JUBILANT LIFESCIENCES

Aligning verticals consolidating Growth

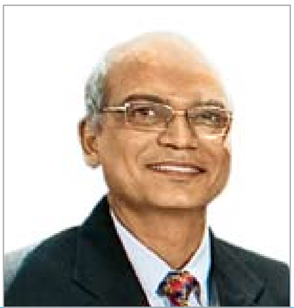
ANNUAL REPORT 2014-15

Contents

Board of Directors

Shyam S Bhartia
Chairman

Hari S Bhartia
Co-Chairman & Managing Director



Shyamsundar Bang
Executive Director

Shardul S Shroff
Director

S Sridhar
Director

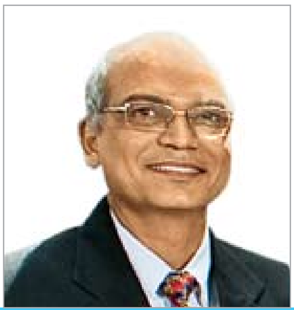
Dr. Ashok Misra
Director

Sudha Pillai
Director

Senior Leadership Team

Shyam S Bhartia
Chairman

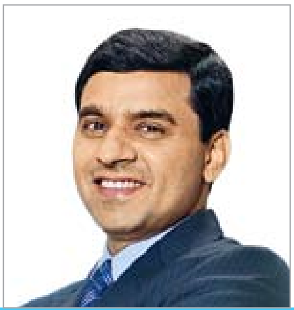
Hari S Bhartia
Co-Chairman &
Managing Director



Shyamsundar Bang
Executive Director
Manufacturing & Supply Chain

R Sankaraiah
Executive Director
Finance

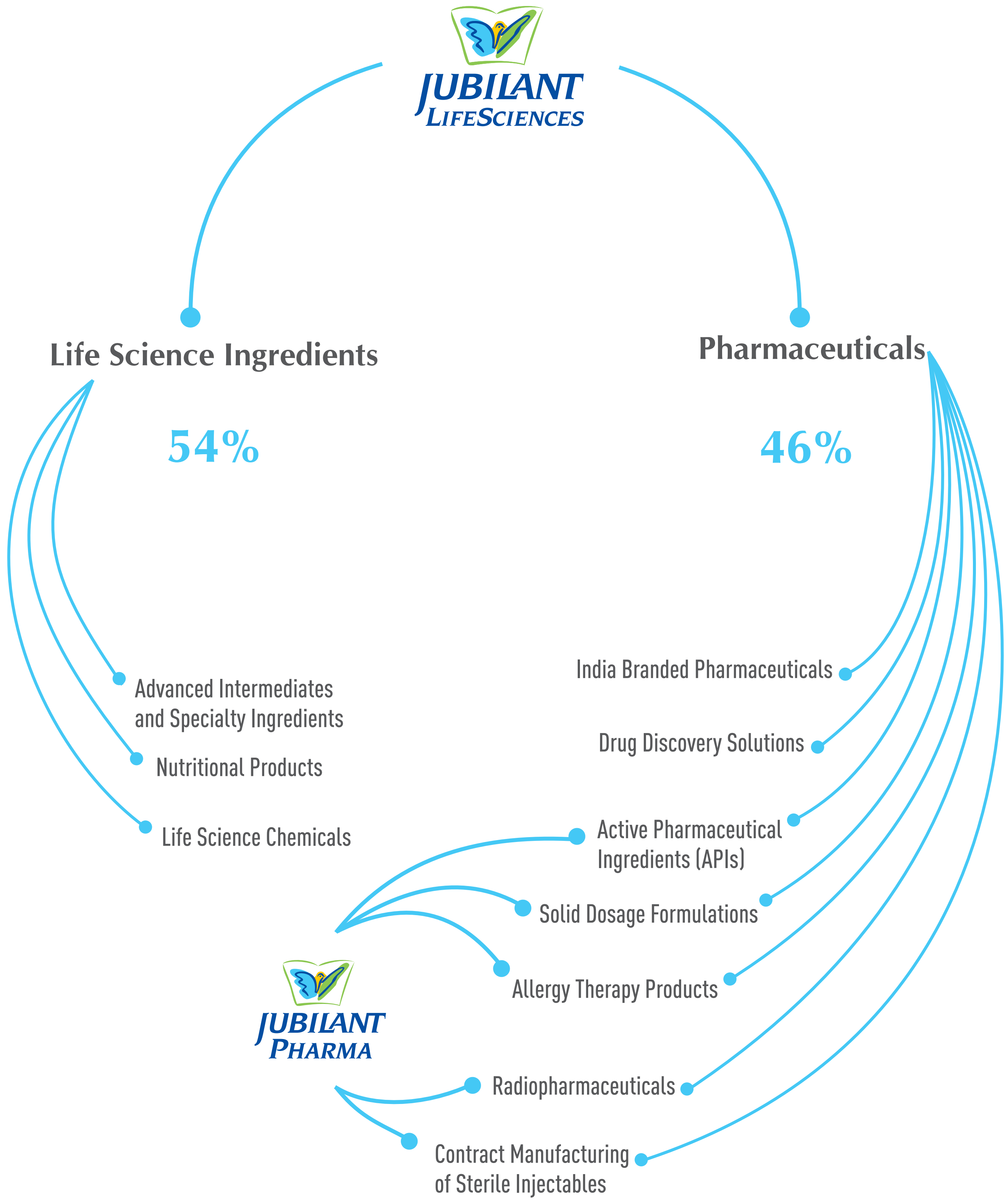
Rajesh K Srivastava
Co-CEO
Life Science Ingredients



Pramod Yadav
Co-CEO
Life Science Ingredients

G P Singh
CEO
Jubilant Pharma

Business Segmentation



Global Presence

INDIA

Noida, Uttar Pradesh
Corporate office and R&D centres

Greater Noida, Uttar Pradesh
Office

Mumbai, Maharashtra
Office

Gajraula, Uttar Pradesh
Largest manufacturing facility in the world for Pyridine and its derivatives

Bharuch, Gujarat
Manufacturing facility for Vitamins and Pyridine derivatives

Nira, Maharashtra
Manufacturing facility for Life Science Chemicals

Samlaya, Gujarat
Manufacturing facility for Nutrition Products

Ambernath, Maharashtra
Manufacturing facility for Pyridine derivatives

Nanjangud, Karnataka
Manufacturing facility for APIs

Roorkee, Uttarakhand
Manufacturing facility for Generics

Bengaluru, Karnataka
State-of-art Drug Discovery centre

SINGAPORE

Jubilant Pharma office

NORTH AMERICA

Kirkland, Quebec, Canada
Manufacturing facility for Radiopharmaceuticals, CMO of Sterile Injectables

Spokane, Washington, USA
Manufacturing facility for Allergy Therapy Products and CMO of Sterile Injectables

Salisbury, Maryland, USA
Manufacturing facility for Generics

Horsham, Pennsylvania, USA
Jubilant Cadista - Sales & Marketing office

Malvern, Pennsylvania, USA
Drug Discovery Solutions office

Bedminster, New Jersey, USA
Marketing office

EUROPE

Merelbeke, Belgium
Generics Marketing office

CHINA

Shanghai
Marketing office

Chairmen's Message

Shyam S Bhartia
Chairman

Hari S Bhartia
Co-Chairman & Managing Director

Dear Shareholders,

The Indian general election of 2014 has ushered in a stable government at the centre which is expected to benefit the overall growth of the economy. The World Bank has projected India's GDP to expand to 7.5 percent in 2015-16, followed by further acceleration in subsequent years, on account of increased economic activity and greater stability.

According to a World Health Organisation report, the global pharmaceutical market is expected to grow to US$ 400 billion, with developed markets continuing to account for a large share of this market. Generics have become indispensable in this growth, driven by their key propositions of affordability and accessibility.

The Indian pharmaceutical industry has carved out a significant niche in the global generic market. At Jubilant, we continue our endeavours to tap this burgeoning global pharmaceutical market by leveraging our chemistry skills to manufacture quality products at an affordable cost.

Business Objectives

Jubilant Life Sciences is an integrated global pharmaceutical and life sciences player supplying products and services to customers across over 100 countries in the world. In Life Sciences, we enjoy leadership positions across our key products at a global level. We are present across the entire Pharmaceutical ecosystem and see ourselves as a one-stop-shop in the global Pharmaceutical and Life Sciences industry.

Our integrated business model offers products across the entire value chain helping us reduce dependence on external suppliers. We derive a global competitive edge on account of our cost efficiencies and vertical integration. With an 892 member strong R&D team, our spending on R&D stood at 6% of our Pharmaceuticals segment revenues.

Our well-diversified businesses are categorised in two major business segments namely Pharmaceuticals and Life Science Ingredients to streamline efficiencies and promote ease of conducting business. Our vertically integrated operations have helped us in moving up the value chain in both our business segments.

We continue to maintain prudent financial policies while maintaining emphasis on optimising margin and prudent execution of capital expenditure. Our efficient cost structure is concomitant with our policy to safeguard the environment and maintain safety. We are committed to the triple bottom line approach of sustainability through delivering a high social, environmental and economic performance.

During the year, we have completed the consolidation of all our Pharmaceutical business under Jubilant Pharma, Singapore with effect from July 1, 2014. Further, we completed management consolidation of Pharmaceuticals and Life Science Ingredients segments and appointed separate CEOs to focus on growth in the respective segments. We also acquired the minorities' stake in Jubilant Cadista to help us in consolidating the US Generics business.

We have taken a strategic decision to make a foray into the attractive Indian pharmaceutical market through our newly set up India Branded Pharmaceuticals business with the launch of Cardiovascular and Diabetic division. We hope to translate our reputation as an international company of quality generic products into the growing domestic market.

Performance Review

Income from Operations in FY 2015 was at ₹ 58,262 million. Earnings before Interest, Taxes and Depreciation & Amortisation (EBITDA) was at ₹ 7,317 million translating to an EBITDA margin of 12.6%. Profits before Exceptional Items, Tax and Minority Interest stood at ₹ 884 million. Reported Profit after Tax (PAT) was at ₹ (578) million whereas the Normalised PAT after adjusting for exceptional items was at ₹ (97) million.

International revenues accounted for 71% of the revenue mix at ₹ 41,367 million. This is primarily driven by revenues from North America, Europe and Japan. The Company continues to expand its presence globally with its products and services reaching out to customers in over 100 countries across the globe.

In FY 2015, revenues from the Pharmaceuticals segment stood at ₹ 26,820 million and contributed 46% to the overall Income from Operations. This was on account of healthy growth in our Radiopharmaceuticals and APIs businesses.

In Solid Dosage Formulations business, we now have 48 commercial products and a pipeline of 438 filings

During the year, we completed management consolidation of Pharmaceuticals and Life Science Ingredients segments and appointed separate CEOs to focus on growth in the respective segments.

pending approval including 34 Abbreviated New Drug Applications pending in the US, 6 filings pending in Canada and 4 filings pending in Europe. During the year, we made 7 filings in the US, 1 filing in Canada and 3 filings in Europe.

In APIs business, we have 39 commercial APIs and a pipeline of 72 filings pending approval including 46 in the US, 17 in Canada and 4 Certificates of European Pharmacopoea. During the year, we made 3 filings in the US and 1 filing in Canada.

Our Spokane Contract Manufacturing (CMO) facility was successfully re-inspected by the US FDA recently. The site has been upgraded to Voluntary Action Indicated from the earlier Official Action Indicated status as per the latest Establishment Inspection Report by the US FDA. While in FY 2015 the Spokane CMO facility was significantly impacted due to a voluntary shutdown, we expect the above upgradation to positively impact our operations and marketing efforts including new product approvals for our customers from the facility going forward. The Radiopharmaceuticals business has shown a significant growth in FY 2015 contributing to both top line and bottom line.

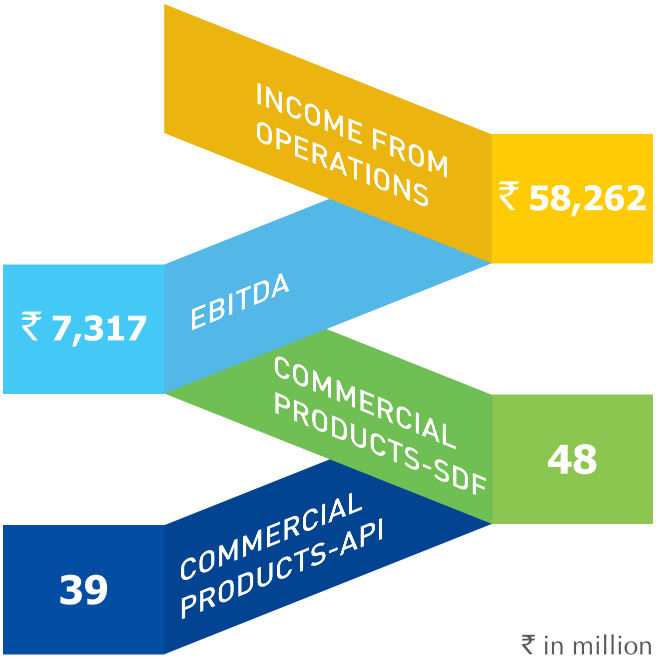
In FY 2015, Life Science Ingredients segment revenue stood at ₹ 31,442 million and contributed 54% to the overall Income from Operations. During the year we witnessed healthy price and volume growth in Nutritional Products. Life Science Ingredients EBITDA margins were impacted due to unabsorption cost in Symtet and volume and margin reduction due to anti-dumping duty in China in Advanced Intermediates.

Dividend

The Board has proposed a dividend of 300% per equity share of ₹ 1 face value for the year which will result in a cash outgo of ₹ 575 million including tax.

Outlook

Post a year of consolidation, we expect Pharmaceuticals segment to drive revenue growth in FY 2016 with improvement in profitability across key businesses. The Pharmaceuticals segment is expected to drive growth on account of several reasons. We anticipate growth in Generics business from entry into new markets and launch of new products in Solid Dosage Formulations and



₹ in million

volumes growth in APIs. The CMO business is expected to benefit from normalisation of operations and we expect the Radiopharmaceuticals business to continue its strong performance. The growth in Life Science Ingredients business is expected to be led by higher volumes in Nutritional Products and Fine Ingredients. We expect to witness improved profitability across key businesses.

We will continue with our endeavours to strengthen balance sheet and expect that the management consolidation will help drive the business in a focused manner to improve the operating performance.

We wish to convey our earnest gratitude to all our stakeholders which include our customers, vendors, bankers and shareholders for continuing their support and maintaining their confidence and trust with us. We would like to welcome Dr. Ashok Misra who joined us as a Director on our Board. We take this opportunity to thank Mr. Inder Mohan Verma, Mr. Suresh Kumar and Mr. Abhay Havaldar, who resigned from our Board during the year, for their invaluable contribution. We would also like to express our deepest gratitude to our employees across geographies for their contribution and commitment towards achieving the organisational goals.

Wishing you all Very Best for the coming year!

Shyam S Bhartia
Chairman

Hari S Bhartia
Co-Chairman & Managing Director

June 15, 2015

Management Discussion & Analysis

Key Economic and Industry Trends

The Indian economy is on a rebound with a revival in the reform process which has led to improved investor confidence. Benign inflation levels and anticipated lower interest rates are expected to give a boost to domestic consumption across the economy. Global growth in 2014-15 was positively impacted from a sharp fall in crude prices.

The Indian pharmaceuticals industry is expected to grow, on the back of a rapidly growing domestic market and lucrative export opportunities. In India, focus is steadily shifting towards specialty therapies and it is expected that better growth in domestic sales will depend on the ability of companies to align their product portfolio towards chronic therapies in segments such as cardiovascular, anti-diabetes and anti-depressants.

During the year, we have completed the consolidation of all our Pharmaceuticals businesses under Jubilant Pharma, Singapore with effect from July 1, 2014. This has been financed by a US$ 147.5 million funding from International Finance Corporation (IFC), which includes US$ 87.5 million of long term loan, US$ 60 million of zero coupon optionally convertible loan and a further loan of US$ 52.5 million to be syndicated by IFC.

Further, we also completed management consolidation of Pharmaceuticals and Life Science Ingredients segments and appointed separate CEOs to focus on growth in the respective segments. This is pursuant to the consolidation of Pharmaceuticals and Life Science Ingredients under two independent segments to decouple the Pharmaceuticals segment from the Life Science Ingredients segment, thereby harnessing the true potential in each business to aid focused faster growth for the Company. We also acquired the minorities' stake in Jubilant Cadista to help us in consolidating the Generics business.

We took a strategic decision to make a foray into the attractive Indian pharmaceutical market through our newly set up India Branded Pharmaceuticals business with the launch of Cardiovascular and Diabetic division. We hope to translate our reputation as an international company of quality generic products into growing domestic market.

Our Business Strategy

We take pride in our positioning as an integrated global pharmaceutical and life sciences company. Our focus is on the following overall business strategic objectives:

In India, focus is steadily shifting towards specialty therapies and it is expected that better growth in domestic sales will depend on the ability of companies to align their product portfolio towards chronic therapies in segments such as cardiovascular, anti-diabetes and anti-depressants.

