior to the date of exercise of such right amounting to ₹ 290.99 Lakhs and ₹ 291 Lakhs was due for repayment on 30 April 2010 and 30 April 2011 respectively. However, since the matter is under consideration of BIFR, the same will be paid as per the order of BIFR. Also Refer Note 33.

9.3 There is delay in repayment of

(i) term loan aggregating to ₹ 1,852.89 Lakhs (Pr. Yr.₹ 1,158.09 Lakhs) ranging from 1 to 367 days (Pr. Yr. 1 to 183 days).

(ii) amount payable to FCCB Holders aggregating to ₹ 717.56 Lakhs (Pr. Yr. ₹ 509.35 Lakhs) ranging from 92 days to 1438 days (Pr. Yr. 91 to 1072 days).

(iii) interest on secured borrowings aggregating to ₹ 1,036.83 Lakhs (Pr. Yr. ₹ 268.88 Lakhs) ranging from 1 to 367 days (Pr. Yr. 1 to 60 days) in respect of dues to banks/ financial institutions.

(iv) interest on FCCB aggregating to ₹ 329.28 Lakhs (Pr. Yr. ₹ 47.52 Lakhs) ranging from 1438 to 1737 days (Pr. Yr. 1072 to 1371 days).

9.4 Term loans of erstwhile PPIL amounting to ₹ 68.02 Lakhs (Pr. Yr. ₹ 68.02 Lakhs) are secured by a pari-passu first charge on its fixed assets of erstwhile PPIL.

9.5 The said dues were payable as per Merger Cum Revival Scheme approved by the BIFR vide its order dated 24 April, 2007. However, since the matter is under fresh consideration of BIFR, the same will be paid as per the order of BIFR. Also Refer Note 33.

10	**Short Term Provisions**	**31 March 2016**	31 March 2015
	Provision for employee benefits (Refer Note 41)	**₹ in Lakhs**	₹ in Lakhs
	Provision for Gratuity	22.29	7.83
	Provision for Leave Benefits	25.16	25.60
	Bonus Provision	92.60	45.52
	Others		
	Provision for Income Tax (Net of Payment)	157.11	152.65
	Provision for Wealth Tax (Net of Payment)	-	5.81
		297.16	**237.41**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

11 FIXED ASSETS

11.1 Current Year

₹ in Lakhs

	Description	Gross Block				Depreciation / Amortisation				Net Block
		01-Apr-15	Addition	Deduction	31-Mar-16	01-Apr-15	For the Period	Deduction	31-Mar-16	31-Mar-16
		(1)	(2)	(3)	(4)=(1+2-3)	(5)	(6)	(7)	(8)=(5+6-7)	(9)=(4-8)
A	**Tangible Asset**									
	Free Hold Land	4,739.81	-	-	4,739.81	-	-	-	-	4,739.81
	Lease Hold Land	485.53	-	-	485.53	38.96	6.33	-	45.29	440.24
	Factory Building	3,956.25	732.43	1.35	4,687.33	1,087.23	173.86	0.55	1,260.54	3,426.80
	Plant & Machinery	18,485.00	1,171.95	282.47	19,374.48	11,016.21	467.69	203.62	11,280.28	8,094.19
	Furniture & Fixtures	473.26	109.43	14.26	568.43	336.22	78.23	14.31	400.14	168.28
	Vehicles	350.39	-	-	350.39	178.75	50.71	-	229.46	120.93
	Office Equipments	447.45	36.99	92.98	391.46	363.96	24.18	78.75	309.39	82.07
	Electrical Installations	144.07	10.61	8.27	146.41	106.03	17.74	10.60	113.17	33.24
	Laboratory Equipments	-	356.53	-	356.53	-	14.13	-	14.13	342.40
	Computers	515.20	43.54	221.47	337.27	473.02	23.84	210.19	286.68	50.58
	Leasehold Improvement	-	63.41	-	63.41	-	12.28	-	12.28	51.12
	Total	**29,596.97**	**2,524.89**	**620.80**	**31,501.01**	**13,600.37**	**869.01**	**518.02**	**13,951.37**	**17,549.64**
B	**Intangible Asset**									
	Software	324.40	104.75	1.04	428.11	289.50	36.23	1.04	324.69	103.42
	Total	**324.40**	**104.75**	**1.04**	**428.11**	**289.50**	**36.23**	**1.04**	**324.69**	**103.42**
C	**Asset held for Sale**									
	Office Premises PPIL	243.00	-	-	243.00	46.46	-	-	46.46	196.54
	BUILDING - R & D	400.22	-	-	400.22	223.17	-	-	223.17	177.05
	Total	**643.22**	**-**	**-**	**643.22**	**269.63**	**-**	**-**	**269.63**	**373.59**
D	**Capital Work In Progress**	-	-	-	-	-	-	-	-	1,441.80
	Total Fixed Assets (A+B+C+D)	**30,564.59**	**2,629.64**	**621.84**	**32,572.34**	**14,159.51**	**905.24**	**519.06**	**14,545.69**	**19,468.45**

