23rd Annual Report
2014-15

Kilitch Drugs (India) Ltd.

SRO
ORAL REHYDRATION SALTS BP
WHO Formula
SRO

C-Seal 0.50

ROÏVIT
Fer
Vitamine C
20 Comprimés effervescents
ROÏVIT
Calcium
Vitamine C
20 Comprimés effervescents
ROÏVIT
Ginseng
Plus

FROM THE DESK OF MANAGING DIRECTOR!!

Dear Valued Shareholders,

On behalf of the Board of Directors,

I extend a warm welcome to all of you to the 23rd Annual General Meeting of our company.

I am delighted to say that throughout the year our company continued to evolve and expand, still remaining focused on its core strategy of becoming a leading Manufacturer & Exporter of Pharmaceutical products across the globe. While we continue to operate in the same industry, the services we provide, as a result of our merger and acquisition activity, have expanded considerably.

To realise better results from a performance-oriented approach, our Company has also increased performance-linked incentives and introduced mentoring programmes for our employees. We are continuously expanding our sales and marketing reach,

My primary aim is to reignite growth and to rebuild the high-performance culture of the Company, as well as a value system all stakeholders can be proud of.

On the production front, our Thane factory have been augmented and restructured. As we regain momentum, we will continue to deliver value to our customers and stimulating, challenging work to our people, while we create a better working environment, in which our existing and new employees can thrive.

I strongly believe that we enjoy a robust foundation that will support growth across all our lines of businesses. We have demonstrated our capabilities in different segments and markets across the globe.

I intend to continue to leverage this solid platform to achieve our aspirations and deliver value to our stakeholders. As we step into a new phase of vitality, we continue to rely on this support and confidence.

Mukund P. Mehta

Managing Director

COMPANY INFORMATION

BOARD OF DIRECTORS

Mukund P Mehta	Managing Director
Paresh P Mehta	Joint Managing Director
Bhavin M. Mehta	Executive Director
Mira Mehta	Whole time Director
Deepu Pannankattil	Whole time Director
Mukesh Shah	Independent Director
Pankaj Kamdar	Independent Director
Shailesh Chheda	Independent Director
Hemang Engineer	Independent Director
Ramesh Modi	Independent Director

REGISTERED OFFICE

C-301/2, M.I.D.C. TTC Industrial Area,
Pawane Village, Thane: 400 705.
Tel.: 022-27670322, 27680913, 65144185
Fax: 022-27680912

ADMINISTRATIVE OFFICE

Ujagar Industrial Estate, Unit No. 37,
W.T. Patil Marg, Deonar, Mumbai - 400 088
Tel.: 022-67033322 / Fax: 022-67031658
Website: www.killitch.com
e-mail: info@killitch.com

COMPANY SECRETARY AND COMPLIANCE OFFICER

NIRMAL KUMAR

AUDITORS

A.M. GHELANI & CO.
Chartered Accountants

BANKERS

The Shamrao Vithal Co-Op Bank Ltd
State Bank of India
Axis Bank Ltd

REGISTRAR & SHARE TRANSFER AGENTS
LINK INTIME INDIA PRIVATE LIMITED

C -13, Pannalal Silk Mills Compound, L.B.S. Marg,
Bhandup (W), Mumbai-400 078
Tel.:022-25963838 / Fax: 022-25946969

CONTENTS: **Page No.**

Notice 3

Directors Report & MDA 8

Corporate Governance Report 22

Auditors Report 31

Balance Sheet 34

Statement of Profit & Loss 35

Cash Flow Statement 36

Notes Forming Part of the accounts 38

Consolidated Financial Statements

Auditors Report 51

Balance Sheet 54

Statement of Profit & Loss 55

Cash Flow Statement 56

Notes Forming Part of the accounts 58

NOTICE

Notice is hereby given that the **23rd** Annual General Meeting of the Members of **KILITCH DRUGS (INDIA) LIMITED** will be held at C-301/2, MIDC, TTC Industrial Area, Pawane Village, Thane-400701, on **Wednesday, 30th September, 2015** at **9.00 A.M.** on to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Standalone and Consolidated Audited Financial Statements as on March 31, 2015 and the Reports of the Board of Directors' and Auditor's thereon.
2. To appoint a Director in place of Mr. Mukund Mehta, who retires by rotation and being eligible, offers himself for re-appointment.
3. To ratify the appointment of auditors of the Company and to fix their remuneration and to pass the following resolution as an ordinary resolution thereof:

   "RESOLVED THAT, pursuant to the provisions of Sections 139 and 142 of the Companies Act, 2013 and the Rules made there under, and pursuant to the recommendations of the audit committee of the Board of Directors, and pursuant to the resolution passed by the members at the AGM held on 30th September 2014, the appointment of **M/s. A.M. Ghelani & Company, Chartered Accountants** (Firm Registration no. 102860W) as the auditors of the Company to hold office till the conclusion of the third consecutive AGM to be held in the year 2017 be and is hereby ratified and that the Board of Directors be and are hereby authorized to fix such remuneration payable to them for the financial year ended 31st March 2016 as may be determined by the audit committee in consultation with the auditors, and that such remuneration may be paid on a progressive billing basis to be agreed upon between the auditors and 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:

   "RESOLVED THAT pursuant to Section 149, 152 and other applicable provisions of the Companies Act, 2013 and the Rules made there under, read with Schedule IV to the Companies Act, 2013, Mr. Pankaj Kamdar **[DIN: 01774026],** Director of the Company who retires by rotation at the Annual General Meeting and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 signifying his intention to propose Mr. Pankaj Kamdar as a candidate for the office of Director of the Company, be and is hereby appointed as an Independent Director of the Company to hold office upto March 31, 2020, not liable to retire by rotation."
5. To consider, and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

   "RESOLVED THAT pursuant to Section 149, 152 and other applicable provisions of the Companies Act, 2013 and the Rules made there under, read with Schedule IV to the Companies Act, 2013, Mr. Hemang Engineer **[DIN: 02317989],** Director of the Company who retires by rotation at the Annual General Meeting and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 signifying his intention to propose Mr. Hemang Engineer as a candidate for the office of Director of the Company, be and is hereby appointed as an Independent Director of the Company to hold office upto March 31, 2020, not liable to retire by rotation."

For and on behalf of the
Board of Directors

MUKUND MEHTA
MANAGING DIRECTOR
DIN:00147876

Place: Mumbai
Date: 14/08/2015

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. The proxy form should be lodged with the Company at its Registered Office at least 48 hours before the commencement of the Meeting.

   A person can act as a proxy on behalf 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. 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 a proxy for any other person or shareholder.
2. The Register of Members and Share Transfer Books of the Company will remain closed from **Wednesday, September 23, 2015 to Wednesday, September 30, 2015 (both days inclusive.)**
3. Members are requested to promptly notify any changes in their addresses to the Company at its Registered Office.
4. Corporate members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution in advance authorising their representative to attend and vote on their behalf at the Meeting.
5. All documents referred to in the Notice are open for inspection at the Registered Office of the Company during office hours on all days except Sunday & public holidays between 11.00 a.m. and 1.00 p.m. up to the date of Annual General Meeting.
6. Copies of Annual Report 2015 are being sent by electronic mode only to all the members whose email address are registered with the Company/Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email addresses, physical copies of the aforesaid documents are being sent by permitted mode.

7. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013, will be available for inspection by members.
8. The Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Companies Act, 2013, will be available for inspection by the members at the AGM.
9. For convenience of members, an attendance slip is annexed to the proxy form. Members are requested to affix their signature at the space provided and hand over the attendance slips at the place of meeting. The proxy of a member should mark on the attendance slip as 'sproxy'.
10. IF THE MEMBERS HAVE ANY QUERIES ON THE AUDITED ACCOUNTS, DIRECTORS' REPORT & AUDITOR'S REPORT, THE SAME SHOULD BE FORWARDED TO THE COMPANY IN WRITING AT ITS REGISTERED OFFICE AT LEAST 10 DAYS BEFORE THE MEETING SO THAT THE SAME CAN BE REPLIED AT THE TIME OF ANNUAL GENERAL MEETING TO THE MEMBERS' SATISFACTION.
11. Members holding shares in electronic (dematerialised) form are advised to send the requests for change of address, bank particulars, bank mandate, residential status or requests for transmission of shares etc. to their Depository Participants. The Company or its Registrars cannot act on any such requests received directly from the members holding shares in electronic form.
12. Pursuant to the requirement of Corporate Governance Code under the Listing Agreement with the Stock Exchanges, the information about the Directors proposed to be appointed/re-appointed at the AGM is given in the Annexure to this Notice.
13. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their depository participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company or its Registrar and Share Transfer Agent, M/s. Link Intime India Private Limited.
14. Pursuant to Section 72 of the Companies Act, 2013, members are entitled to make a nomination in respect of shares held by them. Members desirous of making a nomination, pursuant to the Rule 19 (1) of the Companies (Share Capital and Debentures) Rules, 2014 are requested to send their requests in Form No. SH-13, to the Registrar and Share Transfer Agent (RTA) of the Company. Further, members desirous of cancelling/varying nomination pursuant to the Rule 19 (9) of the Companies (Share Capital and Debentures) Rules, 2014, are requested to send their requests in Form No. SH-14, to the RTA of the Company. These forms will be made available on request.
15. Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 for items of Special Businesses is annexed herewith.
16. Members are requested to bring their copies of the reports to Annual General Meeting.
17. Members holding shares in the same set of names under different ledger folios are requested to apply for consolidation of such folios alongwith share certificates to the Company.
18. In order to exercise strict control over the transfer documents, members are requested to send the transfer documents/ correspondence, if any, directly to:

UNIT: KILITCH DRUGS (INDIA) LIMITED
C/o. Link Intime India Private Limited
Registrar & Share Transfer Agent
C-13, Pannanlal Silk Mills Compound,
L.B.S. Marg, Bhandup(W), Mumbai-400078
Tel: 022- 25963838; Fax: 022-25946969

Instructions for Voting through electronics means:

a. In compliance with the provisions of section 108 of the Act, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration Amendment Rules, 2015 and Clause 35B of the Listing Agreement, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by Central Depository Services (India) Limited (CDSL):

The instructions for e-voting are as under:

i. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.
ii. The Members who have cast their vote by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.
iii. The remote e-voting period will commence on **Saturday, September 26, 2015 at 9.30 a.m.** and will end on **Tuesday, September 29, 2015 at 5.00 p.m**. During this period, the members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of **September 23, 2015**, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
iv. The shareholders should log on to the e-voting website **www.evotingindia.com** during the voting period.

v. Click on "Shareholders" tab.

vi. Now, select the "Kilitch Drugs (India) Limited" from the drop down menu and click on "SUBMIT"

vii. Now enter your User ID

a. For CDSL: 16 digits beneficiary ID,

b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

c. Members holding shares in Physical Form should enter Folio Number registered with the Company.

viii. Next enter the Image Verification as displayed and Click on Login.

ix. If you are holding shares in demat 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.

x. If you are a first time user, follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax department (Applicable for both demat 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. Eg. If your name is Rajesh Kumar with sequence number 1 then enter RA00000001 in the PAN Field.
DOB	Enter the date of Birth as recorded in your demat account or in the company records for the said demat amount or folio in dd/mm/yyyy format.

xi. After entering these details appropriately, click on "SUBMIT" tab.

xii. 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 also to be 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.

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

xiv. Click on the EVSN for the relevant Kilitch Drugs (India) Limited on which you choose to vote.

xv. 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.

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

xvii. 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.

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

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

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

xxi. Note for Institutional Shareholders & Custodians:

- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to https://www.evotingindia.co.in and register themselves as Corporate.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to **helpdesk.evoting@cdslindia.com**.
- After receiving the login details they have to create compliance user 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.
- 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.

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

xxiii. The voting rights of the members shall be in proportion to their of paid-up equity share capital of the Company as on relevant date of 23rd September, 2015.

xxiv. Mr. Deep Shukla, has been appointed as the scrutinizer to scrutinize the e-voting process in fair and transparent manner

xxv. If you are already registered with CDSL for remote e-voting then you can use your existing user ID and password/PIN for casting your vote.

xxvi. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).

xxvii. Members have an option to vote either through e-voting or casting a vote at the Meeting. If a Member has opted for e-voting, then he should not cast his vote at the Meeting also and vice-versa. However, in case, a Member has cast his vote at the Meeting and also by e-voting, then voting done through e-voting shall prevail and voting done at the Meeting shall be treated as invalid.

xxviii. Any person, who acquires shares of the Company and becomes member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. September 23, 2015, may obtain the login ID and password by sending a request at **evoting@cdsl.co.in**

However, if you are already registered with CDSL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" option available on **www.evoting.cdsl.com** or contact CDSL at the following toll free no.: 1800-200-5533.

xxix. A person, whose name is recorded in the register of members 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 at the AGM through ballot paper.

xxx. The Chairman shall, at the AGM, allow voting with the assistance of the Scrutinizer, by use of "Ballot Paper" or e-voting for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.

xxxi. The Scrutinizer shall, after the conclusion of voting at the AGM, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of atleast two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated Scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by the Chairman in writing, who shall countersign the same and declare the result of the voting forthwith.

xxxii. The Results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company viz: www.kilitch.com and on the website of CDSL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the BSE Limited and National Stock Exchange of India Limited, Mumbai.

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

Item No. 4:

Mr. Pankaj Kamdar is a Non Executive Independent Director of the Company and was appointed on September 29, 2007. Mr. Pankaj Kamdar retires by rotation at the ensuing AGM under the provisions of the erstwhile Companies Act, 1956. In terms of Section 149 and any other applicable of the Companies Act, 2013, Mr. Pankaj Kamdar being eligible and seeking re-appointment, is proposed to be appointed as an Independent Director of the Company for a term of five years.

The Company has received notice in writing under the provisions of Section 160 of the Companies Act, 2013, from a member along with a deposit of ₹ 1,00,000/- proposing the candidature of Mr. Pankaj Kamdar for the office of independent Director, to be appointed as such under the provisions of Section 149 of the Companies Act, 2013.

The Company has received from Mr. Pankaj Kamdar the following:

i. Consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014;

ii. Intimation in Form DIR-8 in terms of Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that he is not disqualified under sub-section (2) of Section 164 of the Companies Act, 2013; and

iii. A declaration to the effect that he meets the criteria of independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013.

The resolution seeks the approval of members for the appointment of Mr. Pankaj Kamdar as an Independent Director of the Company up to March 31, 2020 pursuant to Section 149 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder. He is not liable to retire by rotation.

In the opinion of the Board, Mr. Pankaj Kamdar, the Independent Director proposed to be appointed, fulfils the conditions specified in the Act and the Rules made there under and he is independent of the Management.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail the services of Mr. Pankaj Kamdar in the capacity of Independent Director.

No Director, key managerial personnel or their relatives, except Mr. Pankaj Kamdar, to whom the resolution relates, is interested or concerned in the resolution.

The Board recommends the resolution set forth in Item no.4 for approval of the Members.

Item No. 5:

Mr. Hemang Engineer is a Non Executive Independent Director of the Company and was appointed on June 30, 2008. Mr. Hemang Engineer retires by rotation at the ensuing AGM under the provisions of the erstwhile Companies Act, 1956. In terms of

Section 149 and any other applicable of the Companies Act, 2013, Mr. Hemang Engineer being eligible and seeking re-appointment, is proposed to be appointed as an Independent Director of the Company for a term of five years.

The Company has received notice in writing under the provisions of Section 160 of the Companies Act, 2013, from a member along with a deposit of ₹ 1,00,000/- proposing the candidature of Mr. Hemang Engineer for the office of independent Director, to be appointed as such under the provisions of Section 149 of the Companies Act, 2013.

The Company has received from Mr. Hemang Engineer the following:

i. Consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014;

ii. Intimation in Form DIR-8 in terms of Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that he is not disqualified under sub-section (2) of Section 164 of the Companies Act, 2013; and

iii. A declaration to the effect that he meets the criteria of independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013.

The resolution seeks the approval of members for the appointment of Mr. Hemang Engineer as an Independent Director of the Company up to March 31, 2020 pursuant to Section 149 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder. He is not liable to retire by rotation.

In the opinion of the Board, Mr. Hemang Engineer, the Independent Director proposed to be appointed, fulfils the conditions specified in the Act and the Rules made there under and he is independent of the Management.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail the services of Mr. Hemang Engineer in the capacity of Independent Director.

No Director, key managerial personnel or their relatives, except Mr. Hemang Engineer, to whom the resolution relates, is interested or concerned in the resolution.

The Board recommends the resolution set forth in Item no.5 for approval of the Members.

For and on behalf of the Board of Directors

MUKUND MEHTA
MANAGING DIRECTOR
DIN:00147876

Place: Mumbai
Date: 14/08/2015

As required by Clause 49 of the Listing Agreement, the particulars of Directors who are proposed to be appointed / reappointed are given below:

Name of Directors	Age [in yrs.]	Qualifications	Experience	No. of shares held
Mr. Mukund Mehta	63	B.Com,BGL	30 years in Pharmaceutical industry with vast personal with various export clients.	5,49,978
Mr. Pankaj Kamdar	62	B.Com	30 years of experience in Retail pharmaceutical business	NIL
Mr. Hemang Engineer	50	B.Com., LL.B.	Mr. Hemang Engineer is the Managing Partner in Gordhan & Fozdar, Advocates & Solicitors. The said firm is more than 80 years old. His practice includes areas such as Construction and Real Estate, Banking and Finance, Intellectual Property Rights, Commercial Contracts, Alternative Dispute Resolution. He has represented a vast range of clients including Private and Public Companies, Banks, Real Estate Developers, Individuals, Government Institutions and Organizations.	NIL

DIRECTORS' REPORT

To,

The Members,

KILITCH DRUGS (INDIA) LIMITED

Your Directors have pleasure in presenting their 23rd Annual Report on the Audited Statement of Accounts of the Kilitch Drugs (India) Limited *["Company"]* for the Financial Year ended March 31, 2015.

1. **FINANCIAL RESULTS**

The summarized financial performance of the Company for the FY 2014-15 and FY 2013-14 is given below:

[₹ in lacs]

Particulars	Standalone		Consolidated
	2014-2015	2013-2014	2014-2015
Gross Income	2171.76	2118.92	2174.82
Profit Before Tax, Interest and Depreciation	100.95	250.28	90.55
Finance Charges	0.00	0.00	0.00
Provision for Depreciation	185.39	143.97	185.39
Net Profit/ (Loss) Before Tax	(84.44)	106.29	(94.84)
Tax Expense	65.90	11.35	65.90
Net Profit/ (Loss) After Tax	(18.55)	117.64	(28.94)
Balance of Profit brought forward	(18.55)	117.64	-
Balance available for appropriation	NIL	117.64	-
Proposed Dividend on Equity Shares	NIL	NIL	-
Tax on proposed Dividend	NIL	NIL	-
Transfer to General Reserve	NIL	NIL	-
Surplus carried to Balance Sheet	(18.55)	117.64	(28.94)

2. **REVIEW OF OPERATIONS**

During the year under review, the Company has posted total Income of ₹ 2171.76 Lacs as against ₹ 2118.92 Lacs for the corresponding previous year.

Further, Net Loss after tax for the year under review was ₹ (18.55) Lacs as against a Net Profit of ₹ 117.64 Lacs for the corresponding previous year.

3. **DIVIDEND AND RESERVES**

In order to conserve the resources for the further growth of the Company, your Directors think fit not to recommend any dividend for the financial year under review.

FUTURE OUTLOOK:

As we look ahead, we have set clear goals and aspirations for our next set of milestones. In the medium term, building on proven results, we are leveraging the power of our carefully developed product portfolio, relationships built over a long period and a diversified customer mix. Further, we have an optimized cost structure, robust balance sheet and a highly seasoned professional management.

With the ongoing projects of 2 new manufacturing units at Ethiopia & Burkina Faso & incorporation of latest technology and capacity expansion at our Thane factory, we expect speedy positive growth rates. Our Company is well placed to capitalize on the opportunities arising out of such upcoming markets worldwide.

Combined with new marketing and branding concepts and improved product portfolio, we will see increased momentum in the coming years. Innovation & Quality remains at the core of all Kilitch initiatives and hence we shall continue to invest in R&D.

Even though the economy remains subdued now, we believe it can grow faster, due to the expansion of its international presence and innovative product portfolio. Our company is well positioned to leverage on opportunities worldwide.

Focus on Global Business

Our company sets the pace when it comes to providing innovative and customer-centric services to the world's emerging markets having footprints across the globe. Our strength is defined by our major presence in most of the West African countries along with few other African countries. We are now one of the major suppliers for many of the Ministry of Health in Francophone countries particularly, Burkina Faso. Our innovative product offerings have made us to enter successfully in new emerging markets like South East Asia , CIS countries & Gulf countries.

A strong entrepreneurial spirit of our international alliance remains one of our quickest & surest routes to success in the years ahead.

HUMAN RESOURCE

Personal and professional employee development is crucial for any growing business and Kilitch is a company that gets it all! Our HR department served as a strategic partner in the transition, keeping its eye on the ball during a sensitive time by focusing on delivering HR fundamentals and, in so doing, helping preserve and strengthen the company's brand, culture and business objectives. During the year, the department focused on delivering HR programs that built on the company's existing foundations. These included a recruitment program involving leaders and peers in the hiring process, employee engagement programs, learning and development programs reflecting established values and competencies.

As a part of Orientation Package for all new hires of kilitch we have introduced a KCB (Kilitch Cultural Book) this year, which helped us a lot to understand the views ,ideas and also Grievance (if any) of the employees. We have received a very good response and we are trying to work in the areas where we are lacking.

4. **SHARE CAPITAL**

The Paid-up Equity Share Capital of the Company as on 31st March, 2015 is ₹ 1323.18 Lacs, comprising of 13231828 shares of ₹ 10/- each. During the year under review, the Company has not issued any equity shares.

5. **DIRECTORS AND KEY MANAGERIAL PERSONNEL**

Mr. Mukund Mehta, Managing Director of the Company, retires by rotation being eligible; offers himself for reappointment at the forthcoming Annual General Meeting.

The Companies Act, 2013 (the Act) provides for appointment of independent Directors. Sub section (10) of Section 149 of the Companies Act, 2013 (effective from April 1, 2014) provides that independent directors shall hold office for a term of up to five consecutive years on the Board of a Company, but shall be eligible for re-appointment on passing of a special resolution by the company in the Annual General Meeting and disclosure of such appointment in the Board's report.

Sub-section (11) states that no independent director shall be eligible to hold office for more than two consecutive terms of five years. Sub- section (13) states that the provisions of retirement by rotation as defined in sub-section (6) and (7) of Section 152 of the Act shall not apply to such independent director.