1. **We aim to maintain global leadership in our chosen lines of business** – We believe that we enjoy a unique, long-standing relationship with global Pharmaceutical and Agrochemical players, which is underpinned by our attractive product portfolio in niche markets.
2. **Vertically integrated operations, driven by strength in manufacturing and chemistry** – We have, using both in-house innovative technology and inorganic growth initiatives, built strong presence across the pharmaceuticals value chain. This has considerably reduced our dependence on third-party supplies. Some of our initiatives have been successful and we continue to work towards achieving similar feats as opportunities present themselves.
3. **Optimise margins while maintaining prudent financial policies** – Our endeavour is to exercise financial prudence and strengthen our balance sheet. We strive to enhance margins by improving capacity utilisation and moving up the value chain.

Financials

Consolidated Income Statement

Consolidated Income Statement (₹ million)	FY 2014	FY 2015
Income from Operations	**58,034**	**58,262**
Other Income	190	425
Total Income	**58,224**	**58,687**
Material Cost	24,421	26,617
Power and Fuel Cost	3,897	3,930
Employee Cost	11,052	10,903
Other Expenditure	8,588	9,920
Earnings Before Interest, Taxes, Depreciation and Amortisation	**10,266**	**7,317**
Depreciation	2,812	2,880
Finance Costs	3,237	3,553
Profit Before Tax and Exceptional Items	**4,217**	**884**
Exceptional Items	-2,145	-481
Tax Expenses	696	805
Minority Interest	286	176
Profit After Tax	**1,090**	**-578**
Normalised Net Profit after Tax	**3,235**	**-97**

Revenue

Revenue from operations stood at ₹ 58,262 million in the fiscal year ended March 31, 2015 from 58,034 million in the fiscal year ended March 31, 2014. Increase in revenue was led by 6% improvement in price.

Revenue from international markets stood at ₹ 41,367 million, contributing 71% to total revenue in the fiscal year ended March 31, 2015. Key regulated markets, comprising North America, Europe and Japan contributed 58% of the total revenue. Domestic revenue stood at ₹ 16,895 million, contributing 29% to the total revenue and growing 12% Year-over-Year (YoY).

Total Expenditure

Expenses including Depreciation and Amortisation stood at ₹ 54,250 million in the fiscal year ended March 31, 2015 from ₹ 50,770 million in the fiscal year ended March 31, 2014, primarily attributable to an increase in cost of materials consumed. Materials cost increased 9% to ₹ 26,617 million in the fiscal year ended March 31, 2015 from ₹ 24,421 million in the fiscal year ended March 31, 2014. Employee benefit expenses decreased to ₹ 10,903 million in the fiscal year ended March 31, 2015 from ₹ 11,052 million in the fiscal year ended March 31, 2014.

Earnings Before Interest, Taxes, Depreciation and Amortisation (EBITDA)

In FY 2015, we recorded EBITDA of ₹ 7,317 million as against ₹ 10,266 million in FY 2014. The EBITDA margin stood at 12.6%. While Pharmaceuticals segment contributed to 58% of business EBITDA with 16.6% EBITDA margins, Life Science Ingredients EBITDA margins stood at 10.2%.

Finance Cost and Depreciation

Finance cost increased to ₹ 3,553 million in the fiscal year ended March 31, 2015 from ₹ 3,237 million in the fiscal year ended March 31, 2014. Depreciation and amortisation expenses stood at ₹ 2,880 million in the fiscal year ended March 31, 2015 from ₹ 2,812 million in the fiscal year ended March 31, 2014.

Profit Before Tax

Profit before Tax for the fiscal year ended March 31, 2015 stood at ₹ 403 million.

Tax Expenses

Tax expenses increased to ₹ 805 million in the fiscal year ended March 31, 2015 from ₹ 696 million in the fiscal year ended March 31, 2014.

Profit After Tax

Profit for the year stood at ₹ (578) million in the fiscal year ended March 31, 2015 with Earnings Per Share (EPS) at ₹ (3.63). However, Normalised Net Profit after Tax was ₹ (97) million, with Normalised EPS at ₹ (0.61).

The revenue and profitability has been affected during the year due to continued impact of the United States Food and Drug Administration (US FDA) Warning Letter at our Spokane facility, unabsorption cost in Symtet and volume and margin reduction due to anti-dumping duty in China in Advanced Intermediates.

Indebtedness

Our Net Debt, comprising Working Capital Debt of ₹ 12,307 million and Net Long Term Debt of ₹ 31,681 million stood at ₹ 43,988 million as on March 31, 2015. Also, our Gross Debt stood at ₹ 47,931 million with cash and cash equivalents at ₹ 3,943 million. Adjusted for Foreign Exchange difference, Net Debt was up by ₹ 1,147 million to ₹ 42,841 million on March 31, 2015 as compared to ₹ 39,157 million on March 31, 2014. We continue to benefit from competitive average interest rate of 6% given the FOREX borrowing at about 4.7% and rupee borrowing at about 11.9%

Capital Expenditure

During FY 2015, we have incurred capital expenditure of ₹ 3,694 million for the Company, including product development expenditures of ₹ 1,048 million for Pharmaceuticals. We will continue to be prudent in our capex going forward with the focus on reducing debt.

Operations Review - Strengths, Opportunities and Challenges

Our operations comprise of products and services across Pharmaceuticals and Life Science Ingredients segments. Our Pharmaceuticals segment includes operations of

(i) **Generics**, comprising Active Pharmaceutical Ingredients and Solid Dosage Formulations

(ii) **Specialty Pharmaceuticals (Sterile Products)**, comprising Radiopharmaceuticals, Allergy Therapy Products and CMO of Sterile Injectables

(iii) **Drug Discovery Solutions**

(iv) **India Branded Pharmaceuticals**

Life Science Ingredients segment includes products from our following businesses

(i) **Advance Intermediates and Specialty Ingredients**

(ii) **Nutritional Products**

(iii) **Life Science Chemicals**

Segmental Revenue Analysis	Revenue (₹ crores)		Revenue Mix (%)	YoY Growth %
	FY 2014	FY 2015		
Pharmaceuticals	**2,728**	**2,682**	**46%**	**-2%**
Active Pharmaceutical Ingredients	528	541	9%	2%
Solid Dosage Formulations	876	851	15%	-3%
CMO of Sterile Injectables	696	448	8%	-36%
Radiopharmaceuticals	238	525	9%	120%
Allergy Therapy Products	183	187	3%	2%
Drug Discovery Solutions	183	123	2%	-32%
India Branded Pharmaceuticals and Healthcare	22	7	0%	-69%
Life Science Ingredients	**3,076**	**3,144**	**54%**	**2%**
Advanced Intermediates and Specialty Ingredients	1,328	1,179	20%	-11%
Nutritional Products	396	486	8%	23%
Life Science Chemicals	1,352	1,480	25%	9%
Income from Operations	**5,803**	**5,826**	**100%**	**0%**

Pharmaceuticals

Pharmaceuticals segment revenue contribute 46% to our total Income from Operations. Revenue from this segment decreased to ₹ 26,820 million from ₹ 27,276 million last year.

Generics

The Generics vertical includes Active Pharmaceutical Ingredients (APIs) and Solid Dosage Formulations businesses. Total revenue from this vertical was higher at ₹ 13,920 million in FY 2015 as against ₹ 14,049 million in FY 2014.

Active Pharmaceutical Ingredients (APIs)

APIs are also known as bulk drugs or drug actives, and are responsible for rendering therapeutic action in a drug. Comprising the core of the drug, APIs are combined with other excipients to formulate tablets, capsules and liquids for final consumption. We are one of the leading players globally and specialise in Cardiovascular System (CVS), Central Nervous System (CNS), Anti-infectives and Anti-depressants along with other therapeutic areas.

We have a strategy of maintaining long-term relationship with leading generic drug companies with our range of world class products. The emphasis for us is on building leadership in chosen products, while delivering superior quality within supply timelines. We are the worldwide leaders in manufacturing of Carbamazepine, Oxcarbazepine, Citalopram and Lamotrigine; and among top three manufacturers in products like Risperidone, Donepezil and Olanzapine.

We have commercialised 39 products as on March 31, 2015. During the year we filed 3 new Drug Master Files (DMFs) in the US, made 1 filing in Canada and 2 filings in Japan.

Revenue from this business stood at ₹ 5,409 million in FY 2015 from ₹ 5,285 million in the previous year following improvement in volumes and benefits realised from cost rationalisation initiatives.

Sartans continue to be a key focus area for us and we have created a global niche for such products. Our Sartans portfolio comprises of key products such as Valsartan, Losartan, Candesartan and Irbesartan. During the year, the Company received ANDA approval for Irbesartan and Valsartan tablets, where we enjoy backward integration to our own respective APIs. The growth in Sartans will be supported on account of our expertise in CNS, CVS and also our vertical integration with our Solid Dosage Formulations business.

Our expansion in this segment is based on launch of new products slated to hit the market in the next few quarters, which will help us gain market share on the backdrop of strong filings in focused markets. Our facility at Nanjangud, Karnataka in India is highly specialised and is approved by key regulators including US FDA, AFSSAPS (France), PMDA (Japan) and ANVISA (Brazil), helping us expand into newer geographies. Geographic expansion is also being looked upon as a growth driver. Our Research and Development (R&D) function remains fully geared to strengthening our new products pipeline.

Solid Dosage Formulations

Solid Dosage Formulations business comprises of manufacturing and selling generic formulations. Our key focus segments are CVS, CNS and Steroids. We have manufacturing facilities at Salisbury, Maryland in the US and Roorkee, Uttarakhand in India. Our strategy is to have a portfolio of high potential products backed by an integrated APIs business thus giving us the advantage of backward integration. Our Maryland facility is approved by the US FDA and Roorkee facility is approved by the US FDA, UK MHRA, ANVISA Brazil and PMDA Japan.

The Company enjoys market leadership in Methylprednisolone and Terazosin in the US. We are ranked in top 3 in Meclizine, Prochlorperazine, Lamotrigine, Cyclobenzaprine, Donepezil and Hydrochlorothiazide Capsules in the US.

As of March 31, 2015, we have 48 commercialised products which include over 20 in North America, 29 in Europe and 25 in the Rest of the World. Overall we have filed a total of 72 ANDA filings in the US, 46 dossiers in Europe, 22 filings in Canada and over 650 filings in other countries so far. As on March 31, 2015, we have received 38 ANDA approvals in the US, 16 approvals in Canada and 42 in Europe.

Revenue in this business stood at ₹ 8,511 million in the year ended March 31, 2015 as compared to ₹ 8,764 million in the previous year. This is on account of new product launches and expansion of existing products into newer geographies.

The growth momentum is likely to increase going forward on the back of entry into new markets and launch of new products to drive business growth. We are adopting a unique country specific marketing and distribution strategy. In the US, our key market, we expect our business to grow on the back of growing demand. This will be complimented by new product approvals from our strong pipeline of pending approvals. In Canada, we are aggressively pursuing sales under the 'Jubilant' brand as well as have tie-ups with local companies. In Europe our strategy for expansion has been twin pronged of out-licensing to suppliers as well as entering into distribution and profit sharing agreements. In markets of Russia and CIS, we are supplying products to distributors and retail chains and also licensing products to domestic companies. In the Latin American market, growth will be driven by new launches and filings in Brazil and other growing markets.

Specialty Pharmaceuticals (Sterile Products)

Our Specialty Pharmaceuticals (Sterile Products) vertical includes Contract Manufacturing Operations (CMO) of Sterile Injectables & Non-sterile products businesses, Radiopharmaceuticals and Allergy Therapy Products. Our total revenue from this vertical increased to ₹ 11,597 million in the fiscal year ended March 31, 2015 from ₹ 11,181 million last year.

CMO of Sterile Injectables

The Company provides solutions which include sterile injectables, lyophilisation, laboratory services, non-sterile topicals, liquids, tablets and capsules in CMO of Sterile Injectables business. There is a strong accent on developing a partnership with innovators in the pharmaceutical and biopharmaceutical domain for their patented products.

Emphasis is laid on compliance and Intellectual Property Rights. Manufacturing facilities are present at strategic locations in North America which help us directly service customers in this geography.

The business reported revenue of ₹ 4,476 million in FY 2015, down from ₹ 6,963 million in FY 2014. The performance was significantly impacted by the US FDA warning letter at our Spokane facility in Washington, USA. The Company is in active dialogue with the US FDA for speedy resolution of the same. After a voluntary shutdown for remediation for about four months, operations were resumed and the incremental order backlog is being cleared. Montreal facility in Quebec, Canada was back to normal production post warning letter lifted by the US FDA and further restructuring initiatives were undertaken internally. The Montreal facility revenue has been affected due to one of the major customers' dropout and Lyo breakdowns and maintenance.

Radiopharmaceuticals

The Company develops, manufactures and markets radiopharmaceuticals used in Nuclear Medicine for the diagnosis, treatment and monitoring of various diseases. We serve hospital-based customers (Nuclear Medicine Physicians and Technologists) in addition to specialised radiopharmacies and through them patients, globally with high quality and reliable specialty products. The business is backed by a dedicated research and development team, specialised manufacturing, strong regulatory affairs and commercial operations. Our areas of specialisation include cardiac, lung and bone imaging as well as thyroid therapy.

We have earned and maintained market leadership in North America for several products including; I-131 Therapeutic & Diagnostic for thyroid and cancer, Methylene-Diphosphonate (MDP) for bone imaging, Macro-Aggregated Albumin (MAA) for lung imaging, Diethylene Triamine Penta-acetic Acid (DTPA) for renal imaging.

In FY 2015 we came to the conclusion that in order to ensure sustainability of products for patients, we needed to undertake several key strategic initiatives such as implementing value based pricing that help revitalise Radiopharmaceuticals sales and customer specific targeting for radio-iodine therapy share conversion. We continue to invest in strengthening the supply of existing products, develop new products, and increase the number of nuclear medicine procedures to create a strong pipeline of product portfolio.

Revenue stood at ₹ 5,246 million as compared to ₹ 2,385 million in FY 2014. The growth related to the transformational performance of our key products.

We intend to expand our range of product offerings and consolidate our market share for Radiopharmaceuticals in North America. We are also expanding in markets such as Latin America, Europe and Asia through collaboration and contractual arrangements with partners and new distribution channels to drive growth in our current and pipeline products.

We have an agile research & development structure to develop new products that has yielded a rich pipeline of products at various stages of development. One of the most promising is RUBY-FILL®Sr82/Rb82 generator and elution system, which is a paradigm changing product that will help propel the Company and cardiovascular PET to a leadership position in Nuclear Cardiology. RUBY-FILL® is currently under active review with the US FDA and we continue to prepare for a market introduction subject to receiving final regulatory approvals.

In addition to RUBY-FILL®, we have an active pipeline with seven commercial candidates to expand and strengthen our medical imaging portfolio. One such candidate is a generic Gadopentatate Dimeglumine injection, a Magnetic Resonance Imaging contrast agent, which was approved by Health Canada in 2014 and is currently under active review with the US FDA.

We are committed to deliver value and grow our business with market leading diagnostic imaging and specialty therapy products that enable physicians to deliver precision medicine to patients.

Allergy Therapy Products

With nearly 100 years of leadership in research, extract production and immunotherapy products, our Allergy business is respected worldwide in the field of allergy. Our promise has always been to provide the best products, services and resources for both physicians and patients – and we remain committed to those ideals today.

At Jubilant, we strive to maintain a quality standard that meets both our expectations and our customers. We are constantly working to streamline our processes and improve our products. Our quality standards have never been higher and we are investing heavily to improve our supply chain capabilities. We have taken a partnership approach towards allergy management for both physicians and patients. In specific instances customers are also provided with prescriptions directly from our manufacturing facility. Bulk extracts are also supplied to aid diagnostic testing and delivering immunotherapy.

Currently the business is comprised of over 200 allergenic extracts and mixes, along with specialised skin test diagnostic devices. The business lays special emphasis on innovation towards introducing new products to treat and cure allergies. We are keen to build on our leadership in the North America market and at the same time deepen penetration in Canada, New Zealand, France, South Korea and Australia. We are also waiting to have a strong presence in Latin America.

The business revenue for the year ended March 31, 2015 stood at ₹ 1,875 million as compared to ₹ 1,833 million in FY 2014, contributing 3% to overall revenue. The Company faced 6 week shutdown at the beginning of FY 2015 for facility remediation due to US FDA audit findings. The business continues to focus on improving efficiencies by implementing lean manufacturing and other sales force initiatives. We continue to focus on new business growth to generate new account sales. We are targeting to accelerate growth to further strengthen our leadership position in the US.

Drug Discovery Solutions

The Drug Discovery vertical within Jubilant is operationalised across three functional subsidiaries viz. Jubilant Biosys, Jubilant Chemsys and JDS Malvern which are engaged in discovering new small molecules and platforms across therapeutic areas.

The business is oriented in a manner to offer solutions keeping in mind the strategy and expectations of our partners. The vertical leverages the capabilities in Emerging Markets to deliver global outcomes, accelerating drug discovery efforts for our collaborators in a cost effective and efficient manner. The vertical collaborates with global pharmaceutical companies, biotechnology companies, and academia in lead generation, preclinical discovery across several disease areas, including Oncology, Metabolic Disorders, CNS, and Pain & Inflammation.

The discovery facilities are equipped with the latest instrumentation and automation platforms to support scientists working across multiple disciplines. These include Discovery Informatics, Molecular Modelling, Structural Biology, Medicinal Chemistry, in vitro Biology (biochemical, cell-based assays, HTS, Sample Bank), ADME, Pharmacology, Toxicology and in vivo efficacy, including a modern nude-mice facility for performing xenograft studies in support of our Oncology programs as well as in vivo labs dedicated to CNS Pain and Metabolic disorders needs. JDS Malvern with the state of the art infrastructure and globally trained scientists in therapeutic platforms to identify and validate novel small molecules and platforms. During the year the Company has setup the state of the art cGMP Scale up facility (Class 1,00,000) to cater the multi kilogram manufacturing to support the pre-clinical and clinical stages of drug development with a major investment.