WANBURY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

11.2 Previous Period ₹ in Lakhs

	Description	Gross Block				Depreciation / Amortisation					Net block
		01-Oct-14	Addition	Deduction	31-Mar-15	01-Oct-14	For the Period	Transfer to Reserve (Refer Note 11.7)	Deduction	31-Mar-15	31-Mar-15
		(1)	(2)	(3)	(4)=(1+2-3)	(5)	(6)	(7)	(8)	(9)=(5+6+7-8)	(10)=(4-9)
A	**Tangible Assets**										
	Free Hold Land	4,739.81	-	-	4,739.81	-	-	-	-	-	4,739.81
	Lease Hold Land	485.53	-	-	485.53	35.81	3.15	-	-	38.96	446.57
	Factory Building	3,956.59	-	0.33	3,956.25	1,005.38	81.93	-	0.09	1,087.23	2,869.03
	Plant & Machinery	18,545.38	21.11	81.49	18,485.00	10,568.79	227.99	288.38	68.95	11,016.21	7,468.80
	Furniture & Fixtures	473.52	0.81	1.07	473.26	261.25	72.81	2.87	0.71	336.22	137.04
	Vehicles	344.73	5.66	-	350.39	152.75	24.85	1.15	-	178.75	171.63
	Office Equipments	441.96	5.77	0.27	447.45	208.65	13.88	141.59	0.17	363.96	83.49
	Electrical Installations	144.10	-	0.04	144.07	60.07	33.96	12.01	-	106.03	38.03
	Computers	501.82	16.79	3.41	515.20	426.98	13.92	35.03	2.92	473.02	42.18
	Total	**29,633.44**	**50.14**	**86.61**	**29,596.97**	**12,719.68**	**472.49**	**481.03**	**72.84**	**13,600.37**	**15,996.58**
B	**Intangible Assets**										
	Brand (Setcal)	370.00	-	370.00	-	370.00	-	-	370.00	-	-
	Software	324.40	-	-	324.40	245.20	7.93	36.37	-	289.50	34.90
	Technical Knowhow	4.43	-	4.43	-	4.43	-	-	4.43	-	-
	Total	**698.83**	**-**	**374.43**	**324.40**	**619.63**	**7.93**	**36.37**	**374.43**	**289.50**	**34.90**
C	**Asset held for Sale**										
	Office Premises PPIL	243.00	-	-	243.00	46.46	-	-	-	46.46	196.54
	BUILDING - R & D	400.22	-	-	400.22	223.17	-	-	-	223.17	177.05
	Total	**643.22**	**-**	**-**	**643.22**	**269.63**	**-**	**-**	**-**	**269.63**	**373.59**
D	**Capital Work In Progress**	-	-	-	-	-	-	-	-	-	1,851.62
	Total Fixed Assets (A+B+C+D)	**30,975.49**	**50.14**	**461.04**	**30,564.59**	**13,608.94**	**480.42**	**517.40**	**447.27**	**14,159.50**	**18,256.69**

11.3 The title deeds of the immovable properties transferred pursuant to the Scheme of Merger are yet to be transferred in the name of the Company.

11.4 Capital Work in Progress includes Machinery under installation, Construction material purchases and other assets under erection. It includes ₹ 896.54 Lakhs (Pr. Yr. ₹ 896.54 Lakhs) of erstwhile PPIL
(Also Refer Note 33).

11.5 As per the scheme of rehabilitation and merger approved by BIFR, erstwhile PPIL is required to sale office premises at Saki Naka, Mumbai and R & D premises at Turbhe, Navi Mumbai in settlement of part dues of secured and unsecured payables mentioned in the aforesaid scheme. Consequently, the said assets are held for disposal and stated at cost since estimated realisable value is higher than cost (Also Refer Note 33).

11.6 Gross block of fixed assets include ₹ 5,375.05 Lakhs (Pr. Yr. ₹ 5,426.34 Lakhs) on account of revaluation of fixed assets carried out on 31 March 2010.

11.7 During the period ended 31 March 2015, amount of Depreciation for the period had been aligned to meet the requirements of Schedule II of the Companies Act 2013 and accordingly an amount of ₹ 517.40 Lakhs
(net off deferred tax of ₹ Nil) in relation to assets where useful life has already expired as on 1 October 2014 has been charged to Retained Earnings.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

		31 March 2016 ₹ in Lakhs	31 March 2015 ₹ in Lakhs
12	**Non Current Investments**		
12.1	**Other Investments**		
	In Subsidiaries		
	Unquoted		
	Investment in Equity instruments - Cantabria Pharma S. L. (Refer Note 28)		
	1000 Shares of Euro 60 each	381.28	381.28
	In Other Entities		
	Unquoted		
	The Saraswat Co-op. Bank Ltd.		
	706 Equity Share of ₹ 10 each fully paid up	0.07	0.07
	The Shamrao Vithal Co-op. Bank Ltd.		
	100 Equity Share of ₹ 25 each fully paid up	0.03	0.03
	Bravo Healthcare Limited		
	12,71,250 Equity Share of ₹ 10 each fully paid up	53.40	53.40
	Quoted		
	Bank of India		
	1,800 Equity Share of ₹ 10 each fully paid up	0.81	0.81
	Less: Provision for diminution in value of investments (Refer Note 12.5)	434.68	434.68
		0.91	**0.91**
12.2	Aggregate amount of quoted investments - Gross		
	- Cost	0.81	0.81
	- Market Value	1.75	3.52
12.3	Aggregate amount of unquoted investments (Cost/Book value)-Gross	434.78	434.78
12.4	Aggregate amount of provision for diminution in value of investments	434.68	434.68
12.5	Provision for diminution in value of investments for:		
	Bravo Healthcare Limited		
	12,71,250 Equity Share of ₹ 10 each fully paid up	53.40	53.40
	Investment in Equity instruments - Cantabria Pharma S. L.		
	1000 Shares of Euro 60 each	381.28	381.28
		434.68	**434.68**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

		31 March 2016 ₹ in Lakhs	31 March 2015 ₹ in Lakhs
13	**Long Term Loans & Advances**		
	(Unsecured, considered good unless otherwise mentioned)		
	Capital Advances	66.35	232.67
	Security Deposits	292.71	388.43
	Loans and advances to related parties (Refer Note 44):		
	- Considered Good	-	-
	- Considered Doubtful	27,173.66	27,173.66
		27,173.66	27,173.66
	Less: Provision for Doubtful Advances	27,173.66	27,173.66
		-	-
	Mat Credit Entitlement	336.38	336.38
	Other Loans and Advances	3,683.04	3,733.04
	Less: Provision for Doubtful Loans & Advances	1,582.42	1,582.42
		2,100.62	2,150.62
		2,796.06	**3,108.10**
14	**Other Non Current Assets**		
	Fixed Deposit with Bank (Under Lien) (With Original Maturity of more than 12 months)	26.32	92.59
	Interest Accrued on fixed deposit	0.11	6.33
		26.43	**98.92**
15	**Inventories**		
	(As certified by the management)		
	Raw Materials and Packing Materials	1,150.19	1,027.89
	Work in Progress	1,149.15	656.13
	Finished Goods	567.40	721.75
	Stock in Trade	581.65	945.26
	Fuel	12.97	25.77
		3,461.36	**3,376.80**
16	**Trade Receivables (Unsecured)**		
	Over Six months from the date they are due for payment:		
	- Considered good	1,502.42	2,422.03
	- Considered doubtful	48.01	425.30
		1,550.43	2,847.33
	Others from the date they are due for payment:		
	- Considered good	5,552.90	7,429.65
		7,103.33	10,276.98
	Less: Provision for doubtful trade receivables	48.01	425.30
		7,055.32	**9,851.68**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