Accordingly, Mr. Ramesh Modi has been appointed as an Independent Director with effect from 31st March, 2015, for term of 5 years.

The terms and conditions of appointment of Independent Directors are as per Schedule IV of the Act. Declaration for meeting the criteria of independence as provided in Section 149(6) of the Companies Act, 2013 and Clause 49 of the Listing Agreement entered into with Stock Exchanges has been received.

Further, Ms. Nilima Waingankar has resigned as Director of the Company w.e.f. 1st March, 2015.

Mr. Nirmal Kumar has been appointed as Company Secretary w.e.f. 1st October, 2014 and Mr. C.S. Krishnan has been appointed as Chief Financial Officer w.e.f. 31st March, 2015.

6. **DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to Section 134(3)(c) & 134(5) of the Companies Act, 2103, the Board of Directors of the Company hereby confirm that:

(a) in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;

(b) the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;

(c) the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

(d) the directors have prepared the annual accounts on a going concern basis; and

(e) the directors have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.

(f) the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

7. **PARTICULARS OF MANAGERIAL REMUNERATION**

The information required pursuant to Section 197 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company, is enclosed as ***Annexure I*** and forms part of this Report.

Further, as per the provisions specified in Chapter XIII of Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 none of the employees of the Company are in receipt of remuneration exceeding ₹ 60,00,000/- per annum, if employed for whole of the year or ₹ 5,00,000/- per month if employed for part of the year.

8. **NUMBER OF BOARD MEETINGS**

A calendar of meetings is prepared and circulated in advance to the Directors. During the year, 12 Board Meetings were convened and held, the details of which are given in the Corporate Governance Report. The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013 and the Listing Agreement.

9. **BOARD EVALUATION**

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Board has carried out an annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of its Committees. The Directors expressed satisfaction with the evaluation process. The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report.

10. **INDEPENDENT DIRECTORS**

The Independent Directors have submitted their disclosure to the Board that they fulfill all the requirements as to qualify for their appointment as Independent Director, under the provisions of section 149 of the Companies Act, 2013 as well as Clause 49 of the Listing Agreement.

11. **NOMINATION AND REMUNERATION POLICY**

The Board of Directors has framed a policy which lays down a framework in relation to remuneration of Directors. This policy also lays down criteria for selection and appointment of Board Members. The details of this policy are provided on the website of the Company on the given link: **www.kilitch.com**

12. **DETAILS OF SUBSIDIARY/JOINT VENTURES/ ASSOCIATE COMPANIES**

The Statement **AOC-1** pursuant to the provisions of Section 129 (3) of the Companies Act, 2013 read with Rule 5 of the Companies (Accounts) Rules, 2014 regarding Subsidiary Company is enclosed as ***Annexure IV*** to this Report.

13. **STATUTORY AUDIT**

At the Annual General Meeting held on September 30th, 2014, M/s A.M. Ghelani & Co, Chartered Accountant were appointed as Statutory Auditors of the Company to hold office

till the conclusion of the Annual General Meeting to be held in Calendar year 2017. In the terms of the first proviso to Section 139 of the Companies Act, 2013, the appointment of the Auditors shall be placed for ratification at every Annual General Meeting. Accordingly, the appointment of M/s A.M. Ghelani & Co, Chartered Accountants, as Statutory Auditors of the Company, is placed for Ratification by the Shareholders. In regard to the Company has received a Certificate from the Auditors to the effect that if they are reappointed, it would be in accordance with the provisions of Section 141 of the Companies Act, 2013.

Auditors Report as issued by M/s A.M. Ghelani & Co, Chartered Accountants, Auditors of the Company is self explanatory and need not call for any explanation by your Board.

14. **COST AUDIT**

As per the Cost Audit Orders and in terms of the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014, Cost Audit is not applicable to our Company.

15. **SECRETARIAL AUDIT**

In terms of Section 204 of the Act and Rules made there under, M/s. Deep Shukla & Associates, Practicing Company Secretary, have been appointed Secretarial Auditors of the Company. The Secretarial Audit Report is enclosed as ***Annexure V*** to this report.

Report as issued by M/s Deep Shukla & Associates, Practicing Company Secretary, Secretarial Auditors of the Company is self explanatory and need not call for any explanation by your Board.

16. **INTERNAL AUDIT & CONTROLS**

The Company has in place adequate internal financial controls with reference to the financial statement. The Audit Committee of the Board periodically reviews the internal control systems with the management, Statutory Auditors. Significant internal audit findings are discussed and follow-ups are taken thereon.

Further, M/s. Rishi Sekhri & Associates, Chartered Accountants, M.No.126656 were appointed as Internal Auditors of the Company w.e.f. 12/02/2015

17. **COMPOSITION OF AUDIT COMMITTEE**

The Audit Committee of the Company as on 31st March, 2015 comprised of four Independent Directors, namely Mr. Mukesh Shah, Mr. Shailesh Chheda, Mr. Hemang Engineer and Mr. Pankaj Kamdar. Mr. Mukesh Shah is the Chairman of the Committee. All members of the Audit Committee possess strong knowledge of accounting and financial management. The Managing Director, Executive Director and Director (Finance) are regularly invited to attend the Audit Committee meetings. The Company Secretary is the Secretary to the Committee. The other details of the Audit Committee are given in the Corporate Governance Report, appearing as a separate section in this Annual Report.

18. **EMPLOYEES' STOCK OPTION PLAN**

As per Employee stock options Scheme (Kilitch ESOS 2007), each option is convertible into one equity shares ₹ 10/- each at exercise price of ₹ 47.50/- per share. During the year fresh options were not granted and employees did not exercise any options.

The employee compensation cost on account of this grant applicable for the year is ` Nil [P. Y. ` NIL].

19. **VIGIL MECHANISM**

In pursuant to the provisions of section 177(9) & (10) of the Companies Act, 2013, a Vigil Mechanism for directors and employees to report genuine concerns has been established. The Vigil Mechanism Policy has been uploaded on the website of the Company at **www.kilitch.com** The employees of the Company are made aware of the said policy at the time of joining the Company.

20. **RISK MANAGEMENT POLICY**

The Company has laid down the procedure to inform the Board about the risk assessment and minimization procedures. These procedures are reviewed by the Board annually to ensure that there is timely identification and assessment of risks, measures to mitigate them, and mechanisms for their proper and timely monitoring and reporting.

21. **EXTRACT OF ANNUAL RETURN:**

The details forming part of the Extract of the Annual Return in Form MGT-9, as required under Section 92 of the Companies Act, 2013 is included in this Report as ***Annexure II*** and forms part of this Report.

22. **DEPOSITS**

The Company has not accepted nor renewed any fixed deposits during the FY 2014-15.

23. **LOANS & GUARANTEES**

During the year under review, the Company has not provided any loan, guarantee, security or made any investment covered under the provisions of Section 186 of the Companies Act, 2013 to any person or other body corporate. except lien on investment at Kotak Bank for overdraft /letter of credit. Till today none of the facilities is being used.

24. **INSURANCE**

The properties/assets of the Company are adequately insured.

25. **RELATED PARTY TRANSACTIONS**

During FY 2014-15, the Company entered into certain Related Party Transactions which are in the ordinary course of business and at arm's length basis, with approval of the Audit Committee. The Audit Committee grants omnibus approval for the transactions which are of foreseen and repetitive nature. A detailed summary of Related Party Transactions is placed before the Audit Committee & the Board of Directors for their review every quarter.

There are no materially significant Related Party Transactions executed between the Company and its Promoters, Directors, key Managerial Personnel or other designated persons, that may have a potential conflict with the interest of the Company at large.

Since all Related Party Transactions entered into by the Company were in ordinary course of business and were on an arm's length basis, Form AOC-2 is applicable to the Company as per **Annexure III**.

26. **CORPORATE GOVERNANCE CERTIFICATE**

A Report on Corporate Governance alongwith a certificate from the Practicing Company Secretary regarding the compliance of conditions of corporate governance as stipulated under Clause 49 of the Listing Agreement forms a part of this Annual Report.

27. **CONSERVATION OF ENERGY, RESEARCH AND DEVELOPMENT, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE**

POWER AND FUEL CONSUMPTION	2014-15	2013-14
a) Electricity		
Purchased Unit (₹ In thousand)	841	957
Total Amount (₹ In thousand)	7490	7259
Rate/Unit (Amount in thousand)	8.90	7.59
b) Own Generator		
Fuel (Diesel) LTRS	229	16
Total Amount (₹ In thousand)	13	1
Rate per Litre (₹)	56.81	62.50
Fuel (Furance Oil)(MT)	27	65
Total Amount (₹ In thousand)	1205	2822
Rate per Litre (₹)	45.22	43.41

TECHNOLOGY ABSORPTION AND INNOVATION:

During the year under review, the Company has not imported any technology.

FOREIGN EXCHANGE EARNING AND OUTGO:

a) Expenditure in foreign currency

(₹ In Lacs)

Expenses In Foreign Currency	2014-2015	2013-2014
Business Promotion and Travelling	47.25	54.24
Export Registration	131.29	175.38
Factory Expenses	-	3.44
Sundry Expenses	-	1.19
Export Expenses	0.61	12.06

b) Earnings in Foreign Currency

(₹ In Lacs)

Earnings In Foreign Currency	2014-2015	2013-2014
Export Sale	951.31	1332.03

28. **TRANSFER OF AMOUNTS TO INVESTOR EDUCATION AND PROTECTION FUND**

As per the provision of Section 125 of the Companies Act, 2013 read with rule 4 of Companies (Declaration and Payment of Dividend) Rules, 2014, Dividend which remain unclaimed for the period of seven years are required to be transferred to the Investor Education Protection Fund administered by the Central Government. The Company has already filed the necessary form and uploaded the details of unpaid and unclaimed amounts lying with the Company, as on the date of last AGM (i.e. 30th September,2014), with the Ministry of Corporate Affairs.

Dates of declaration of dividends since 2007-2008 and the corresponding dates when unclaimed dividends are due to be transferred to the Central Government are given in the below table.

Financial Year Ended	Date of declaration of Dividend	Amount Remaining unclaimed/ Unpaid as on 31.03.2014 (₹)	Last date for claiming unpaid dividend amount (before)	Last date for transfer to IEPF
2007-08	22.09.2008	7,03416	31.07.2016	30.09.2016
2008-09	22.09.2009	3,33,103	31.07.2017	30.09.2017
2009-10	20.10.2010	3,81,280	31.07.2018	30.09.2018
2010-11	10.09.2011	4,75,219	31.07.2019	30.09.2019
2011-12	29.09.2012	86,76,450	31.07.2020	30.09.2020

Members are requested to note that after completion of seven years, no claims shall lie against the said fund or company for the amounts of dividend so transferred, nor shall any payment be made in respect of such claims.

29. **GENERAL**

During the year ended 31st March, 2015, there were no cases filed /reported pursuant to the Sexual Harassment of women at workplace (Prevention, Prohibition and Redressal) Act, 2013.

The Company confirms that it has paid the Annual Listing Fees for the year 2015-2016 to BSE and NSE where the Company's Shares are listed.

During the year under review, no significant and material orders were passed by the regulators or courts or tribunals impacting the going concern status and Company's operations.

30. **HUMAN RESOURCES**

Your Company treats its "human resources" as one of its most important assets.

Your Company continuously invests in attraction, retention and development of talent on an ongoing basis. A number of programs that provide focused people attention are currently underway. Your Company thrust is on the promotion of talent internally through job rotation and job enlargement.

31. **ACKNOWLEDGEMENT**

The Directors would like to thank all shareholders, customers, bankers, suppliers and everybody else with whose help, cooperation and hard work the Company is able to achieve the results. The Directors would also like to place on record their appreciation of the dedicated efforts put in by the employees of the Company.

For and on behalf of the Board of Directors

Place: Mumbai
Date: August 14, 2015

Mukund Mehta
Managing Director
[Din: 00147876]

Bhavin Mehta
Whole-Time Director
[Din:00147895]

Annexure I

Information required under Section 197 of the Companies Act, 2013

read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

i. **The Ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2014-15 and**

ii. **The percentage increase in remuneration of each Director, Managing Director & Chief Executive Officer, Chief Financial Officer and Company Secretary of the Company in the financial year 2014-15**

Name & Designation	Remuneration of each Director & KMP for Financial Year 2014-15 (₹)	% increase/ decrease in remuneration in the Financial Year 2014-15	Ratio of remuneration of each Directors to median remuneration of employees
A. Directors			
Mukund.P.Mehta –Managing Director	24,00,000	24,00,000	17.08
Bhavin.M.Mehta-Executive Director	12,00,000	12,00,000	8.54
Mira Bhavin Mehta-Whole Time Director	12,00,000	12,00,000	8.54
Deepu.k - Whole Time Director	18,10,380	14,88,600	10.60
Mukesh Shah –Independent Director	6,000	6,000	0.04
Shailesh.H.Cheda –Independent Director	6,000	6,000	0.04
Hemang Engineer-Independent Director	6,000	6,000	0.04
Pankaj.O.Kamdar-Independent Director	6,000	6,000	0.04
B. Key Managerial Personnel			
C.S.Krishnan -CFO	3,335*	-	-
Nirmal Kumar-CS	90,006*	-	-

1. *Part of the year salary is mentioned as the said appointments were done during the FY 2014-2015 and thus the comparative figures for FY 2013-14 are not available.*
2. *Median remuneration of all the employees of the Company for the financial year 2014-15 is ₹ 1,40,470/-.*

iii. **The percentage increase in the median remuneration of employees in the financial year 2014-15**

	Financial Year 2014 - 15 (₹)	Financial Year 2013 - 14 (₹)	Increase (%)
Median remuneration of all employees	1,40,470	87.280	60.96%

Note: The calculation of % increase in the median remuneration has been done based on comparable employees.

iv. **The number of permanent employees on the rolls of Company.**

There were Ninety Two permanent employees on the rolls of Company as on March 31, 2015.

v. **The explanation on the relationship between average increase in remuneration and Company performance.**

As the performance of the Company is showing sluggish trend, the relationship between the average increase in remuneration and Company performance cannot be positively established Company.

vi. **Comparison of the remuneration of the Key Managerial Personnel against the performance of the Company.**

As the performance of the Company is showing sluggish trend, the relationship between the average increase in remuneration and Company performance cannot be positively established.

vii. **Variations in the market capitalization of the Company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase or decrease in the market quotations of the shares of the Company in comparison to the rate at which the Company came out with the last public offer**

a. The market capitalization as on March 31, 2015 was ₹ 35.99 crore (₹ 25.01 crore as on March 31, 2014).

b. Price Earning ratio of the equity shares of the Company was -194.29 as at March 31, 2015 and 21.24 as at March 31, 2014.

viii. The closing price of the Company's Equity share on the BSE and NSE as on March 31, 2015 was ₹ 27.30 and ₹ 27.20 respectively.

ix. **Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.**

The average increase of 60.96% in the salaries of employees was in line with the market projection, the performance of the Company in the financial year 2013-14, the individual performance of the employees, the criticality of the roles they play and skills set they possess. The there is no increase in the salary of the Managing Director during the year under review.

x. **The comparison of the each remuneration of Key Managerial Personnel against the performance of the Company during the Financial Year 2014-15 is as under:**

Name of the Key Manaagerial Personnel	Remuneration of each KMP for FY 2014-15	% increase/ decrease in remuneration in FY 2014-15	Comparison of remuneration of the KMPs against the performance of the Company
C.S.Krishnan	3,335*	N.A.	N.A.
Nirmal Kumar	90,006*	N.A.	N.A.

**Part of the year salary is mentioned as the said appointments were done during the FY 2014-2015 and thus the comparative figures for FY 2013-14 are not available.*

xi. **The key parameters for any variable component of remuneration availed by the Directors.**

There is no key parameter involved as there is no variation in remuneration availed by the Director

xii. **The ratio of the remuneration of the highest paid Director to that of the employees who are not Directors but receive remuneration in excess of the highest paid Director during the year.**

There are no employees of the Company who receive remuneration in excess of the highest paid Director of the Company.

xiii. **Affirmation that the remuneration is as per the Remuneration Policy of the Company**

Pursuant to Rule 5(1)(xii) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, it is affirmed that the remuneration paid to the Directors, KMPs, Senior Management and other employees of the Company is as per the Remuneration Policy of the Company.

Annexure II

FORM NO. MGT 9

EXTRACT OF ANNUAL RETURN

As on financial year ended on 31.03.2015

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

I. **REGISTRATION & OTHER DETAILS:**

CIN	L24239MH1992PLC066718
Registration Date	12/05/1992
Name of the Company	KILITCH DRUGS (INDIA) LIMITED
Category/Sub-category of the Company	PUBLIC COMPANY/ LIMITED BY SHARES
Address of the Registered office & contact details	C 301/2 MIDC TTC INDL AREA, PAWANE THANE Tel. No. 022-65144185
Whether listed company	YES
Name, Address & contact details of the Registrar & Transfer Agent, if any.	**Link Intime India Pvt. Ltd.** **Registrar & Share Transfer Agent** C-13, Pannalal Silk Mills Compoumd, L.B.S. Marg, Bhandup (W),Mumbai,Maharashtra,400078. Tel. No. 022-25963838

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)

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	ONECEF INJ.1GM	3042	38%
2	KILITCH SRO 20.80GMS	3042	10%

III. **PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:**

S. No.	Name and Address of the Holding Company	CIN/GLN	% of Shares held	Applicable Section
1	KILITCH COMPANY PHARMA LIMITED	U24230MH1983PLC030632	50.1	2(46)
2	MONARCHY HEALTHSERVE PRIVATE LIMITED	U74999MH2007PTC167204	100	2(87)

IV. **PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY** (All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

SN	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	ONECEF INJ.1GM	3042	38%
2	KILITCH SRO 20.80GMS	3042	10%

V. **SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)**

Category-wise Share Holding

Category of Shareholders	**No. of Shares held at the beginning of the year[As on 31-March-2014]**				**No. of Shares held at the end of the year[As on 31-March-2015]**				**% Change during the year**
	Demat	**Physical**	**Total**	**% of Total Shares**	**Demat**	**Physical**	**Total**	**% of Total Shares**	
A. Promoters									
(1) **Indian**									
a) Individual/ HUF	1904831	0	1904831	14.40	1904831	0	1904831	14.40	0
b) Central Govt	0	0	0	0	0	0	0	0	0
c) State Govt(s)	0	0	0	0	0	0	0	0	0
d) Bodies Corp.	6629342	0	6629342	50.10	6629342	0	6629342	50.10	0
e) Banks / FI	0	0	0	0	0	0	0	0	0
f) Any other	0	0	0	0	0	0	0	0	0
Total shareholding of Promoter (A)	**8534173**	**0**	**8534173**	**64.50**	**8534173**	**0**	**8534173**	**64.50**	**0**

Category of Shareholders	No. of Shares held at the beginning of the year[As on 31-March-2014]				No. of Shares held at the end of the year[As on 31-March-2015]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
B. Public Shareholding									
1. Institutions	0	0	0	0	0	0	0	0	0
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Banks / FI	100	0	100	0	100	0	100	0	0
c) Central Govt	0	0	0	0	0	0	0	0	0
d) State Govt(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies									
g) FIIs	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0	0	0	0	0	0
Sub-total (B)(1):-	**100**	**0**	**100**	**0**	**100**	**0**	**100**	**0**	**0**
2. Non-Institutions									
a) Bodies Corp.	370220	1233	371453	2.81	412039	1233	413272	3.12	+0.31
b) Individuals	0	0	0	0	0	0	0	0	0
i) Individual shareholders holding nominal share capital up to ₹ 1 lakh	2711098	780912	3492010	26.39	2714690	767931	3482621	26.32	0
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	632479	0	632479	4.78	559683	0	559683	4.23	-0.55
c) Others (specify)	0	0	0	0	0	0	0	0	0
Non Resident Indians	145593	0	145593	1.10	166654	0	166654	1.26	
Overseas Corporate Bodies	0	0	0	0	0	0	0	0	0
Foreign Nationals	0	0	0	0	0	0	0	0	0
Clearing Members	55920	0	55920	0.42	75325	0	75325	0	0
Trusts	0	0	0	0	0	0	0	0	0
Foreign Bodies - D R	0	0	0	0	0	0	0	0	0
Sub-total (B)(2):-	**3915410**	**782145**	**4697555**	**35.50**	**3928391**	**769164**	**4697555**	**35.50**	**0**
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	**12449683**	**782145**	**13231828**	**100**	**12462664**	**769164**	**13231828**	**100**	**0**

B) Shareholding of Promoter-

SN	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	
1	Kilitch Company Pharma Ltd	66,29,342	50.10	0	66,29,342	50.10	0	0
2	Paresh Prataprai Mehta	9,56,785	7.23	0	9,56,785	7.23	0	0
3	Mukund Prataprai Mehta	5,49,978	4.16	0	5,49,978	4.16	0	0
4	Neeta Mukund Mehta	2,94,768	2.23	0	2,94,768	2.23	0	0
5	Bhavin Mukund Mehta	1,03,300	0.78	0	1,03,300	0.78	0	0

C) Change in Promoters' Shareholding (please specify, if there is no change)

SN	Particulars	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	**85,34,173**	64.50	-	-
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.):	NIL	NIL	-	-
	At the end of the year	**85,34,173**	64.50	–	-

D) Shareholding Pattern of top ten Shareholders:

(Other than Directors, Promoters and Holders of GDRs and ADRs):

SN	For Each of the Top 10 Shareholders	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		NIL	NIL	NIL
1	**ANGEL FIINCAP PRIVATE LIMITED**	31109	0.235	35962	0.20.26572
2	**CHANDRAPRAKASH KHANDELWAL**	35000	0.265	35000	0.265
3	**INTERACTIVE BROKERS (INDIA) PVT.LIMITED**	128215	0.969	127083	0.960
4	**MINAL BHARAT PATEL**	3537	0.027	65756	0.497
5	**NEETA MANOJ RUPAREL**	62556	0.473	111258	0.841
6	**ALGORITHMICS ADVISORS AND INVESTOR LLP**	0	0	73535	0.556
7	**DARSHANA JIGNESH KOTHARI**	39296	0.297	69108	0.522
8	**GEETA BALDEV PANCHAL**	37525	0.284	37525	0.284
9	**HARSHA NARESH PANCHAL**	36629	0.277	36629	0.277
10	**ANUJH SHAH**	0	0	73495	0.555
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	NIL	NIL	NIL	NIL
	At the end of the year				
1	**ANGEL FIINCAP PRIVATE LIMITED**	35962	0.272	-	-
2	**CHANDRAPRAKASH KHANDELWAL**	35000	0.265	-	-
3	**INTERACTIVE BROKERS (INDIA) PVT.LIMITED**	127083	0.960	-	-
4	**MINAL BHARAT PATEL**	65756	0.497	-	-
5	**NEETA MANOJ RUPAREL**	111258	0.841	-	-
6	**ALGORITHMICS ADVISORS AND INVESTOR LLP**	73535	0.556	-	-
7	**DARSHANA JIGNESH KOTHARI**	69108	0.522	-	-
8	**GEETA BALDEV PANCHAL**	37525	0.284	-	-
9	**HARSHA NARESH PANCHAL**	36629	0.277	-	-
10	**ANUJH SHAH**	73495	0.555	-	-

E) Shareholding of Directors and Key Managerial Personnel:

SN	Shareholding of each Directors and each Key Managerial Personnel	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	1610063	12.17	1610063	12.17
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	-	-	-	-
	At the end of the year	1610063	12.17	1610063	12.17

VI. **INDEBTEDNESS -**Indebtedness of the Company including interest outstanding/accrued but not due for payment.

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	NIL	NIL	NIL	NIL
ii) Interest due but not paid	NIL	NIL	NIL	NIL
iii) Interest accrued but not due	NIL	NIL	NIL	NIL
Total (i+ii+iii)	NIL	NIL	NIL	NIL
Change in Indebtedness during the financial year	NIL	NIL	NIL	NIL
*** Addition**	NIL	NIL	NIL	NIL
*** Reduction**	NIL	NIL	NIL	NIL
Net Change	NIL	NIL	NIL	NIL
Indebtedness at the end of the financial year	NIL	NIL	NIL	NIL
i) Principal Amount	NIL	NIL	NIL	NIL
ii) Interest due but not paid	NIL	NIL	NIL	NIL
iii) Interest accrued but not due	NIL	NIL	NIL	NIL
Total (i+ii+iii)	**NIL**	**NIL**	**NIL**	**NIL**

VII. **REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-**

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

Sr.	Particulars of Remuneration	Name of MD/WTD/				Total Amount
		MUKUND.P. MEHTA	BHAVIN.M. MEHTA	MIRA.B. MEHTA	DEEPU.K	
1	**Gross salary**	24,00,000	12,00,000	12,00,000	18,10,380	**66,10,380**
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	-	-	-
	(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**	-	-	-	-	-
4	**Commission - as % of profit - others, specify…**	-	-	-	-	-
5	**Others, please specify**	-	-	-	-	-
	Total (A)	24,00,000	12,00,000	12,00,000	18,10,380	**66,10,380**
	Ceiling as per the Act					

The Remuneration paid to Managing Director and Whole-time Director is within the ceiling prescribed under the Companies Act, 2013.