Our strategy is to expand our customer base and build long term relationship with the existing customers by aligning our therapeutic platform and business models to their therapeutic and business strategies, especially in the area of novel target identification and validation which is highly desirable area in pharmaceutical research.

Revenue in FY 2015 were at ₹ 1,235 million as compared to ₹ 1,829 million in previous year. The revenue declined compared to previous year due to contract terminations and delay in on-boarding of new projects. In the coming year the Company will focus on penetrating more in the US & European Union (EU) region with increase in Business Development activity.

India Branded Pharmaceuticals (IBP)

IBP is our first venture into the Indian Pharmaceuticals Market (IPM). The IPM presents a good opportunity as the market is worth ₹ 85,000 crores with a CAGR (Compound Annual Growth Rate) in healthy double digits over last 5 years.

As an organisation we would be focusing in the chronic specialty segments, as these are the long-term drivers of the market in the current scenario. The focus of IPM is shifting towards the chronic market as high awareness, larger life expectancy, better purchasing power and changing lifestyles contribute to high growth of these markets.

The Cardiology & Diabetology markets are the fastest growing markets in the IPM. We have initiated our foray through the launch of Cardiology & Diabetology portfolio. Jubilant CVD team has launched its products in the Dyslipidemia, Anti-hypertensive and Anti-diabetic categories. Our focus has been on creating a product portfolio with all high growth molecules, like Telmisartan, Rosuvastatin & Glimepride combinations etc. We are also working on establishing newer molecules like Cilnipine.

We have set-up a robust infrastructure to support the Indian operations, and have our stockist network reaching out to most part of the country. The Jubilant's C&Fs (carrying and for warding) provide the best logistic support to ensure the product reaches across the country. Our products are currently available at more than 10,000 retail pharmacies across the country. Our 200+ strong field force currently covers more than 25,000 key specialists in India.

Going forward we see good opportunity for growth in this business and we look forward to leveraging our strengths into other promising therapy areas such as Neurology, Nephrology, Urology & Cosmetology. We are also strengthening our Cardiology & Diabetology portfolios by evaluating newer portfolios and geographies.

Revenue for FY 2015 stood at ₹ 68 million.

Life Science Ingredients

Life Science Ingredients segment revenue contributes 54% to our total Income from Operations. Revenue from this segment increased to ₹ 31,442 million from ₹ 30,757 million last year.

Advance Intermediates and Specialty Ingredients

The advance intermediates and specialty ingredients business deals in Pyridine, its derivatives, and related chemistries which have application in pharmaceutical, agrochemical and other life science industries. Backed by our three decade long expertise in Pyridine chemistry, complete backward & forward integration, world-class manufacturing facilities and customer centric approach, we have cultivated leadership positions in Pyridine, Beta Picoline and many of their other derivatives.

Pyridine is used in a wide variety of active intermediates as it is a solvent and a reagent compound. We have used this characteristic to offer Fine Ingredients, which are Pyridine and Piperidine based intermediates developed through in-house research and expertise. In line with our strategic objective we have ventured into value added products through our Crop Science Ingredients business and produce Symtet (2,3,5,6-Tetrachloropyridine), PCP (2,3,4,5,6-Pentachloropyridine) and Chlormequat Chloride (CDC).

During the year we undertook capacity de-bottlenecking of Pyridine and Beta Picoline and also some of our key Fine Ingredient products viz. Cetylpyridinium Chloride, 4-Dimethyl Amino Pyridine (4-DMAP), Azacyclanol and 5-Ethyl -2 Methyl Pyridine (MEP) which has also resulted into cost optimisation of these products. Our strategic push to global market viz. USA, Europe & ROW has seen volume upsurge of these products. We expect higher capacity utilisation to help increasing our market share in these markets going forward. We have also launched successfully key formulations of Zinc Pyrithiones (ZPTO) the Antimicrobial products find usage globally in coating, paints, hair care and oral care (mouth wash) industries.

Backed by our three decade long expertise in Pyridine chemistry, complete backward & forward integration, world-class manufacturing facilities and customer centric approach, we have cultivated leadership positions in Pyridine, Beta Picoline and many of their other derivatives.

Our key Crop Science Ingredients product i.e. Symtet is having consistent growth in demand due to environmental issues faced by it's competing product Na-TCP (3,5,6-Trichloropyridin - 2-Ol Sodium). This has also resulted in better price realisation. We have consistently increased our production output and plan to increase it further along with focus on cost optimisation in the coming period. However, our capacity utilisation is much lower due to technical issues and the management is putting its best efforts and resources to resolve this. We have also successfully launched PCP and have acquired long term orders from customers.

Demand of our Exclusive Synthesis products from pharmaceuticals and agrochemicals customers have been consistent and we are also working with international customers on new projects to grow our Exclusive Synthesis business in future.

Revenue from this business stood at ₹ 11,785 million during the year as compared to ₹ 13,280 million in the previous year. Increased competition in China market, suppressed demand from the Paraquat sector and impact on realisation on account of anti-dumping duty affected our profitability in the year gone by. However, we have maintained good realisation in other export markets and have expanded our footprint in Europe and Emerging Markets.

While the focus will remain on leadership products, the business will pursue new applications of Pyridines and Picolines for growth. We intend to leverage our cost competitive base to reach out into newer geographies within Europe and Emerging Markets. The integrated nature of our operations is an asset to us in this endeavour.

Nutritional Products

Our Nutritional Products business is a fully integrated operation and primarily manufactures and markets Vitamin B3. We are the second largest manufacturers of Vitamin B3 (Niacinamide and Niacin) in the world. Vitamin B3 finds applications in food, feed, pharmaceuticals and personal care. Customers rely on us for our manufacturing quality, reliability and high level of service standards. The biggest advantage we have is our integrated nature of operations. Beta Picoline manufactured under the Advance Intermediates and Speciality Ingredients business is the precursor to Niacin and Niacinamide (Vitamin B3) produced. This provides us with the cost-advantage that is difficult for any player in the industry to match. Our facilities are in compliance with the leading and latest industry best practices and possess ISO, cGMP, FAMI-QS, FSSC: 2200, Kosher & Halal certificates.

We are the second largest manufacturers of Vitamin B3 (Niacinamide and Niacin) in the world. Vitamin B3 finds applications in food, feed, pharmaceuticals and personal care.

Our business is truly global with products being sold in more than 80 countries worldwide. Our offices and warehouses in the US, Europe and China enable us to access the major global customers.

Moving forward our focus is to gain significant market share in the niche application areas such as food premix and personal care.

We are the largest manufacturer of Choline Chloride in India having different grades like 50% Silica Dry, 60% Corn Cob Dry, & 75% Liquid and all of these meet international quality standards. We offer speciality feed additives to farmers across the globe, thus helping them to continuously increase their return on investments, which are mainly Organic & Inorganic Trace Mineral Premix, Feed Acidifiers, Mould Inhibitors, Toxin Binders, Chromium based Growth Promoter, Feed Emulsifier, Encapsulated Calcium Butyrates and Liver Treatment Products. Over the last year, we have expanded our business to Bangladesh, Thailand and Nepal for our animal nutrition products which are expected to grow multi-fold in coming years.

Recently, we have signed a marketing agreement with two international companies for marketing of their products in South Asia. We believe in bridging relationships and delivering consistent value to cement and sustain our customer relationships.

Our revenue in FY 2015 were at Rs. 4,860 million as compared to Rs. 3,960 million in the last year, driven largely by volume growth and high capacity utilisation. The year was marked by price stabilisation in our key products. From the beginning of new financial year we are observing increase in market prices in some of our products due to reduced supply of key raw materials which will drive improvement in margins in the coming months/quarters.

Life Science Chemicals

Our Life Science Chemicals business is engaged in production of various organic intermediates including Acetic Anhydride, Ethyl Acetate, Monochloroacetic Acid and Sodium Monochloroacetate. We are the largest producers of these Acetyls products in India and continuing to maintain global position. We enjoy the largest market share of India for our Ethyl Acetate and Acetic Anhydride for the last two decades. Globally, we are one of the fastest growing Acetyls Company.

Acetic Anhydride is a key ingredient and finds several usages globally in production of Active Pharmaceutical Ingredients(APIs) and Agrochemical Actives. Ethyl Acetate is used as green solvents globally and finds usage in various

We enjoy the largest market share of India for our Acetic Anhydride and Ethyl Acetate for the last two decades.

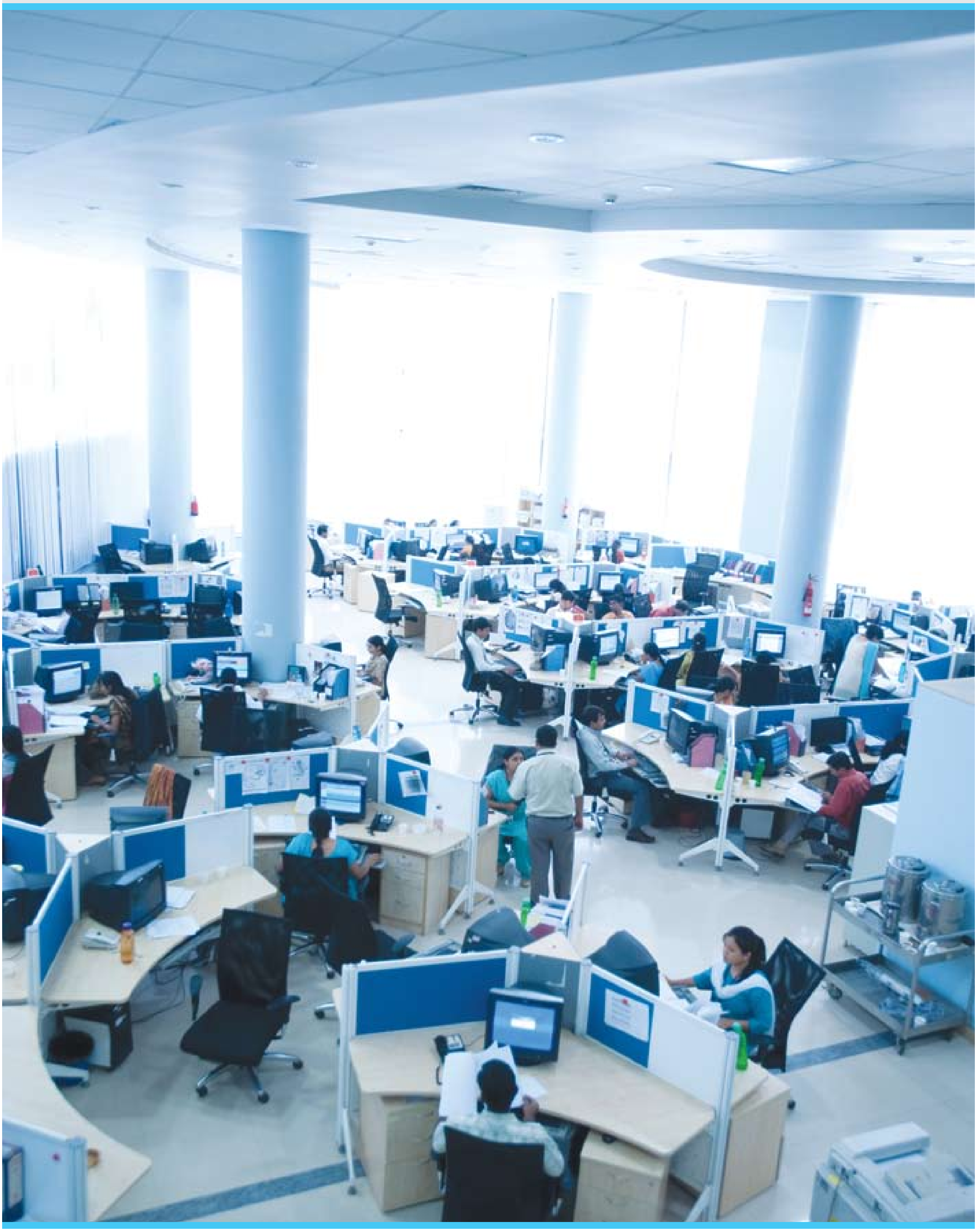
growing segments like pharmaceuticals, agrochemicals, paints, printing inks, and adhesives etc. Both Ethyl Acetate and Acetic Anhydride are an essential part of important chemical reactions; Acetyls also find usage across a spectrum of industries.

We reported revenue of ₹ 14,797 million in FY 2015 from ₹ 13,517 million in the previous year. Capacity de-bottlenecking that we had undertaken, and new customer acquisition has supported this performance. Building on an improvement in our domestic market position, the exports of key Acetyl products has shown promise after we expanded operations in Europe.

Our strategic push into the European and Emerging Markets is gaining traction and it should translate into volumes upsides. We expect higher capacity utilisation to help us address increased demand in Europe and Emerging Markets. Simultaneously we endeavour to optimise the cost base through intelligent deployment of multi-modal transport and facilitating reverse logistic operations.

The later part of year had faced price erosion and lower demand of our key Acetyl products due to global scenario change of crude oil prices and exchange rates (especially Euro to US dollar) which we could manage with lesser impact due to our strong customer services and relationship. We expect that price hikes in near future will drive improvement in margins in the coming period.

Business Enablers



Research & Development and Intellectual Property

At Jubilant, Research & Development (R&D) is the manifestation of our belief in innovation and quality that fuels our business aspirations. Over 890 well-qualified scientists, working in multi location state-of-the-art R&D centres, focus on delivering innovative, quality products and platforms across value chain of pharmaceutical research. The Company is focused on world-class R&D and over a period of time has built significant expertise in Pharmaceutical Research, Contract Research, Novel Drug Delivery Systems Research, Drug Discovery Research, Chemical Research pertaining to APIs, Radiopharmaceuticals, Advanced Intermediates, Fine Ingredients and Biological support including Pharmacokinetics and Clinical Research.

Jubilant has designed a very successful R&D which continues to ensure delivery of a sustainable pipeline of high-value drug products. The Company's R&D strategy is centred on improving the speed and yield of generic products. We have always demonstrated our commitment to support humanitarian efforts by bringing quality and affordable generic medicines in the market.

Regarding APIs, focus continued to be on developing commercially competitive, intellectual property compliant, robust and eco-friendly technologies with appropriate PolyState selection of APIs which are eligible for Day 1/181 launch through innovative R&D approaches. We are also putting efforts to move up in value chain on the technology curve and have developed various environment friendly technologies wherein batch processes have been replaced by continuous processes and chemical processes with enzymatic/chemo catalysis processes maintaining focus on optimum productivity and lowest effluent per unit volume of equipment.

R&D innovative efforts have helped us in developing IP compliant technologies avoiding any costly intellectual property litigations by identifying newer innovative opportunities and also to create our own intellectual property which is well protected in defined geographies of our business interests. We also keep our options open to licence-in/licence-out technologies/know-how to accelerate businesses of interest.

We have been conferred with various prestigious awards nationally.

Manufacturing

Continual improvement in all facets of Manufacturing, be it operations cost, statutory compliances, process innovations, resource conservation and people processes are the key drivers for manufacturing locations at Jubilant Life Sciences Limited. Based on a robust three year rolling strategic plan, the manufacturing facilities have been taking various initiatives to stay ahead of the competition. Improving asset productivity through value stream mapping has resulted in unlocking plant capacities at incremental investments. World-class manufacturing techniques and Total Productive Maintenance (TPM) are being institutionalised as a way of life. Plant processes have been optimised to minimise waste generation at source and stringent environment and safety safeguards are an integral part for all projects through a well-defined stage gate process.

Our two finished dosage plants in Roorkee and Maryland received one and zero 483's respectively during their last inspection.

We take pride in our facilities including 7 manufacturing plants in India and 3 manufacturing facilities across North America. Our Solid Dosage Formulations facility at Salisbury, Maryland in the US is able to serve a large generics market of North America. To service business in other international markets, we manufacture and supply products globally as well as for the US from our facility at Roorkee, Uttarakhand in India. We are responding to the US FDA concerns at our facility in Spokane, Washington in the US and received four 483s on a subsequent audit and hope for an early resolution to the matter. Our two finished dosage plants in Roorkee and Maryland received one and zero 483's respectively during their last inspection.

All the manufacturing facilities sites have robust systems in Quality, Environment and Occupational Health & Safety. APIs & Solid Dosage Formulations facilities in India are approved by US FDA, UK MHRA, PMDA (Japan) and TGA (Australia).

Backed by the strong belief that "People are our number one asset", skill up gradation, talent succession and career plan has been a sustained and focused effort at the manufacturing locations. Emphasising the commitment to sustainable business is the strong awareness and pro-active approach to regulatory compliance. Integration of our in-house compliance monitoring system with the various internal processes facilitates and tracks the compliance status, giving advance notice to any upcoming requirement or change. To achieve greater heights and deliver right quality product in time, manufacturing function continues to act as a support and catalyst for the organisation.

Awards and accolades have been a measure of the recognition of our efforts. We won FICCI Chemicals & Petrochemicals Award 2014 –"Process Innovator of the Year 2014" in Fine Chemicals category and CII Energy Efficient award for 2014 to our Gajraula Plant.