		31 March 2016 ₹ in Lakhs	31 March 2015 ₹ in Lakhs
17	**Cash and Bank Balances**		
17.1	**Cash & Cash Equivalents (As per AS-3)**		
	Cash on Hand	1.44	9.08
	Balances with Banks:		
	- In Current Account	157.60	565.40
	- In EEFC Account	3.67	41.89
	- Deposits having original Maturity upto three months	-	11.41
		162.71	627.78
17.2	**Other Bank Balances**		
	Earmarked balances with banks-Unpaid Dividend	4.15	13.65
	(Amount transferable to Investor Education & Protection Fund when due)		
	Fixed Deposit with Bank (Under Lien)*	555.20	562.04
		559.35	575.69
		722.06	**1,203.47**
	*Includes deposits with original maturity		
	- more than 3 months and upto 12 months	540.25	521.10
	- more than 12 months	14.95	40.94
18	**Short-term Loans and Advances**		
	(Unsecured, Considered Good)		
	Advance to Employees:		
	- Considered Good*	300.25	436.01
	- Considered Doubtful	-	20.62
		300.25	456.63
	Less: Provision for Doubtful Advances	-	20.62
		300.25	436.01
	Advance to Creditors	2,531.55	757.33
	Prepaid Expenses	47.22	68.02
	Export Benefit Receivable	168.91	213.46
	Balance with Statutory/Government Authorities:		
	- Balances with Excise Authorities	211.94	457.89
	- VAT Receivable	516.13	691.33
		3,776.00	**2,624.04**
	*Includes excess remuneration receivable from Directors- ₹ 215.96 Lakhs (Pr. Yr. ₹ 166.19 Lakhs)		
19	**Other Current Assets**		
	Interest Accrued on fixed deposit	2.07	14.97
	Other Interest Receivable	1,039.64	1,039.69
		1,041.71	**1,054.66**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

		For the year ended 31 March 2016 ₹ in Lakhs	For the 6 Months ended 31 March 2015 ₹ in Lakhs
20	**Revenue From Operation (Gross)**		
	Sale of products:		
	- Finished Goods	29,377.39	18,491.53
	- Traded Goods	13,517.39	6,421.76
	Processing Charges	-	235.60
	Other Operating Revenue:		
	- Sale of Scrap	75.91	87.87
	- Export Incentive	407.26	231.21
		43,377.95	**25,467.97**
21	**Other Income**		
	Interest on Bank Deposits	50.17	28.21
	Other Interest	5.88	2.47
	Foreign Exchange Gain (Net)	22.31	604.43
	Insurance Claim	14.71	12.37
	Miscellaneous Income	47.36	0.64
		140.43	**648.12**
22	**Cost of Materials Consumed**		
	Raw Materials & Packing Materials		
	Opening Stock	1,027.89	817.21
	Add: Purchases	14,642.47	10,042.80
		15,670.36	10,860.01
	Less: Closing Stock	1,150.18	1,027.89
		14,520.18	**9,832.12**
23	**Changes in Inventories of Finished Goods,Work in Progress and Stock in Trade**		
	Inventories at the beginning of the period		
	- Finished Goods	721.75	836.83
	- Work in Progress	656.13	981.40
	- Stock-in-Trade	945.26	865.64
	(A)	2,323.14	2,683.87
	Inventories at the end of the period		
	- Finished Goods	567.40	721.75
	- Work in Progress	1,149.15	656.13
	- Stock in Trade	581.65	945.26
	(B)	2,298.20	2,323.14
	Net (Increase) Decrease in Inventories **(A-B)**	**24.94**	**360.73**
24	**Employee Benefit Expense**		
	Salaries, Wages, Bonus and Allowances	7,732.93	3,586.57
	Contribution to Provident and Other Funds	518.05	264.64
	Staff Welfare Expenses	308.41	112.04
		8,559.39	**3,963.25**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

		For the year ended 31 March 2016 ₹ in Lakhs	For the 6 Months ended 31 March 2015 ₹ in Lakhs
25	**Finance Cost**		
	Interest expense	3,054.68	1,731.34
	Applicable net (gain)loss on foreign currency transactions and translation	132.13	131.14
		3,186.81	**1,862.48**
26	**Other Expenses**		
	Advertisement & Sales Promotional Expenses	1,930.88	577.42
	Travelling & Conveyance	1,548.23	1,383.61
	Power & Fuel	1,850.58	1,005.47
	Legal & Professional Charges	610.93	581.06
	Breakages & Expiry	868.14	269.78
	Carriage Outward	772.76	691.76
	Commission On Sales	412.33	225.79
	Consumption of Stores,Spares & Consumables	443.64	207.78
	Rent	372.73	170.90
	Repairs to Plant & Machineries	534.10	257.10
	Repairs to Buildings	53.38	30.05
	Repairs - Others	202.64	86.35
	Provision for Doubtful Advances	-	11.00
	Provision for Doubtful Trade Receivables	100.00	30.49
	Amounts Written Off (Net)	66.16	237.82
	Rates & Taxes	125.33	57.74
	Licence Fees	231.89	62.26
	Insurance	71.94	50.25
	Loss on sale/discard of Fixed Assets-(Net)	102.67	1.08
	Excise Duty*	(144.88)	(75.25)
	Sales Tax & Service Tax	302.89	19.84
	Miscellaneous Expenses	1,833.86	998.74
		12,290.20	**6,881.03**
	*Net Impact of the excise duty provision on opening stock and closing of finished goods- debit (credit)	46.36	(73.61)
27	**Earning Per Share:**		
	Profit (Loss) after Tax - ₹ In Lakhs	(714.64)	320.38
	Weighted Average Number of Equity Shares	19,969,286	19,969,286
	Nominal value of Equity Shares in ₹	10.00	10.00
	Basic & Diluted Earning (Deficit) Per Share in ₹	(3.58)	1.60

The market price of the equity shares of the Company being less than the exercise price in respect of various outstanding options to subscribe to equity shares, the outstanding options as at the period end are considered to be anti-dilutive.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

28. Consolidated Financial Statements present the consolidated accounts of Wanbury Limited ("the Holding Company") and the following Subsidiaries (collectively referred as "the Wanbury Group"):

Name of the Company	Country of Incorporation	% of voting power held as at 31 March 2016	% of beneficial ownership held as at 31 March 2016
Wanbury Holding B. V.	Netherlands	100% (Pr. Yr. 100%)	100% (Pr. Yr. 100%)
Ningxia Wanbury Fine Chemicals Company Limited	China	100% (Pr. Yr. 100%)	100% (Pr. Yr. 100%)
Wanbury Global FZE	UAE	100% (Pr. Yr. 100%)	100% (Pr. Yr. 100%)

Accounts of the above subsidiary companies are for the period from 1 April 2015 to 31 March 2016 and are incorporated in the Consolidated Financial Statements. Financial statement and other financial information of aforesaid subsidiaries have been audited by other auditors.