B. Remuneration to other directors

Sr.	Particulars of Remuneration	Name of Directors				Total Amount
1	**Independent Directors**	PAMKAJ.O. KAMDAR	MUKESH SHAH	SHAILES.H. CHEDA	HEMNG. ENGINEER	
	Fee for attending board committee meetings	₹ 6,000	₹ 6,000	₹ 6,000	₹ 6,000	**₹ 24,000**
	Commission	-	-	-	-	-
	Others, please specify	-	-	-	-	-
	Total (1)	-	-	-	-	-
2	**Other Non-Executive Directors**	-	-	-	-	-
	Fee for attending board committee meetings	-	-	-	-	-
	Commission	-	-	-	-	-
	Others, please specify	-	-	-	-	-
	Total (2)	-	-	-	-	-
	Total (B)=(1+2)	-	-	-	-	-
	Total Managerial Remuneration	₹ 6,000	₹ 6,000	₹ 6,000	₹ 6,000	**₹ 24,000**
	Overall Ceiling as per the Act	-	-	-	-	-

The Remuneration paid is within the ceiling prescribed under the Companies Act, 2013.

C. **REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD**

Sr	Particulars of Remuneration	Key Managerial Personnel		
		CS	**CFO**	**Total**
1	**Gross salary**	90,006*	3,333*	93,339
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	-
	(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**	-	-	-
4	**Commission**	-	-	-
	- as % of profit	-	-	-
	Others, specify…	-	-	-
5	**Others, please specify**	-	-	-
	Total	90,006	3,333	93,339

** Part of the year salary is mentioned as the said appointments were done during the FY 2014-2015.*

VIII. **PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:**

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty	**None**				
Punishment					
Compounding					
B. DIRECTORS					
Penalty	**None**				
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty	**None**				
Punishment					
Compounding					

Annexure - III

FORM NO. AOC -II

(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 transaction under third proviso thereto.

1. Details of contracts or arrangements or transactions at Arm's length basis.

SL. No.	Particulars	Details
1	Name (s) of the related party & nature of relationship	NBZ HEALTHCARE LLP-Contract Manufacturing
2	Nature of contracts/arrangements/transaction	Loan Licence
3	Duration of the contracts/arrangements/transaction	Five Years
4	Salient terms of the contracts or arrangements or transaction including the value, if any	Loan Licence Manufacturing By Kilitch Drugs(India) Ltd For NBZ HEALTHACRE LLP.
5	Date of approval by the Board	30th May 2013
6	Amount paid as advances, if any	NIL

Annexure - IV

FORM AOC-I

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

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

Part "A": Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in Rs -Lacs.)

1.	Sl. No.	1.
2.	Name of the subsidiary	**Monarchy Healthserve Private Limited**
3.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period.	
4.	Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries.	Indian Rupees
5.	Share capital	45.17
6.	Reserves & surplus	4145.19
7.	Total assets	4210.67
8.	Total Liabilities	20.31
9.	Investments	4200.00
10.	Turnover	3.06
11.	Profit before taxation	-10.39
12.	Provision for taxation	0
13.	Profit after taxation	-10.39
14.	Proposed Dividend	0
15.	% of shareholding	99.997

For and on behalf of the Board of Directors

Place: Mumbai
Date: August 14, 2015

MUKUND MEHTA
Managing Director
[DIN: 00147876]

BHAVIN MEHTA
Whole-Time Director
[DIN: 00147895]

ANNEXURE V

SECRETARIAL AUDIT REPORT

For the financial year ended March 31, 2015

[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

KILITCH DRUGS (INDIA) LIMITED

C 301/2,MIDC TTC Indl Area,

Pawane,Thane,

Maharashtra – 400705.

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Kilitch Drugs (India) Limited** (hereinafter called the Company). The Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March 2015 ('Audit Period') 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:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March 2015according 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 (to the extent as may be applicable after taking into consideration the business operations of the Company)**;**

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

   (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

   (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;

   (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (Not Applicable to the Company during the Audit Period);

   (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999(Not Applicable to the Company during the Audit Period);

   (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not Applicable to the Company during the Audit Period);

   (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

   (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not Applicable to the Company during the Audit Period); and

   (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (Not Applicable to the Company during the Audit Period);

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

   (a) Drugs and Cosmetics Act, 1940 and Rules made thereunder; and

   (b) Drugs Price Control Order, 2013 and notifications made thereunder.

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

(a) Secretarial Standards issued by The Institute of Company Secretaries of India (Not Applicable to the Company during the Audit Period)

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

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

I further report that:

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- Adequate notice 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 decisions at the Board Meetings and the Committee Meetings were carried out unanimously as recorded in the minutes of the Board of Directors and minutes of the Committee Meetings as the case may be.

I 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.

I further report that during the audit period there were no specific events/actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, guidelines and standards.

For: M/s. DEEP SHUKLA & ASSOCIATES
COMPANY SECRETARIES

DEEP SHUKLA
{PROPRIETOR}
FCS: 5652
CP NO.5364

Place: Mumbai
Date:14/08/2015

ANNEXURE TO SECRETARIAL AUDIT REPORT

To

The Members

KILITCH DRUGS (INDIA) LIMITED

My said report of the even date has to be read along with this letter.

1. Maintenance of Secretarial/ Statutory Records is the responsibility of the Management of the Company. My responsibility is to express an opinion on these records based on the audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial Records.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required I have obtained the Management representation about the compliance of laws, rules and regulations and happenings of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standard is the responsibility of management. My examination is 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.

For: M/s. DEEP SHUKLA & ASSOCIATES
COMPANY SECRETARIES

DEEP SHUKLA
{PROPRIETOR}
FCS: 5652
CP NO.5364

Place: Mumbai
Date:14/08/2015

CORPORATE GOVERNANCE REPORT

Corporate Governance is not merely the compliance of a set of regulatory laws and regulations but is a set of good and transparent practices that enable an organization to perform efficiently and ethically to generate long term wealth and create value for all its stakeholders. It goes beyond building and strengthening the trust and integrity of the Company by ensuring conformity with the globally accepted best governance practices. The Securities and Exchange Board of India (SEBI) observes keen vigilance over governance and fulfillment of these regulations in letter and spirit, which entails surety towards sustainable development of the Company, enhancing stakeholders' valueeventually.

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:

Corporate Governance is a set of systems and practices to ensure that the affairs of the company are being managed in a way which ensures accountability, transparency, and fairness in all its transactions in the widest sense and meet its stakeholder's aspirations and societal expectations. Your Company has committed to bring about the good corporate governance practices. It strongly believes in attaining transparency, accountability and equity, in all its operations, and in its interaction with stakeholders including shareholders, employees, the government and the lenders.The Company keeps itself abreast with thebest governance practices on the global front, at the same timeconforming to the recent amendments.

2. BOARD OF DIRECTORS:

As on 31st March 2015, the strength of Board of Directors was 10, comprising of 05 Executive Directors, 05 Non-Executive Directors including 02 Promoter Directors and 05 Independent Directors.

The Board of Directors of the Company consists of eminent persons with considerable professional expertise and experience in business and industry, finance, management and marketing. The composition of the Board of Directors with reference to number of Executive and Non-Executive Directors meets with the requirements of Clause 49(II)(A) of the Listing Agreement. None of the Directors on the Board is a member in more than ten Committees and Chairman of more than five Committees as per Clause 49(II)(D) across all Companies in which they are Directors.

The composition of the Board of Directors and also the number of other Companies of which he/she is a Director and Member/ Chairman as on March 31, 2015, are as under:

Names of Directors	Category of Directorship	Directorship in other companies	Committee Membership(s) of other Companies		No. of shares held
			Member	Chairman	
Mr. Mukund Prataprai Mehta	Managing Director	3	-	-	5,49,978
Mr. Paresh Prataprai Mehta	Jt. Managing Director	3	-	-	9,56,785
Mr. Bhavin Mukund Mehta	Whole time Director	3	-	-	1,03,300
Mrs. Mira Bhavin Mehta	Whole time Director	1	-	-	-
*Ms. Nilima Abhay Waingankar	Whole time Director	-	-	-	-
Mr. Mukesh Damji Shah	Independent Director	1	-	-	-
Mr. Pankaj Ottamchand Kamdar	Independent Director	-	-	-	-
Mr. Hemang Jagdish Engineer	Independent Director	1	-	-	-
Mr. Shailesh Hansraj Chheda	Independent Director	1	-	-	-
Mr. Deepu Kesavan Pannanlatil	Whole time Director	-	-	-	-
Mr. Ramesh Modi**	Independent Director	-	-	-	-

** Resigned as Director w.e.f. 01.03.2015.*

***Appointed as Director w.e.f. 31.03.2015.*

None of the Directors holds directorships in more than 15 Companies, membership in committee of Board in more than 10 Companies and Chairmanship of more than 5 Committees.

BOARD PROCEDURE:

The Board meets at least once every quarter to review the quarterly performance and the financial results. The Board's role, functions, responsibility and accountability are clearly defined. All major decisions involving policy formulations, business plans, annual operating budgets, compliance with statutory requirements, major accounting provisions and write-offs are considered by the Board.All the Directors have made necessarydisclosures about the directorships and committee positionsthey occupy in other companies.

ATTENDANCE OF EACH DIRECTOR AT THE BOARD MEETINGS AND THE LAST ANNUAL GENERAL MEETING:

During the year **12 (Twelve)** Board Meetings were held during the financial year ended March 31, 2015, the dates of which are 03/04/2014, 22/04/2014, 30/05/2014, 03/06/2014, 30/06/2014, 11/08/2014, 14/08/2014, 01/10/2014, 14/11/2014, 09/01/2015, 12/02/2015 and 31/03/2015.

The attendance of each Director at Board Meetings and at the last Annual General Meeting is as under:

Name of the Director	No. of Board meetings attended	Attendance of last AGM held on 30/09/2014.
Mr. Mukund Prataprai Mehta	12	Present
Mr. Paresh Prataprai Mehta	NIL	Absent
Mr. Bhavin Mukund Mehta	12	Present
Mrs. Mira Bhavin Mehta	3	Absent
Mr. Mukesh Damji Shah	12	Present
Mr. Pankaj OttamchandKamdar	7	Absent
Mr. Hemang Jagdish Engineer	1	Absent
Mr. Shailesh Hansraj Chheda	9	Absent
*Ms. Nilima Abhay Waingankar	NIL	Absent
Mr. Deepu Kesavan Pannankatil	4	Present
**Mr. Ramesh Modi	NIL	-

** Resigned as Director w.e.f. 01.03.2015.*

*** Appointed as Director w.e.f. 31.03.2015.*

3. AUDIT COMMITTEE:

BROAD TERMS OF REFERENCE:

The terms of reference of the Audit Committee were enlarged by the Board in order to cover the matters specified under revised Clause 49 of the Listing Agreement and Section 177 of the Companies Act, 2013. This Committee has powers and roles comprising of Financial Reporting and disclosure, recommendation of appointment/removal of Auditors, reviewing of company's results, evaluation of Independent Directors performances, and all such and terms of reference as enumerated on the company's website at www.kilitch.com.

COMPOSITION:

The Audit Committee comprises of Four Directors, all are non executive and Independent Directors. All these Directors possess knowledge by corporate finance, accounts and company law.

The constitution of the Audit Committee is as follows:

S.N	Name of Directors	Executive/Non-Executive Independent
1.	Mr. Mukesh Damji Shah	Chairman, Independent
2.	Mr. Shailesh Hansraj Chheda	Independent
3.	Mr. Hemang Jagdish Engineer	Independent
4.	Mr. Pankaj Ottamchand Kamdar	Independent

MEETINGS AND ATTENDANCE

During the financial year ended March 31, 2015, Four Audit Committee Meetings were held on 30/05/2014, 14/08/2014, 14/11/2014 and 12/02/2015.

The attendance at the Audit Committee Meetings is as under:

S.N	Name of Director	Executive/Non-Executive Independent	No. of meetings attended
1.	Mr. Mukesh Damji Shah	Chairman, Independent	4
2.	Mr. Shailesh Hansraj Chheda	Independent	4
3.	Mr. Hemang Jagdish Engineer	Independent	4
4.	Mr. Pankaj Ottamchand Kamdar	Independent	4

The Chairman of the Committee was present at the Annual General Meeting of the Company held on 30/09/2014 to attend the shareholders' queries.

4. STAKEHOLDERS RELATIONSHIP COMMITTEE:

The Shareholders'/ Investors' Grievance Committee was renamed as Stakeholders Relationship Committee and its terms of reference were enlarged by the Board to be in linewith Section 178 of the Companies Act, 2013 and revised clause 49 of the Listing Agreement. The Committee reviews Shareholder's/ Investor's complaints like non-receipt of Annual Report, physical transfer/ transmission/transposition, split/ consolidation of share certificates, issue of duplicate share certificates etc. This Committee is also empowered to consider and resolve the grievance of other stakeholders of the Company including security holders.

The total numbers of complaints received during the year were 22, all of which were resolved and there was no pending complaint as on March 31, 2015. The Company did not receive any transfer requests and hence no request was pending for approval as on March 31, 2015.

COMPOSITION:

The constitution of the Committee of Directors is as under:

S.N	Name of Director	Executive/Non-Executive Independent
1.	Mr. MukeshDamji Shah	Chairman, Independent
2.	Mr. ShaileshHansrajChheda	Independent
3.	Mr. HemangJagdish Engineer	Independent
4.	Mr. PankajOttamchandKamdar	Independent

MEETINGS AND ATTENDANCE

During the financial year ended March 31, 2015, 04 Committee Meetings were heldon 30/05/2014, 14/08/2014, 14/11/2014 and 12/02/2015.

The attendance at the Stakeholders Relationship Committee Meeting is as under:

S.N	Name of Director	Executive/Non-Executive Independent	No. of meeting attended
1.	Mr. MukeshDamji Shah	Chairman, Independent	4
2.	Mr. ShaileshHansrajChheda	Independent	4
3.	Mr. HemangJagdish Engineer	Independent	4
4.	Mr. PankajOttamchandKamdar	Independent	4

5. COMPENSATION COMMITTEE:

The Board of Directors of the Company has constituted Compensation Committee to administer Kilitch ESOS 2007.

The composition of the said Compensation Committee is as under:

S.N	Name of Directors	Executive/Non-Executive Independent	No. of meetings attended
1.	Mr. MukeshDamji Shah.	Chairman, Independent	2
2.	Mr. PankajOttamchandKamdar	Independent	2
3.	Mr. Bhavin Mehta	Executive Director	2

No further options were granted during the year. Employees did not exercise any Options during the year. The number of options outstanding was 212844. Each option represents a right but not obligation to apply for 1 fully paid equity share of ₹10/- each at the exercise price of ₹ 47.50. The options granted vest over 3 year from the date of grant.

6. NOMINATION AND REMUNERATION COMMITTEE:

The Remuneration Committee was renamed as Nomination and Remuneration Committee and its role and terms of reference were enlarged by the Board on. The Committee's constitution and terms of reference are in compliance with provisions of section 178 of the Companies Act, 2013, Clause 49 of the Listing Agreement and the Securities and Exchange Board of India (Share Based Employee Benefits Regulations, 2014, as amended from time to time.

The constitution of the Committee of Directors is as under:

S.N	Name of Director	Executive/Non-Executive Independent
1.	Mr. MukeshDamji Shah	Chairman, Independent
2.	Mr. ShaileshHansrajChheda	Independent
3.	Mr. HemangJagdish Engineer	Independent
4.	Mr. PankajOttamchandKamdar	Independent

The terms of reference of the Nomination & Remuneration Committee were enlarged by the Board in order to cover the matters specified under revised Clause 49 of the Listing Agreement and Section 178 of the Companies Act, 2013. This Committee has powers to recommend / approve remuneration, Identification of Persons who are qualified to become director, Recommend to the board their appointment and removal, approve remuneration of Non Executive Directors and all such and terms of reference as enumerated on the company's website at www.kilitch.com.

Remuneration Policy for Key Managerial Personnel and other Employees of the Company:

The Company's Remuneration Policy for Key Managerial Personnel and Other employees is driven by the success andthe performance of the Company and the individual & industry benchmarks and is decided by the Nomination and Remuneration Committee. Through its compensation programme, the Company endeavors to attract, retain, develop and motivate a high performance workforce. The Company follows a mix offixed/ variable pay, benefits and performance related pay. The Remuneration Policy for Key Managerial Personnel and Other employees of the Company is attached as Annexure II to the Directors' Report forming part of this Annual Report.

The details of Remuneration paid to the Managing and Executive Directors for the Financial Year 2014-2015.

S.N	Names of Directors	Executive/Non-Executive Independent	Amt. (in ₹)
1.	Mr. Mukund Prataprai Mehta	Managing Director	24,00,000
2.	Mr. Bhavin Mukund Mehta	Executive Director	12,00,000
3.	Mrs. Mira Bhavin Mehta	Executive Director	12,00,000
4.	Mr. Deepu Kesavan Pannankatil	Executive Director	18,10,380

MEETINGS AND ATTENDANCE

During the financial year ended March 31, 2015, 02 Committee Meetings were held to consider and approve the remuneration package of the Executive Directors of the Company.

The attendance at the Remuneration Committee Meeting is as under:

S.N	Name of Director	Executive/Non-Executive Independent	No. of meeting attended
1.	Mr. Mukesh Damji Shah	Chairman, Independent	2
2.	Mr. Shailesh Hansraj Chheda	Independent	2
3.	Mr. Hemang Jagdish Engineer	Independent	2
4.	Mr. Pankaj Ottamchand Kamdar	Independent	2

7. GENERAL BODY MEETINGS:

Location and time, where last three Annual General Meetings were held is given below:

Financial Year	Date	Location of the Meeting	Time	Special Resolution(s) Passed
2011-2012	29/09/2012	C-301/2, M.I.D.C. TTC Industrial Area, Pawane Village, Thane-400705.	9.00 A.M.	NIL
2012-2013	30/09/2013	C-301/2, M.I.D.C. TTC Industrial Area, Pawane Village, Thane-400705.	9.30 A.M.	02
2013-2014	30/09/2014	C-301/2, M.I.D.C. TTC Industrial Area, Pawane Village, Thane-400705.	9.30 A.M.	04

8. TRAINING FOR BOARD MEMBERS

Pursuant to clause 49(II) (B) (7) of the Listing Agreement, the Company has put in place a system to familiarize its 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,etc. Presentation was made for the newly appointed Independent Directors to make them aware of their roles & duties and Code forIndependent Directors, Code of Conduct for Non Executive Directors and Code of Conduct for Prevention of Insider Trading as issued by the Company are also shared with them at the time of their appointment/ re-appointment. Further, presentations are also made from time to time at the Boardand its Committee meetings, on quarterly basis, covering thebusiness & financial performance of the Company & its subsidiaries, quarterly/ annual financial results, revenue and capital budget, review of Internal Audit findings etc.

The details of such familiarization programmes are disclosed on the Company's website at the link **www.kilitch.com**

9. PERFORMANCE EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Audit Committee, Nomination & Remuneration Committee, Stakeholders Relationship Committee and Corporate Social Responsibility Committee. The performance of individual Directors was evaluated on parameters such as attendance and participation in the Meetings, preparedness for the meetings, understanding of the Company & the external environment in which it operates, contribution to strategic direction, raising of valid concerns to the Board, constructive contribution to issues, active participation at meetings and engaging with & challenging the management team without confronting or obstructing the proceeding of the Board and its Committee meetings of whichthe Director is a member. The performance evaluation of the Independent Directors was carried out by the entireBoard. The performance evaluation of the Non Independent Directors was carried out by the Independent Directors at their meeting. The Directors expressed their satisfaction with the evaluation process.

10. DISCLOSURES:

i. Related Party Transactions:

There were no transactions of material nature between the Company and its Directors or Senior Management and their relatives or Promoters that may have potential conflict with interest of the Company. The Register of Contracts containing transactions, in which Directors are interested, have been placed before the Board regularly.