Supply Chain

The last year was a very volatile year for many commodity products bought by Supply Chain Management. The volatile market needs a very cautious buying strategy from Supply Chain. Supply Chain responded very well to this situation by acting with caution and pragmatism.

Supply Chain also increased the use of multi-modal transport, including rail, this year. This is our further step towards 2E i.e. Economy & Ecology.

Last year we did the implementation of EJ-BUY. This year we consolidated the gains from EJ-BUY by extending its use to many other categories. Besides this, we also implemented delivery tracking module of EJ-BUY which will help in better tracking of incoming material.

Supply Chain also started work on up gradation of Enterprise Resource Planning module to get on time in full (OTIF) details. This will definitely improve the customer satisfaction level in near future.

Business Excellence

Business Excellence strives to create a culture of excellence in the organisation by continuously seeking to enhance Jubilant's People, Processes and System capabilities. It uses the latest transformation methodologies to continuously improve the competitive advantage of the organisation.

Over the past years a very strong foundation of using these improvement techniques in operations has been made. Projects dealing with productivity and quality improvements, capacity enhancements have significantly added to the bottom-line of the Company.

While sustaining and enhancement of these gains will be done in Operations, we would like to extend Business Excellence initiatives to Supply Chain and Office functions as well. This includes Inventory and Cost Optimisation projects in Supply Chain, Process Lead time reductions and standardisation in HR, IT, Finance, R&D and Procurement processes.

At the same time we continue to build continuous improvement DNA in the organisation through Lean Six Sigma Certifications and the 'Sankalp' initiative. Both these initiatives contribute significantly to improvement projects at the sites.

Recently, Business Excellence function has also added competencies such as Maynard Operation Sequencing Technique (MOST) for manpower productivity enhancement and Dynamic and Steady State Simulation Modelling for enhancing efficiencies of chemical processes using tools like ASPEN and DYNOCHEM.

The scope of these improvement initiatives covers all facets of the business including Manufacturing, Sales and Marketing, New Product Introduction (R&D), Supply Chain, Corporate HR, Projects and other support functions which help in creating a more efficient value chain. The Business Excellence infrastructure element helps in creating self-driven / mission directed teams which drive their operational area towards excellence in alignment to business objective through right accountability and training.

Human Resource Management

The Company takes extreme pride in its greatest resource and asset - the employees. Our employee base has been the backbone of the Company, in contributing towards the success of the Company and sustaining the same over the years. As on today, we provide employment to 6,085 employees across various businesses and functions

We foster a work environment and culture that is based upon our core values of Inspire Confidence, Nurture Innovation, Always Stretch, and Excellent Quality. We stand by Our Promise of Caring, Sharing, Growing and it is our constant endeavour to make Jubilant Life Sciences one of the best places to work at.

The Company believes in open and transparent culture and in order to sustain the same, we regularly listen to the voice of our people through engagement surveys, town halls and open houses. We have a well-defined robust leadership competency framework that inculcates and reinforces a common leadership culture across the organisation. The leadership competencies are instrumental to our talent management philosophy. Our leadership development programs are designed in order to prepare our leaders to adapt to fast paced changes in the industry and build leaders to manage growth. A total of 75 leaders across business entities and functions have been exposed to various leadership development tools like 360 degree feedback and development centres.

Today's fast paced business changes make it imperative to focus on forward looking and futuristic systems and applications. As a step towards this, we have implemented PeopleSoft based Human Resource Information Systems (HRIS) across all our locations and entities. The HRIS system is designed to cover all key HR processes – Performance Management, Recruitment, Training & Development, Profile & Position Management, Career & Succession Planning, and Compensation & Benefits. Our Rewards & Recognition policy that recognises performance and significant contribution through the Chairmen's Awards and Applause is an outcome of this process.

We ensure that there is full adherence to the code of business conduct and fair business practices. We have signed a policy on Confederation of Indian Industry (CII) Code of Conduct on Affirmative Action that reconfirms our commitment that equal opportunity in employment for all section of society is a component of our growth and competitiveness.

We foster a work environment and culture that is based upon our core values of Inspire Confidence, Nurture Innovation, Always Stretch, and Excellent Quality.

Internal Control Systems and Risk Management

Risk-taking is an inherent trait of any enterprise. It is essential for growth or creation of value in a Company. At the same time it is important that the risks are properly managed and controlled, so that the Company can achieve its objectives effectively and efficiently.

Internal Financial Control Framework

Section 134(5)(e) of the Companies Act, 2013 requires a company to lay down internal financial controls system and to ensure that these are adequate and operating effectively. Internal financial controls, here, means the policy and procedure adopted by the company for ensuring the orderly and efficient conduct of its business including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and the timely preparation of reliable financial information.

The above requirement has the following elements:

1. Orderly and efficient conduct of business
2. Safeguarding of its assets
3. Adherence to company's policies
4. Prevention and detection of frauds and errors
5. Accuracy and completeness of the accounting records and timely preparation of reliable financial information

At Jubilant Life Sciences Limited, the internal financial controls system is in place and incorporates all the five elements of Internal Financial Control Framework as mentioned below:

Orderly and Efficient Conduct of Business

The Company has a well laid down organisational structure which defines the authority-responsibility relationship. The Company has a formal financial planning and budgeting system in place encompassing the short term as well as long term planning. In order to ensure that the decisions are made and action taken at an appropriate level, the Board of Directors of the Company have formulated the Delegation of Authority which has been designed to ensure that there is judicious balance of authority and responsibility. The adherence to Delegation of Authority is part of Internal Audit Plan. The Company also has the risk management framework in place which has been discussed under the heading Jubilant's Vision on Risk Management.

Compliance with respect to various statutes, rules and regulations applicable to Jubilant is managed by Secretariat department. Status of compliance is governed through an intranet based application 'Statutory Compliance Reporting System' (SCRS). Respective control owners certify the compliances on a quarterly basis in SCRS and a compliance report is prepared through SCRS. The objective of the SCRS certification is to ensure that the compliances are effectively managed and controlled and that they support the Company's business objectives and corporate policy requirements.

At Jubilant Life Sciences Limited, the internal financial controls system is in place and incorporates all the five elements of Internal Financial Control Framework.

Safeguarding of its Assets

The Company has taken an all industrial risk policy for all of its plant as well as corporate office to safeguard its assets. The Company also carries out a physical verification of its assets.

Adherence to the Company's Policies

The Company has a two tier policies and procedures *viz.* Entity Level Controls and Process Level Controls. The entity level control includes a comprehensive code of conduct and code of ethics. The Company also has a Whistle Blower Policy in place and any employee of the Company can directly write to the Ombudsman office. We also have process level controls which cover a wide range of key operating financial and compliance related areas like Accounting, Order to Cash, Procurement to Payment, Inventory and Production, Treasury, Legal, Forex, Fixed Assets, Direct and Indirect Tax, R&D, ITGC etc.

Self-assessment certifications of controls are being done by the Control Owners through a verifiable and transparent sign-off process and such certifications are reinforced by Activity and Location Owners, as they give in-principle approval to the self-assessment by the Control Owners. Result of Controls

Manager certification is prepared and presented to the audit committee every quarter by the CFO for exception review.

Controls certification are also being validated by the in-house team through review of the assertions certified by the Control Owners on sample basis regularly across business units, plants, branches and corporate office and validation results of Controls Manager certification is prepared and presented annually to the audit committee.

The above policies are periodically reviewed and refreshed in line with the change in business and regulatory requirements.

The Audit Committee, on a quarterly and annual basis, reviews the adequacy and effectiveness of the internal controls being exercised by various business and support functions.

Prevention and Detection of Frauds and Errors

Due to the presence of strong Code of Ethics and Whistle Blower Policy, it is generally expected that serious frauds will not take place. In order to prevent and detect frauds and errors, perpetual internal audit activity is carried out by M/s Ernst & Young LLP. Action points and suggestions made by them are discussed in Sub-audit Committee meeting before presenting the same to the Audit Committee. Subsequently, follow-up audits are also carried out by in-house internal audit team to ensure implementation of the suggestions. In addition, special audits are carried by the in-house audit team in areas that may be vulnerable to fraud.

Accuracy and Completeness of the Accounting Records and Timely Preparation of Reliable Financial Information

The Company has a very well documented and updated Accounting Manual based on the existing Indian Generally Accepted Accounting Principles. The Accounting Manual contains detailed guidelines on all aspects of accounting applicable to the Company and has been prepared in line with all applicable accounting standards, guidance notes and expert opinions. This helps in ensuring that the accounts and finance team is well updated on the applicable accounting requirements. Financial consolidation is carried out through an Enterprise Resource Planning system called Hyperion thereby minimising the chances of manual errors. The financial information is verified by the statutory auditors on a periodic basis as per the requirements of Companies Act, Listing agreement, ICAI guidelines, etc. The Company has an 'Accounting Centre of Excellence' headed by an expert in accounting domain. The Accounting Centre of Excellence provides structured trainings to the accounts and finance team on a wide range of topics covering Indian GAAP, Ind AS, IFRS, Companies Act, 2013, Direct & Indirect taxes, etc. through in-house & outside experts.

Our Vision on Risk Management

To establish and maintain enterprise wide risk management capabilities for active monitoring and mitigation of organisational risks on a continuous and sustainable basis

Risk Management Strategy

Jubilant has a strong risk management framework in place that enables regular and active monitoring of business activities for identification, assessment and mitigation of potential internal or external risks. The Company has in place established processes and guidelines, along with a strong overview and monitoring system at the Board and senior management levels.

Our senior management team sets the overall tone and risk culture through defined and communicated corporate values, clearly assigned risk responsibilities and appropriately delegated authority. We have laid down procedures to inform Board members about the risk assessment and risk minimisation procedures. As an organisation, we promote strong ethical values and high levels of integrity in all our activities, which by itself significantly mitigates risk.

Risk Management Structure

Our risk management structure comprises the Board of Directors and Audit Committee at the Apex Level, supported by Executive Directors, CEOs (Chief Executive Officers), Business Chief Financial Officers, Functional Heads, Business Unit Heads and Head of Management Assurance function. As risk owners, the Heads are entrusted with the responsibility of identification and monitoring of risks. These are then discussed and deliberated at various review forums chaired by the Executive Directors & CEOs and actions are drawn upon. Progress against the risk management plan is periodically monitored and validated.

The Audit Committee, Executive Directors, CEOs and Head of Management Assurance act as a governing body to monitor the effectiveness of the internal financial controls framework.

Risk Mitigation Methodology

We have a comprehensive internal audit plan and a robust Enterprise Risk Management (ERM) exercise which helps to identify risks at an early stage and take appropriate steps to mitigate the same. Every year an independent assessment of mitigation plan provided by business is done by in-house internal audit team. Further, a status update for change in key risks is provided by businesses.

We have a quarterly certification process wherein, the concerned control/ process owners certify the correctness of entity level and process level controls. The certification process is in operation from last nine years and covers about 1,500 controls. The process level controls covers a wide verity of key operating, financial and compliance related areas, while, the entity level controls cover integrity and ethical values, adequacy of audit and control mechanism and effectiveness of internal and external communication, thereby, strengthening the internal financial controls systems and processes with clear documentation on key control points. This has made our internal controls and processes stronger and also serves as the basis for compliance with revised Clause 49 requirements mandated by the Securities and Exchange Board of India (SEBI).

Management's Assessment of Risk

The Company identifies and evaluates several risk factors and draws out appropriate mitigations plans associated with the same. Some of the key risks affecting its businesses are laid out below:

Competition

Since a significant share of the Company's business comes from exports, it faces stiff competition from both domestic as well as international markets.

Manufacturers in China, who aided by economies of scale, favourable policies, lower costs amongst others may pose a risk in terms of threatening the Company's ability to maintain its market leadership, achieve planned growth and generate planned margins. Additional risk of competition manifests in the form of certain competitors being suppliers of core raw materials for Life Science Chemicals business, new entrants resorting to penetration pricing to make inroads, dumping strategy by Chinese manufacturers to fuel price wars from local players amongst others and excess availability in market which can force decreased price and margin.

For its Pyridine product of Advance Intermediates business, the Company faces major competition from China because of inability to match competition prices due to dumping duty.

The Company has taken several steps to deal with the above challenges, viz.:

We have a comprehensive internal audit plan and a robust Enterprise Risk Management (ERM) exercise which helps to identify risks at an early stage and take appropriate steps to mitigate the same.

- Building economies of scale in manufacturing, distribution channel and procurement to maintain cost advantage and sustained entry barrier
- Building long term relationship with key customers by offering improved quality and service experience
- Micro level planning of inventory
- Introducing cost improvement initiatives and manufacturing efficiency improvement plans at plant
- Undertaking cost optimisation opportunities which will help in successfully taking on international competition
- Developed new suppliers for certain key raw materials
- Significant R&D has been done focusing on improving raw material and utility consumptions and increasing the manufacturing efficiencies
- Anti–dumping review is initiated in China and outcome is expected by FY 2016
- Increasing the volumes in other markets
- Increasing the volume in other customer business
- Improving efficiencies across business functions to enhance profitability

Cost Competitiveness

Constant and rising input prices amidst inflationary market conditions pose a risk to the Company's ability to retain price competitiveness and build reserves to drive future growth. There is also a risk that we may not be able to procure the planned quantities at planned prices, thereby, adversely impacting the margins. Volatility in raw material prices, sugar industry trends (Life Science Chemicals business), and increase in input prices of core material such as Acetic Acid and Ammonia have cascading impact on other businesses in terms of increased cost of input materials. Depreciation of Rupee and its consequential impact on fuel prices adversely impacts the logistic cost, thereby, putting additional pressure on the margin of the Company when competing globally.

In Animal Nutrition business, the Company sold its products on lower prices in comparison to last financial year due to poultry production capacity expansion which leads to pressure on prices of broiler and eggs and uncertainty in domestic poultry market.

The Company believes that it is a low-cost manufacturer for most of its products and is a major contender for outsourcing opportunities with global corporations offering products that also conform to quality standards set in developed markets. In particular the Company has taken following steps for mitigation of this risk:

- Wherever feasible, the Company enters into long term contracts with volume commitments and prices which are linked to key input material prices to mitigate risks
- Undertaking projects on lean six sigma to identify least cost matrix
- Developing cheaper alternatives and re-engineering costs to counter increase in input cost
- Passing on the increase in raw material prices to customers on the strength of excellent customer relationship and sales and distribution network
- Developing local contract manufacturing facilities thereby de-risking the impact of price movement in raw materials (especially from China)
- Developing new suppliers to mitigate the risk of higher input prices and non-availability of raw material in time
- Focus on increasing volume to compensate the price
- Diversification in-to other species (Dairy/Aqua) and exports.

Foreign Currency and Interest Rate Exposures

There has been a significant movement in exchange rates in the last couple of years. Due to the global operations, the Company has significant foreign currency exposures. Adverse movement in exchange rates can significantly impact the financial result of the Company. Volatility and uncertainty in foreign exchange rate creates complexity and challenges in determining the price which balances margin protection goal and at the same time is attractive to customers. Increase in borrowing cost may also adversely impact the profitability of the Company.

To mitigate foreign currency related risks, the Company has a strategy in place to take measured risks through hedges and forward covers. It has a Committee of dedicated experts and professionals to periodically advise on matters relating to foreign currency risk management. The risk management team formulates policies and guidelines which are periodically reviewed to align with external environment and business exigency. Further, if required, currency and interest rate swaps are taken on loans and interest rate exposures. A quarterly update on foreign exchange exposures, outstanding forward contracts and derivatives is placed before the Board. The Company also actively pursues opportunities for reduction in borrowing costs.

Capacity Planning and Optimisation

There is a risk that insufficient capacity threatens the Company's ability to meet customers demand and to be competitive, or excess capacity threatens the organisation's ability to generate competitive profit margins.

Delayed commissioning, cost overruns and inability to deliver as per standards can significantly threaten expected Return on Investment (ROI) amidst issues relating to customer dissatisfaction and adverse impact on reputation. Repeated break-downs, faulty designs and idle capacities contribute to inefficiencies in manufacturing process, escalate cost and impair the ability to service its customers effectively.

The Company ensures that capacity creation is in sync with business plan. The business teams regularly tracks the trends for each product to ensure that there is sufficient capacity to meet the demand. The Company has robust processes in place to continuously monitor plant capacities, utilisation and drive improvements aligned with good manufacturing practices such as preventive maintenance schedules, modifications to plant designs in case of repeated breakdown. It periodically undertakes de-bottlenecking and other initiatives to improve efficiencies in terms of throughput, cost reduction and build additional capacities without committing significant capital outlay thereby generating better ROI. Further, project management processes are aligned with business goals. Reason for delay is critically analysed so as to take corrective measures for execution of future projects. Stage Gate process has also been initiated for all large capex as well as new product commercialisation to ensure timely delivery of projects.

In Crop Science Ingredients business, to mitigate the challenge of Symtet production, initiatives is lined up to achieve consistent Symtet production by de-bottlenecking.

Further, to achieve Penta Chloro Pyridine purification capacity, Company is exploring both external manufacturing site and in-house capability and also looking after initiatives for optimum asset utilisation of 5-Chloro-2,3-Difluoro Phyridine (CDFP) plant.

R&D Effectiveness

Innovation, speed-to-market and a robust product pipeline are critical factors to ensure success for a life sciences company. Failure of R&D to provide innovative and cost effective products would result in non-achievement of top line/ bottom-line goals. Similarly, an R&D function which fails to meet the expectations of the business, such as, meeting target product costs and minimising product cost deviations between R&D and operational phase will adversely impact the Company's ability to launch its products competitively and, hence, put to risk, its ability to command market share. Risk of Company failing to develop products which are compliant with accepted standards documentation will significantly dent Company's reputation in addition to the financial loss associated with the failed launch. Further, emergence of new cost effective methods for producing core products supplied by the Company can pose a risk to the Company's competitive position.