Cantabria Pharma S. L. (CP), a wholly owned subsidiary of Wanbury Holding B. V., had filed for voluntary insolvency in the Commercial Court of Madrid, Spain on 4 November 2013. As per the order of Commercial Court of Madrid, Spain, the Receiver has taken the control of CP on 26 February 2014.

Consequent to the appointment of Receiver on 26 February 2014, Wanbury Holding BV ceased to have control over its wholly owned subsidiary, Cantabria Pharma S.L., Spain and wholly owned step down subsidiary Laboratories Wanbury S.L., Spain. Accordingly, effect of desubsidarization had already been given and, in respect of investment in and amounts recoverable from aforesaid subsidiaries have already been fully provided for in the Consolidated Financial Statements for the period ended 30 September 2014.

29. **Commitments:**

a) Estimated amount of contracts remaining to be executed on capital account and not provided for, net of advances ₹ 131.88 Lakhs (Pr. Yr. ₹ 113.67 Lakhs).

b) Other commitments – Non Cancellable operating leases (Refer Note 43).

30. **Contingent liabilities**:

Sr. No.	Particulars	31 March 2016 (₹ in Lakhs)	31 March 2015 (₹ in Lakhs)
a)	Disputed demands by Income Tax Authorities. Amount paid under protest and shown as advance.	207.18 59.01	201.53 59.01
b)	Disputed demands by Sales Tax Authorities. Amount paid under protest and shown as advance.	3,342.22 26.30	3,342.22 26.30
c)	Disputed demands by Service Tax Authorities. Amount paid under protest and shown as advance.	368.22 61.37	724.93 61.37
d)	Disputed demands by Excise Authorities.	127.00	85.06
e)	Disputed demand by National Pharmaceutical Pricing Authority (NPPA)	190.58	190.58
f)	Claims against the Company not acknowledged as debts.	1,600.82	1,560.70
g)	Custom duty on import under Advance License Scheme, pending fulfillment of Export obligation.	2,424.16	1,719.11

The management considers the Service Tax, Excise Duty, Custom Duty, Sales Tax and Income Tax demand received from the authorities and demand received from NPPA are not tenable against the company, and therefore no provision for these contingencies has been made.

Further, in respect of aforesaid matters, the management does not expect any material adverse effect on the company's financial conditions, results of operations or cash flows.

Future cash flows in respect of liabilities under clause (a) to (f) are dependent on decisions by relevant authorities of respective disputes.

31. Minority interest represents 4,511 (Pr. Yr. 4,511) Preference Shares of Euro 1,000/- each of Wanbury Holding B. V. The said preference shares are redeemable/ convertible into equity shares subject to the fulfillment of certain conditions mentioned in the agreement as per the agreed terms. Exim Bank has subscribed to 4,511 Preference Shares of Euro 1,000/- each of Wanbury Holding B. V., pursuant to the Preference Share Subscription Agreement dated 7 December 2006. Pursuant to the said agreement, Exim Bank has exercised Put Option vide letter dated 8 November 2011 and

Holding company is required to pay USD 60 Lakhs (Pr. Yr. USD 60 Lakhs) [₹ 3,979.97 Lakhs (Pr. Yr. ₹ 3,755.45 Lakhs)] to acquire aforesaid preference shares. Further, State Bank of India, London vide its letter dated 11 July 2012, has demanded repayment of Euro 32.60 Lakhs (Pr. Yr. Euro 32.60 Lakhs) [₹ 2,448.11 Lakhs (Pr. Yr. ₹ 2,200.84 Lakhs)] together with interest till the date of repayment from the Holding Company in terms of Guarantee & Loan agreement dated 27 September 2007 vide which aforesaid credit facilities was granted to Cantabria Pharma S. L., the step down subsidiary of the Holding Company. Both the above mentioned dues being part of the CDR Scheme will be accounted in the Holding Company's books upon arriving at mutually agreed terms of settlement with the respective parties.

32. The Wanbury Group operates solely in the pharmaceutical segment and hence no separate disclosure for segment wise information is required.

33. Erstwhile The Pharmaceutical Products of India Limited (PPIL) was merged with the Holding Company, pursuant to the Order dated 24 April 2007, passed by Hon'ble Board for Industrial and Financial Reconstruction (BIFR).

    The Hon'ble Supreme Court vide its order dated 16 May 2008, has set aside the above referred BIFR order and remitted the matter back to BIFR for considering afresh as per the provisions of Sick Industrial Companies (Special Provisions) Act, 1985 (SICA), in response to a petition filed by one of the unsecured creditors of erstwhile PPIL.

    The BIFR has directed IDBI Bank, which has been appointed as Operating Agency, to formulate new Draft Rehabilitation Scheme (DRS) pursuant to the Order of Hon'ble Supreme Court of India dated 16 May 2008. In the meanwhile, the Holding Company has sought legal opinion and the Holding Company has been advised to maintain status quo ante with respect to the merger under the said Scheme and that it should take further steps only on the basis of the fresh BIFR Order.

    In view of the above, the Holding Company has maintained a status quo. However, all actions taken by the Holding Company pursuant to the sanctioned scheme shall remain subject to and without prejudice to the orders that may be passed by the BIFR while considering the case afresh pursuant to the directions of the Hon'ble Supreme Court in its order dated 16 May 2008.