The transactions with related parties as per Accounting Standard AS-18 are set out in Notes to accounts under Note no. 28

forming part of financial statements. All transactions entered into with Related Parties as defined under the Companies Act, 2013 and Clause 49 of the Listing Agreement during the financial year were in the ordinary course of business and on an arm's length pricing basis. There were no materially significant transactions with related parties during the financial year which were in conflict with the interest of the Company. Suitable disclosures as required by the relevant Accounting Standards (AS18) have been made in the Notes to the Financial Statements. The Board has approved a policy for related party transactions which has been uploaded on the Company's website at the link: **www.kilitch.com**.

ii. Disclosures from Senior Management

In Compliance with Clause 49 (VIII) (D) (2) of the Listing Agreement, disclosures from Senior Management are obtained on quarterly basis to the effect that they have not entered into any material, financial and commercial transactions, where they have personal interest that may have potential conflict with the interest of the Company at large.

iii. Compliances by the Company

The Company has complied with the requirements of the Regulatory Authorities on matters related to the capital market and no penalties/ strictures have been imposed against the Company by the Stock Exchanges or SEBI orany other Regulatory Authority on any matter related to capital market during the last three years.

iv. Whistle Blower Policy/ Vigil Mechanism

The Company has adopted a Whistle Blower Policy toprovide a vigil mechanism to directors, employees, agents, consultants, vendors and business partners to disclose instances of wrong doing in the workplace. The object of this Whistle Blower Policy is to encourage individuals to disclose and protect such individuals in the event of a disclosure. The Company is keen on demonstrating the right values and ethical, moral and legal business practices in every field of activity within the scopeof its work. The objective of this policy is to provide a vigil mechanism and framework to promote responsible whistleblowing and ensure effective remedial action and also protect the interest of the whistle blower as guided by legal principles. This policy is intended to:

a. Encourage and enable directors, employees, agents, consultants, vendors and business partners to raise issues or concerns, which are either unacceptable or patently against the stated objectives, law or ethics, within the Company.

b. Ensure that directors, employees, agents, consultants, vendors and business partners can raise issues or concerns without fear of victimization, subsequent discrimination or disadvantage thereof.

c. Reassure the whistle blower(s) that they will be protected from possible reprisals or victimization ifthey have made disclosure/s in good faith.

d. Ensure that where any wrong doing by the Companyor any of its directors, employees, agents, consultants, vendors or business partners is identified and reportedto the Company under this policy, it will be dealt with expeditiously and thoroughly investigated and remedied. The Company will further examine themeans of ensuring how such wrong doing can be prevented in future and will take corrective action accordingly.

The policy also provides adequate safeguards against victimization of persons who use such mechanism and makes provision for direct access to the Chairman of the Audit Committee in appropriate or exceptional cases. No person has been denied access to the Audit Committee. All complaints received under the said policy are reviewed by the AuditCommittee at its meeting held every quarter. In staying true to our values of Strength, Performance and Passion and in line with Company's vision of being one of the most respected companies in India; the Company is committed to the high standards of Corporate Governance and stakeholder responsibility.

v. Code of Conduct for Directors and Senior Management

The Board has laid down Codes of Conduct for Executive Directors & Senior Management and for Non-Executive/ Independent Directors of the Company. The Codes of Conduct have been circulated to the Board and Senior Management and the compliance of the same has beenaffirmed by them. A declaration signed by the MD inthis regard is given at the end of this Report. The Code ofConduct is available on website of the Company at the link www.kilitch.com

vi. Code of Conduct for Prohibition of Insider Trading

The Company has framed Kilitch Drugs (India) Limited's Code of Conduct for Prohibition of Insider Trading' pursuant to the SEBI (Prohibition of Insider Trading) Regulations, 1992, as amended from time to time, which is applicable to itsDirectors, Officers, and Designated Employees. The Code includes provisions relating to disclosures, opening and closure of Trading Window and Pre-Clearance of trades procedure. In compliance with SEBI Regulations theCompany sends intimations to Stock Exchanges from time to time.

vii. Subsidiary Companies

The Company has one Indian subsidiary Company (Monarchy Healthserve Pvt. Ltd.) as on March 31, 2015.

viii. Risk Management & Internal Control

The Company has implemented a comprehensive 'Enterprise Risk Management' framework in order to anticipate, identify, measure, mitigate, monitor and reportthe risks to meet the strategic business objectives, details of which are given in the Risk Management section under 'Management Discussion and Analysis Report' which forms part of this Annual Report. The Company has a competent in-House Internal Audit teamwhich prepares and executes a vigorous Audit Plan coveringvarious functions such as operations, finance, human resources, administration, legal and business development etc. across different geographies. The team presents their key audit findings of every quarter to the Audit Committee. The management updates the members about the remedial actions taken or proposed for the same. The suggestions and comments from the Committee members are vigilantly incorporated and executed by the Company.

ix. Sexual Harassment Policy

The Company has an anti-sexual harassment policy to promote a protective work environment. The complaints received by the Sexual Harassment Committee with details of action taken thereon are reviewed by the Audit Committee eat its meeting held every quarter. The Company has a zero tolerance policy towards such complaints and the same is conveyed to the employees at the time of induction.

x. Management Discussion and Analysis Report

The Management Discussion and Analysis Report forms part of this Annual Report.

xi. Independent Directors

The Independent Directors of the Company have the optionand freedom to meet and interact with the Company's Management as and when they deem it necessary. They areprovided with necessary resources and support to enable them to analyze the information/data provided by the Management and help them to perform their role effectively.

xii. Share Reconciliation Audit

As stipulated by SEBI, a Qualified Practicing Company Secretary carries out Reconciliation of Share Capital Audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital.This audit is carried out every quarter and the report thereon is submitted to the Stock Exchanges. The Audit confirms that the total Listed and Paid-up capital is in agreement with the aggregate of the total number of shares in dematerialized form and in physical form.

xiii. Mandatory Requirements of Clause 49

The Company has complied with all applicable mandatory requirements of Clause 49 of the Listing Agreement.

9. MEANS OF COMMUNICATION:

The Quarterly Reports of the Company are published in accordance with the Requirements of the Listing Agreement of the National Stock Exchange of India Ltd. and Bombay Stock Exchange Ltd.

News Papers in which results are normally published:

1. Free Press Journal (English)
2. Navshakti (Marathi)

10. GENERAL SHAREHOLDERS' INFORMATION:

1. Annual General Meeting Scheduled to be Held:

Day & Date	:	**Wednesday, 30th September, 2015**
Time	:	**9.00 A.M.**
Venue [Regd. Off.]	:	C-301/2, M.I.D.C. Industrial Area, Pawane Village, Thane- 400705.
2. Date of Book Closure	:	**Wednesday, 23rdSeptember,2015 to Wednesday, 30th September, 2015[both days inclusive]**

3. Financial Calendar:

The next financial calendar year of the Company will be from 1st April, 2015 to 31st March, 2016.

Audited/Unaudited	Particulars of Financial Reporting	Date
Unaudited	Financial Reporting for the quarter ending 30th June, 2015.	Up to 15th August, 2015
Unaudited	Financial Reporting for the quarter ending 30th September, 2015.	Up to 15th November 2015
Unaudited	Financial Reporting for the quarter ending 31st December, 2015.	Up to 15th February 2016
Audited	Financial Reporting for the Audited Financial Result as on 31st March, 2016.	Up to 30thMay 2016

4. Listing on Stock Exchanges:

Equity Shares of the Company are listed on Bombay Stock Exchange Limited and National Stock Exchange of India Limited.

5. **Stock Codes:**
   - National Stock Exchange of India Limited : **KILITCH**
   - Bombay Stock Exchange Limited : **B2 - 524500**

6. **Stock Price Data:**

The monthly high and low quotations and volume of shares traded on **Bombay Stock Exchange Limited** is as follows:

MONTH	BSE, MUMBAI		
	High (₹)	Low (₹)	No. of shares Traded
April, 2014	24.45	18.90	180176
May, 2014	26.55	19.80	111149
June, 2014	33.75	23.25	334068
July, 2014	27.60	21.35	61253
August, 2014	32.00	20.55	293344
Sept, 2014	32.80	27.00	180094
Oct, 2014	28.90	24.90	55752
Nov, 2014	46.50	25.25	665802
Dec, 2014	50.80	32.85	771726
Jan, 2015	56.45	43.05	1258202
Feb, 2015	45.70	34.95	220511
March, 2015	38.35	26.00	106143

The monthly high and low quotations and volume of shares traded on **National Stock Exchange of India Ltd.** is as follows:

MONTH	NSE, MUMBAI		
	High (₹)	Low (₹)	Total Traded Quantity
April, 2014	21.46	20.18	178070
May, 2014	22.89	21.39	164250
June, 2014	27.24	25.26	532680
July, 2014	25.16	23.76	98281
August, 2014	25.79	23.89	743353
Sept, 2014	30.35	27.92	381262
Oct, 2014	28.17	26.04	536029
Nov, 2014	30.79	28.16	1524159
Dec, 2014	42.82	39.31	1284081
Jan, 2015	49.76	45.56	3505616
Feb, 2015	41.24	38.56	3857831
March, 2015	34.36	32.00	4084874

7. **Address for Correspondence:**

Administrative Office	Ujagar Industrial Estate, 37, W.T. Patil Marg, Deonar, Mumbai: 400 088.
Share Transfer in physical form and in other communication in that regards including share certificates, dividends and change of address etc. may be addressed.	**Link Intime India Private Limited** C-13, Pannanlal Silk Mills Compound, L.B.S. Marg, Bhandup (W), Mumbai-400078 Tel. No. : 022-25963838 Fax No. : 022-25946969 Web Site : www.kilitch.com e-mail : investor_complaints@kilitch.com

8. **Share Transfer System:**

Shares sent for transfer in physical to Link Intime India Private Limited (R&T Agents), are registered and returned with a period of **15 days** from the date of receipt, if the documents are in order. The Share Transfer Committee meets generally on a regular basis to consider the transfer proposal. All requests for dematerialisation of shares are processed by the Company and Link Intime India Private Limited within **21 days.**

9. **Dematerialisation of shares:**

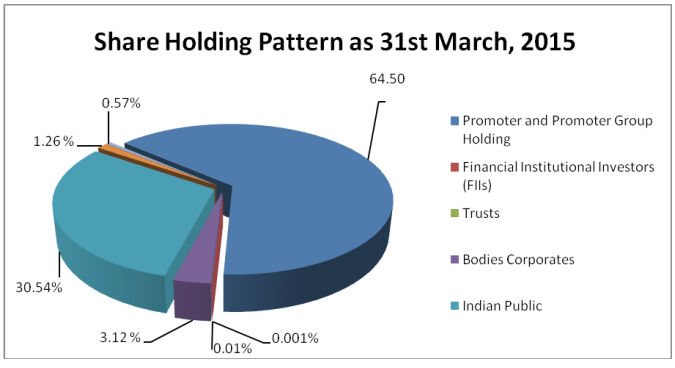
As on 31st March, 2015, 1,24,62,664 Equity Shares are held in dematerialized form with NSDL and CDSL out of total Equity Shares of 1,32,31,828 aggregating to 94.18%.

10. Distribution of shareholding as on 31st March, 2015:

No. of shares held	No. of shareholders	No. of shares held	% of shareholding
1 to 500	9136	1595836	12.0606
501 to 1000	818	679405	5.1346
1001 to 2000	354	546197	4.1279
2001 to 3000	98	251817	1.9031
3001 to 4000	45	157894	1.1933
4001 to 5000	26	121238	0.9163
5001 to 10000	56	417425	3.1547
10001 and above	32	9462016	71.5095
TOTAL	**10565**	**13231828**	**100.000**

11. Shareholding Pattern as on 31st March, 2015:

Particulars of Category	Number of Shareholders	Shares	
		Number	% to total Capital
(A) Promoter and Promoter Group Holding			
1. Individual / Hindu Undivided Family	4	1904831	14.40
Bodies Corporate	1	6629342	50.10
Total (A)	**5**	**85,34,173**	**64.50**
(B) Non – Promoter Holding			
Institutions			
Financial Institutional Investors (FIIs)	1	100	--
Trusts	1	1000	0.01
Non-Institutions			
Bodies Corporate	145	413272	3.12
Indian Public	10252	4041304	30.54
NRIs	93	166654	1.26
Clearing Members	68	75325	0.57
Total (B)	**10560**	**46,97,655**	**35.50**
Grand Total (A)+(B)	**10565**	**1,32,31,828**	**100.00**



Note:

The total foreign shareholding for the year ended 31st March, 2015 is 1,45,593 shares which in percentage terms is 1.01% of the issued and subscribed capital.

There are any Equity Shares under Lock-in for the period as on 31/03/2015.

Shareholding pattern in case of demated shares has been prepared based on download of data received from NSDL / CDSL as on 31st March 2015.

CERTIFICATION FROM THE MANAGING DIRECTOR AND CFO

In terms of clause 49 IX of the Listing Agreement with the BSE and NSE, we hereby certify as under:

a. We have reviewed financial statements and the cash flow statement for the year ended March 31, 2015 and that to the best of our knowledge and belief:
   1) these statements do not contain any materially untruestatement or omit any material fact or containstatements that might be misleading;
   2) these statements together present a true and fair viewof the Company's affairs and are in compliance withexisting accounting standards, applicable laws andregulations.

b. There are, to the best of our knowledge and belief, notransactions entered into by the Company during the yearwhich are fraudulent, illegal or violative of the Company's Code of Conduct.

c. We accept responsibility for establishing and maintaininginternal controls for financial reporting and that we haveevaluated the effectiveness of internal control systemsof the Company pertaining to financial reporting. We havedisclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internalcontrols, if any, of which we are aware and the steps wehave taken or propose to take to rectify these deficiencies.
   There have been no
   i. Significant changes in internal control over financialreporting during the year;
   ii. Significant changes in accounting policies during theyear;
   iii. Instances of fraud of which we have become aware andthe involvement therein, of the management or anemployee having significant role in the Company's internal control system over financial reporting.

For and On behalf of the
Board of Directors

Place: Mumbai
Date: 14/08/2015

Mukund Mehta
Managing Director
DIN: 00147876

C.S.Krishnan
Chief Financial Officer

DECLARATION

I, Mukund Mehta, Managing Director of Kilitch Drugs (India) Limited, based on confirmations received from all the Directors and Senior Management of the Company, do hereby state that all Board Members and senior management personnel have affirmed compliances with the Code of Conduct of the Company for the financial year ended 31st March 2015.

For and On behalf of the
Board of Directors

Place: Mumbai
Date: 14/08/2015

Mukund Mehta
Managing Director
DIN: 00147876

CERTIFICATE ON CORPORATE GOVERNANCE

To
The Members of
KILITCH DRUGS (INDIA) LIMITED

We have examined the compliance of conditions of Corporate Governance by KILITCH DRUGS (INDIA) LIMITED for the year ended on 31st March, 2015 as stipulated in Clause 49 of the Listing Agreement of the said Company with stock exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedure and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of 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, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the abovementioned Listing Agreement.

We have to state that in respect of investor's grievances, no investor grievances are pending for a period exceeding one month against the Company as per the records maintained by the shareholders/investor's Grievance Committee.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

Date: 14/08/2015
Place: Mumbai

For: M/s. Deep Shukla & Associates
Company Secretaries

Deep Shukla (Proprietor)
FCS No. 5652
CP No. 5364

INDEPENDENT AUDITORS' REPORT

To,

The Members of

KILITCH DRUGS (INDIA) LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of **Kilitch Drugs (India) Limited** ("the Company"), which comprise the Balance Sheet as at 31st March, 2015, Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the 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 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 provision of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of the appropriate accounting policies; making judgements 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 fair 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 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 disclosures in the financial statements. 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. 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, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of 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 financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the 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:

i. In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2015;

ii. In the case of the Statement of Profit and Loss, of the Loss of the Company for the year ended on that date.

iii. In the case of the Cash Flow Statement, of the Cash Flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of section 143 of the Act (18 of 2013), we give in the Annexure a statement on the matters specified in paragraph 3 and 4 of the Order.
2. As required under provisions of 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 appears from our examination of those books.

c. The Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this report are in agreement with the books of account.

d. In our opinion, the aforesaid financial statements comply with the accounting standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

e. On the basis of written representations received from the directors as on 31st March, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015, from being appointed as a director in terms of section 164(2) of the Act.

f. 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 of the pending litigations on its financial position vide Note No. 26 (b) to the financial statements.

   ii. The Company did not have any long term contracts including derivative contracts that require provision under any law or accounting standards for which there were any material foreseeable losses.

   iii. There were no amounts which are required to be transferred to the Investor Education and Protection Fund by the Company during the year.

For A. M. Ghelani & Company
Chartered Accountants
Firm Registration No. : 103173W

Chintan A. Ghelani
Partner
Membership No. : 104391

Place : Mumbai
Date : 28th May, 2015

Annexure referred to in paragraph 1 under the heading Report on other legal and regulatory requirements of our report of even date

i) In respect of its Fixed Assets :

   a. The Company has maintained proper records showing full particulars including quantitative details and situation of its Fixed Assets, which we are informed, are being updated.

   b. As explained to us, all the fixed assets have been physically verified by the management in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification.

ii) In respect of its Inventories :

   a. As explained to us, inventories have been physically verified by the management at the end of the year. In our opinion, the frequency of verification is reasonable.

   b. According to the information and explanations given to us, in our opinion the procedures of physical verification of stocks followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.

   c. The Company is maintaining proper records of its inventory. No material discrepancies were noticed on verification between the physical stocks and book records having regards to the size of the operations of the company.

iii) The Company has not granted any loans, secured or unsecured, to Companies / firms or other parties covered in the register maintained under section 189 of the Act. Consequently, the requirement of Clause (iii) (a) and Clause (iii) (b) of paragraph 3 of the Order not applicable to the company.

iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and nature of its business for the purchases of goods & fixed assets and for the sale of goods. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in such internal control system.

v) According to the information and explanations given to us, the company has not accepted any deposits within the meaning of provisions of section 73 to 76 or any other relevant provisions of the Act and rules framed hereunder. Therefore, provisions of Clause (v) of paragraph 3 of the Order are not applicable to the company.

vi) We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Accounting Records) Rules, 2014 prescribed by the Central Government under Sub Section (1) of Section 148 of the Act and are of the opinion that, prima facie, the prescribed cost records have been maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

vii) In respect of Statutory dues :

a. According to the records of the Company, undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and other material statutory dues which are applicable to the company, have been regularly deposited with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at March 31, 2015 for a period of more than six months from the date of becoming payable.

b. The disputed statutory dues aggregating to ₹ 50,305,650/- that have not been deposited on account of the matters pending before the appropriate authorities are as under:

Name of the Statute	Nature of Dues	Amount in Rupees	Period to which the amount relates	Forum where the dispute is pending
Income Tax Act 1961	Income Tax	50,305,650	A.Y. 2008-09	CIT (Appeals)

c. There were no amounts which are required to be transferred to the Investor Education and Protection Fund by the Company during the year.

viii) The Company does not have accumulated losses exceeding 50% of its net-worth, as at the end of the year. The Company has not incurred cash losses in the current financial year as well as in the immediately preceding financial year.

ix) According to the records examined by us and the information and explanations given to us, we are of the opinion that the company has not defaulted in re-payment of dues to financial institution/banks.

x) According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from Banks or Financial Institutions during the year. Therefore, the provisions of clause (x) of paragraph 3 of the Order are not applicable to the Company.

xi) The company has not taken any term loans during the year under report.

xii) In our opinion and according to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year.