The Company has an effective strategy in place to mitigate this risk with earmarked budgets and investments in R&D commensurate with the business plans. R&D set up at various plant locations continuously works on cost reduction of existing products and development of new products. Further, the focus is on development of processes within minimum time limits at optimum cost. The Company has institutionalised robust processes and proven R&D methodologies to ensure successful commercialisation and minimum surprises during scale-up. The R&D keeps itself updated with the regulations, upcoming technological changes and trends and proactively aligns with pharmacopeia methods and industry best practices.

Human Resources – Acquire and Retain Talent

Acquisition and retention of right talent is critical to maintain desired operational standards. There is a risk that an insufficient focus on human resources processes (e.g. recruiting, talent management, labour management, development and training) threatens the possibility for Jubilant to recruit and/or hold the qualified personnel required to maintain desired operational standards. Further, given the Company's dependence on R&D activity, it is imperative that it recruits and retains high quality R&D specialists. Lack of credible successors or effective knowledge transition mechanism may adversely affect the Company's position in case of unexpected departures in key positions. Lack of availability of qualified resources, the inability to create a positive brand image amongst potential employees or inability to put in place strong systems to ensure timely recruitment of suitable candidates, could limit the ability of the Company to attract appropriate resources. Shortfall of talent could set in motion downward spiral of deterioration in business performance itself reducing attractiveness and so on.

The Company has committed substantial resources to this effort given the competition for qualified and experienced human resources. Job enrichment is provided to employees at all levels. To execute its growth and diversification plans, while on one hand the Company continues to hire new, highly-skilled scientific and technical personnel staff, employees get rewarded under Reward and Recognition Program based on performance. As part of our Strategic Talent & Succession Management Process, the leadership invests valuable time in identifying High Potential and Succession Candidates for the critical positions and planning their development for next higher role. Individual development program are also being regularly conducted to develop the next line of managers. In certain businesses, campus sales trainees are being groomed for future sales positions.

Portfolio and Mix: Customer and Product Concentration

It is important to have a balanced portfolio in terms of customers, markets and products so as to be able to execute business strategies and monitor and assess impact of decisions.

A change in customer organisation, behaviour, needs and/ or expectations may lead to a decrease in market attractiveness and / or adverse competitive position. The Company needs to seek the right balance between high margin-low volume products and low-margin-high volume products. A high customer concentration poses a risk in terms of sudden dip in market share in the event of loss of key customers or share of business due to shift of customer's preference to competitors. An over-dependence on single product or few customers may adversely impact the realisation of long term business objectives in the event of any regulation limiting the end use application. In case of high dependence on specific geography, failure to accurately forecast socio-political-economical trends or regulatory changes in key customers' markets may significantly impact business performance.

In Life Science Chemical business, Company had high cost inventory of acetic acid due to sudden drop in prices of Acetic Acid. In addition to that, Ethyl Acetate prices in Europe went down sharply. Also, the Company has imported alcohol with the anticipation of higher Alcohol prices in India; however prices in India went down significantly.

The Company has taken the following steps to mitigate the above risk:

- Developing new geographies / markets globally to reduce dependence on a particular market
- Robust customer and account management programs to safeguard itself against shift in customer preference
- Investment in R&D to broaden the product mix and widen the portfolio to support forward integration with value added products such as Vitamins and Symtet businesses to overcome dependence on single/ few products
- Exploring new downstream opportunities in terms of applications and alternate use of the products available in its portfolio
- Shifting from bulk sales to ISO sales to save freight and reduction in working capital
- Selling part of our high cost inventory of acetic acid at minimum loss.

Compliance and Regulatory

Over the last few years the various regulators and law enforcing agencies are adopting a zero tolerance approach towards non-compliance. The Company needs to comply with a broad range of regulatory controls on testing, manufacturing and marketing of our products in the pharmaceutical and life sciences space. Besides there is a host of local laws that the Company need to comply with. In some countries, including the US, regulatory controls have become increasingly demanding leading to increased costs and reduced operating margins for our line of products and services. Failure to achieve regulatory approval of new products can mean that we do not recoup our R&D investment through the sale of final products. Any change in regulations or reassessment of safety and efficacy of products based on new scientific knowledge or other factors could result in the amendment or withdrawal of existing approvals to market our products, which in turn could result in revenue loss. This may occur even if regulators take action falling short of actual withdrawal.

The Company has adopted measures to address these stricter regulations by increasing the efficiency of our R&D process, reducing the impact of extended testing and making our products available on time. The Company is proactively following-up with regulatory authorities on pending approvals and deficiencies raised by authorities are timely responded. Further, estimation of risk factor on account of failure/ delay in obtaining approvals is duly considered while designing business plans. The Company has also put in place a compliance management system to ensure compliance with all applicable laws and regulations. The Company also undertakes training and orientation programs to keep the relevant process owners updated on new regulations and changes in the existing laws.

Environment Health and Safety (EHS)

In the current business climate of reputational threats and rising political backlash, corporates need to tread carefully to maintain public trust. Social acceptance and Corporate Social Responsibility (CSR) have become increasingly important over the last decade. Non-compliance with stringent emission standards for the manufacturing facilities and other environmental regulations may adversely affect the business. R&D, life science services and manufacturing of products involve dangerous chemicals, process and by-products and are subjected to stringent regulations. The Company anticipates that environmental laws and regulations in the jurisdictions, where it operates, may become more restrictive and be enforced more strictly in the future. It also anticipates that customer requirements as to the quality and safety of products will continue to increase. In anticipation of such requirements, the Company has incurred substantial expenditure and allocated other resources to proactively adopt and implement manufacturing processes to increase its adherence to environmental quality standards and enhance its industrial safety levels.

For Ethanol business, the Company is looking after initiatives for reduction of effluent stocks at Gajraula and Nira plant.

At Jubilant, the challenges due to Company's operations related to EHS aspects of the business, employees and society are mapped and mitigated through a series of systematic and disciplined sets of policies and procedures. For further details, investors may kindly refer to the Corporate Sustainability Report of the Company which is available on the website, www.jubl.com under the 'Sustainability' section.

Protecting Intellectual Property Rights (IPRs)

Our success will depend, in part, on our ability in the future to obtain and protect IPRs and operate without infringing the same of others. There is a risk that our competitors may have filed patent applications, or hold issued patents, relating to products or processes that compete with those we are developing, or their patents may impair our ability to do business in a particular geography.

Besides patents, the Company relies on trade secrets, knowhow and other proprietary information and, hence, our employees, vendors and suppliers sign confidentiality agreements.

Annual Accounts

Directors' Report

Your Directors are happy in presenting the Thirty Seventh Annual Report together with the Audited Standalone and Consolidated Financial Statements for the year ended March 31, 2015.

Overview

Jubilant Life Sciences Limited ("the Company" or "Jubilant") is an integrated global Pharmaceutical and Life Sciences company engaged in manufacture and supply of Active Pharmaceutical Ingredients, Solid Dosage Formulations, Radiopharmaceuticals, Allergy Therapy Products and Life Science Ingredients. It also provides services in Contract Manufacturing of Sterile Injectables and Drug Discovery Solutions. The Company's strength lies in its unique offerings of Pharmaceutical and Life Sciences products and services across the value chain. With 10 world-class manufacturing facilities in India, US and Canada and a team of about 6,100 multicultural people across the globe, the Company is committed to deliver value to its customers spread across over 100 countries. The Company is well recognized as a "Partner of Choice" by leading pharmaceuticals and life sciences companies globally. For more information, please visit the Company's website www.jubl.com.

Results of Operations and the State of Company's Affairs

(i) Standalone Financials

Income from Operations

In the Financial Year 2014-15, on standalone basis, the Company recorded income from operations of ₹ 31,763 million.

International Revenues

International business contributed 49% to the Net Revenue from operations at ₹ 15,717 million.

EBITDA

For the year ended March 31, 2015, EBITDA stood at ₹ 3,826 million with EBITDA margins at 12%.

Reported Net Profit/ (Loss) After Tax and EPS

Reported Net Profit After Tax was ₹ 2,051 million in the Financial Year 2014-15. Basic EPS stood at ₹ 12.88. However, Normalised Net Profit After Tax stood at ₹ 69 million after adjusting for exceptional gain of ₹ 1,982 million, mainly on account of profit on sale of business/ investments, write-off of irrecoverable loans and advances. Normalised EPS stood at ₹ 0.43 for the Financial Year 2014-15.

Financial Results (Standalone)

(₹ /million)

Particulars	Year ended March 31, 2015	Year ended March 31, 2014
Income from Operations	**31,406**	36,275
Other Operating Income	**357**	453
Total Income from Operations	**31,763**	36,728
Total Expenditure	**29,001**	30,911
Operating Profit	**2,762**	5,817
Other Income	**1,064**	299
EBITDA including Other Income	**3,826**	6,116
Depreciation	**1,074**	1,753
Finance Cost	**2,271**	2,776
Profit after Depreciation and Finance Cost but before Exceptional Items	**481**	1,587
Exceptional Item - (Gain)/ Loss	**(1,982)**	2,269
Tax Expenses	**412**	(690)
Reported Net Profit/ (Loss) After Tax	**2,051**	8
Profit brought forward from previous year	**6,388**	6,871
Adjustment on account of (deconsolidation)/ consolidation of Jubilant Employees Welfare Trust	**(67)**	53
Adjustment on account of revised useful life of fixed assets	**(86)**	–
PROFIT AVAILABLE FOR APPROPRIATION	**8,286**	6,932
Which the Directors have appropriated as follows:		
- Proposed Dividend on Equity Shares	**478**	463
- Tax on Dividend on Equity Shares	**97**	81
- Transfer to General Reserve	**–**	–
Balance to be carried forward	**7,711**	6,388

(ii) Consolidated Financials

Income from Operations

In the Financial Year 2014-15, income from operations was ₹ 58,262 million, up from ₹ 58,034 million in the previous year.

International Revenues

International business contributed 71% to the Revenue from Operations at ₹ 41,367 million. Sales from key developed markets were at ₹ 33,649 million contributing 58% to the Revenue of the Company. Revenues from domestic market stood at ₹ 16,895 million, contributing 29% to overall revenues.

Pharmaceuticals Segment

This segment comprises revenue lines of Active Pharmaceutical Ingredients ("APIs"), Solid Dosage Formulations, Radiopharmaceuticals, Allergy Therapy Products, Contract Manufacturing Operations ("CMO") of Sterile Injectables, Drug Discovery Solutions and Indian Branded Pharmaceuticals. In the Financial Year 2014-15, Income from Operations from this segment was ₹ 26,820 million contributing 46% to the total revenue of the Company. EBITDA margins for the segment were 17% and EBITDA stood at ₹ 4,447 million, down from ₹ 6,102 million in the previous year. During the Financial Year 2014-15, Revenue in the segment was affected on account of Warning Letter in the CMO business and delay in new product launches in Solid Dosage Formulations, which was partially offset by revenue increase in Radiopharmaceuticals.

Life Science Ingredients Segment

This segment comprises our Advanced Intermediates and Specialty Ingredients, Nutritional Products and Life Science Chemicals businesses. In the Financial Year 2014-15, Income from Operations from this segment stood at ₹ 31,442 million, up from ₹ 30,757 million in the previous year, contributing 54% to our overall revenues. EBITDA stood at ₹ 3,220 million with 10% margins for the year as compared to ₹ 4,832 million with 16% margins in the previous year. The segment performance was driven by revenue increase in Life Science Chemicals and Fine Ingredients. The Company witnessed price and volume growth in Nutritional Products. EBITDA was impacted due to unabsorbed cost in Symtet and volume and margin reduction due to anti-dumping duty in China and increased competition in Advanced Intermediates.

EBITDA

For the year ended March 31, 2015, EBITDA stood at ₹ 7,317 million with EBITDA margins at 12.6%.

Reported Net Profit/ Loss After Tax and EPS

Reported Loss After Tax was ₹ 578 million in the Financial Year 2014-15. Basic EPS stood at ₹ (3.63). However, Normalised Loss After Tax stood at ₹ 97 million after adjusting for exceptional items of ₹ 481 million. Exceptional items consisted of mark-to-market book loss of ₹ 251 million mainly on account of currency movement in US dollar from ₹ 59.91 last year to ₹ 62.50 on March 31, 2015 with respect to the rupee loan swapped into a US dollar loan, which was entirely repaid during the year; interest swap income of ₹ 419 million; FCMITDA amortisation of ₹ 448 million on account of unrealised foreign exchange loss amortised over the tenure of the loan as per the Indian Accounting Standards; goodwill impairment of ₹ 51 million; loss on discard of assets of ₹ 640 million and foreign exchange gain of ₹ 490 million. Normalised EPS stood at ₹ (0.61) for the Financial Year 2014-15.

Consolidated Financial Statements

The Consolidated Financial Statements, in accordance with the Companies Act, 2013 (the "Act"), Clause 32 of the Listing Agreement with the Stock Exchanges (the "Listing Agreement") and Accounting Standard-21 on Consolidated Financial Statements (AS-21) form part of the Annual Report.

Nature of Business

During the year ended March 31, 2015, with the objective of consolidating and re-organising the Company's pharmaceuticals business segment, the Company transferred, by way of a "slump sale", its (i) API business and (ii) Dosage Forms business, on a going concern basis, and also investments in Jubilant Pharma Holdings Inc., USA and Jubilant Pharma NV, Belgium to Jubilant Generics Limited, a wholly-owned subsidiary of the Company through Jubilant Pharma Limited, Singapore. Accordingly, the Company now focuses on the Life Science Ingredients business.

Dividend

The Board is pleased to recommend a dividend of 300% i.e. ₹ 3 per fully paid up equity share of ₹ 1 for the year ended March 31, 2015. Total dividend payout inclusive of ₹ 97.28 million as tax on dividend will amount to ₹ 575.12 million. The payment of dividend is subject to approval of the shareholders at the forthcoming Annual General Meeting ("AGM") of the Company.

Capital Structure

(a) Share Capital

During the year, there has been no change in the authorised, subscribed and paid-up share capital of the Company. As at March 31, 2015, the paid-up share capital stood at ₹ 159,281,139 comprising of 159,281,139 equity shares of ₹ 1 each.

(b) Employees Stock Options (ESOPs)

During the year, no Options were granted under Jubilant Employees Stock Option Plan 2005 ("Plan 2005") and JLL Employees Stock Option Plan 2011 ("Plan 2011").

– Plan 2005: As on March 31, 2015, 105,495 Options were outstanding under the Plan 2005. Each Option entitles the holder to acquire five equity shares of ₹ 1 each at the exercise price fixed at the time of grant being the market value as per the SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme)

Guidelines, 1999 ("SEBI Guidelines"). A maximum of 527,475 shares will be allotted by the Company/ transferred from Jubilant Employees Welfare Trust upon exercise of these Options.

– Plan 2011: As on March 31, 2015, 1,112,306 Options were outstanding under the Plan 2011. Each Option entitles the holder to acquire one equity share of ₹ 1 at the exercise price fixed at the time of grant being the market value as per the SEBI Guidelines. A maximum of 1,112,306 shares will be allotted by the Company/ transferred from Jubilant Employees Welfare Trust upon exercise of these Options.

No dilution of capital is expected due to exercise of ESOPs as it is envisaged to transfer the shares held by Jubilant Employees Welfare Trust to the employees on exercise of Options.

Disclosures as required under Regulation 12 of the SEBI Guidelines are given in **Annexure-1** and forms part of this Report.

Subsidiaries

As on March 31, 2015, the Company had 48 subsidiaries. Brief particulars of the principal subsidiaries are given below:

Jubilant Pharma Limited

Jubilant Pharma Limited, Singapore ("Jubilant Pharma") is the wholly-owned subsidiary of the Company. Jubilant Pharma holds the global pharmaceutical business of the Company through its subsidiaries in USA, Canada, Europe and India. These subsidiaries of Jubilant Pharma are engaged in manufacturing and marketing of various pharmaceutical products and services like active pharmaceutical ingredients, oral dosage forms (tablets and capsules), contract manufacturing of sterile injectables, ointment, creams and liquids, allergy therapy products and radiopharmaceutical business.

Jubilant Generics Limited

Jubilant Generics Limited ("JGL") is a wholly-owned subsidiary of the Company through Jubilant Pharma. During the year, JGL has, by way of slump sale, acquired (i) API business and (ii) Dosage Forms business of the Company through Business Transfer Agreement, on a going concern basis. JGL has also acquired investments of the Company in Jubilant Pharma Holdings Inc., USA and Jubilant Pharma NV, Belgium.

JGL owns two manufacturing locations; one at Nanjangud, Karnataka and another at Roorkee, Uttarakhand which are engaged in API and Dosage Forms business, respectively.