    As per BIFR Order dated 24 April 2007, statutory dues of erstwhile PPIL comprising of income tax ₹ 250.36 Lakhs, profession tax ₹ 6.06 Lakhs, custom duty ₹ 230 Lakhs, sales tax ₹ 8.50 Lakhs and excise duty ₹ 15.62 Lakhs were required to be paid in six annual installments and the Holding Company has pursuant to the scheme, allotted Non Convertible Debentures (NCDs) of ₹ 242.50 Lakhs and Optionally Fully Convertible Debentures (OFCDs) of ₹ 581.99 Lakhs, to some of the lenders of erstwhile PPIL, out of which dues amounting to ₹ 152.67 Lakhs and ₹ 581.99 Lakhs in respect of NCDs & OFCDs respectively, remains payable at the period end. Since BIFR is considering the matter afresh, pending fresh directives from the BIFR, aforesaid dues have not been paid.

34. The Corporate Debt Restructuring (CDR) proposal of the Holding Company, having 30 September 2010 as the cut off date, has been approved by the CDR Cell vide its Letter of Approval (LOA) dated 23 May 2011. Subsequently on execution of the Master Restructuring Agreement (MRA) dated 19 September 2011, effect of CDR Scheme has been given in the financial statements as per the MRA.

    MRA among other terms and conditions, provide for:

    a) Additional fund, non fund based assistance from the CDR lenders;

    b) Promoters to bring further contributions in stages;

    c) Reporting and other compliances by the Holding Company;

    d) Right to the CDR lenders to convert at their option, the whole of the outstanding amount or 20% of rupee equivalent of the defaulted amount into fully paid up equity shares of the Holding Company at par, in case of certain defaults by the Holding Company; and

    e) Right to receive recompense for the reliefs and sacrifices extended by Lenders within the CDR parameters with the approval of the CDR Empowered Group.

35. During the financial year ended on 31 March 2016, the Holding Company did not have a Chief Financial Officer as required under Section 203 of the Companies Act, 2013. However, the Chief Financial Officer has been appointed w.e.f. 22 April 2016.

36. FCCB 'A' Bonds have matured on 23 April 2012. The Holding Company had negotiated terms with bondholders holding 200 bonds and had been accounted for accordingly. For 30 FCCB 'A' Bonds, pending negotiation with bond holders, effect given in the consolidated financial statements are as per the terms at the time of issue of the bonds.

    FCCB 'B' Bonds have matured on 17 December 2012. The Holding Company has negotiated terms with 144 FCCB 'B' bondholder and effect in the accounts have been given as per the terms of settlement with the bondholder.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

37. Disclosure of trade payable as defined under the "Micro, Small and Medium Enterprises Development Act, 2006" is based on the information available regarding the status of the suppliers:

(₹ in Lakhs)

Particulars	31 March 2016	31 March 2015
a) The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year		
Principal	Nil	64.33
Interest	Nil	Nil
b) The amount of interest paid by the buyer in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act 2006, along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	Nil	Nil
c) The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act 2006.	Nil	Nil
d) The amount of interest accrued and remaining unpaid at the end of each accounting year.	Nil	Nil
e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under Section 23 of the Micro, Small and Medium Enterprises Development Act 2006.	Nil	Nil

38. The deferred tax assets (liabilities) of the Holding Company arising out of timing differences comprise of the followings major components:

(₹ in Lakhs)

Particulars	31 March 2016	31 March 2015
Liabilities:		
Depreciation	1,316.96	1,086.93
Assets:		
43B Disallowance and other deferments	3,104.13	3,226.99
Unabsorbed Depreciation	312.43	654.43
Total Assets	3,416.56	3,881.42
Deferred Tax Asset Restricted to*	1,316.96	1,086.93
Net Deferred Tax Assets (Liabilities)	Nil	Nil

*As a measure of prudence, deferred tax assets are recognised to the extent of deferred tax liabilities.

39. (a) Managerial Remunerations in case of Holding Company : **(₹ in Lakhs)**

Particulars	31 March 2016	31 March 2015
Salary & Allowances	Nil	Nil
Contribution of P.F. & Other Funds	5.23	2.61

Above excludes, provision for the future liabilities in respect of retirement benefits, which are based on actuarial valuation done on overall basis and excess remuneration.

Excess remuneration of ₹ 19.37 Lakhs pertaining to Financial year ended 31 March 2012, ₹ 19.62 Lakhs pertaining to Financial year ended 31 March 2013, ₹ 93.51 Lakhs pertaining to Financial period ended 30 September 2014 , ₹ 33.69 Lakhs pertaining to Financial period ended 31 March 2015 and ₹ 49.77 Lakhs pertaining to Financial year ended 31 March 2016 together aggregating to ₹ 215.96 Lakhs (Pr. Yr. ₹ 166.19 Lakhs), being recoverable from director, is shown under "Short Term Loans & Advances "(Refer Note 18). The Company has applied to the Central Government on 18 January 2016 for the approval of excess remuneration paid for F. Y. 2015-16 which is pending for approval.

(b) Sitting fees to directors ₹ 13.34 Lakhs (Pr. Yr. ₹ 3.98 Lakhs).

40. **Details of Auditors Remuneration:** **(₹ in Lakhs)**

Particulars	**31 March 2016**	31 March 2015
Statutory Auditors Remuneration :		
- Audit Fees	12.50	5.75
- Taxation matters	3.50	1.00
- Certification & Other Matters	6.08	1.80
- Out of Pocket Expenses	0.07	0.13
Branch Auditors Remuneration :		
- Branch Audit Fees	1.50	1.00
- Certification & Other Matters	1.50	0.25
- Out of Pocket Expenses	0.82	0.42
Cost Auditors Remuneration :		
- Cost Audit Fees	1.25	0.63
- Out of Pocket Expenses	-	0.05

Note: Above figures are exclusive of service tax.

41. **Employee Benefits**

As required by Accounting Standard - 15 "Employee Benefits" the disclosures are as under:

Defined Contribution Plans

The Holding Company offers its employees defined contribution plans in the form of Provident Fund (PF) and Employees' Pension Scheme (EPS) with the Government, and certain state plans such as Employees' State Insurance (ESI). PF and EPS cover substantially all regular employees and the ESI covers certain workers. Contributions are made to the Government's funds. While both the employees and the Holding Company pay predetermined contributions into the provident fund and the ESI Scheme, contributions into the pension fund is made only by the Holding Company. The contributions are normally based on a certain proportion of the employee's salary.