For A. M. Ghelani & Company
Chartered Accountants
Firm Registration No. : 103173W

Chintan A. Ghelani
Partner
Membership No. : 104391

Place : Mumbai
Date : 28th May, 2015

BALANCE SHEET AS AT 31ST MARCH, 2015

(₹ in Lacs)

Particulars	Notes	As at 31st March, 2015	As at 31st March, 2014
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	2	1,323.18	1,323.18
Reserves and surplus	3	10,674.36	10,699.64
Non-current liabilities			
Deferred tax liabilities (Net)	25	-	15.08
Current liabilities			
Trade payables	4	235.52	468.03
Other current liabilities	5	391.16	353.27
Short-term provisions	6	54.64	47.70
TOTAL		**12,678.86**	**12,906.90**
ASSETS			
Non-current assets			
Fixed assets	7		
Tangible assets		934.25	927.33
Intangible assets		4.11	5.93
Non-current investments	8	4,715.56	119.70
Deferred tax Assets (Net)	25	50.82	-
Long-term loans and advances	9	2,309.99	2,268.62
Current assets			
Current investments	8	2,466.87	3,916.33
Inventories	10	238.12	259.90
Trade receivables	11	1,262.30	863.40
Cash and Bank balances	12	498.02	4,385.26
Short-term loans and advances	13	192.55	153.94
Other current assets	14	6.26	6.48
TOTAL		**12,678.86**	**12,906.90**
Significant Accounting Policies and Notes on Financial Statements	**1 TO 33**		

As per our report of even date

For and on behalf of the Board of Directors

For A. M. Ghelani & Company
Chartered Accountants
FRN:103173W

Mukund P. Mehta
(Managing Director)
DIN: 00147876

Bhavin Mehta
Executive Director
DIN: 00147895

Chintan A. Ghelani
Partner
M. No. 104391

C.S.Krishnan
Chief Financial Officer

Nirmal Kumar
Company Secretary

Mumbai,
Dated: 28th May, 2015

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2015

(₹ in Lacs))

Particulars	Notes	2014-15	2013-14
Income			
Revenue from operations	15	1,902.73	1,489.80
Other income	16	269.02	629.12
Total Revenue		**2,171.76**	**2,118.92**
Expenditure			
Cost of materials consumed	17	648.59	732.25
Variation in inventories of finished goods & work-in-progress	18	53.02	(145.96)
Employee benefits expenses	19	312.80	285.76
Depreciation and amortization expense		185.39	143.97
Operating and Other expenses	20	1,056.39	996.60
Total Expenses		**2,256.20**	**2,012.61**
Profit before Extraordinary items and Tax		**(84.44)**	**106.29**
Less: Extraordinary Items		-	-
Profit before tax		(84.44)	106.29
Less: Tax Expense:-			
a) Current Tax		-	-
b) Deferred Tax		65.90	(10.35)
c) Tax Adjustments of Earlier years		-	(1.00)
PROFIT/ (LOSS) FOR THE YEAR		**(18.55)**	**117.64**
EARNINGS PER EQUITY SHARE [Face Value ₹ 10]	24		
Basic		**(0.14)**	**0.89**
Diluted		**(0.14)**	**0.89**
Significant Accounting Policies and Notes on Financial Statements	**1 TO 33**		

As per our report of even date

For and on behalf of the Board of Directors

For A. M. Ghelani & Company
Chartered Accountants
FRN:103173W

Mukund P. Mehta
(Managing Director)
DIN: 00147876

Bhavin Mehta
Executive Director
DIN: 00147895

Chintan A. Ghelani
Partner
M. No. 104391

C.S.Krishnan
Chief Financial Officer

Nirmal Kumar
Company Secretary

Mumbai,
Dated: 28th May, 2015

CASH FLOW STATEMENT FOR THE YEAR ENDED ON MARCH 31, 2015

(₹ in Lacs)

Particulars	31st March 2015		31st March 2014	
A. CASH FLOW FROM OPERATING ACTIVITIES				
Net Profit / (Loss) before extraordinary items and tax as per Profit and Loss A/c		(84.44)		106.30
Adjustments for:				
Depreciation and amortisation	185.39		143.97	
Interest income	(45.14)		(18.66)	
Dividend income	(155.82)		(131.14)	
Profit on sale of Investments	(44.90)		(383.67)	
Sundry Balances written back/ Bad debts	-		(3.60)	
Provision for Gratuity	14.13		12.06	
Net unrealised exchange (gain) / loss	37.54		(63.16)	
Income from Trading in Futures & Options	(17.45)		-	
Bad Debts/Provision for Doubtful Debts	194.38		-	
Profit/(loss) on assets sold or discarded	42.22	**210.36**	-	**(444.20)**
Operating profit / (loss) before working capital changes		**125.92**		**(337.90)**
Adjustment of Working Capital Changes				
Operating Assets:				
Inventories	21.78		(105.98)	
Trade receivables	(630.82)		439.56	
Short-term loans and advances	(38.60)		(60.23)	
Long-term loans and advances	(41.37)		(2,156.79)	
Other current assets	0.22		-	
Operating Liabilities:				
Trade payables	(232.50)		(876.14)	
Other current liabilities	44.93		(17.78)	
Short-term provisions	(7.19)	(883.56)	11.41	(2,765.96)
		(757.65)		(3,103.86)
Less: Direct Taxes paid/(refunded)		**(5.53)**		**(4.53)**
Net cash flow from / (used in) operating activities (A)		**(763.17)**		**(3,108.39)**
B. CASH FLOW FROM INVESTING ACTIVITIES				
Capital expenditure on fixed assets, including capital advances	(239.46)		(189.83)	
Proceeds (Net) from the sale of Current investments	1,494.36		7,295.06	
Purchase of long-term investments:				
- Subsidiaries	(4,200.00)		-	
- Others	(395.86)		(48.12)	
Interest received	45.14		18.66	
Income From Futures and Options	17.45		-	
Dividend received	155.82		131.14	
		(3,122.56)		7,206.90
Net cash flow from / (used in) investing activities (B)		**(3,122.56)**		**7,206.90**

CASH FLOW STATEMENT FOR THE YEAR ENDED ON MARCH 31, 2015

(₹ in Lacs)

Particulars	31st March 2015		31st March 2014	
C. CASH FLOW FROM FINANCING ACTIVITIES				
Dividends paid(Inclusive of tax on Dividend)	(1.51)		(7.31)	
Net cash flow from / (used in) financing activities (C)		**(1.51)**		**(7.31)**
Net increase / (decrease) in Cash and cash equivalents (A+B+C)		**(3,887.24)**		**4,091.19**
Cash and cash equivalents at the beginning of the year		4,385.26		294.07
Cash and cash equivalents at the end of the year		**498.02**		**4,385.26**
Cash and cash equivalents at the end of the year *				
* Comprises:				
(a) Cash on hand		0.88		0.86
(b) Balances with banks				
(i) In current accounts		391.45		4,277.20
(ii) In earmarked accounts		105.69		107.20
		498.02		**4,385.26**

The Cash Flow Statement has been prepared under the "Indirect Method" set out in Accounting Standard - 3 "Cashflow Statements" (AS-3) issued by the Institute of Chartered Accountants of India.

The figures in brackets represent Cash outflows.

As per our report of even date

For and on behalf of the Board of Directors

For A. M. Ghelani & Company
Chartered Accountants
FRN:103173W

Mukund P. Mehta
(Managing Director)
DIN: 00147876

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Chintan A. Ghelani
Partner
M. No. 104391

C.S.Krishnan
Chief Financial Officer

Nirmal Kumar
Company Secretary

Mumbai,
Dated: 28th May, 2015

NOTE "1"

SIGNIFICANT ACCOUNTING POLICIES:

a) **Basis of Preparation of Financial Statements**

The Financial statements have been prepared under the historical cost convention on the accrual basis of accounting in accordance with the accounting principles generally accepted in India ("GAAP") including the Accounting Standards ("AS") notified under the relevant provisions of the Companies Act,2013.

b) **Inflation**

The financial statements are based on historical costs. These costs are not adjusted to reflect the impact of the changing value of the purchasing power of money.

c) **Use of Estimates**

The preparation of Financial Statements in conformity with GAAP requires Management to make estimate and assumption that affect the reported amount of assets and liabilities and disclosure of contingent liabilities on the date of financial statements and reported amount of revenue and expenses for the year. Actual result could differ from these estimates. Difference between the actual results and estimates are recognized in the period in which the results are known/ materialized. Any revision to an accounting estimate is recognized prospectively in the year of revision.

d) **Inventories**

Raw Material, Packing Material, Stores and spare parts, Work-in-progress and Finished Goods are valued at cost or net realizable value whichever is lower. Cost of Raw Materials, Packing Materials and Stores & spare parts are determined on last purchase price. Work-in-progress and Finished Goods inventories include production overheads, to the extent applicable.

e) **Revenue Recognition**

i. Sales are recognized net of returns, trade discounts, rebates and include excise duty on manufactured products.

ii. Revenue in respect of export sales is recognized on shipment of products.

iii. Service Income (Processing Charges) is recognized pro-rata over the period of the contract as and when services are rendered.

iv. Export incentive benefits consist of duty drawback, high value added licenses and DEPB entitlements. These are recognized on the basis of receipt of proof of export.

v. Interest is recognised on time proportion basis.

vi. Dividend Income is recognised when the right to receive the same is established.

f) **Fixed Assets**

Fixed Assets are stated at cost net of cenvat credit less accumulated depreciation and impairment loss, if any. Cost comprises the purchase price and any attributable costs of bringing the assets to their working condition for intended use.

g) **Depreciation**

Depreciation on the Fixed Assets is provided to the extent of depreciable amount on the Written Down Value Method [both Tangible & Intangible]. Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013.

h) **Impairment of Assets**

In accordance with AS-28 on "Impairment of Assets" notified under the relevant provisions of the Companies Act, 2013, where there is any indication of impairment of the company's assets related to cash generating units, the carrying amounts of such assets are reviewed at each balance sheet date to determine whether there is any impairment. The recoverable amount of such assets is estimated as the higher of its net selling price and its value in use. An impairment loss is recognized whenever the carrying amount of such assets exceeds its recoverable amount. Impairment loss, if any, is recognized in the Statement of Profit and Loss.

i) **Investments**

Investments that are intended to be held for more than a year, from the date of acquisition, are classified as long term investments and are carried at cost. Provision for diminution in their values is made only if the diminution is other than temporary in nature. Current investments are carried at the lower of cost and quoted/fair value, computed category wise.

j) **Foreign Currency Transactions**

i. Transactions denominated in foreign currencies are recorded at exchange rate prevailing at the time of the transaction. Monetary items denominated in foreign currencies at Balance sheet date are restated at the year-end rates. Non Monetary foreign currency items are carried at cost.

ii. Exchange differences arising as a result of the subsequent settlements or on transactions are recognized as income or expenses in the Statement of Profit & Loss except the exchange differences arising on long term foreign currency monetary items relating to the acquisition of the fixed assets, which are adjusted to the carrying cost of the assets.

k) **Employee Benefits**

i. Short term employee benefits are recognized as expenses at the undiscounted amounts in the Statement of profit & loss of the year in which the related service is rendered.

ii. Post employment & other Long Term Employee Benefits are recognized as an expense in the Statement of Profit & Loss for the year in which it is incurred. Post employment and other long term employee benefits are recognised as an expense in the Statement of Profit & Loss for the year in which the employee has rendered services. The expenses are recognised at the present value of the amounts payable determined using actuarial valuation techniques, with effect from April 2014. Actuarial gains and losses in respect of post employment and other long term benefits (net of expected return on plan assets) are charged to the Statement of Profit & Loss.

l) **Taxes on Income**

i. Provision for income tax (current tax) is determined on the basis of the taxable income of the current year in accordance with the Income Tax Act, 1961.

ii. Deferred tax, if any, is recognized in respect of deferred tax assets (subject to the consideration of prudence) and deferred tax liabilities on timing differences, being the difference between taxable income and accounting income that originate in one year and are capable of reversal in one or more subsequent years.

iii. Minimum Alternate Tax ('MAT') credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period.

In the year in which the Company recognises MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961, the said asset is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement".

The Company reviews the "MAT Credit Entitlement" asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will be able to utilise the MAT Credit Entitlement within the period specified under the Income-tax Act, 1961.

m) **Borrowing Costs**

Borrowing costs that are attributable to the acquisition or construction of qualifying assets/stock in trade are capitalized as a part of the cost of such assets or added to stock in trade. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use or Sale. All other borrowing costs are recognized as an expense in the period in which they are incurred.

n) **Employee Stock Option Plan**

Employee Stock Options are evaluated and accounted on intrinsic value method as per the accounting treatment prescribed by Guidance Note on 'Accounting for Employee Share-based payments' issued by Institute of Chartered Accountants of India (ICAI) read with Securities and Exchange Board of India (SEBI) (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines 1999 issued by SEBI. The excess of market value if any, of the stock options as on the date of grant over the exercise price of the options is recognized as deferred employee compensation and is charged to the Statement of Profit and Loss on vesting basis over the vesting period of the options. The un-amortized portion of the deferred employee compensation is reduced from Employee Stock Option Outstanding, which is shown under Reserves and Surplus.

o) **Provisions, Contingent Liabilities And Contingent Assets**

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognized but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the financial statements.

(₹ in Lacs)

Note 2

Share capital

Share Capital	As at 31st March, 2015		As at 31st March, 2014	
	Number	Amount	Number	Amount
Authorised				
20,00,0000 Equity Shares of ₹ 10 each	20,000,000	200,000,000	20,000,000	200,000,000
Issued, Subscribed & Paid up				
1,32,31,828 Equity Shares of ₹ 10 each fully paid up	132.32	1,323.18	132.32	1,323.18
Total	132.32	1,323.18	132.32	1,323.18

Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period

Particulars	2014-15		2013-14	
	Number	Amount	Number	Amount
Equity Shares outstanding at the beginning of the year	132.32	1,323.18	132.32	1,323.18
Additions during the year	-	-	-	-
Equity Shares bought back during the year	-	-	-	-
Equity Shares outstanding at the end of the year	132.32	1,323.18	132.32	1,323.18

Shares in the company held by each shareholder holding more than 5 percent shares

Name of Shareholder	2014-15		2013-14	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Paresh P. Mehta	956,785	7.23	956,785	7.23
Kilitch Company Pharma Limited	6,629,342	50.10	6,629,342	50.10

The company has only one class of Equity Shares having a face value of ₹ 10 per share. Each holder of Equity Share is entitled to one vote per share.

Note 3

Reserves and surplus

	As at 31st March 2015	As at 31st March 2014
a. Securities Premium Account	2,778.13	2,778.13
b. General Reserve	1,518.51	1,518.51
Adjustment of Depreciation as per transational provision of Part C paragraph 7 (b) of Schedule II of the Companies Act, 2013	(6.75)	-
c. Employee Stock Options	137.94	137.94
d. Other Reserves (Call on shares forfeited A/c)	58.00	58.00
e. Surplus in the Statement of Profit and Loss		
As per last Balance Sheet	6,207.07	6,089.41
(+) Net Profit For the current year	(18.55)	117.65
	6188.52	6207.06
Total	10,674.36	10,699.64

Note 4

Trade Payables

	As at 31st March 2015	As at 31st March 2014
i) Micro & Small Enterprises [Refer note No. 32]	-	-
ii) Others	235.52	468.03
Total	235.52	468.03

(₹ in Lacs)

Note 5

Other Current Liabilities

	As at 31st March 2015	As at 31st March 2014
(a) Unpaid dividends	105.69	107.20
(b) Other payables		
Deposits from Customers	-	60.53
(c) Statutory dues	12.89	4.23
(d) Provision for Expenses	47.56	18.40
(e) Taxation (Net of taxes paid)	2.56	8.09
(f) Others	222.45	154.80
Total	**391.16**	**353.26**

Note 6

Short Term Provisions

	As at 31st March 2015	As at 31st March 2014
Provision for employee benefits:		
Salary & Reimbursements	40.51	35.64
Gratuity	12.15	9.10
Leave Encashment	1.98	2.97
Total	**54.64**	**47.70**

NOTE 7 : FIXED ASSETS

PARTICULARS	GROSS BLOCK [At Cost]				DEPRECIATION					NET BLOCK [W. D. V.]	
	As at 4/1/2014	Additions during the year	Deductions / Write-off during the year	As at 3/31/2015	As at 4/1/2014	Adjusted against Retained Earnings	For the year	Deductions / Write-off during the year	As at 3/31/2015	As at 3/31/2015	As at 3/31/2014
Tangible Assets:											
Land	29.88	-	-	29.88	-		-	-	-	29.88	29.88
Rights on Lease Hold Land	96.78	-	-	96.78	-		-	-	-	96.78	96.78
Factory Building	261.02	-	-	261.02	216.62		9.82	-	226.43	34.58	44.40
Office premises	133.24	-	-	133.24	60.26		3.54	-	63.80	69.44	72.98
Plant & Machinery	1,098.74	219.58	47.25	1,271.07	621.02	1.45	110.39	50.96	681.91	589.16	477.72
Furniture & Equipment	97.54	2.69	40.72	59.51	75.97	0.71	6.76	38.61	44.83	14.67	21.57
Computer	86.88	6.06	53.64	39.30	83.01	1.47	1.86	53.75	32.60	6.70	3.87
Motor Car	136.47	-	29.87	106.60	62.83		15.95	10.88	67.90	38.70	73.64
Office Equipments	39.45	0.71	26.02	14.14	34.20	1.25	1.96	25.36	12.06	2.08	5.24
Air Conditioners	104.00	-	78.99	25.00	90.55		1.89	74.09	18.35	6.66	13.45
Electrical Installations	63.58	6.05	44.51	25.12	52.53	0.22	4.06	41.82	14.98	10.13	11.06
Laboratory Equipments	229.74	0.70	55.01	175.42	154.69	1.24	24.17	39.58	140.52	34.90	75.04
Mobile Phone	5.51	-	0.42	5.09	3.80	0.19	0.93	0.39	4.53	0.56	1.70
[A]	**2,382.81**	**235.79**	**376.43**	**2,242.17**	**1,455.49**	**6.54**	**181.33**	**335.44**	**1,307.92**	**934.25**	**927.33**
PREVIOUS YEAR											
Intangible Assets:											
Computer software	24.70	3.67	16.04	12.34	18.77	0.21	4.06	14.81	8.23	4.11	5.93
[B]	**24.70**	**3.67**	**16.04**	**12.34**	**18.77**	**0.21**	**4.06**	**14.81**	**8.23**	**4.11**	**5.93**
PREVIOUS YEAR											
GRAND TOTAL [A + B]	**2,408**	**239.46**	**392.47**	**2,254.51**	**1,474.25**	**6.75**	**185.39**	**350.24**	**1,316.15**	**938.36**	**933.26**
PREVIOUS YEAR	**2,218**	**190**	**-**	**2,408**	**1,330**	**-**	**144**	**-**	**1,474**	933	887.00

(₹ in Lacs)

Note 8 - INVESTMENTS

A] Non Current Investments

	As at 31st March 2015	As at 31st March 2014
Non- Trade [At Cost]		
A. Investments in Shares:		
i. Quoted Shares:		
[Equity Shares of Face value ₹ 10/- each, fully paid-up, unless otherwise stated]		
15 (P.Y. 15) - Bengal and Assam Co Ltd.	4.99	4.99
1,000 (P.Y. 1000) - Century Enka Ltd.	0.74	0.74
500 (P.Y. 500) - Century Textiles & Ind Ltd.	2.28	2.28
100 (P.Y. 100) - Colgate Pamolive India Ltd.	0.95	0.95
720 (P.Y. 720) - J K Laxmi Cement Ltd.	0.33	0.33
400 (P.Y. 400) - Pfizer Ltd.	4.94	4.94
2,616 (P.Y. 2,616) - Reliance Power Ltd.	7.36	7.36
Book Value of Quoted Instruments (Total of A.i)	**21.58**	**21.58**
Market Value of Quoted Instruments	**21.83**	**12.36**
ii. Unquoted Shares:		
[Equity Shares of Face value ₹ 10/- each, fully paid-up, unless otherwise stated]		
7000 (P.Y. 7000) Novo Informatics Pvt Ltd	48.02	48.02
1000 (P.Y. 1000) Rustomjee Buildcon Private Limited	0.10	0.10
[12 % Redeemable Non Cumulative Preference Shares of Face value ₹ 10/- each, fully paid-up, unless otherwise stated]		
Subsidiary :		
4,20,000 (P.Y. NIL) Monarchy Healthserve Pvt Ltd	4,200.00	-
Estee Advisors Pvt. Ltd.	445.86	-
Book Value of Unquoted Instruments (Total of A.ii)	**4,693.98**	**48.12**
Total Investment in Shares (A.i + A. ii)	**4,715.56**	**70**
B. Investments in Bonds:		
i.Quoted Bonds:		
Rural Electrification Corporation Ltd.	-	50.00
Total Investment in Bonds (B.i)	**-**	**50.00**
Aggregate Value of All Non Current Investments (A+B)	**4,715.56**	**119.70**

B] Current Investments

	As at 31st March 2015	As at 31st March 2014
QUOTED:		
Investments in Units of Mutual Funds: [At Cost]		
[Units of Face value ₹ 10/- each, unless otherwise stated]		
NIL(PY - 41785.66) Axis Banking Debt Fund Direct Plan Growth	-	489.59
NIL (PY - 24348.42 Units)Axis Treasury Adv Mutual Fund-Growth	-	348.86
11,732.679 (PY - 39,622.69Nil Units) Folio 6355799/87 Frp Direct Growth	22.39	75.62
NIL(PY - 6586593.24) Icici Pru. Banking & Psu Debt Frp -Growth	-	924.66
NIL (PY - 559707.08) Icici Prudential Liquid -Regular- Growth	-	1,060.92
NIL (PY - 574,069.20) Icici Prudential Money Market Fund Regular-Growth	-	1,016.68
Axis Liquid Fund Direct Growth		
5120.474 (PY NIL)Axis Liquid Fund Direct Growth	79.13	-
124131.082(PY NIL)Axis Equity Fund Direct Plan-Growth	25.00	-
98386.462 (PY NIL)Axis Mid Cap Fund Direct Growth	25.00	-
Kotak Mutual Fund		-
[including Investments in Equity Shares through the Fund]		
83,267.60 (PY NIL) Birla Sun Life Frontline Equity Fund Dividend - DP	24.00	

(₹ in Lacs)

	As at 31st March 2015	As at 31st March 2014
4,324.64 (PY NIL) Birla Sun Life Frontline Equity Fund - Growth	6.00	
40,610.23 (PY NIL) HDFC Equity Fund Dividend Plan - DP	24.00	
23,446.66 (PY NIL) ICICI Prudential Focused Bluechip Equity Fund - Regular Plan - Growth	6.00	
128,779.13 (PY NIL) Kotak Select Focus Fund Regular Plan Dividend - DP	24.00	
128,550.78 (PY NIL) Mirae Asset India Opportunities Fund Regular Dividend Plan - DP	24.00	
134,535.83 (PY NIL) SBI Blue Chip Fund Regular Plan Dividend - DP	24.00	
26,098.30 (PY NIL) SBI Blue Chip Fund Regular Plan Growth	6.00	
6,972.02 (PY NIL) UTI EQUITY FUND (Formerly UTIMastergain Unit Scheme) GROWTH PLAN	6.00	
120,162.72 (PY NIL) Franklin India Prima Fund Dividend - DP	70.00	
1,193.37 (PY NIL) Franklin India Prima Fund-Growth	6.00	
139,625.45 (PY NIL) Franklin India Smaller Companies Fund - Dividend - DP	35.00	
259,907.75 (PY NIL) HDFC Mid Cap Opportunities Fund - Dividend - DP	70.00	
20,674.68 (PY NIL) HDFC Mid Cap Opportunities Fund - Growth	6.00	
208,858.41 (PY NIL) ICICI Prudential Value Discovery Fund Regular Plan Dividend - DP	70.00	
6,513.24 (PY NIL) ICICI Prudential Value Discovery Fund Regular Plan Growth	6.00	
110,000 (PY NIL) Reliance Capital Builder Fund Series A Dividend - DP	11.00	
168,443.33 (PY NIL) Sundaram SMILE - Dividend - DP	35.00	
147,725.24 (PY NIL) UTI Mid Cap Fund - Dividend Plan - DP	70.00	
13,327.41 (PY NIL) Birla Sun Life Infrastructure Fund Plan Growth Regular Plan	3.00	
20,807.32 (PY NIL) HDFC Infrastructure Fund - Growth Plan	3.00	
1,767.72 (PY NIL) ICICI Prudential Top 200 Fund - Regular Plan - Growth	3.00	
3500 (PY NIL) CROMPTON GREAVES LTD	5.65	
300 (PY NIL) GRASIM INDUSTRIES LTD	10.14	
320 (PY NIL) HERO MOTOCORP LTD	10.09	
6470 (PY NIL) I D F C LTD	10.14	
2890 (PY NIL) ICICI BANK LTD	10.16	
660 (PY NIL) LARSEN & TOUBRO LTD	10.19	
290 (PY NIL) MARUTI SUZUKI INDIA LTD	10.02	
1780 (PY NIL) OIL INDIA LTD	9.88	
1130 (PY NIL) RELIANCE INDUSTRIES LTD	10.20	
380 (PY NIL) TATA CONSULTANCY SERVICES LTD	9.54	
360 (PY NIL) UNITED SPIRITS LTD	10.00	
1,935,021.96 (PY NIL) HDFC Corporate Debt Opportunities Fund Regular Growth	200.00	
1,124,095.24 (PY NIL) IDFC Banking Debt Fund Regular Plan Growth	125.33	
3,181,542.86 (PY NIL) ICICI Prudential Blended Plan A Regular Plan Dividend - DR	430.07	
536,541.13 (PY NIL) ICICI Prudential Income Opportunities Fund - Regular Plan - Growth	100.00	
312,640.69 (PY NIL) IDFC Dynamic Bond Fund Regular Plan Growth	50.00	
131,245.65 9PY NIL) Kotak Bond Scheme Plan A Regular Plan Growth	50.00	
277,200.28 (PY NIL) Reliance Dynamic Bond Fund Growth Plan Growth Option	50.00	
537,143.47 (PY NIL) Sundaram Flexible Fund Flexible Income Plan Regular Growth	100.00	
331,749.78 (PY NIL) UTI Dynamic Bond Fund Growth	50.00	
37,606.00 (PY NIL) ICICI Prudential Liquid - Regular Plan - Growth	75.53	
15,474.00 (PY NIL) Kotak Floater Short Term Regular Plan Growth	346.34	
Mutual Fund IIFL		-
174,825.1750 (PY NIL) Birla Sun Life India Reforms Fund Growth	25.00	
83,175.5010 (PY NIL) Franklin India High Growth Com. Fund Growth	25.01	
100,628.4660 (PY NIL) Reliance Top 200 Retail Growth	25.01	
32,121.8440 (PY NIL) UTI Mid Cap Fund Growth Plan	25.02	
Book Value of the Current Investments	**2,466.87**	**3,916.33**
Market Value of Quoted Investments	**2,521.40**	**3,922.06**
Aggregate Value of All Current Investments	**2,466.87**	**3,916.33**