Cadista Holdings Inc. and Jubilant Cadista Pharmaceuticals Inc.

i) Cadista Holdings Inc. ("Cadista"), a corporation incorporated in Delaware, USA, is a wholly-owned subsidiary of Jubilant Pharma Holdings Inc. Effective December 22, 2014, Jubilant Generics Inc. which held 82.38% shares in Cadista, acquired 17.62% shares held by the minority shareholders in Cadista through Tender Offer. Pursuant to this acquisition, Jubilant Generics Inc. merged into Cadista.

ii) Jubilant Cadista Pharmaceuticals Inc., a corporation incorporated in Delaware, USA is a wholly-owned subsidiary of Cadista Holdings Inc. This company is in the business of manufacturing solid dosage forms of generic pharmaceuticals at its USFDA approved manufacturing facility in Salisbury, Maryland, USA. Its customer base includes all the large wholesalers, retail and grocery chains. Besides manufacturing its own label products, it also provides Product Development and Contract Manufacturing Services. As on March 31, 2015, there were 22 products commercialized in the US with focus in the therapeutic areas of CVS, CNS, Anti Allergic, Steroids, etc. This company is the US market leader in 2 products and ranked top 2 in 4 products.

Jubilant Pharmaceuticals NV

This is a wholly-owned subsidiary of your Company through Jubilant Pharma NV, Belgium, which holds 99.8% of its shares and Jubilant Pharma holds the balance shares. This company is engaged in the business of licensing generic dosage forms providing regulatory services to generic pharmaceutical companies.

PSI Supply NV

This is a wholly-owned subsidiary of your Company. 99.5% of its shares are held by Jubilant Pharma NV and the balance by Jubilant Pharma. It is engaged in the supply of generic dosage forms to the European markets.

Jubilant Life Sciences NV

This is a wholly-owned subsidiary of your Company. 99.99% of its shares are held by the Company and the balance by Jubilant Infrastructure Limited. It is engaged in the supply of bulk chemicals such as acetyls, acetic anhydride and vitamins to the European markets.

Jubilant Pharma NV

This is a wholly-owned subsidiary of your Company through Jubilant Generics Limited, India and Jubilant Pharma. This company holds shares of Jubilant Pharmaceuticals NV (99.8%) and PSI Supply NV (99.5%) along with Jubilant Pharma which holds the balance shares.

Jubilant DraxImage Inc.

Jubilant DraxImage Inc. ("JDI") is a wholly-owned subsidiary of your Company through Jubilant Pharma. JDI develops, manufactures and markets radiopharmaceuticals used in Nuclear Medicine for the diagnosis, treatment and monitoring of various diseases. It serves hospital-based customers (Nuclear Medicine Physicians and Technologists) in addition to specialized radiopharmacies and through them patients, globally with high quality and reliable specialty products. The business is backed by a dedicated research and development team, specialized manufacturing, strong regulatory affairs and commercial operations. The areas of specialization include cardiac, lung and bone imaging as well as thyroid therapy. JDI employs around 150 skilled professionals and is based in Montreal, Canada, where it operates a manufacturing facility approved by U.S. Food and Drug Administration (USFDA) and Health Canada.

JDI has earned and maintained market leadership in North America for several specialty niche products including I-131 Therapeutic & Diagnostic capsules for thyroid and cancer, Methylene-Diphosphonate (MDP) for bone imaging, Macro-Aggregated Albumin (MAA) for lung imaging, Diethylene Triamine Penta-acetic Acid (DTPA) for renal and brain imaging.

In the Financial Year 2014-15, revenues doubled to USD 81 million due to price correction in key products in our Radiopharmaceutical Business.

JDI intends to expand the range of product offerings and consolidate its market share for Radiopharmaceuticals in North America. It is also expanding in markets such as Latin America, Europe and Asia through collaboration and contractual arrangements with partners and new distribution channels to drive growth in the current and pipeline products.

Jubilant HollisterStier LLC

This subsidiary is based in Spokane, State of Washington, USA. It is a wholly-owned subsidiary of HSL Holdings Inc. It is engaged in the contract manufacturing of sterile injectables, which includes, lyophilized products, liquid fills, biologics, suspensions, WFI/ diluents. This company provides a complete range of services to support drug manufacturing in the pharmaceutical and biopharmaceutical industries. Additionally, it is an innovator, manufacturer and distributor of allergenic extracts, targeted primarily at treating allergies and asthma.

Its contract manufacturing capabilities include aseptic liquid fill/ finishing and lyophilization of small lot parenterals for commercial and clinical requirements. Its capabilities can be applied to a variety of projects from pre-clinical through commercial scale across a multitude of dosage forms including microspheres, suspensions, WFI/ diluents, biologics (proteins), lyophilized products and liposomes. Jubilant HollisterStier is approved across global regulated markets including FDA (both CDER and CBER), EMA, Japan, Brazil and Canada. Its contract manufacturing business serves customers including innovators ranging from small biotechnology to large pharmaceutical companies.

With nearly 100 years of leadership in research, extract production and immunotherapy products, the organization is respected worldwide in the field of allergy. Currently, the business is comprised of allergenic extracts and mixes, along with specialized skin test diagnostic devices. The business lays special emphasis on innovation towards introducing new products to treat and cure allergies.

Jubilant Biosys Limited

This company is a subsidiary of your Company through Jubilant Biosys (Singapore) Pte. Ltd., a wholly-owned subsidiary of the Company, which holds 66.98% equity of this company.

This company provides Drug Discovery Services to global pharmaceutical and biotech companies in:

- Standalone Service Model
  - Functional services in the areas of Discovery Informatics, In Vitro Biology, In Vivo Biology, Structural Biology, Computational Chemistry, DMPK and Toxicology on Full time equivalent (FTE) or Fee for service (FFS) based model
- Collaborative/ Partnership Model
  - Integrated discovery program across a single or a portfolio of molecules
  - Shared risk model
  - Milestone and Hybrid Model
- Research Funding
- Payments for scientific milestones including bonus achieved through Discovery and Development phase
- Royalties on successful commercialization of drug

Jubilant Chemsys Limited

This company is a wholly-owned subsidiary of your Company through Jubilant Drug Development Pte. Ltd., Singapore. This company offers the following services to drug discovery companies of US, Europe and rest of the world on Full Time Equivalent, Fee for Service and Hybrid Model in:

- Synthetic Organic Chemistry
- Combinatorial Chemistry
- Medicinal Chemistry
- Process Research & Development and Manufacturing, and
- Scale up services

It also works closely with Jubilant Biosys Limited in collaborative drug discovery research.

Jubilant Clinsys Limited

This company is a wholly-owned subsidiary of your Company through Jubilant Drug Development Pte. Ltd., Singapore.

This company is engaged in providing Pharmacovigilance, Medical Writing, Electronic Data Capturing and Staffing Solution services to external and internal customers. During the year, this company has closed down its operations relating to Clinical Trial and Data Management services.

Jubilant Clinsys Inc.

This New Jersey based USA Corporation is a wholly-owned subsidiary of Jubilant Pharma Holdings Inc.

This company provides Clinical Research Data Management services through TrialStat platform.

Jubilant Discovery Services Inc.

This Delaware based USA Corporation is a wholly-owned subsidiary of Jubilant Biosys Limited. This company is providing Ion channel screening capabilities using electrophysiology and atomic absorption spectroscopy, Assay development, medium-high-throughput screening, comprehensive cell-culture related capabilities to Mnemosyne, Orion and Jansen Pharmaceutical NV. Apart from fee for services, it also provides sales, marketing and liaising services to Jubilant Biosys Limited and Jubilant Chemsys Limited.

Jubilant Infrastructure Limited

This wholly-owned subsidiary of your Company had entered into a Memorandum of Understanding ("MOU") with the Government of Gujarat during the 'Vibrant Gujarat' conference in 2007 for development of Sector Specific Special Economic Zone ("SEZ") for Chemicals in Gujarat. About 107 hectares land was taken on lease from Gujarat Industrial Development Corporation ("GIDC") in Bharuch District, Gujarat.

This SEZ became operational in October 2011 with the best in class infrastructure facilities and utility plants like Boiler, Gas Turbine, Effluent Treatment, Incinerator and DM Water.

The Company has set up two units in this SEZ and both the units have commenced commercial production. The finished products of Unit-1 and Unit-2 are fully backward integrated and are using in-house developed innovative technologies.

The global scale plants of Vitamin B3 and 3-Cynopyredine at SEZ make your Company the largest producer of Vitamin B in India and the second largest globally. The production of Symtet in Unit-2 will make your Company the world's largest producer of the crop science ingredient for the insecticide through green route. The operations of Unit-2 are stabilizing in steps.

Jubilant First Trust Healthcare Limited

Jubilant First Trust Healthcare Limited ("JFTHL") is a wholly-owned subsidiary of your Company. 95.8% of its capital is held directly by the Company and the balance 4.2% by First Trust Medicare Private Limited.

This company has filed a Scheme of Arrangement and Reduction of Capital before the Hon'ble High Court of Allahabad whereby First Trust Medicare Private Limited will be merged into JFTHL and subsequently, capital of the merged entity shall be reduced.

Jubilant Life Sciences (USA) Inc.

This corporation incorporated in Delaware, USA is a wholly-owned subsidiary of the Company. It undertakes sales and distribution of advance intermediates, nutrition ingredients, fine chemicals and APIs in the USA.

Jubilant Life Sciences (Shanghai) Limited

This wholly-owned subsidiary of your Company is held through Jubilant Pharma. It undertakes sales and distribution of products in China. This company is engaged in trading of advance intermediates (pyridine and its derivatives), speciality ingredients and nutrition products. It is catering to pharmaceutical, animal feed and agrochemical industries in China. This subsidiary is also a sourcing hub of raw materials for your Company.

Jubilant DraxImage Limited

This is a wholly-owned subsidiary of your Company through DraxImage Limited, Cyprus. It operates under the Jubilant India Branded Pharmaceuticals Banner in India. This company is engaged in marketing of innovative diagnostic imaging, radiopharmaceutical solution and therapeutic radiopharmaceutical products. It has launched the Lyophilized kits MDP, MAA and Sestamibi and would soon be launching DTPA and DMSA. It is also involved in distribution of wide range of radioisotopes which include Tc-99m Generator (used in the diagnosis of Bone Cancer, Renal Imaging, Cerebral Perfusion Imaging and Myocardial Perfusion Imaging), Thallium-201 and Iodine-131 capsules and solution (for the diagnosis and treatment of Thyroid and its related disease), Lutetium-177, Gallium-68 generator and Rhenium-188 generator via various partnerships across the world. The target customers are Nuclear Medicine physicians, Cardiologists and Oncologists of various hospitals and imaging labs.

Other subsidiaries are mentioned below:

First Trust Medicare Private Limited

Jubilant Innovation Pte. Limited

Jubilant Biosys (Singapore) Pte. Limited

Jubilant Drug Development Pte. Limited

Drug Discovery and Development Solutions Limited

Jubilant Life Sciences International Pte. Limited

Jubilant Innovation (BVI) Limited

Jubilant Life Sciences (BVI) Limited

Jubilant Biosys (BVI) Limited

Jubilant Innovation (USA) Inc.

Jubilant Generics Inc. [1]

Jubilant Pharma Holdings Inc.

HSL Holdings Inc.

Draximage LLC

Jubilant DraxImage (USA) Inc.

Deprenyl Inc., USA

Draxis Pharma LLC

Jubilant HollisterStier Inc.

Draximage Limited, Cyprus

Draximage Limited, Ireland

6963196 Canada Inc.

6981364 Canada Inc.

DAHI Animal Health (UK) Limited

Draximage (UK) Limited

Jubilant Drug Discovery & Development Services Inc.

Jubilant Life Sciences (Switzerland) AG

Jubilant Pharma Trading Inc.[2]

Vanthys Pharmaceutical Development Private Limited

Jubilant Innovation (India) Limited

1. Merged into Cadista Holdings Inc. effective from December 22, 2014

2. Became a subsidiary effective from April 24, 2014

Performance and Financial Position of Subsidiaries

The performance and financial position of the subsidiaries are given in Form AOC-1 attached to the Financial Statements for the year ended March 31, 2015.

Partnerships

Jubilant HollisterStier General Partnership

It is a Canada based partnership managed by two subsidiaries of the Company - Jubilant HollisterStier Inc. and Draxis Pharma LLC. This partnership provides contract manufacturing services. It manufactures products in two categories: sterile products and non-sterile products. Sterile products include liquid and freeze-dried (lyophilized) injectables and sterile ointments and creams. Non-sterile products include non-sterile ointments, creams and liquids.

Draximage General Partnership

It is a Canada based partnership managed by two subsidiaries of the Company - Jubilant DraxImage Inc. and 6981364 Canada Inc.

Statutory Auditors

M/s B S R & Co. LLP, Chartered Accountants ("BSR") was appointed as the Statutory Auditor of the Company at the 36th Annual General Meeting of the Company to hold office until the conclusion of Annual General Meeting to be held in the year 2018, subject to ratification by the members at every Annual General Meeting. BSR has confirmed its eligibility to the effect that ratification of its appointment, if made, would be within the limits prescribed under the Act and it is not disqualified for re-appointment.

Observations made in the Auditor's Report are self-explanatory and do not call for any comments.

Cost Audit

Pursuant to Section 148 of the Act read with the Companies (Cost Records and Audit) Rules, 2014, the Central Government has prescribed audit of cost records for certain products. Accordingly, the Company needs to carry out cost audit of its products.

Based on the recommendations of the Audit Committee, the Board of Directors has re-appointed M/s. J. K. Kabra & Co., Cost Accountants as Cost Auditors of the Company to conduct the cost audit for the Financial Year 2014-15.

Secretarial Audit

The Board has appointed M/s Sanjay Grover & Associates, Company Secretaries to conduct Secretarial Audit pursuant to the provisions of Section 204 of the Act for the Financial Year 2014-15. The report of the Secretarial Auditor is attached as **Annexure-2** to this Report. Observations made in the Secretarial Auditor's Report are self-explanatory and do not call for any comments.

Directors and Key Managerial Personnel

During the year, Dr. Ashok Misra was appointed as an Additional Director with effect from September 15, 2014.

Mr. Abhay Havaldar, Mr. Suresh Kumar and Dr. Inder Mohan Verma resigned as Directors during the year. Consequent to the appointment of Mr. Shyam S. Bhartia as Chairman and Managing Director of Jubilant Pharma Limited, Singapore, a wholly-owned subsidiary of the Company, he has resigned from the position of Managing Director of the Company effective from March 25, 2015. He continues to be Non-executive Chairman and Director of the Company.

Mr. Hari S. Bhartia retires by rotation at the forthcoming Annual General Meeting and being eligible, offers himself for re-appointment. The Board commends his re-appointment.

Mr. R. Sankaraiah, Executive Director-Finance, has been designated as the Chief Financial Officer in the category of Key Managerial Personnel during the year.

Further, Mr. Lalit Jain, Company Secretary, retired from the services of the Company during year. In his place, Mr. Rajiv Shah has been appointed as the Company Secretary and designated as Compliance Officer in the category of Key Managerial Personnel during the year.

Meetings of the Board

Five meetings of the Board of Directors of the Company were held during the Financial Year 2014-15.

Declaration of Independent Directors

All Independent Directors have given declaration that they meet the criteria of independence as provided under Section 149 of the Act and Clause 49 of the Listing Agreement.

Appointment and Remuneration Policy

The Company has framed an Appointment and Remuneration Policy pursuant to the provisions of Section 178 of the Act read with Clause 49 of the Listing Agreement. The Policy has been disclosed in the Corporate Governance Report attached to this Report.

Annual Performance Evaluation of the Board

A statement on annual evaluation by the Board of its performance and performance of its Committees as well as individual Directors forms part of the Corporate Governance Report attached to this Report.

Directors' Responsibility Statement

Your Directors, based on the representation received from the management, confirm that:

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

(ii) the Directors had 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 as on March 31, 2015 and of the profits of the Company for the year ended March 31, 2015;

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

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

(v) the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively.

Based on the framework of internal financial controls including the Control Manager for financial reporting and compliance systems established and maintained by the Company, work performed by the internal, statutory and secretarial auditors and the reviews performed by the management and the relevant Board committees, including the Audit Committee, the Board is of the opinion that the Company's internal financial controls are adequate and effective during the Financial Year 2014-15; and

(vi) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

Composition of Audit Committee

As on date, the Audit Committee comprises of Mr. S. Sridhar, Chairman, Ms. Sudha Pillai and Dr. Ashok Misra. The Board has accepted all the recommendations made by the Audit Committee.

Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

Information relating to Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo, required to be disclosed pursuant to Section 134 of the Act read with the Companies (Accounts) Rules, 2014, is given in **Annexure-3** and forms part of this Report.

Employees

Particulars of Directors and Employees, as required under Section 197(12) of the Act read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are given in **Annexure-4** and form part of this Report.

Risk Management

Risk-taking is an inherent trait of any enterprise. However, if risks are not properly managed and controlled, they can affect the Company's ability to attain its objectives. Risk management and internal financial control systems play a key role in directing and guiding the Company's activities by continually preventing and managing risks. The Board, Audit Committee and Senior Management team collectively set the overall tone and risk culture of the Company by identifying the risks impacting the Company's business and documenting the process of risk identification, risk minimization and risk optimization as a part of the risk management policy through defined and communicated corporate values, clearly assigned risk responsibilities, appropriately delegated authority and a set of processes and guidelines.

There exists a critical risk management framework across the Company and the same is reviewed on a six monthly basis by the Board. Some of the critical risks identified in various businesses of the Company are:

- Competition
- Cost competitiveness
- Foreign Currency and Interest Rate Exposures
- Capacity Planning and Optimisation
- R&D Effectiveness
- Human Resources- Acquire and Retain Talent
- Portfolio and Mix: Customer and Product Concentration
- Compliance and Regulatory
- Environment, Health and Safety
- Protecting Intellectual Property Rights

The Company promotes strong ethical values and high levels of integrity in all its activities, which in itself is a significant risk mitigator. With the growth strategy in place, risk management holds the key to the success of the Company's journey of continued competitive sustainability in attaining the desired business objectives.