During the year, the following amounts are recognised in the account:

(₹ in Lakhs)

Particulars	**31 March 2016**	31 March 2015
Provident Fund, Employee's Pension Scheme and MLWF	367.56	168.44
Employees State Insurance	29.21	16.16
Super Annuation Fund	3.78	1.77
TOTAL	**400.55**	**186.37**

Defined Benefit Plans

Gratuity:

The Holding Company makes annual contributions to the Employees' Group Gratuity - cum Life Assurance (Cash Accumulation) Scheme of the LIC, a funded defined benefit plan for qualifying employees. The scheme provides for payment to vested employees as under :

a) **On normal retirement/ early retirement/ withdrawal/ resignation:**

As per the provisions of Payments of Gratuity Act, 1972 with vesting period of 5 years of service.

b) **On the death in service:**

As per the provisions of Payment of Gratuity Act, 1972 without any vesting period.

Disclosures for defined benefit plans i.e. (Gratuity Funded Plan) based on actuarial reports as on 31 March 2016:

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

(₹ in Lakhs)

	Particulars	31 March 2016	31 March 2015
a)	**Changes in Defined Benefit Obligation**		
	Opening defined benefit obligation	425.99	354.04
	Current service cost	112.04	48.06
	Interest cost	32.80	14.16
	Actuarial loss / (gain)	(28.41)	9.73
	Benefit (paid)	(24.01)	Nil
	Closing defined benefit obligation	518.41	425.99
b)	**Changes in Fair Value of Assets**		
	Opening fair value of plan assets	19.68	15.60
	Expected return on plan assets	1.67	0.79
	Actuarial gain / (loss)	(2.74)	(0.81)
	Contributions of employer	3.15	4.10
	Benefits (paid)	(0.86)	Nil
	Closing fair value of plan assets	20.90	19.68
c)	**Amount recognised in the Balance Sheet**		
	Present value of the obligations as at period end	518.41	425.99
	Fair value of the plan assets as at period end	20.90	19.68
	Net (asset) / liability recognised as at period end	497.51	406.31
d)	**Expenses recognised in the Statement of Profit and Loss Account**		
	Current service cost	112.04	48.06
	Interest on defined benefit obligation	32.80	14.16
	Expected return on plan assets	(1.67)	(0.79)
	Net actuarial loss / (gain) recognised in the current period	(25.68)	10.54
	Total expense	117.49	71.97
e)	**Asset information**		
	Government of India Securities	Nil	Nil
	Equity shares of listed companies	Nil	Nil
	Property	Nil	Nil
	Bank Balance	Nil	Nil
	Funds managed by Insurer	100%	100%
f)	**Principal actuarial assumptions used**		
	Discount rate (p.a.)	7.70%	8.00%
	Expected rate of return on plan assets (p.a.)	8.00%	9.00%
	Annual increase in salary cost (p.a.)	7.50%	7.50%

The estimates of future salary increase, considered in the actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

The expected contribution for Defined Benefit Plan for the next financial year will be in line with current financial period.

Death Benefit:

The Holding Company provides for death benefit, a defined benefit plan, (the death benefit plan) to certain categories of employees. The death benefit plan provides a lump sum payment to vested employees on death, being compensation received from the insurance company and restricted to limits set forth in the said plan. The death benefit plan is non – funded.

Leave Encashment:

The Holding Company's employees are entitled for compensated absences which are allowed to be accumulated and encashed as per the Holding Company's rule. The liability of compensated absences, which is non-funded, has been provided based on report of independent actuary using the "Projected Unit Credit Method".

Accordingly, ₹ 416.92 Lakhs (Pr. Yr. ₹ 375.19 Lakhs) being liability as at the year-end for compensated absences as per actuarial valuation has been provided in the accounts.

42. During the year, the Holding Company has entered into forward exchange contract, being derivative instrument for hedge purpose and not intended for trading or speculation purposes, to establish the amount of currency in Indian Rupees required or available at the settlement date of certain payables and receivables.

Details of the forward contract outstanding at the year-end are as under:

Currency	Buy or Sell	Cross Currency	Amount in US $	
			31 March 2016	31 March 2015
US $	Sell	INR	80.00 Lakhs	66.25 Lakhs

The period end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are as below:

Particulars	Foreign Currency	Foreign Currency Amount in Lakhs		₹ in Lakhs	
		31 March 2016	31 March 2015	**31 March 2016**	31 March 2015
Amount Receivable	EURO	4.90	4.42	368.32	298.30
	USD	0.07	7.07	4.49	442.84
	GBP	-	0.04	-	3.44
Amount Payable	EURO	40.66	48.12	3,053.05	3,248.32
	USD	53.10	70.83	3,522.48	4,433.16
	GBP	-	0.05	-	4.66
	AED	-	0.12	-	2.04

43. Disclosure for operating leases under Accounting Standard 19 “Accounting for Leases”:

The Wanbury Group has taken various residential /godowns / office premises (including furniture and fittings, therein as applicable) /cars under operating lease or leave and license agreements. These are generally cancellable and ranges from 11 months to 60 months under leave and license, or longer for other leases and are renewable by mutual consent on mutually agreeable terms. The Wanbury Group has given refundable interest free security deposits in accordance with the agreed terms. The lease payments of ₹ 372.73 Lakhs (Pr. Yr. ₹ 170.90 Lakhs) are recognised in the Statement of Profit and Loss under “Rent” under Note 26.

The future lease payments and payment profile of non cancellable operating leases are as under:

(₹ in Lakhs)

Particulars	**31 March 2016**	31 March 2015
Not later than one year	Nil	17.02
Later than one year but not later than five years	Nil	Nil
Later than five years	Nil	Nil

44. **Related Party Disclosure:**

A. Relationship:

Category I: Major Shareholders:

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

- Expert Chemicals (India) Pvt. Ltd.