(₹ in Lacs)

Note 9
Long Term Loans and Advances

	As at 31st March 2015	As at 31st March 2014
[UNSECURED, considered good unless otherwise stated]		
(a) Deposits	16.03	6.91
(b) Advance to Related parties	2,261.26	2,243.31
(c) Other Advances	32.71	18.40
	2,309.99	**2,268.63**

Note 10
Inventories

	As at 31st March 2015	As at 31st March 2014
[As taken, valued and certified by the Management]		
a. Raw Materials and components	128.11	96.87
b. Work-in-progress	50.24	25.52
c. Finished goods	59.77	137.50
Total	**238.12**	**259.90**

Note 11
Trade Receivables

	As at 31st March 2015	As at 31st March 2014
[UNSECURED, considered good unless otherwise stated]		
Receivables outstanding for a period exceeding six months from the due date		
Considered Good	791.47	435.29
Considered Doubtful	104.94	9.94
Less: Provision for doubtful debts	(104.94)	(9.94)
	791.47	435.29
Other Receivables	470.83	428.10
	470.83	428.10
Total	**1,262.30**	**863.40**

Trade Receivable stated above include debts due by:

	As at 31st March 2015	As at 31st March 2014
Private Company in which director is a member	0.28	30
	0.28	30

Note 12
Cash and Bank Balances

	As at 31st March 2015	As at 31st March 2014
a. Cash on hand	0.88	0.86
b. Balances with banks	497.14	4,384.40
	498.02	**4,385.26**
Bank Balances include:		
Earmarked Balances (eg/- unpaid dividend accounts)	105.69	107.20
Margin money	1.34	1.34

(₹ in Lacs)

Note 13

Short-term loans and advances

	As at 31st March 2015	As at 31st March 2014
Deposits	-	15.00
Balances with Government Authorities	146.83	110.13
Advance to Suppliers	45.72	28.81
	192.55	**153.94**

Note 14

Other Current Assets

	As at 31st March 2015	As at 31st March 2014
Prepaid Expenses	6.26	6.48
	6.26	**6.48**

Note 15

Revenue from operations

Particulars	2014-15	2013-14
Sale of products/services:		
Local sales	64.34	280.59
OMS	54.28	80.13
Export Sales	1,725.10	1,060.77
Other operating revenues	59.01	68.31
Total	**1,902.73**	**1,489.80**

Note 16

Other income

Particulars	2014-15	2013-14
Interest Income	45.14	18.66
Dividend Income	155.82	131.14
Profit on sale of Investments [Net]	44.90	383.67
Foreign Exchange Gain :		
Realised	-	28.07
Unrealised	-	63.16
Income from Trading in Futures & Options	17.45	-
Miscellaneous Income	5.72	0.81
Sundry balances written back	-	3.60
Total	**269.02**	**629.12**

Note 17

Cost of materials consumed

Particulars	2014-15	2013-14
	[₹]	[₹]
Opening Stock	96.87	136.85
Purchases	679.83	692.28
Less: Closing Stock	128.11	96.87
Total	**648.59**	**732.25**

(₹ in Lacs)

Note 18

Variation in inventories of finished goods and work-in-progress

Particulars	2014-15	2013-14
Opening Stock :		
Work-in-Process	25.52	8.00
Finished Goods	137.50	9.07
	163.03	**17.07**
Closing Stock :		
Work-in-Process	50.24	25.52
Finished Goods	59.77	137.50
	110.01	**163.03**
Total	**53.02**	**(145.96)**

Note 19

Employee Benefits Expenses

Particulars	2014-15	2013-14
(a) Salaries and incentives	277.76	249.60
(b) Contributions to Provident fund	12.75	8.17
(c) Gratuity fund contributions & Leave Encashment	3.00	13.88
(d) Staff welfare expenses	19.29	14.11
Total	**312.80**	**285.76**

Note 20

Operating & other Expenses

Particulars	2014-15	2013-14
Consumption of stores and spare parts.	20.55	30.05
Labour Charges	95.80	80.24
Power and Fuel	77.75	103.30
Water Charges	4.57	6.10
Foreign Exchange Loss - Realised	11.50	-
Foreign Exchange Loss - Unrealised	37.54	-
Bank & Other Charges	5.05	3.44
Repairs to Buildings	5.61	-
Repairs - Others	43.65	62.05
Insurance	3.00	2.78
Rent, Rates and Taxes	18.58	17.47
Auditors Remuneration	7.87	10.84
Miscellaneous expenses	75.18	94.64
Fixed Assets written off	42.22	-
Provision for Doubtful Debts	95.00	-
Directors' Sitting Fees	0.24	0.24
Foreign Travelling Expenses	85.62	91.14
Printing & Stationery	11.48	12.54
Professional charges	66.28	61.97
Communication Expenses	16.85	12.73
Vehicle Expenses	13.06	8.68
Travelling Expenses:		
Directors	7.45	7.05

(₹ in Lacs)

Particulars	2014-15	2013-14
Others	11.94	9.18
Factory	10.16	-
Business Promotion Expenses	52.03	35.34
Advertising / Sales Commission Expenses	3.25	7.58
Discount Allowed [Sales]	9.16	8.65
Export Product Registration Expenses		
Export product registration	109.36	133.91
Export Expenses	0.77	49.27
Clearing & Forwarding Expenses	12.69	27.13
Other Expenses	0.06	5.57
Commission on Purchases	-	23.24
Bad Debts	99.38	80.61
Loss by Theft	-	1.19
Prior Period Items	2.75	9.65
Total	**1,056.39**	**996.60**

21. Disclosure as per Accounting Standard 15 (Revised) "Employee Benefits" notified under the relevant provisions of the Companies Act,2013

Defined Benefit Plan:

The company provides gratuity benefit to it's employees which is a defined benefit plan. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation for leave encashment is recognised in the same manner as gratuity.

(i) Reconciliation of opening and closing balances of Defined Benefit Obligation

Particulars	2014-15	
	Gratuity	Leave Encashment
Present value of the obligation at the beginning of the year	0	0
Current Service Cost	1,53,041	29,543
Interest Cost	0	0
Actuarial (Gain) / Loss on Obligation	10,62,314	1,87,365
Benefits Paid	0	(18,975)
Present value of the obligation at the end of the year	12,153,55	1,97,933

(ii) Reconciliation of Fair Value of Assets and Obligations (Amount in ₹)

Particulars	2014-15	
	Gratuity	Leave Encashment
Present value of the obligation at the end of the year	12,153,55	1,97,933
Fair Value of Plan Assets at the end of the year	NIL	NIL
Net Obligation at the end of the year	12,153,55	1,97,933

(iii) Expense recognised during the year (Amount in ₹)

Particulars	2014-15	
	Gratuity	Leave Encashment
Current Service Cost	153,041	29,543
Interest cost on Obligation	0	0
Expected return on Plan Assets	NIL	NIL
Net Actuarial (Gain) / Loss recognised in the year	10,623,14	1,87,365
Net Cost Included in Personnel Expenses	12,153,55	2,16,908

(₹ in Lacs)

(iv) Actual Return on Plan Assets for the year (Amount in ₹)

	Gratuity 2014-15
Expected return on Plan Assets	NIL
Actuarial (gain)/loss on Plan Asset	10,623,14
Actual return on plan assets	10,623,14

The Figures for the previous year [F.Y. 13-14] are not available as the company was, hitherto, providing for the Gratuity Liability as per the working obtained from the LIC of India and Leave Encashment Liability based on its own calculations.

22. The company is mainly engaged in the development and operations of Pharmaceutical business. All the activities of the company revolve around this main business. Considering the nature of the company's business and operations, there are no separate reportable segments (business and/or geographical) in accordance with the requirements of Accounting Standard 17; "Segment Reporting", issued by the Institute of Chartered Accountants of India.

23. As per Accounting Standard 18 (AS- 18) "Related Party Disclosures", issued by the Institute of Chartered Accountants of India, the disclosures of transactions with the related parties as defined in the Accounting Standard are given below:- [As identified by the Management]

Related Party Transactions

Name of the related parties and Nature of Relationship

I) Subsidiary of the Companies

Monarchy Healthserve Pvt. Ltd. (W.e.f. F .Y. 2014-15)	Subsidiary

II) Key Managerial Personnel

Mr. Mukund Mehta	Managing Director
Mr. Paresh Mehta	Whole Time Director
Mr. Bhavin Mehta	Whole Time Director
Mr. Deepu K.	Whole Time Director
Mrs. Mira Bhavin Mehta	Whole Time Director

III) Enterprises significantly influenced by Key Managerial Personnel

NBZ Pharma Ltd.

NBZ Healthcare LLP.

J.D. Enterprises

Kilitch Pharma (Co.) Ltd.

EyeKare Kilitch Ltd.

Related Party Transactions

Nature of Transactions	Subsidiary of the Company		Key Managerial Personnel		Enterprises significantly influenced by Directors and their relatives	
	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14
Purchases	-	-	-	-	7.14	21.62
Sales	-	-	-	-	8.21	28.55
Director's Remuneration and Sitting Fees	-	-	66.07	63.13	-	-
Expenses incurred by KDL	7.64	-	14.43	46.09	2.85	2.32
Expenses incurred on behalf of KDL	-	-	-	0.25	-	-
Advance Given	-	-	4.67	-	7.75	6,627.56

(₹ in Lacs)

Nature of Transactions	Subsidiary of the Company		Key Managerial Personnel		Enterprises significantly influenced by Directors and their relatives	
	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14
Advance Returned By Parties	-	-	4.67	-	7.75	4,384.25
Reimbursement of Expenses [Net]	-	-	3.19	20.22	-	6.01
Outstanding	-	-				
a) Trade Payable	-	-	-	-	-	9.82
b) Trade Receivable	7.64	-	-	-	60.50	54.65
c) Advances given	-	-	-	-	-	2,243.31

24. **Earnings per share**

Basic as well as Diluted EPS	Amount 2014-15	Amount 2013-14
Net Profit attributable to Equity shareholders. (₹ in Laks)	(18.55)	117.64
Weighted average number of equity shares outstanding during the year	13,231,828	13,231,828
Nominal Value of Equity Share (₹)	10	10
Basic & Diluted Earning per Equity Share (₹)	**(0.14)**	**0.89**

25. **DEFERRED TAX**

In accordance with the 'Accounting Standard -AS 22 Accounting for Taxes on Income" notified under the relevant provisions of the Companies Act, 2013, the break-up of the Net Deferred Tax Assets as on 31st March, 2015 is as under:

Particulars	Deferred Tax Asset/ (Liability) as at 01-04-14	For The Year	Deferred Tax Asset/ (Liability) as at 31-03-15
Deferred tax Liability			
Difference between Book & Tax Depreciation	(18.81)	30.99	**12.18**
Deferred tax Assets			
Disallowance under income tax Act- Provisions for Gratuity/ Leave Encashment	3.73	0.86	**4.59**
Provision for Doubtful Debts	0	34.05	**34.05**
Total	**(15.08)**	**65.90**	**50.82**

26. **Contingent Liabilities:-**

a. Estimated amount of guarantees & Letter of Credit given not provided for in the accounts is ₹ **63.08 Lakhs** (Previous Year ₹ **63.08/- Lakhs**).

b. The disputed statutory dues in respect of Income Tax aggregating to ₹ 50,305,650/- pertaining to A.Y. 2008-09 have not been deposited as the matter is pending before the CIT (Appeals).

27. **Expenditure in foreign currency:**

Particulars	2014-15	2013-14
Business Promotion & Travelling	**47.24**	**54.24**
Export Registration	**131.29**	**175.38**
Factory Expenses	**-**	**3.44**
Sundry Expenses	**-**	**1.19**
Export Expenses	**0.61**	**12.06**

28. **Earnings in Foreign Currency**

Particulars	2014-15	2013-14
Export Sale	**951.31**	**1,332.03**

29. **Employee Stock Option Plan**

As per Employee stock options Scheme (Kilitch ESOS 2007), each option is convertible into one equity shares ₹ 10/- each at exercise price of ₹ 47.50/- per share. During the year, fresh options were not granted and the employees did not exercise any options.

30. The Balances of the Sundry Debtors, Sundry Creditors, Loans & Advances and Inter Corporate Deposits, whether Debit or Credit, are subject to confirmations from the respective parties and the reconciliations/ adjustments arising there from, if any.

However, in the opinion of the Management, the Current Assets, Loans and advances are approximately of the value stated in the balance sheet if realized in the ordinary course of the business and the provision for all known liabilities is adequate and not in excess of amounts considered reasonably necessary.

31. There are no Micro and Small Enterprises, to whom the Company owes dues, which are outstanding for more than 45 days as at March 31, 2015. The above information, regarding Micro and Small Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the Auditors.

Figures of the previous year have been regrouped and/or recast wherever necessary so as to conform to the current year's classification.

As per our report of even date

For and on behalf of the Board of Directors

For A. M. Ghelani & Company
Chartered Accountants
FRN:103173W

Mukund P. Mehta
(Managing Director)
DIN: 00147876

Bhavin Mehta
Executive Director
DIN: 00147895

Chintan A. Ghelani
Partner
M. No. 104391

C.S.Krishnan
Chief Financial Officer

Nirmal Kumar
Company Secretary

Mumbai,
Dated: 28th May, 2015

INDEPENDENT AUDITOR'S REPORT

TO

THE MEMBERS

KILITCH DRUGS (I) LIMITED

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of **KILITCH DRUGS (I) LIMITED** (hereinafter referred to as "the Holding Company") and its subsidiary (the Holding Company and its subsidiary together referred to as "the Group") comprising of the Consolidated Balance Sheet as at 31st March, 2015, 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 matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these consolidated financial statements that give a true and fair view of the financial position, financial performance and 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 these 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 judgment, 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 but not for the purpose of expressing an opinion on whether the Holding Company has an adequate internal financial controls system over financial reporting in place and the operating effectiveness of such controls. 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 and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph (b) of the Other Matters paragraph below, 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, and based on the consideration of the reports of other auditors, on the financial statements of the subsidiary noted below, 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 31st March, 2015, and its consolidated loss and its consolidated cash flows for the year ended on that date.

Other Matters

Financial statements of the Subsidiary, which reflect total assets of ₹ 42,10,66,954/- as at 31st March, 2015, Total Revenue of ₹ 3,06,122/- and net cash inflow of ₹ 8,154/- for the year ended on that date have been audited by us.

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 matter.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, based on the comments in the auditors' reports of the Holding company and it's Subsidiary company incorporated in India, we give in the Annexure 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, 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 accounts 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 and the reports of the other auditors.
   (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 accounts 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) There are no observations or comments on financial transactions or matters which have any adverse effect on the functioning of the Group.
   (f) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2015 taken on record by the Board of Directors of the Holding Company and the Statutory Auditor's Report of the subsidiary company incorporated in India, none of the director is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
   (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 Company has disclosed the impact of the pending litigation on its consolidated financial position vide Note No 28 (2) to the Consolidated Financial Statements.
      ii. The Company did not have any long term contracts including derivative contracts that require provision under any law or accounting standards for which there were any foreseeable losses.
      iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Group.

For A. M. Ghelani & Company
Chartered Accountants
Firm Registration No. : 103173W

Chintan A. Ghelani
Partner
Membership No. : 104391

Place : Mumbai
Date : 28th May, 2015

Annexure referred to in paragraph 1 under the heading Report on other legal and regulatory requirements of our report of even date

i) In respect of its Fixed Assets :
   a. The Group has maintained proper records showing full particulars including quantitative details and situation of its Fixed Assets, which we are informed, are being updated.
   b. As explained to us, all the fixed assets have been physically verified by the management in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the Group and nature of its assets. No material discrepancies were noticed on such physical verification.

ii) In respect of its Inventories :
   a. As explained to us, inventories have been physically verified by the management at the end of the year. In our opinion, the frequency of verification is reasonable.

b. According to the information and explanations given to us, in our opinion the procedures of physical verification of stocks followed by the management are reasonable and adequate in relation to the size of the Group and the nature of its business.

c. The Group is maintaining proper records of its inventory. No material discrepancies were noticed on verification between the physical stocks and book records having regards to the size of the operations of the Group.

iii) The Group has not granted any loans, secured or unsecured, to Companies / firms or other parties covered in the register maintained under section 189 of the Act. Consequently, the requirement of Clause (iii) (a) and Clause (iii) (b) of paragraph 3 of the Order not applicable to the Group.

iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Group and nature of its business for the purchases of goods & fixed assets and for the sale of goods. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in such internal control system.

v) According to the information and explanations given to us, the Group has not accepted any deposits within the meaning of provisions of section 73 to 76 or any other relevant provisions of the Act and rules framed hereunder. Therefore, provisions of Clause (v) of paragraph 3 of the Order are not applicable to the Group.

vi) We have broadly reviewed the cost records maintained by the Group pursuant to the Companies (Cost Accounting Records) Rules, 2014 prescribed by the Central Government under Sub Section (1) of Section 148 of the Act and are of the opinion that, prima facie, the prescribed cost records have been maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

vii) In respect of Statutory dues :

a. According to the records of the Group, undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and other material statutory dues which are applicable to the company, have been regularly deposited with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at March 31, 2015 for a period of more than six months from the date of becoming payable.

b. The disputed statutory dues aggregating to ₹ 50,305,650/-, in respect of the Holding Company, that have not been deposited on account of the matters pending before the appropriate authorities are as under:

Name of the Statute	Nature of Dues	Amount in Rupees	Period to which the amount relates	Forum where the dispute is pending
Income Tax Act 1961	Income Tax	50,305,650	A.Y. 2008-09	CIT (Appeals)

c. There were no amounts which are required to be transferred to the Investor Education and Protection Fund by the Company during the year.

viii) The Group does not have accumulated losses exceeding 50% of its net-worth, as at the end of the year. The Company has not incurred cash losses in the current financial year as well as in the immediately preceding financial year.

ix) According to the records examined by us and the information and explanations given to us, we are of the opinion that the Group has not defaulted in re-payment of dues to financial institution/banks.

x) According to the information and explanations given to us, the Group has not given any guarantee for loans taken by others from Banks or Financial Institutions during the year. Therefore, the provisions of clause (x) of paragraph 3 of the Order are not applicable to the Group.

xi) The Group has not taken any term loans during the year under report.

xii) In our opinion and according to the information and explanations given to us, no fraud on or by the Group has been noticed or reported during the year.