A detailed note on Internal Control Systems and Risk Management is given in the "**Management Discussion & Analysis Report**".

Certifications

The Company follows several externally developed initiatives in the economic, environmental and social areas. Manufacturing plants at Gajraula, Nira, Savli, Nanjangud, Ambernath and Bharuch are ISO 9001:2008 certified for Quality Management System. Plants at Gajraula, Nira, Savli, Nanjangud and Bharuch are also ISO 14001:2004 certified for Environmental Management System and OHSAS 18001:2007 for Occupational Health and Safety at work place. Plants at Gajraula, Nira, Savli and Bharuch are certified for IMS (Integrated Management System).

ANU (Animal Nutrition Unit) at Savli is certified for FAMI-QS Code Version 5.1 in Feed Safety Management System.

Vitamins plant at Bharuch is certified for FAMI-QS Code Version 5 (in Feed Safety Management System), Kosher, Halal-India, Halal-Malaysia, Halal Indonesia, ISO 22000:2005 (in Food Safety Management System), HACCP (Hazard Analysis and Critical Control Points), GMP (Good Manufacturing Practices) and is FSSC 22000:2010 (Global Food Safety) Compliance.

Gajraula Quality Control Laboratory has also been certified for chemical testing by NABL (National Accreditation Board for Testing and Calibration Laboratories) in accordance with the ISO/ IEC 17025:2005. In addition to this, Gajraula Carbon Dioxide manufacturing facility has been certified for FSSC 22000:2010 (Food Safety System Certification) for production and dispatch of Carbon Di-oxide for Beverages of food grade Carbon Di-oxide. Ethyl Acetate & Acetic Anhydride manufacturing facility has been approved for KOSHER certification. 2 Acetyl Pyridine, 3 Hydroxyl Methyl Pyridine, Acetic Anhydride, Beta Picoline, Cetyl Pyridinium Chloride, Ethyl Acetate, Glacial Acetic Acid, Niacin and Pyridine facility are certified for KOSHER certification.

Ethyl Acetate and Acetic Anhydride manufacturing facility at Nira plant has been approved for KOSHER and HALAL certification. Dosage Forms facility at Roorkee follows Good Manufacturing Practices ("GMP") as per World Health Organisation ("WHO") specifications in manufacturing and testing of pharmaceutical products and hence, has been granted WHO GMP certificate by the Drug Licensing and Controlling Authority, Uttarakhand. This facility is also approved by UK-Medicines and Healthcare Products Regulatory Agency (UK-MHRA) to export drugs to European Market and USFDA to export drugs to the US market. The other approvals for the plant are Jordan Food & Drug Administration, Agencia Nacional de Vigilancia Sanitaria Brazil (ANVISA) Brazil, Pharmaceuticals and Medical Devices Agency (PMDA) Japan, Medicines Control Council (MCC), South Africa, Health Canada, Therapeutic Goods Administration (TGA), Australia and several Ministries of Health of countries like Uganda, Tanzania, Ivory Coast, Taiwan, Kenya, Zimbabwe, Botswana and Belarus.

Nanjangud plant has received USFDA approval for exporting certain products to the US market, ANSM (agence nationale de securite du medicament et des produits de santé-the French Health Products Safety Agency) approval for exporting products to EU countries, PMDA approval for exporting products to the Japanese market, Korea Food and Drug Administration approval for exporting products to Korean market, COFEPRIS approval (Federal Commission for Protection against Health Risks, Mexico) for exporting products to Mexican market, ANVISA approval for exporting products to Brazil market and TGA approval for exporting certain products to Australia. This plant was audited by CDSCO (Central Drugs Standard Control Organization) and received written confirmation to export products to EU countries.

Human Resources

At Jubilant, our employees are the backbone of our growth strategy and play a vital role in ensuring sustainable business growth and future readiness. The Company has been focusing on strengthening its talent management and employee engagement processes through clear role expectations with specific and well defined Key Performance Indicators for each role. We believe in creating a culture of performance and merit that provides all our employees with opportunities to excel, learn and progress. We have been focusing on attracting the best talent from India's leading campuses to have a steady fresh talent flow thereby creating a strong pool of internal talent.

Our well defined Leadership Competency Framework lays tremendous focus on outlining a common leadership culture throughout the organization. We reinforce the leadership values through development initiatives like Development Centres and 360^0 Feedback. All the initiatives are backed by an action oriented development plan. The development initiatives lay the foundation of our talent pipeline.

We strive toward technology enabled HR systems and processes that are based on globally adopted best practices. In this direction, we have implemented world renowned PeopleSoft based Human Resource Information System ("HRIS") at the facilities of the Company in India and North America. The common HRIS platform enables us to weave a common performance and process culture across the organization thereby bringing in efficiency and consistency.

At Jubilant, we ensure that there is full adherence to the Code of Business Conduct and Fair Business Practices. We have signed a policy on CII Code of Conduct on Affirmative Action that reconfirms our commitment that equal opportunity in employment for all sections of the society is a component of our growth and competitiveness.

As on March 31, 2015, a total of 399 employees at our manufacturing plants at Savli, Nira and Gajraula were members of unions or had collective bargaining capability. During the year, we enjoyed cordial relations with our employees and there have been no instances of major strikes, lockouts or other disruptive labour disputes.

The Company has adopted a Policy on Prevention of Sexual Harassment at workplace and the Company has not received any complaint during the year under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

A detailed note on Human Resource Management is given in the "**Management Discussion & Analysis Report".**

Investor Services

The Company values its investors immensely. With a view to keep its investors well informed of its activities, the Company has taken the following initiatives:

- E-mailing quarterly results, press releases and other similar communications to the shareholders soon after they are sent to the stock exchanges; e-mailing Annual Reports and Corporate Sustainability Report;
- Maintaining user friendly Investor Section on the website of the Company www.jubl.com;
- A dedicated e-mail ID viz. investors@jubl.com for interacting on various matters with respect to share transfer, transmission, dividends and other related issues with the Company Secretary and Compliance Officer;
- Mailing feedback forms to the investors on an annual basis so as to obtain valuable feedback and suggestions for improvement. The Company has also placed an online Investor Feedback form on its website www.jubl.com under the head "Investor Feedback Form" to facilitate electronic submission of the Form;
- Earnings calls are conducted and the transcripts are uploaded on the website www.jubl.com. The Earnings call is typically accompanied by Results Presentation and Release that are also uploaded on the website; and
- The Company's management also meets institutional investors and analysts at their request.

Awards and Accolades

During the year, various awards and accolades were received by the Company/ its management. These are:

- ASSOCHAM's 'Responsible Organization Excellence' Award 2014-15
- 15th Annual Greentech Environment Award 2014 - Gold Category winner under "Chemicals and Pharmaceutical sector" - Gajraula plant, India
- Two Awards at UBM India Pharma Awards 2014: Excellence in Corporate Social Responsibility & Excellence in Environment, Health & Safety (EHS)

- CII Energy Efficient Unit Award 2014 conferred to our Gajraula plant, India
- I.C.O.N.I.C IDC Insights Award under 'Health and Life Sciences' vertical
- CIO 100 Awards and Express Uptime Champion Award conferred to Jubilant's CIO, Mr. Umesh Mehta
- Golden Peacock Global Award for Excellence in Corporate Governance for the year 2014, presented by the Rt Hon Theresa May MP, Secretary of State for the Home Department, Government of UK
- FICCI Chemicals & Petrochemicals Awards 2014 - "Process Innovator of the Year 2014" in Fine Chemicals category
- Golden Peacock Business Excellence Award-2014 recognized under the Chemicals and Pharmaceutical category, presented by The Hon'ble Governor of Tamil Nadu, Mr. K. Rosaiah to our Gajraula plant, India
- 3rd FICCI Quality Systems Excellence Awards for Manufacturing-2014 - First Prize in the large size category presented to our Gajraula plant, India
- Dataquest Business Technology Awards for Best IT Implementation in Analytics, Mobility, Cloud, ERP/ CSM/ CRM
- 50 Most Talented Sustainability Leaders Award, conferred to Jubilant Life Sciences' CSO, Mr. Ganesh C. Tripathy during the World CSR Congress

Vigil Mechanism

The details of Vigil Mechanism (Whistle Blower Policy) adopted by the Company have been disclosed in the Corporate Governance Report attached to this Report and form an integral part of this report.

Green Initiatives

With the aim of going green and minimising our impact on the environment, the Company continued with its green initiatives in its operations which include:

- Conducting paperless Board/ Committee Meetings;
- Publishing and circulating Corporate Sustainability Report in CD form; and
- E-mailing Annual Reports to the shareholders whose e-mail addresses are provided by the depositories or who have opted for the electronic version.

Corporate Social Responsibility

Corporate Social Responsibility ("CSR") at Jubilant is the commitment of businesses to contribute to sustainable economic development by working with the employees, their families, the local community and the society at large to improve their lives in ways that are good for business and for its development.

During the Financial Year 2014-15, Jubilant continued its CSR initiatives in various fields.

At Jubilant, we ensure transparency and accountability of our practices. We present our values and disclose our economic, environmental and social performance through our Sustainability Report. Jubilant is an Organisational Stakeholder of the Global Reporting Initiative ("GRI"), an international not-for-profit organisation which sets guidelines for sustainability reporting. The Company's first Corporate Sustainability Report was published in the year 2003. Since then, Sustainability Reports are released annually in accordance with the GRI Guidelines and are externally assured by Ernst & Young. In the year 2013, we also started voluntary reporting of sustainability performance in line with National Voluntary Guidelines. Jubilant also ensures to report community and social initiatives in line with United Nations Millennium Development Goals. With the aim of mitigating impact on the environment, like last year, this year too we are sending Corporate Sustainability Report in CD form alongwith the Annual Report to the shareholders. The same is also available on the Company's website at www.jubl.com.

CSR initiatives of the Company are conceptualized and implemented through Jubilant Bhartia Foundation ("JBF"), the social wing of Jubilant Bhartia Group, established in 2007 as a not-for-profit organisation. JBF works on 4P model (Public-Private-People-Partnership) for empowering communities and believes that for sustainable social intervention, participation of communities must be ensured in the Company's CSR projects/ programmes. Jubilant's role is to act as a catalyst and facilitate the process.

Pursuant to the provisions of Section 135 of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, the Company has framed a Corporate Social Responsibility Policy ("CSR Policy") which is placed on the Company's website. The Sustainability & CSR Committee approved the following projects of JBF which are in line with Schedule VII to the Act:

- **Project Arogya and Swasthya Prahari**: Improving health indices through innovative services and promoting health seeking behavior;
- **Project Muskaan**: Universalizing elementary education and improving quality parameters for primary education through community involvement;
- **Nayee Disha**: Enhancing employability through vocational training; and
- **Rural Development**: Supporting the community infrastructure as and when identified in the project area.

With these initiatives beginning to show results, Jubilant plans to continue its focus on the social initiatives of the Company and slowly spread its area of influence in terms of geography. A summary of the activities of JBF is provided on its website www.jubilantbhartiafoundation.com. Details of the sustainability initiatives are given in the **Corporate Sustainability Report**.

Annual Report on CSR including contents of the CSR Policy is attached as **Annexure-5.**

During the year, Jubilant Pharma has taken loan from International Finance Corporation ("IFC").

IFC carried out a detailed Environmental & Social ("E&S") due diligence of Jubilant Pharma's business for evaluating the E&S management system in order to ascertain capacity, maturity and reliability of Jubilant Pharma's environmental and social management systems to manage environmental and social risks. Based on the due diligence, IFC suggested optimisation through time bound Environmental and Social Action Plan to match the Jubilant Pharma's operating system with IFC's Performance Standard requirements. Jubilant Pharma has since completed the action plan in timely manner and ensured compliance with the relevant IFC Performance Standards as stated below:

- PS1: Assessment and Management of Environmental and Social Risks and Impacts
- PS2: Labour and Working Conditions
- PS3: Resource Efficiency and Pollution Prevention
- PS4: Community Health, Safety and Security

In addition, Jubilant Pharma has also submitted Annual Monitoring Report for the Financial Year 2014-15 to IFC.

Other Disclosures

i. Extracts of Annual Return: Pursuant to the provisions of Section 92 of the Act read with Rule 12 of the Companies (Management and Administration) Rules, 2014, the extract of Annual Return is attached as **Annexure-6** to this Report.

ii. Fixed Deposits: No deposits have been accepted by the Company during the year from the public. As on March 31, 2015, the Company had no outstanding, overdue or unclaimed deposits.

iii. Loans, Guarantees and Investments: Details of loans, guarantees/ securities and investments along with the purpose for which the loan, guarantee or security is proposed to be utilised by the recipient have been disclosed in Note nos. 15, 18, 34, 35 and 36 of the Notes to the Standalone Financial Statements.

iv. Particulars of Contracts or Arrangements with the Related Parties: The Company has not entered into any transaction with a Related Party which is not at arm's length or any material transaction with any Related Party, as defined in the policy of the Company on materiality of Related Party Transactions. Your Directors draw attention of the members to Note no. 53 to the Standalone Financial Statements which sets out Related Party disclosures.

v. Material Changes in Financial Position: No material change or commitment has occurred after the close of the Financial Year 2014-15 till the date of this Report, which affects the financial position of the Company.

vi. Orders Passed by Courts/ Regulators: There is no significant or material order passed by the regulators or courts or tribunals impacting the going concern status and the Company's operations in future.

Corporate Governance

As a responsible corporate citizen, the Company is committed to maintain the highest standards of Corporate Governance and believes in adhering to the best corporate practices prevalent globally.

A detailed report on Corporate Governance is attached as **Annexure-7.** A certificate from a Practising Company Secretary confirming compliance with the conditions of Corporate Governance, as stipulated in Clause 49 of the Listing Agreement, is attached to the Corporate Governance Report.

The Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct for the year ended March 31, 2015. A certificate from the Co-Chairman & Managing Director confirming the same is attached to the Corporate Governance Report.

A certificate from the CEO and CFO confirming correctness of the financial statements, adequacy of internal control measures, etc. is also attached to the Corporate Governance Report.

Management Discussion & Analysis Report

The Management Discussion and Analysis Report on the operations of the Company as provided under the Listing Agreement has been given separately and forms part of the Annual Report.

Acknowledgments

Your Directors acknowledge with gratitude the co-operation and assistance received from the Central and State Government authorities. Your Directors thank the Shareholders, Private Equity Investors, Financial Institutions, Banks/ other lenders, Customers, Vendors and other Business Associates for their confidence in the Company and its management and look forward to their continued support. The Board wishes to place on record its appreciation for the dedication and commitment of the Company's employees at all levels, which has continued to be our major strength. We look forward to their continued support in the future.

For and on behalf of the Board

Shyam S Bhartia
Chairman

Hari S Bhartia
Co-Chairman & Managing Director

Place: Noida
Date: May 12, 2015

Annexure-1

Disclosure as per Regulation 12 of SEBI (ESOP & ESPS) Guidelines, 1999

Sr. No.	Particulars	Plan 2005	Plan 2011
a)	Options granted during 2014 -15	None	None
b)	Options granted upto March 31, 2015	754,250	1,821,921
c)	Pricing formula	Market Price of Share as on the date of Grant, as per SEBI Guidelines	
d)	Options vested upto March 31, 2015	434,464	771,930
e)	Options exercised upto March 31, 2015	328,969	None
f)	Total number of shares arising as a result of exercise of Options upto March 31, 2015	1,644,845 Equity Shares of ₹ 1 each	None
g)	Options lapsed/ forfeited upto March 31, 2015	319,786	709,615
h)	Variation of terms of Options during 2014-15	–	–
i)	Money realized by exercise of Options upto March 31, 2015	Received by the Company as subscription for allotment of 114,835 shares - ₹ 23,170,959	NIL
		Received by Jubilant Employees Welfare Trust on transfer of 1,530,010 shares - ₹ 309,427,888	NIL
		Total - ₹ 332,598,847	NIL
j)	Total number of Options in force as on March 31, 2015	105,495	1,112,306
k)	Employee-wise details of Options granted during 2014-15 to:		
	i) Senior Management Personnel	NIL	NIL
	ii) Any other employee who received a grant in any one year of Options amounting to 5% or more of Options granted during that year	NIL	NIL
	iii) Identified employees who are granted Options, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant	NIL	NIL
l)	Diluted Earnings Per Share (EPS) pursuant to issue of shares on exercise of Option calculated in accordance with Accounting Standard (AS) - 20 'Earning Per Share'	Shares held by Jubilant Employees Welfare Trust are in excess of employees' Options granted and outstanding. Therefore, the effect of outstanding employees' Options is NIL on computation of diluted EPS.	