Category II: Subsidiary Company:

- Cantabria Pharma S. L. (Spain)

Category III: Key Management Personnel and their relatives:

- Mr. K. Chandran-Vice Chairman
- Mr. P. V. Pasupathy-President API
- Mr. Indranil Chakravartty (up to 13 August 2015)
- Mr. Rajiv Kohli - President Formulation (w.e.f. 20 April 2015)
- Mr. Jitendra J. Gandhi – Company Secretary

Category IV: Others (Enterprise owned or significantly influenced by key Management personnel or their relatives)

- Wanbury Infotech Pvt. Ltd
- Bravo Healthcare Limited
- Wanbury Pharma Limited

B. Transactions carried out with Related Parties: **(₹ in Lakhs)**

Sr. No.	Transactions	Category	31 March 2016	31 March 2015
1)	**Share Application Money received:**			
	Expert Chemicals (India) Pvt. Ltd. *includes Advances taken adjusted against Share Application money of ₹ 201 Lakhs	I	*1,222.31	Nil
2)	**Remuneration paid:**			
	Mr. P. V. Pasupathy	III	296.66	133.59
	Mr. Indranil Chakravartty	III	87.54	53.96
	Mr. Rajiv Kohli	III	136.78	Nil
	Mr. Jitendra J. Gandhi	III	22.08	Nil
3)	**Excess Remuneration to Director treated as Receivable (Refer Note 39):**			
	Mr. K. Chandran	III	49.77	33.69
4)	**Information Technology Services taken:**			
	Wanbury Infotech Pvt. Ltd.	IV	235.06	140.20

C. Balances due from/to Related Parties: **(₹ in Lakhs)**

Sr. No.	Particulars	Category	31 March 2016	31 March 2015
1)	**Advances taken:**			
	Expert Chemicals (India) Pvt. Ltd.	I	Nil	201.00
2)	**Loans and Advances given:**			
	Cantabria Pharma S. L.	II	1,219.33	1,219.33
	Bravo Healthcare Ltd.	IV	7,598.04	7,598.04
3)	**Share Application Money pending allotment**			
	Expert Chemicals (India) Pvt. Ltd.	I	1,222.31	Nil
4)	**Amount Payable:**			
	Wanbury Infotech Pvt. Ltd.	IV	57.82	113.82
5)	**Excess Remuneration Receivable:**			
	Mr. K. Chandran	III	215.96	166.19
6)	**For Investments and Diminution in value of investments: Refer Note 12**			

45. The Holding Company has instituted Employee Stock Option Scheme 2015 ("ESOP 2015") during the year which was approved by the shareholders vide their resolution dated 23 March 2015. The Board of Directors of the Holding Company has granted 3,00,000 option to a employee pursuant to the ESOP 2015 on 5 November 2015. Each option entitles an

employee to subscribe to one equity share of the Company at an exercise price of ₹ 61/- per share. Further, all the option granted have been lapsed during the year. Subsequently, the Board has decided to come out with new ESOP Scheme and in view of the same, the ESOP Scheme 2015 stands withdrawn.

46. During the year, pursuant to the Corporate Debt Restructuring scheme, the Holding Company has received ₹ 1,222.31 Lakhs from Expert Chemicals (India) Pvt. Ltd. being promoter's contribution towards the preferential allotment of equity shares of ₹ 10/- each to be issued at a premium of ₹ 27.50 per equity share, upon completion of requisite approvals and compliances.

47. Net-worth of the Wanbury Group as on 31 March 2016, based on Consolidated Financial Statements is negative. The Holding Company has initiated various measures, including restructuring of debts/business and infusion of funds etc. Consequently, in the opinion of the management, operations will continue without interruption and hence, Consolidated Financial Statements are prepared on a "going concern" basis.

48. Figures for the current financial year, being for twelve months from 01 April 2015 to 31 March 2016, are not strictly comparable with those of the previous financial period which are for six months i.e. from 1 October 2014 to 31 March 2015.

49. Additional information as required under Schedule III of the Companies Act, 2013, of the enterprise consolidated as subsidiaries :

(₹ in Lakhs)

Name of Enterprise	Net assets Total Assets minus Total Liabilities				Share in profit (loss)			
	2015-16		2014-15		**2015-16**		2014-15	
	As % of consolidated net assets	Net Assets	As % of consolidated net assets	Net Assets	As % of consolidated profit (loss)	Profit (Loss)	As % of consolidated profit (loss)	Profit (Loss)
Holding Company								
Wanbury Limited	(100.59)	(16,305.90)	(100.58)	(16,824.72)	(98.44)	(703.49)	100.11	320.76
Foreign Subsidiaries								
Wanbury Global FZE	0.01	2.22	0.01	2.36	(0.04)	(0.27)	(0.10)	(0.34)
Ningxia Wanbury Fine Chemicals Company Limited	-	-	0.07	10.81	(1.52)	(10.88)	-	-
Wanbury Holding B. V.	0.58	93.13	0.50	83.73	-	-	(0.01)	(0.04)
Total	**(100.00)**	**(16,210.55)**	**(100.00)**	**(16,727.82)**	**(100.00)**	**(714.64)**	**100.00**	**320.38**

Note: The above figures are after eliminating intra group transactions and intra group balances.