For A. M. Ghelani & Company
Chartered Accountants
Firm Registration No. : 103173W

Chintan A. Ghelani
Partner
Membership No. : 104391

Place : Mumbai
Date : 28th May, 2015

CONSOLIDATED BALANCE SHEET AS AT 31st MARCH, 2015

(₹ in Lacs)

Particulars	Notes	As at 31st March, 2015
EQUITY AND LIABILITIES		
Shareholders' funds		
Share capital	2	1,323.18
Reserves and surplus	3	10,664.71
Non-current liabilities		
Deferred tax liabilities (Net)	25	-
Current liabilities		
Short-term borrowing		
Loan From Director		0.10
Trade payables	4	239.12
Other current liabilities	5	391.53
Short-term provisions	6	54.64
TOTAL		**12,673.28**
ASSETS		
Non-current assets		
Fixed assets	7	
Tangible assets		934.25
Intangible assets		4.11
Non-current investments	8	4,715.56
Deferred tax Assets (Net)	25	50.82
Long-term loans and advances	9	2,293.75
Other Non Current Assets		
Preliminary Expenses		2.58
Current assets		
Current investments	8	2,466.87
Inventories	10	238.12
Trade receivables	11	1,262.30
Cash and Bank balances	12	498.11
Short-term loans and advances	13	199.69
Other current assets	14	7.12
TOTAL		**12,673.28**
Significant Accounting Policies and Notes on Financial Statements	**1 TO 35**	

As per our report of even date

For and on behalf of the Board of Directors

For A. M. Ghelani & Company
Chartered Accountants
FRN:103173W

Mukund P. Mehta
(Managing Director)
DIN: 00147876

Bhavin Mehta
Executive Director
DIN: 00147895

Chintan A. Ghelani
Partner
M. No. 104391

C.S.Krishnan
Chief Financial Officer

Nirmal Kumar
Company Secretary

Mumbai,
Dated: 28th May, 2015

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st March, 2015

(₹ in Lacs)

Particulars	Notes	2014-15
Income		
Revenue from operations	15	1,902.73
Other income	16	272.08
Total Revenue		**2,174.82**
Expenditure		
Cost of materials consumed	17	648.59
Variation in inventories of finished goods & work-in-progress	18	53.02
Employee benefits expenses	19	312.80
Depreciation and amortization expense		185.39
Operating and Other expenses	20	1,069.85
Total Expenses		**2,269.66**
Profit before Extraordinary items and Tax		**(94.84)**
Less: Extraordinary Items		-
Profit before tax		(94.84)
Less: Tax Expense:-		
a) Current Tax		-
b) Deferred Tax		65.90
c) Tax Adjustments of Earlier years		-
PROFIT/ (LOSS) FOR THE YEAR		**(28.94)**
EARNINGS PER EQUITY SHARE [Face Value ₹ 10]	24	
Basic		**(0.22)**
Diluted		**(0.22)**
Significant Accounting Policies and Notes on Financial Statements	**1 TO 35**	

As per our report of even date

For and on behalf of the Board of Directors

For A. M. Ghelani & Company
Chartered Accountants
FRN:103173W

Mukund P. Mehta
(Managing Director)
DIN: 00147876

Bhavin Mehta
Executive Director
DIN: 00147895

Chintan A. Ghelani
Partner
M. No. 104391

C.S.Krishnan
Chief Financial Officer

Nirmal Kumar
Company Secretary

Mumbai,
Dated: 28th May, 2015

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED ON MARCH 31, 2015

(₹ in Lacs)

Particulars	31st March 2015	
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit / (Loss) before extraordinary items and tax as per Profit and Loss A/c		(94.84)
Adjustments for:		
Depreciation and amortisation	185.39	
Interest income	(45.14)	
Dividend income	(155.82)	
Profit on sale of Investments	(47.96)	
Sundry Balances written back	-	
Provision for Gratuity	14.13	
Net unrealised exchange (gain) / loss	37.54	
Income from Trading in Futures & Options	(17.45)	
Preliminary Expenses written off	0.86	
Bad Debts/Provision for Doubtful Debts	194.38	
Profit/(loss) on assets sold or discarded	42.22	
		208.16
Operating profit / (loss) before working capital changes		113.32
Adjustment of Working Capital Changes		
Operating Assets:		
Inventories	21.78	
Trade receivables	(630.82)	
Short-term loans and advances	(45.74)	
Long-term loans and advances	(25.13)	
Other current assets	1.07	
Operating Liabilities:		
Trade payables	(228.90)	
Other current liabilities	45.30	
Short-term provisions	(7.19)	(869.63)
		(756.31)
Less: Direct Taxes paid/(refunded)		(5.53)
Net cash flow from / (used in) operating activities (A)		**(761.84)**
B. CASH FLOW FROM INVESTING ACTIVITIES		
Capital expenditure on fixed assets, including capital advances	(239.46)	
Proceeds (Net) from the sale of Current investments	1,497.42	
Purchase of long-term investments:		
- Others	(4,595.86)	
Interest received	45.14	
Income From Futures and Options	17.45	
Dividend received	155.82	
		(3,119.50)
Net cash flow from / (used in) investing activities (B)		**(3,119.50)**

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED ON MARCH 31, 2015

(₹ in Lacs)

Particulars	31st March 2015	
C. CASH FLOW FROM FINANCING ACTIVITIES		
Preliminary Expenses incurred	(4.30)	
Dividends paid(Inclusive of tax on Dividend)	(1.51)	
Net cash flow from / (used in) financing activities (C)		**(5.81)**
Net increase / (decrease) in Cash and cash equivalents (A+B+C)		**(3,887.15)**
Cash and cash equivalents at the beginning of the year		4,385.26
Cash and cash equivalents at the end of the year		**498.11**
Cash and cash equivalents at the end of the year *		
* Comprises:		
(a) Cash on hand		0.88
(b) Balances with banks		
(i) In current accounts		391.54
(ii) In earmarked accounts		105.69
		498.11

The Cash Flow Statement has been prepared under the "Indirect Method" set out in Accounting Standard - 3 "Cashflow Statements" (AS-3) issued by the Institute of Chartered Accountants of India.

The figures in brackets represent Cash outflows.

As per our report of even date

For and on behalf of the Board of Directors

For A. M. Ghelani & Company
Chartered Accountants
FRN:103173W

Mukund P. Mehta
(Managing Director)
DIN: 00147876

Bhavin Mehta
Executive Director
DIN: 00147895

Chintan A. Ghelani
Partner
M. No. 104391

C.S.Krishnan
Chief Financial Officer

Nirmal Kumar
Company Secretary

Mumbai,
Dated: 28th May, 2015

SIGNIFICANT ACCOUNTING POLICIES

I. **Principles of consolidation**

a) The financial statements of the Company and its Subsidiary Company are combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra-group transactions resulting in unrealised profits or losses in accordance with Accounting Standard (AS) 21 - "Consolidated Financial Statements".

b) The difference between the cost of investment in the subsidiaries, over the net assets at the time of acquisition of shares in the subsidiaries is recognised in the financial statements as Goodwill or Capital Reserve as the case may be.

c) Minority Interest's share of net profit of consolidated subsidiaries for the year is identified and adjusted against the income of the group in order to arrive at the net income attributable to shareholders of the Company.

d) Minority Interest's share of net assets of consolidated subsidiaries is identified and presented in the consolidated balance sheet separate from liabilities and the equity of the Company's shareholders.

e) The Company accounts for its share in the change in the net assets of the Subsidiary, post acquisition, after eliminating unrealised profits and losses resulting from transactions between the Company and its associates to the extent of its share, through its Statement of Profit and Loss to the extent such change is attributable to the Subsidiary's Statement of Profit and Loss and through its reserves for the balance, based on the available information.

f) The difference between the cost of investment in the Subsidiary and the share of net assets at the time of acquisition of shares in the Subsidiary is identified in the financial statements as Goodwill or Capital Reserve as the case may be.

g) As far as possible, the consolidated financial statements are prepared using uniform accounting policies for similar transactions and other events in similar circumstances and are presented in the same manner as the Company's separate financial statements.

II. Investments other than in Subsidiary and Associates have been accounted as per Accounting Standard (AS) 13 "Accounting for Investments".

III. **Other significant accounting policies**

a) **Basis of Preparation of Financial Statements**

The Consolidated Financial statements have been prepared under the historical cost convention on the accrual basis of accounting in accordance with the accounting principles generally accepted in India ("GAAP") including the Accounting Standards ("AS") notified under the relevant provisions of the Companies Act,2013.

b) **Use of estimates:**

The preparation of Consolidated Financial Statements ,in conformity with GAAP, requires the Management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of Contingent Liabilities on the date of the financial statements and the reported amount of revenues and expenses of the Group, for the reporting period. Actual Results could differ from these estimates. The difference between the actual results and estimates are recognised in the period in which the results are known / materialised. Any revision to an Accounting Estimate is recognized prospectively in the year of revision.

c) **Inflation**

The Consolidated Financial Statements of the Group are based on historical costs. These costs are not adjusted to reflect the impact of the changing value of the purchasing power of money.

d) **Inventories**

Raw Material, Packing Material, Stores and spare parts, Work-in-progress and Finished Goods of the Group are valued at cost or net realizable value whichever is lower. Cost of Raw Materials, Packing Materials and Stores & spare parts are determined on last purchase price. Work-in-progress and Finished Goods inventories include production overheads, to the extent applicable.

e) **Classification of Assets and Liabilities as Current and Non – Current**

All assets and liabilities are classified as current or non-current as per Company's normal operating cycle, and other criteria set out in Schedule II to the Companies Act, 2013 and accordingly, 12 months period has been considered by the Company as its normal operating cycle for the purpose of classification of assets and liabilities as current and non- current.

f) **Fixed Assets:**

Fixed Assets are stated at cost net of cenvat credit and include amounts added on revaluation, less accumulated depreciation and impairment loss, if any.

Cost comprises of the Purchase Price and any attributable costs of bringing the assets to their working condition for intended use.

g) **Depreciation:**

i) Depreciation on fixed assets is provided, to the extent of depreciable amount, on Written Down Value method [Both Tangible and Intangible] as per the useful life prescribed in schedule II to the Companies Act, 2013, in the manner state therein. In case of the Subsidiary, the Depreciation is not to be provided as they do not own any Fixed Assets.

h) **Impairment of Assets:**

In accordance with AS 28 on "Impairment of Assets", notified under the relevant provisions of the Companies Act 2013, where there is any indication of impairment of the company's assets related to cash generating units, the carrying amounts of such assets are reviewed at each balance sheet date to determine whether there is any impairment. The recoverable amount of such assets is estimated as the higher of its net selling price and its value in use. An impairment loss is recognised whenever the carrying amount of such assets exceeds its recoverable amount. Impairment Loss, if any, is recognised in the Statement of Profit and Loss.

i) **Investments:**

Investments that are intended to be held for more than a year, from the date of acquisition, are classified as long term investments and are carried at cost. Provision for diminution in their values is made only if the diminution is other than temporary in nature. Current investments are carried at the lower of cost and quoted/fair value, computed category wise.

j) **Borrowing Costs:**

Borrowing costs that are attributable to the acquisition or construction of qualifying assets/stocks in trade are capitalised as part of the cost of such assets or added to stock in trade. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use or sale. All other borrowing costs are recognised as an expense in the period in which they are incurred.

k) **Employee Stock Option Plan**

Employee Stock Options are evaluated and accounted on intrinsic value method as per the accounting treatment prescribed by Guidance Note on 'Accounting for Employee Share-based payments' issued by Institute of Chartered Accountants of India (ICAI) read with Securities and Exchange Board of India (SEBI) (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines 1999 issued by SEBI. The excess of market value if any, of the stock options as on the date of grant over the exercise price of the options is recognized as deferred employee compensation and is charged to the Statement of Profit and Loss on vesting basis over the vesting period of the options. The un-amortized portion of the deferred employee compensation is reduced from Employee Stock Option Outstanding, which is shown under Reserves and Surplus.

l) **Revenue recognition:**

i. Sales are recognized net of returns, trade discounts, rebates and include excise duty on manufactured products.

ii. Revenue in respect of export sales is recognized on shipment of products.

iii. Service Income (Processing Charges) is recognized pro-rata over the period of the contract as and when services are rendered.

iv. Export incentive benefits consist of duty drawback, high value added licenses and DEPB entitlements. These are recognized on the basis of receipt of proof of export.

v. Interest is recognised on time proportion basis.

vi. Dividend Income is recognised when the right to receive the same is established.

m) **Employee Benefits:**

i) Short term employee benefits are recognised as expenses at the undiscounted amounts in the Statement of Profit & Loss of the year in which the related service is rendered.

ii) Post employment and other long term employee benefits are recognised as an expense in the Statement of Profit & Loss for the year in which the employee has rendered services. The expenses are recognised at the present value of the amounts payable determined using actuarial valuation techniques, with effect from April, 2014. Actuarial gains and losses in respect of post employment and other long term benefits [net of expected return on plan assets] are charged to the Statement of Profit & Loss.

n) **Foreign Currency transactions:**

a) Transactions denominated in foreign currencies are recorded at the exchange rate prevailing at the time of the transaction. Monetary items denominated in foreign currencies at the Balance Sheet date are restated at the year-end rates. Non monetary foreign currency items are carried at cost.

b) Exchange differences arising as a result of the subsequent settlements or on transactions are recognized as income or expenses in the Statement of Profit & Loss except the exchange differences arising on long term foreign currency monetary items relating to the acquisition of the fixed assets, which are adjusted to the carrying cost of the assets.

o) **Taxes on Income:**

i) Provision for income tax (current tax) is determined on the basis of the taxable income of the current year in accordance with the Income Tax Act, 1961.

ii) Deferred tax is recognised in respect of deferred tax assets (subject to the consideration of prudence) and deferred tax liabilities on timing differences, being the difference between taxable income and accounting income that originate in one year and are capable of reversal in one or more subsequent years.

iii) Minimum Alternate Tax ('MAT') credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period.

In the year in which the Company recognises MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961, the said asset is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement".

The Company reviews the "MAT Credit Entitlement" asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will be able to utilise the MAT Credit Entitlement within the period specified under the Income-tax Act, 1961

p) **Preliminary Expenses**

The Expenditure incurred in connection with the increase in the authorised Share Capital is considered as Preliminary Expenditure and is amortised/written off equally over a period of 5 years.

q) **Provisions, Contingent Liabilities and Contingent Assets:**

Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognised but are disclosed in the Notes on Accounts. Contingent Assets are neither recognised nor disclosed in the financial statements.

(₹ in Lacs)

Note 2

Share capital

Share Capital	As at 31st March, 2015		As at 31st March, 2014	
	Number	Amount	Number	Amount
Authorised				
20,00,0000 Equity Shares of ₹ 10 each	20,000,000	200,000,000	20,000,000	200,000,000
Issued, Subscribed & Paid up				
1,32,31,828 Equity Shares of ₹ 10 each fully paid up	132.32	1,323.18	132.32	1,323.18
Total	132.32	1,323.18	132.32	1,323.18

Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period

Particulars	2014-15		2013-14	
	Number	Amount	Number	Amount
Equity Shares outstanding at the beginning of the year	132.32	1,323.18	132.32	1,323.18
Additions during the year	-	-	-	-
Equity Shares bought back during the year	-	-	-	-
Equity Shares outstanding at the end of the year	132.32	1,323.18	132.32	1,323.18

Shares in the company held by each shareholder holding more than 5 percent shares

Name of Shareholder	2014-15	
	No. of Shares held	% of Holding
Paresh P. Mehta	956,785	7.23
Kilitch Company Pharma Limited	6,629,342	50.1

The company has only one class of Equity Shares having a face value of ₹ 10 per share. Each holder of Equity Share is entitled to one vote per share.

Note 3

Reserves and surplus

	As at 31st March 2015
a. Securities Premium Account	2,778.13
b. General Reserve	1,518.51
Adjustment of Depreciation as per transational provision of Part C paragraph 7 (b) of Schedule II of the Companies Act, 2013	(6.75)
c. Employee Stock Options	137.94
d. Other Reserves (Call on shares forfeited A/c)	58.00
e. Surplus in the Statement of Profit and Loss	
As per last Balance Sheet	6,207.07
(+) Net Profit For the current year	(28.94)
	6,178.12
f. Capital Reserve on Consolidation	0.75
Total	10,664.71

Note 4

Trade Payables

	As at 31st March 2015
i) Micro & Small Enterprises [Refer note No. 32]	-
ii) Others	239.12
Total	239.12

(₹ in Lacs)

Note 5

Other Current Liabilities

	As at 31st March 2015
(a) Unpaid dividends	105.69
(b) Other payables	
Deposits from Customers	-
(c) Statutory dues	13.26
(d) Provision for Expenses	47.56
(e) Taxation (Net of taxes paid)	2.56
(f) Others	222.45
Total	**391.53**

Note 6

Short Term Provisions

	As at 31st March 2015
Provision for employee benefits:	
Salary & Reimbursements	40.51
Gratuity	12.15
Leave Encashment	1.98
Total	**54.64**

NOTE 7 : FIXED ASSETS

PARTICULARS	GROSS BLOCK [At Cost]				DEPRECIATION					NET BLOCK [W. D. V.]	
	As at 4/1/2014	Additions during the year	Deductions / Write-off during the year	As at 3/31/2015	As at 4/1/2014	Adjusted against Retained Earnings	For the year	Deductions / Write-off during the year	As at 3/31/2015	As at 3/31/2015	As at 3/31/2014
Tangible Assets:											
Land	29.88	-	-	29.88	-		-	-	-	29.88	29.88
Rights on Lease Hold Land	96.78	-	-	96.78	-		-	-	-	96.78	96.78
Factory Building	261.02	-	-	261.02	216.62		9.82	-	226.43	34.58	44.40
Office premises	133.24	-	-	133.24	60.26		3.54	-	63.80	69.44	72.98
Plant & Machinery	1,098.74	219.58	47.25	1,271.07	621.02	1.45	110.39	50.96	681.91	589.16	477.72
Furniture & Equipment	97.54	2.69	40.72	59.51	75.97	0.71	6.76	38.61	44.83	14.67	21.57
Computer	86.88	6.06	53.64	39.30	83.01	1.47	1.86	53.75	32.60	6.70	3.87
Motor Car	136.47	-	29.87	106.60	62.83		15.95	10.88	67.90	38.70	73.64
Office Equipments	39.45	0.71	26.02	14.14	34.20	1.25	1.96	25.36	12.06	2.08	5.24
Air Conditioners	104.00	-	78.99	25.00	90.55		1.89	74.09	18.35	6.66	13.45
Electrical Installations	63.58	6.05	44.51	25.12	52.53	0.22	4.06	41.82	14.98	10.13	11.06
Laboratory Equipments	229.74	0.70	55.01	175.42	154.69	1.24	24.17	39.58	140.52	34.90	75.04
Mobile Phone	5.51	-	0.42	5.09	3.80	0.19	0.93	0.39	4.53	0.56	1.70
[A]	**2,382.81**	**235.79**	**376.43**	**2,242.17**	**1,455.49**	**6.54**	**181.33**	**335.44**	**1,307.92**	**934.25**	**927.33**
Intangible Assets:											
Computer software	24.70	3.67	16.04	12.34	18.77	0.21	4.06	14.81	8.23	4.11	5.93
[B]	**24.70**	**3.67**	**16.04**	**12.34**	**18.77**	**0.21**	**4.06**	**14.81**	**8.23**	**4.11**	**5.93**
GRAND TOTAL [A + B]	**2,408**	**239.46**	**392.47**	**2,254.51**	**1,474.25**	**6.75**	**185.39**	**350.24**	**1,316.15**	**938.36**	**933.26**

(₹ in Lacs)

Note 8 - INVESTMENTS

A] Non Current Investments

	As at 31st March 2015
Non- Trade [At Cost]	
A. Investments in Shares:	
i. Quoted Shares:	
[Equity Shares of Face value ₹ 10/- each, fully paid-up, unless otherwise stated]	
15 - Bengal and Assam Co Ltd.	4.99
1,000 - Century Enka Ltd.	0.74
500 - Century Textiles & Ind Ltd.	2.28
100 - Colgate Pamolive India Ltd.	0.95
720 - J K Laxmi Cement Ltd.	0.33
400 - Pfizer Ltd.	4.94
2,616 - Reliance Power Ltd.	7.36
Book Value of Quoted Instruments (Total of A.i)	**21.58**
Market Value of Quoted Instruments	**21.83**
ii. Unquoted Shares:	
[Equity Shares of Face value ₹ 10/- each, fully paid-up, unless otherwise stated]	
7000 Novo Informatics Pvt Ltd	48.02
1000 Rustomjee Buildcon Private Limited	0.10
[12 % Redeemable Non Cumulative Preference Shares of Face value ₹ 10/- each, fully paid-up, unless otherwise stated]	
4,20,000 Impetus Healthserve Pvt Ltd	4,200.00
Estee Advisors Pvt. Ltd.	445.86
Book Value of Unquoted Instruments (Total of A.ii)	**4,693.98**
Total Investment in Shares (A.i + A. ii)	**4,715.56**
B. Investments in Bonds:	
i.Quoted Bonds:	
Rural Electrification Corporation Ltd.	-
Total Investment in Bonds (B.i)	**-**
Aggregate Value of All Non Current Investments (A+B)	**4,715.56**

B] Current Investments

	As at 31st March 2015
QUOTED:	
Investments in Units of Mutual Funds: [At Cost]	
[Units of Face value ₹ 10/- each, unless otherwise stated]	
11,732.679 Units Folio 6355799/87 Frp Direct Growth	22.39
Axis Liquid Fund Direct Growth 129.13	
5120.474 Axis Liquid Fund Direct Growth	79.13
124131.082 Axis Equity Fund Direct Plan-Growth	25.00
98386.462 Axis Mid Cap Fund Direct Growth	25.00
Kotak Mutual Fund 2215.29	
[Includes the Investments in Equity Shares through the Fund]	
83,267.60 Birla Sun Life Frontline Equity Fund Dividend - DP	24.00
4,324.64 Birla Sun Life Frontline Equity Fund - Growth	6.00

(₹ in Lacs)

	As at 31st March 2015
40,610.23 HDFC Equity Fund Dividend Plan - DP	24.00
23,446.66 ICICI Prudential Focused Bluechip Equity Fund - Regular Plan - Growth	6.00
128,779.13 Kotak Select Focus Fund Regular Plan Dividend - DP	24.00
128,550.78 Mirae Asset India Opportunities Fund Regular Dividend Plan - DP	24.00
134,535.83 SBI Blue Chip Fund Regular Plan Dividend - DP	24.00
26,098.30 SBI Blue Chip Fund Regular Plan Growth	6.00
6,972.02 UTI EQUITY FUND (Formerly UTIMastergain Unit Scheme) GROWTH PLAN	6.00
120,162.72 Franklin India Prima Fund Dividend - DP	70.00
1,193.37 Franklin India Prima Fund-Growth	6.00
139,625.45 Franklin India Smaller Companies Fund - Dividend - DP	35.00
259,907.75 HDFC Mid Cap Opportunities Fund - Dividend - DP	70.00
20,674.68 HDFC Mid Cap Opportunities Fund - Growth	6.00
208,858.41 ICICI Prudential Value Discovery Fund Regular Plan Dividend - DP	70.00
6,513.24 ICICI Prudential Value Discovery Fund Regular Plan Growth	6.00
110,000 Reliance Capital Builder Fund Series A Dividend - DP	11.00
168,443.33 Sundaram SMILE - Dividend - DP	35.00
147,725.24 UTI Mid Cap Fund - Dividend Plan - DP	70.00
13,327.41 Birla Sun Life Infrastructure Fund Plan Growth Regular Plan	3.00
20,807.32 HDFC Infrastructure Fund - Growth Plan	3.00
1,767.72 ICICI Prudential Top 200 Fund - Regular Plan - Growth	3.00
3500 CROMPTON GREAVES LTD	5.65
300 GRASIM INDUSTRIES LTD	10.14
320 HERO MOTOCORP LTD	10.09
6470 I D F C LTD	10.14
2890 ICICI BANK LTD	10.16
660 LARSEN & TOUBRO LTD	10.19
290 MARUTI SUZUKI INDIA LTD	10.02
1780 OIL INDIA LTD	9.88
1130 RELIANCE INDUSTRIES LTD	10.20
380 TATA CONSULTANCY SERVICES LTD	9.54
360 UNITED SPIRITS LTD	10.00
1,935,021.96 HDFC Corporate Debt Opportunities Fund Regular Growth	200.00
1,124,095.24 IDFC Banking Debt Fund Regular Plan Growth	125.33
3,181,542.86 ICICI Prudential Blended Plan A Regular Plan Dividend - DR	430.07
536,541.13 ICICI Prudential Income Opportunities Fund - Regular Plan - Growth	100.00
312,640.69 IDFC Dynamic Bond Fund Regular Plan Growth	50.00
131,245.65 9 Kotak Bond Scheme Plan A Regular Plan Growth	50.00
277,200.28 Reliance Dynamic Bond Fund Growth Plan Growth Option	50.00
537,143.47 Sundaram Flexible Fund Flexible Income Plan Regular Growth	100.00
331,749.78 UTI Dynamic Bond Fund Growth	50.00
37,606.00 ICICI Prudential Liquid - Regular Plan - Growth	75.53
15,474.00 Kotak Floater Short Term Regular Plan Growth	346.34
Mutual Fund IIFL	
174,825.1750 Birla Sun Life India Reforms Fund Growth	25.00
83,175.5010 Franklin India High Growth Com. Fund Growth	25.01
100,628.4660 Reliance Top 200 Retail Growth	25.01
32,121.8440 UTI Mid Cap Fund Growth Plan	25.02
Book Value of the Current Investments	**2,466.87**
Market Value of Quoted Investments	**2,521.40**
Aggregate Value of All Current Investments	**2,466.87**

(₹ in Lacs)

Note 9
Long Term Loans and Advances

	As at 31st March 2015
[UNSECURED, considered good unless otherwise stated]	
(a) Deposits	16.03
(b) Advance to Related parties	2,261.26
(c) Other Advances	16.47
	2,293.75

Note 10
Inventories

	As at 31st March 2015
[As taken, valued and certified by the Management]	
a. Raw Materials and components	128.11
b. Work-in-progress	50.24
c. Finished goods	59.77
Total	**238.12**

Note 11
Trade Receivables

	As at 31st March 2015
[UNSECURED, considered good unless otherwise stated]	
Receivables outstanding for a period exceeding six months from the due date	
Considered Good	791.47
Considered Doubtful	104.94
Less: Provision for doubtful debts	(104.94)
	791.47
Other Receivables	470.83
	470.83
Total	**1,262.30**

Trade Receivable stated above include debts due by:

	As at 31st March 2015
Private Company in which director is a member	0.28
	0.28

Note 12
Cash and Bank Balances

	As at 31st March 2015
a. Cash on hand	0.88
b. Balances with banks	497.23
	498.11
Bank Balances include:	
Earmarked Balances (eg/- unpaid dividend accounts)	105.69
Margin money	1.34

(₹ in Lacs)

Note 13

Short-term loans and advances

	As at 31st March 2015
Deposits	-
Balances with Government Authorities	152.61
Advance to Suppliers	47.08
	199.69

Note 14

Other Current Assets

	As at 31st March 2015
Prepaid Expenses	7.12
	7.12

Note 15

Revenue from operations

Particulars	2014-15
Sale of products/services:	
Local sales	64.34
OMS	54.28
Export Sales	1,725.10
Other operating revenues	59.01
Total	**1,902.73**

Note 16

Other income

Particulars	2014-15
Interest Income	45.14
Dividend Income	155.82
Profit on sale of Investments [Net]	47.96
Foreign Exchange Gain :	
Realised	-
Unrealised	-
Income from Trading in Futures & Options	17.45
Miscellaneous Income	5.72
Sundry balances written back	-
Total	**272.08**

Note 17

Cost of materials consumed

Particulars	2014-15
Opening Stock	96.87
Purchases	679.83
Less: Closing Stock	128.11
Total	**648.59**

(₹ in Lacs)

Note 18

Variation in inventories of finished goods and work-in-progress

Particulars	2014-15
Opening Stock :	
Work-in-Process	25.52
Finished Goods	137.50
	163.03
Closing Stock :	
Work-in-Process	50.24
Finished Goods	59.77
	110.01
Total	**53.02**

Note 19

Employee Benefits Expenses

Particulars	2014-15
(a) Salaries and incentives	277.76
(b) Contributions to Provident fund	12.75
(c) Gratuity fund contributions & Leave Encashment	3.00
(d) Staff welfare expenses	19.29
Total	**312.80**

Note 20

Operating & other Expenses

Particulars	2014-15
Consumption of stores and spare parts.	20.55
Labour Charges	95.80
Power and Fuel	77.75
Water Charges	4.57
Foreign Exchange Loss - Realised	11.50
Foreign Exchange Loss - Unrealised	37.54
Bank & Other Charges	5.07
Repairs to Buildings	5.61
Repairs - Others	43.65
Insurance	3.00
Rent, Rates and Taxes	19.16
Auditors Remuneration	8.12
Miscellaneous expenses	75.18
Fixed Assets written off	42.22
Provision for Doubtful Debts	95.00
Directors' Sitting Fees	0.24
Foreign Travelling Expenses	85.62
Printing & Stationery	11.48
Professional charges	76.93
Communication Expenses	16.85
Vehicle Expenses	13.06

(₹ in Lacs)

Particulars	2014-15
Travelling Expenses:	
Directors	7.45
Others	11.94
Factory	10.16
Business Promotion Expenses	52.03
Advertising / Sales Commission Expenses	3.34
Discount Allowed [Sales]	9.16
Export Product Registration Expenses	
Export product registration	109.36
Export Expenses	0.77
Clearing & Forwarding Expenses	12.69
Other Expenses	1.06
Commission on Purchases	-
Bad Debts	99.38
Loss by Theft	-
Preliminary Expenses written off	0.86
Prior Period Items	2.75
Total	**1,069.85**

21. Disclosure as per Accounting Standard 15 (Revised) "Employee Benefits" notified under the relevant provisions of the Companies Act, 2013

Defined Benefit Plan:

The company provides gratuity benefit to it's employees which is a defined benefit plan. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation for leave encashment is recognised in the same manner as gratuity.

(i) Reconciliation of opening and closing balances of Defined Benefit Obligation

Particulars	2014-15	
	Gratuity	Leave Encashment
Present value of the obligation at the beginning of the year	0	0
Current Service Cost	1,53,041	29,543
Interest Cost	0	0
Actuarial (Gain) / Loss on Obligation	10,62,314	1,87,365
Benefits Paid	0	(18,975)
Present value of the obligation at the end of the year	12,153,55	1,97,933

(ii) Reconciliation of Fair Value of Assets and Obligations (Amount in ₹)

Particulars	2014-15	
	Gratuity	Leave Encashment
Present value of the obligation at the end of the year	12,153,55	1,97,933
Fair Value of Plan Assets at the end of the year	0	NIL
Net Obligation at the end of the year	12,153,55	1,97,933

(iii) Expense recognised during the year (Amount in ₹)

Particulars	2014-15	
	Gratuity	Leave Encashment
Current Service Cost	153,041	29,543
Interest cost on Obligation	0	0
Expected return on Plan Assets	NIL	NIL
Net Actuarial (Gain) / Loss recognised in the year	10,623,14	1,87,365
Net Cost Included in Personnel Expenses	12,153,55	2,16,908

(iv) Actual Return on Plan Assets for the year (Amount in ₹)

	Gratuity 2014-15
Expected return on Plan Assets	NIL
Actuarial (gain)/loss on Plan Asset	10,623,14
Actual return on plan assets	10,623,14

The Figures for the previous year [F.Y. 13-14] are not available as the company was, hitherto, providing for the Gratuity Liability as per the working obtained from the LIC of India and Leave Encashment Liability based on its own calculations.

22. The Group is mainly engaged in the development and operations of Pharmaceutical business. All the activities of the Group revolve around this main business. Considering the nature of the Group's business and operations, there are no separate reportable segments (business and/or geographical) in accordance with the requirements of Accounting Standard 17; "Segment Reporting", issued by the Institute of Chartered Accountants of India.

23. In view of the Accounting Standard : AS 18 on Related Parties Disclosures in respect of related party transactions for the year ended on 31st March 2015 is as under:

Name of the related parties and Nature of Relationship

I) Key Managerial Personnel

Mr. Mukund Mehta	Managing Director
Mr. Paresh Mehta	Whole Time Director
Mr. Bhavin Mehta	Whole Time Director
Mr. Deepu K.	Whole Time Director
Mrs. Mira Bhavin Mehta	Whole Time Director

II) Enterprises significantly influenced by Key Managerial Personnel

NBZ Pharma Ltd.
NBZ Healthcare LLP.
J.D. Enterprises
Kilitch Pharma (Co.) Ltd.
EyeKare Kilitch Ltd.

Related Party Transactions **(₹ in Lacs)**

Nature of Transactions	Key Managerial Personnel		Enterprises significantly influenced by Directors and their relatives	
	2014-15		**2014-15**	
Purchases	-		7.14	
Sales	-		8.21	
Director's Remuneration and Sitting Fees	66.07		-	
Expenses incurred by KDL	14.43		2.85	
Advance Given	4.67		7.75	
Advance Returned By Parties	4.67		7.75	
Reimbursement of Expenses [Net]	3.19		-	
Outstanding				
a) Trade Receivable	-		60.50	
b) Advances given/ (taken) [Net]	(0.10)		-	

24. **Earnings Per Share of the Group Shareholders :**

	2014-15
Net Profit attributable to Equity shareholders. (₹ in Lacs)	(28.94)
Weighted average number of equity shares outstanding during the year	13,231,828
Nominal Value of Equity Share (₹)	10/-
Basic as well as Diluted EPS (₹)	**(0.22)**

25. **DEFERRED TAX**

In accordance with the 'Accounting Standard -AS 22 Accounting for Taxes on Income" notified under the relevant provisions of the Companies Act, 2013, the break-up of the Net Deferred Tax Assets as on 31st March, 2015 is as under:

(₹ in Lacs)

Particulars	Deferred Tax Asset/ (Liability) as at 01-04-14	For The Year	Deferred Tax Asset/ (Liability) as at 31-03-15
Deferred tax Liability			
Difference between Book & Tax Depreciation	(18.81)	30.99	**12.18**
Deferred tax Assets			
Disallowance under income tax Act- Provisions for Gratuity/ Leave Encashment	3.73	0.86	**4.59**
Provision for Doubtful Debts	0	34.05	**34.05**
Total	**(15.08)**	**65.90**	**50.82**

26. **Expenditure in foreign currency:** (₹ in Lacs)

Particulars	2014-15
Business Promotion & Travelling	**47.24**
Export Registration	**131.29**
Factory Expenses	**-**
Sundry Expenses	**-**
Export Expenses	**0.61**

27. **Earnings in Foreign Currency**

Particulars	2014-15
Export Sale	**951.31**

28. **Contingent liabilities:**

1. Estimated amount of guarantees & Letter of Credit given not provided for in the accounts is ₹ **63.08 Lakhs.**
2. The disputed statutory dues in respect of Income Tax aggregating to ₹ **50,305,650/-** pertaining to A.Y. 2008-09 have not been deposited as the matter is pending before the CIT (Appeals).

29. The Subsidiary companies considered in these consolidated financial statements are:

Name of Subsidiaries	Country of Incorporation	Proportion of ownership interest 2014-15
Monarchy Healthserve Pvt Ltd	India	**100%**

30. The balances in respect of Trade Receivables & Payables and loans and advances, whether debit or credit as appearing in the books of accounts of the Holding and the Subsidiary Companies are subject to confirmations from the respective parties and are pending reconciliations/adjustments arising there from, if any.

However, in the opinion of the Management, the Current Assets, Loans and advances are approximately of the value stated in the balance sheet if realized in the ordinary course of the business and the provision for all known liabilities is adequate and not in excess of amounts considered reasonably necessary.

31. There are no Micro and Small Enterprises, to whom the Group owes dues, which are outstanding for more than 45 days as at March 31, 2015. The above information, regarding Micro, Small Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Group. This has been relied upon by the Auditors.

32. Additional information as required under Section 186 (4) of the Companies Act, 2013 during the year:

    i) No investment is made in Body Corporate.

    ii) No Guarantee is given by the Company.

    iii) No Loans given to any Body corporate

33. Details required as per Schedule III of the Companies Act 2013 as below:-

    Details of Net Assets & share in profit or loss

Name of the entity	Net Assets, i.e., total assets minus total liabilities		Share in profit or loss	
	As % of consolidated net assets	Amount	As % of consolidated Profit	Amount
Parent	100.08	11997.54	64.10	-18.55
Subsidiary				
A) Indian				
Monarchy Healthserve Pvt Ltd	-0.08	-9.64233	35.90	-10.39

The previous year figures are not available since there was no Subsidiary Company in the preceding Financial Year.

As per our report of even date

For and on behalf of the Board of Directors

For A. M. Ghelani & Company
Chartered Accountants
FRN:103173W

Mukund P. Mehta
(Managing Director)
DIN: 00147876

Bhavin Mehta
Executive Director
DIN: 00147895

Chintan A. Ghelani
Partner
M. No. 104391

C.S.Krishnan
Chief Financial Officer

Nirmal Kumar
Company Secretary

Mumbai,
Dated: 28th May, 2015

23rd Annual General Meeting

KILITCH DRUGS (INDIA) LIMITED

[CIN : L24239MH1992PLC066718]

Registered office: C-301/2, M.I.D.C. Industrial Area, Pawane Village, Thane: 400 705

Phone: _022-27680913 Fax: 022-2768091.

Website: www.kilitch.com / email: info@kilitch.com

PLEASE FILL ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL

Date	Venue	Time
September 30, 2015	C-301/2, M.I.D.C. Industrial Area, Pawane Village, Thane: 400 705	9.00 A.M.

PLEASE FILL ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING VENUE.

Folio No. _____ *DP ID No. _____ *Client ID No. _____

Name of the Member Mr./Mrs. _____ Signature _____

Name of the Proxyholder Mr./Mrs. _____ Signature _____

** Applicable for investors holding shares in electronic form.*

I certify that I am the registered shareholder/proxy for the registered shareholder of the Company.

I hereby record my presence at the 23RD Annual General Meeting of the Company held on **Wednesday, September 30, 2015 at 9.00 a.m** at C-301/2, M.I.D.C. Industrial Area, Pawane Village, Thane: 400 705.

TEAR HERE

_____

Signature of the Member/ Proxy

Note: Electronic copy of the Annual Report for 2015 and Notice of the 23rd Annual General Meeting with the Attendance slip and Proxy form is being sent to all the members whose email id is registered with the Company/ Depository Participant unless any meeting has been requested for a hard copy of the same. Shareholders receiving electronic copy and attending the 23rd Annual General Meeting can print copy of this Attendance Slip.

Physical copy of the Annual Report for 2015 and Notice of the 23rd Annual General Meeting along with the Attendance Slip and Proxy Form is sent in the permitted mode(s) to all members whose email Id is not registered or has requested for hard copy.

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23rd Annual General Meeting

KILITCH DRUGS (INDIA) LIMITED

[CIN : L24239MH1992PLC066718]

Registered office: C-301/2, M.I.D.C. Industrial Area, Pawane Village, Thane: 400 705

Phone: _022-27680913 Fax: 022-2768091, Website: www.kilitch.com / email: info@kilitch.com

Form No. MGT-11

FORM OF PROXY

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of Member(s)	:	Email Id	:
Registered Address	:	Folio No.	:
	:	*DP Id.	:
No. of Shares held	:	*Client Id.	:

** Applicable for investors holding shares in electronic form.*

I/We, being a member(s) of _____ shares of Kilitch Drugs (India) Limited hereby appoint:

1. Mr./Mrs. _____ Email Id:_____
   Address : _____
   _____ Signature:_____

2. Mr./Mrs. _____ Email Id:_____
   Address : _____
   _____ Signature:_____

3. Mr./Mrs. _____ Email Id:_____
   Address : _____
   _____ Signature:_____

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 23rd Annual General Meeting of the Company to be held on Wednesday, September 30, 2015 at 9.00 a.m. at C-301/2, M.I.D.C. Industrial Area, Pawane Village, Thane: 400 705 and at any adjournment thereof in respect of such resolutions as are indicated below:

** I wish my above Proxy to vote in the manner as indicated in the box below:

Sr. No.	Resolutions	Number of Shares held	For	Against
Ordinary Business				
1.	To Adopt Standalone and Consolidated Audited Financial Statements for the financial year ended March 31, 2015 and reports of the Board of Directors and the Auditors thereon;			
2.	Re-appointment of Mr. Mukund Mehta, who retires by rotation and being eligible offers himself for reappointment			
3.	Ratification of appointment of M/s A.M. Ghelani & Co., Chartered Accountants, Mumbai as Auditors			
Special Business				
4.	Appointment of Mr. Pankaj Kamdar as an Independent Director			
5.	Appointment of Mr. Hemang Engineer as an Independent Director			

*** This is optional. Please put a tick mark (x) in the appropriate column against the resolutions indicated in the box. If a member leaves the "For" or "Against" column blank against any or all of the Resolutions, the proxy will be entitled to vote in the manner he/ she thinks appropriate. If a member wishes to abstain from voting on particular resolution, he/she should write "Abstain" across the boxes against the Resolution.*

Signature(s) of the Member(s)

1._____

2._____

3._____

Affix One rupee Revenue Stamp

Signed this _____day of_____2015

Notes:

1. The Proxy to be effective should be deposited at the registered office of the company not less than Forty Eight (48) Hours before commencement of the meeting.
2. A proxy need not be a member of the company.
3. In the case of the Joint holders, the vote of the senior who tenders vote, whether in person or by Proxy, shall be accepted to the exclusion of the vote of the other joint holders. Seniority shall be determined by the order in which the names stand in the Register of the Members.
4. The form of proxy confers authority to demand or join in demanding a poll.
5. The submission by a member of this form of proxy will not preclude such member from attending in person and voting at the meeting.
6. In case a member wishes his/her votes to be used differently, he/she should indicate the number of shares under the columns "For" or "Against' as appropriate.

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pH7
Effervescent Granules
Lemon Flavour

QUINOD
ONECEF-SB
KILITCH
ONECEF
CEFTRIAXONE POUR INJECTABLE USP
KILMOL
9-VIT
ARTLUF
BON-BON
ARTLUF-FORTE
KILCIP FORTE

1 x 10 Tablets/Compr.
KLAVMOX LB 281.25
KLAVMOX
KLAVMOX LB 375
KLAVMOX LB 562.50
KLAVMOX LB 625
B 1000

Strip of 5 Lozenges
HPURE
Curcumin Lozenges
For fast relief of
Sore Throat & Cough
The Golden Lozenge in a Delicious Taste

Kilitch Drugs (India) Ltd.

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C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (W), Mumbai - 400 078

Tel. : 22-2596 3838 Fax : 22-2594 6969

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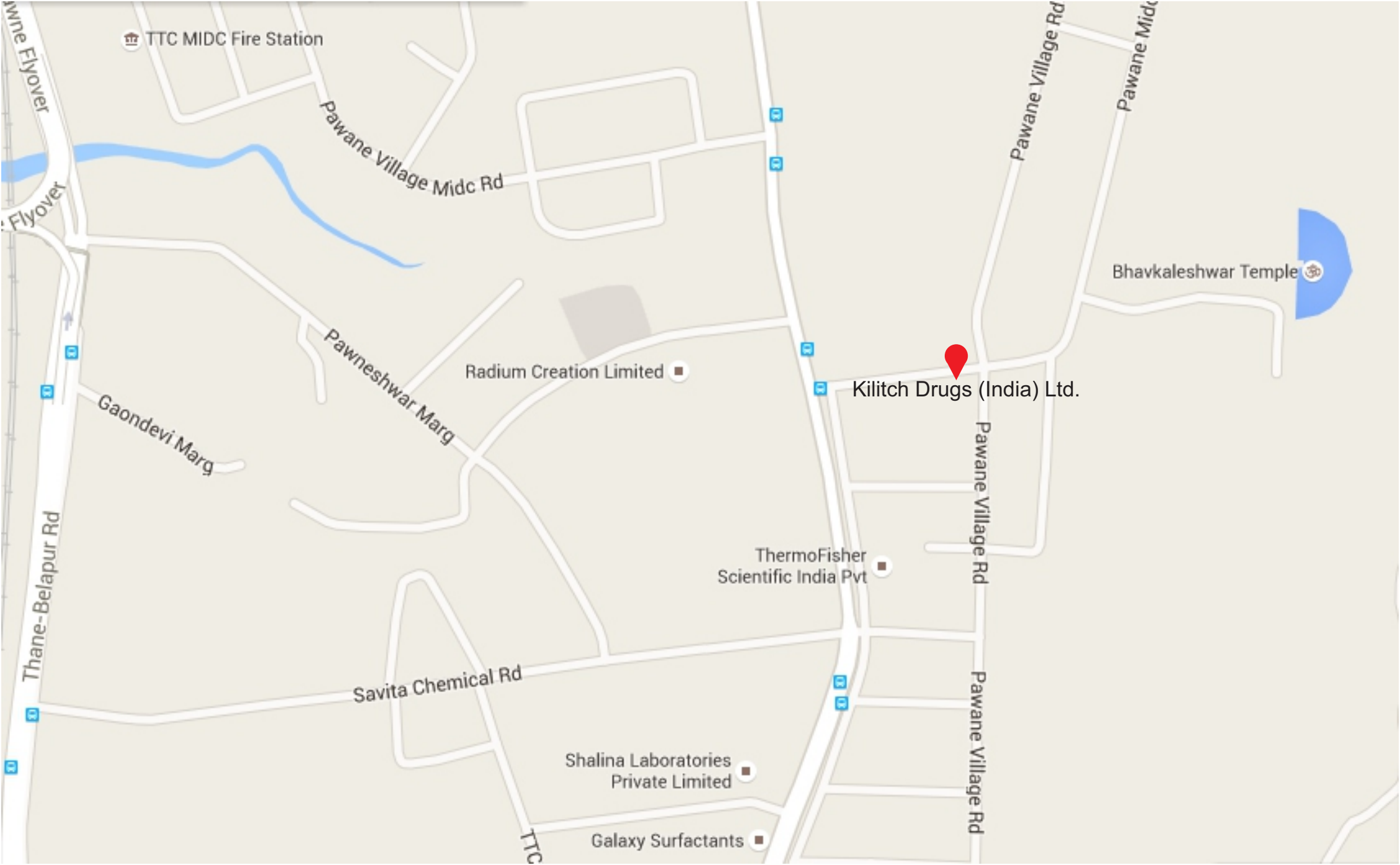
KILITCH DRUGS (INDIA) LIMITED

FORM A

(Pursuant to Clause 31(a) of the Listing Agreement)

1.	Name of the Company	**Kilitch Drugs (India) Limited**
2.	Annual financial statements for the year ended	31st March 2015
3.	Type of Audit observation Un-qualified / ~~Matter of Emphasis~~	Un-qualified
4.	Frequency of observation	Not Applicable
5.	To be signed by-	
	Mr. Mukund Mehta Managing Director	
	Mr. C.S. Krishnan CFO	
	For: M/s. A.M. Ghelani& Co. **Chartered Accountants** **Mr. ChintanA. Ghelani** **Partner** Membership No. 104391	A. M. GHELANI & COMPANY C.A. MUMBAI
	Mr. Mukesh Shah Audit Committee Chairman	


TTC MIDC Fire Station
Pawane Village Midc Rd
Pawane Village Rd
Pawane Mid
Flyover
Bhavkaleshwar Temple
Pawneshwar Marg
Radium Creation Limited
Kilitch Drugs (India) Ltd.
Gaondevi Marg
Pawane Village Rd
Thane-Belapur Rd
ThermoFisher
Scientific India Pvt
Savita Chemical Rd
Pawane Village Rd
Shalina Laboratories
Private Limited
Galaxy Surfactants