50. Figures of previous financial period are regrouped/ rearranged wherever necessary.

For and on behalf of the Board of Directors

K. Chandran
Vice Chairman
(DIN : 00005868)

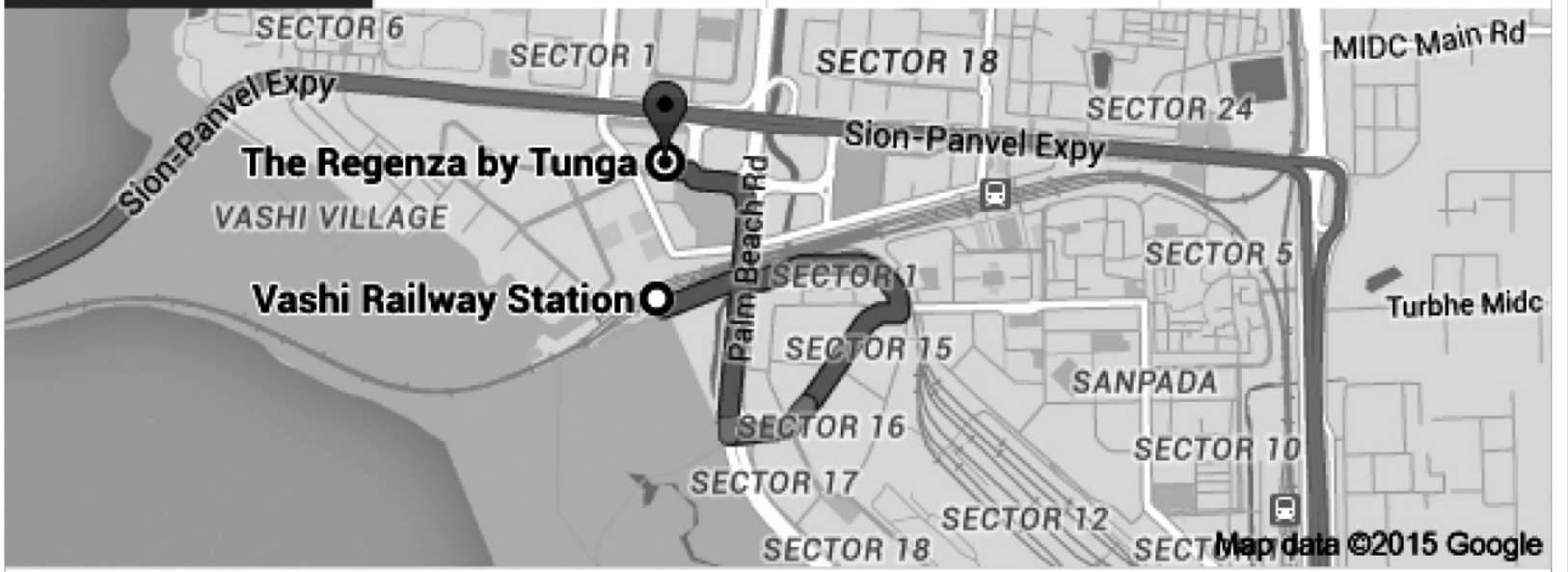
N. K. Puri
Director
(DIN : 00002226)

Jitendra J. Gandhi
Company Secretary

Vinod Verma
Chief Financial Officer

Mumbai, 18 May 2016

Route Map for 28th Annual General Meeting to be held on Thursday, 29 September, 2016 at 11:30 A.M. at Hotel Tunga Regenza, Plot No. 37, Sector 30-A, Vashi, Navi Mumbai - 400 703.



8 min (2.7 km) via Palm Beach Rd

Directions

WANBURY LIMITED

Address: BSEL Tech Park, B - Wing, 10th Floor, Sector 30-A, Opp. Vashi Railway Station, Vashi, Navi Mumbai – 400 703.
CIN: L51900MH1988PLC048455 www.wanbury.com
Tel.: +91-22-67942222, **Fax:** +91-22-67942111/333 **E-mail:** shares@wanbury.com, **Website:** www.wanbury.com

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PROXY FORM

FORM NO. MGT-11

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the Member(s): _____

Registered address: _____

E-mail ID: _____

Folio No. / DP ID and Client ID: _____

I/We, being the Member(s) holding _____ shares of the above named Company, hereby appoint:

1. Name: _____ E-mail ID: _____

Address: _____

Signature of Proxy holder: _____ or failing him/her

2. Name: _____ E-mail ID: _____

Address: _____

Signature of Proxy holder: _____ or failing him/her

3. Name: _____ E-mail ID: _____

Address: _____

Signature of Proxy holder: _____

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 28th Annual General Meeting, to be held on Thursday, **29 September, 2016 at 11:30 A.M.** at Hotel Tunga Regenza, Plot No. 37, Sector 30-A, Vashi, Navi Mumbai - 400 703 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Description	For	Against
1	Ordinary Resolution for adoption of; a) the Standalone Audited Financial Statements of the Company for the Financial Year ended 31 March, 2016 along with the Reports of Directors and Auditors thereon. b) the Consolidated Audited Financial Statements of the Company for the Financial Year ended 31 March, 2016.		
2	Ordinary Resolution for Re-appointment of Mr. K. Chandran, Director of the Company liable to retire by rotation.		
3	Ordinary Resolutions: a) Appointment of M/s. Kapoor and Parekh Associates, Chartered Accountants, Mumbai as Statutory Auditors of the Company b) Appointment of M/s. Kolath & Co., Chartered Accountants, Chennai, as Branch Auditors of the Company.		
4	Ordinary Resolution for Ratification of appointment and payment of remuneration to M/s. Hemant Shah & Associates, Cost Accountant as Cost Auditors of the Company.		
5	Special Resolution for appoitment and payment of remuneration to Mr. K. Chandran, Wholetime Director of the Company.		
6	Special Resolution to Issue of Equity Shares on Preferential basis to M/s. Expert Chemicals (India) Pvt. Ltd., Promoters of the Company under CDR Scheme .		
7	Special Resolution for Issue/Allotment of CCD's Convertible into equal number of Equity Shares on Preferential basis to Edelweiss Asset Reconstruction Company Limited (EARC).		
8	Special Resolution for issue of Stock Options under Employee Stock Option Plan 2016.		
9	Special Resolution for Issue of 3,00,000 options, to Mr. P. V. Pasupathy, being the president of the Company exceeding 1% of the Paid-up/Issued Capital:		

Signed this _____ day of _____ 2016.

AFFIX REVENUE STAMP

_____

Signature of Shareholder

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. A proxy need not be a Member of the Company.
3. In case the Member appointing proxy is a body corporate, the proxy form should be signed under its seal or be signed by an officer or an attorney duly authorised by it and an authenticated copy of such authorisation should be attached to the proxy form.
4. A person can act as proxy on behalf of such number of Members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. Further, a Member holding more than ten percent of the total share capital of the Company carrying voting rights, may appoint a single person as proxy and such person shall not act as proxy for any other person or Member.
5. Appointing a proxy does not prevent a Member from attending the meeting in person if he/she so wishes.
6. In case of joint holders, the signature of any one holder will be sufficient, but names of all the joint holders should be stated.

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WANBURY
Towards Better Healthcare

Product Range

Formulations

APIs

- Metformin
- Glucosamine
- Methoxsalen
- Atenol
- Quetiapine
- Valacyclovir
- Mefenamic Acid
- Amitriptyline
- Tramadol
- Promethazine
- Paroxetine Hemihydrate
- Levetiracetam
- Sertraline
- Carvedilol
- Gabapentene
- Clopidogrel
- Diphenhydramine
- Pregabalin

WANBURY

Towards Better Healthcare

www.wanbury.com

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