Sr. No.	Particulars	Plan 2005	Plan 2011
m)	Where the Company has calculated the employee compensation cost using the intrinsic value of the Options, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value of the options, the impact of this difference on profits and on EPS of the Company	Pro Forma Adjusted Net Income and Earnings Per Share:	
		Particulars	₹ /million
		Net Income - As Reported	2,051.10
		Add: Intrinsic Value Compensation Cost	Nil
		Less: Fair Value Compensation Cost (Net of compensation cost of ₹ 2.54 million related to Stock Options granted to employees of subsidiaries/ step-down subsidiaries)	8.92
		Adjusted Pro Forma Net Income	2,042.18
		Earnings Per Share of ₹ 1 each:	
		Basic (In ₹):	
		As Reported	12.88
		Adjusted Proforma	12.82
		Earnings Per Share of ₹ 1 each	
		Diluted (In ₹):	
		As Reported	12.88
		Adjusted Proforma	12.82
n)	Weighted-average exercise prices and weighted-average fair values of Options	(i) Where exercise price equals the market price of the Options: - Weighted average of exercise prices of Options: ₹ 222.73 - Weighted average of fair values of Options: ₹ 94.18	(i) Where exercise price equals the market price of the Options: - Weighted average of exercise prices of Options: ₹ 210.80 - Weighted average of fair values of Options: ₹ 84.90
		(ii) Where exercise price exceeds the market price of the Options: **Not Applicable**	(ii) Where exercise price exceeds the market price of the Options: **Not Applicable**
		(iii) Where exercise price is less than the market price of the Options: **Not Applicable**	(iii) Where exercise price is less than the market price of the Options: **Not Applicable**
o)	Description of the method and significant assumptions used during the year to estimate the fair values of Options, including the following weighted-average information:	Not applicable as no Options were granted during the year	Not applicable as no Options were granted during the year
	i) date of grant	–	–
	ii) risk-free interest rate	–	–
	iii) expected life	–	–
	iv) expected volatility	–	–
	v) expected dividends	–	–
	vi) price of the underlying share in market at the time of Option grant	–	–

Annexure-2

SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31st MARCH, 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,
Jubilant Life Sciences Limited
(CIN: L24116UP1978PLC004624)
Bhartiagram, Gajraula, District Amroha,
Uttar Pradesh-244223

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Jubilant Life Sciences Limited (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

We report that-

a) Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

b) We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

c) We have not verified the correctness and appropriateness of the financial statements of the Company.

d) Where ever required, we have obtained the Management representation about the compliances of laws, rules and regulations and happening of events etc.

e) The compliance of the provisions of the Corporate and other applicable laws, rules, regulation, standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.

f) 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.

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

We 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, 2015 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

(v) The 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;

  (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;

  (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993;

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

We have also examined compliance with the applicable clauses of the Listing Agreements entered into by the Company with BSE Limited and the National Stock Exchange of India Limited.

During the audit period under review, the Company has complied with the provisions of the Act, Rules, Regulations and Guidelines, to the extent applicable, as mentioned above.

(vi) The Company's Businesses comprise of products and services across Pharmaceuticals and Life Science Ingredients. The Company has manufacturing facility of ANU (Animal Nutrition Unit) at Savli near Vadodara, Gujarat, Vitamins plant at Bharuch in Gujarat, Pyridine & Picolines manufacturing at Gajraula in Uttar Pradesh, Fine Ingredients manufacturing at Gajraula in Uttar Pradesh and Ambernath in Maharashtra, Ethyl Acetate, Acetic Anhydride and Carbon Dioxide manufacturing facility at Nira in Maharashtra and Gajraula in Uttar Pradesh. Following are some of the laws specifically applicable to the company:-

- Narcotics Drugs and Phychotropic Substance Act, 1985
- Drugs & Cosmetics Act, 1940
- Legal Metrology Act, 2009
- Essential Commodities Act, 1955

As evident, the Company needs to have a robust compliance management system. We have checked the compliance management system of the Company to obtain reasonable assurance about the adequacy of systems in place to ensure compliance of specifically applicable laws and this verification was done on test basis. We believe that the Audit evidence which we have obtained is sufficient and appropriate to provide a basis for our audit opinion. In our opinion and to the best of our information and according to explanations given to us, we believe that the compliance management system of the Company seems adequate to ensure compliance of laws specifically applicable to the Company.

We further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the audit period under review were carried out in compliance with the provisions of the Act.

Adequate notices were given to all directors of the Board Meetings; agenda and detailed notes on agenda were generally sent in advance of the meetings and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting for meaningful participation at the meeting.

Board decisions are carried out with unanimous consent and therefore, no dissenting views were required to be captured and recorded as part of the minutes.

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

We further report that during the audit period, the members of the company passed resolution through postal ballot in pursuance to section 180(1)(a) and (c) of the Act whereby the borrowing limits of the Company was increased to Rs. 5000 Crores. Further, during the audit period, there were no instances of:

(i) Public/ Rights/ Preferential issue of shares/ debentures/ sweat equity.

(ii) Redemption/ Buy Back of securities.

(iii) Merger/ Amalgamation/ Reconstruction.

(iv) Foreign technical collaborations.

for Sanjay Grover & Associates
Company Secretaries

Sanjay Grover
FCS No.: 4223
C P No.: 3850

May 12, 2015
New Delhi

Annexure-3

Disclosures under Section 134(3)(m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014

A. CONSERVATION OF ENERGY

i) Steps taken or impact on conservation of energy

- Reduced raffinate norm to incinerator from 3.53 to 2.5 KL/ MT in 3CP plant
- Reduced effluent norm in Ethyl Acetate from 1.01 to 0.61 KL/ MT in Ethyl Acetate plants and from 2.8 to 2.5 KL/ MT in Pyridine 2 plant and reduced spent wash norm from 11.8 m^3/ KL to 10.9 m^3/ KL in distillery
- Reduced steam consumption from 2.52 to 2.37 MT/ MT in Ethyl Acetate plants I and II and from 3.01 to 2.63 MT/ MT in Ethyl Acetate plant III
- Reduced steam consumption from 2.12 to 1.96 MT/ MT in AC2O plant
- Reduced steam consumption in Multiple effect evaporator by 24 TPD
- Reduced power consumption norms in EA IV plant from 127.7 to 112 KWH/ MT

ii) Steps taken by the Company for utilising alternate sources of energy

The Company recognizes the reality of climate change and its impact. To bring down the carbon foot print, the Company continuously strives to use renewable energy. Biogas and Biomass are the key renewable energy sources in the overall energy mix of the Company. In the Financial Year 2014-15, 4.7% of the total energy consumed in the plants was from renewable sources. This amounts to energy equivalent to 0.25 peta joules.

iii) Capital investment on energy conservation equipments

Capital investment on energy conservation equipments for the Financial Year 2014-15: ₹ 12.64 million.

B. TECHNOLOGY ABSORPTION

i) Efforts made towards technology absorption

Research & Development ("R&D") plays a vital role in developing and adopting new technologies to enhance our operational efficiencies. All our technologies are developed using sound scientific principles based on ‘Quality by Design’ approach, Environment friendly Intellectual Property and Regulatory compliant. Critical Process Parameters, Critical Quality Attributes and other important parameters are identified and a control strategy is developed by defining and understanding design space to develop robust processes. We develop new technologies at the lab scale and the scientists and manufacturing engineers work in close co-ordination to ensure that the parameters established during the lab development are within the determined design space leading to seamless scale-up to commercial scale without losing on the proficiency of the process, with a lead-time comparable to the best in the industry. Six Sigma initiatives at plants and R&D centres support the adoption of new technologies and enhancing the efficiencies of our manufacturing plants to provide better services to our customers.

ii) Benefits derived like product improvement, cost reduction, product development or import substitution

Innovation in all the areas of our business results in new and more efficient products which help in improvement of the performance of our customers. Our R&D is grounded in business reality and we measure the performance of our R&D through the new product launches over the last five years and their contribution to the net sales of our Company.

These continuous efforts result in more cost effective and improved services to our customers.

iii) Imported Technology

Not Applicable.

iv) Expenditure incurred on Research and Development (₹ /million)

Sr. No.	Particulars	2014-15	2013-14
(a)	Capital	288.81	775.61
(b)	Recurring	251.47	538.87
	Total	**540.28**	**1,314.48**
	Total R&D expenditure as a percentage of Revenue From Operations	1.70%	3.58%

C. FOREIGN EXCHANGE EARNINGS AND OUTGO (₹ /million)

Particulars	2014-15	2013-14
Foreign exchange outgo in terms of actual outflows	11,968	11,766
Foreign exchange earned in terms of actual inflows	15,785	22,004

Annexure-4

Particulars prescribed under Section 197(12) of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

PART A:

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, the percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary, in the Financial Year 2014-15 and the comparison of the remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under:

Sr. No.	Name and Designation of Director/ KMP	Remuneration during Financial Year 2014-15 (In ₹)	% increase in Remuneration	Ratio of remuneration of each Director to median remuneration of employees	Comparison of the remuneration of the KMP against performance of the Company
1	Mr. Shyam S. Bhartia[1] Chairman	–	–	–	Net profit after tax increased from ₹ 8.2 million in the Financial Year 2013-14 to ₹ 2,051.1 million in the Financial Year 2014-15[6]
2	Mr. Hari S. Bhartia Co-Chairman & Managing Director	–	–	–	
3	Mr. Shyamsundar Bang Executive Director	–	–	–	
4	Dr. Ashok Misra[2] Independent Director	320,000	–	–	
5	Mr. Shardul S. Shroff Independent Director	125,000	108.33%	0.31	
6	Mr. S. Sridhar Independent Director	355,000	491.67%	0.89	
7	Ms. Sudha Pillai Independent Director	465,000	675%	1.16	
8	Mr. Abhay Havaldar[3] Nominee Director	–	–	–	
9	Dr. Inder Mohan Verma[4] Independent Director	145,000	–	–	
10	Mr. Suresh Kumar[4] Independent Director	50,000	–	–	
11	Mr. R. Sankaraiah Chief Financial Officer	39,951,582	10.83%	Not Applicable	Net profit after tax increased from ₹ 8.2 million in the Financial Year 2013-14 to ₹ 2,051.1 million in the Financial Year 2014-15[6]
12	Mr. Rajiv Shah[5] Company Secretary	592,772	–	Not Applicable	
13	Mr. Lalit Jain[5] Company Secretary	7,871,707	–	Not Applicable	

– Median of Total Cost to Company (CTC) on payable basis has been taken for all on-roll employees as on March 31, 2015. Median Salary of all on-roll employees is ₹ 4 Lacs

– Independent Directors have been paid remuneration by way of sitting fees

1. Consequent to the appointment of Mr. Shyam S. Bhartia as Chairman and Managing Director of Jubilant Pharma Limited, Singapore, a wholly-owned subsidiary of the Company, he has resigned from the position of Managing Director of the Company effective from March 25, 2015. Accordingly, as payment of retiral dues on resignation, the aggregate amounts accrued to him towards payment of gratuity and leave encashment since the Financial Year 1981-82, aggregating to ₹ 20,111,538 have been paid to him during the Financial Year 2014-15
2. Details not given for Dr. Ashok Misra as he was Director only for a part of the Financial Year i.e. effective from September 15, 2014
3. Mr. Abhay Havaldar had opted for not taking any remuneration
4. Other details are not given for Dr. Inder Mohan Verma and Mr. Suresh Kumar as they were Directors only for a part of the Financial Year 2014-15 i.e. upto September 22, 2014
5. Remuneration of Mr. Lalit Jain and Mr. Rajiv Shah is for the period of employment. Mr. Lalit Jain, Company Secretary, retired from the services of the Company effective from January 31, 2015. In his place, Mr. Rajiv Shah has been appointed as the Company Secretary effective from February 16, 2015. Hence, other details are not given

6. During the year under review, with the objective of consolidating and re-organising the Company's pharmaceuticals business segment, the Company transferred by way of slump sale, its (i) API business and (ii) Dosage Forms business, on a going concern basis, and also investments in Jubilant Pharma Holdings Inc., USA and Jubliant Pharma NV, Belgium to Jubilant Generics Limited, a wholly-owned subsidiary of the Company through Jubilant Pharma Limited, Singapore. Therefore, the profits of the current year are not comparable with the profits of the previous year

ii) The percentage increase in the median remuneration of employees in the Financial Year 2014-15 was 8.5%.

iii) 2,389 permanent employees were on the rolls of the Company as on March 31, 2015.

iv) The explanation on the relationship between average increase in remuneration and Company performance: Average increase in the remuneration was 11.78% in the Financial Year 2014-15 which was in line with the industry trend. Net profit after tax increased from ₹ 8.2 million in the Financial Year 2013-14 to ₹ 2,051.1 million in the Financial Year 2014-15.

v) Comparison of the remuneration of the Key Managerial Personnel against the performance of the Company: Details are given in the table above.

vi) Variations in the market capitalisation of the Company, price earnings ratio as at the closing date of the current Financial Year and previous Financial Year and percentage increase over 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:

Sr. No.	Particulars	As on March 31, 2014	As on March 31, 2015
1	Market Capitalization (in ₹ /million)	25,318	24,354
2	Price Earnings Ratio	3,179	11.87
3	Comparison of quoted price and last public offer price	The last public offer was at par value of ₹ 10 per equity share i.e. the face value per share. The equity shares of ₹ 10 each were sub-divided into 2 equity shares of ₹ 5 each, which were further sub-divided into 5 equity shares of ₹ 1 each. Thus, the current face value of each equity share is ₹ 1 and the closing price on March 31, 2015 was ₹ 152.90	

vii) Average percentage increase already made in the salaries of employees other than the managerial personnel in the last Financial Year and its comparison with the percentage increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.

Average increase in the remuneration of employees other than managerial personnel was 11.78% in the Financial Year 2014-15. No remuneration has been paid to managerial personnel during the Financial Year 2014-15.

viii) The key parameters for any variable component of remuneration availed by the Directors: Remuneration paid to the Directors does not include any variable component.

ix) 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:

Remuneration of the highest paid Director	₹ 465,000
Highest paid employee who is not a Director	₹ 39,951,582
Ratio	0.01

x) Affirmation that the remuneration is as per the remuneration policy of the Company:
It is hereby affirmed that the remuneration paid is as per the Appointment and Remuneration Policy for Directors, Key Managerial Personnel and other employees.

PART B:

Sr. No.	Employee Name	Designation & Nature of Duties	Qualification	Total Work Experience (Years)	Date of Commencement of Employment	Age	Remuneration (₹)	Previous Employment held	
								Designation	Name of the Company
A. Employed for full year and in receipt of remuneration for the year which in aggregate was not less than ₹ 6,000,000 per annum									
1.	Agarwal Ashutosh	CSO – Chemicals & Life Science Ingredients	M.Sc., Ph.D	35	20-Aug-98	57	24,439,190	DGM – Organic Chemical Business	Ballarpur Industries Limited
2.	Agrawal Ravi	Head – Investor Relations	Post Graduate Diploma in Management, Bachelor of Commerce	10	5-Aug-13	43	7,143,857	Lead Analyst	Standard Chartered Securities Limited
3.	Arora Amit	Senior Vice President – Financial Planning & Analysis	CA, CWA	21	12-Aug-10	44	12,203,114	Vice President – Finance Operations	HSBC Electronic Data Processing India Private Limited
4.	Bisht Prakash Chandra	Senior Vice President – Group Accounts	B.Com, CA	28	23-Apr-09	51	10,564,665	Head-Accounts	Apollo Tyres Limited
5.	Gaur Anil	Vice President – HR	PGDBM, LL.B	22	19-Mar-13	49	7,626,139	GM HR	Maruti Suzuki India Limited
6.	Gupta Amit	Vice President – Operations	B.E. (Mech)	35	23-Jul-03	58	7,147,482	GM-Engineering	Indo Rama Synthetics (I) Limited
7.	Gupta Praveen Kumar	Head – Direct Taxation	B.Com, CA, CS	18	25-Jan-05	41	7,649,098	DGM Taxation	Ballarpur Industries Limited
8.	Jain Ashok Kumar	Vice President – Operations	Bachelor of Engineering	34	3-Dec-97	56	6,895,500	DGM	J.K. Synthetics Limited
9.	Khanna Ajay	President-Strategy & Corporate Affairs	B.Com, LL.B	34	1-Jun-09	55	20,820,732	Partner	Accenture India Pvt. Limited
10.	Khare V P	President –International Sales	B.Sc., Diploma in Export Marketing	40	15-May-98	58	10,253,538	DGM	Rajasthan Petro & Synthetics Limited
11.	Khubchandani Anil	SVP & GU Head-Fine Chemicals	Bachelor of Technology	23	19-Jul-02	45	9,421,295	Plant Manager-Technical	Duncans Industries Limited
12.	Kulshrestha Vimal Deep	Senior Vice President & Business Unit Head – Ethanol & Specialty Gases	B.Tech (Chemical Engg.)	28	28-Jun-95	50	9,532,257	Asstt. Manager – Poly	Modipon Fibers Company
13.	Mehta Umesh	CIO-India	B.Sc., PGLSCM	26	1-Sep-10	49	9,498,336	Vice President	Asia Motor Work Limited

Sr. No.	Employee Name	Designation & Nature of Duties	Qualification	Total Work Experience (Years)	Date of Commencement of Employment	Age	Remuneration (₹)	Previous Employment held	
								Designation	Name of the Company
14.	Nigam Manish Chandra	VP & GU Head – ANU	Master of Business Administration, Bachelor of Pharmacy	20	16-Apr-13	43	6,859,557	Business Head	Piramal Healthcare Limited
15.	Pande Anant	President – Manufacturing	B.E.(Hons)-Chemical, M.Sc. (Hons)-Chemistry	28	12-Apr-10	52	16,809,170	Chief Operating Officer	Indo Greenfuel Private Limited
16.	Parmar Tarminder Singh	President-India Branded Pharmaceuticals	Master of Management Studies, B.Sc.	27	19-Aug-13	50	12,397,731	Director	Biochem Pharmaceutical Industries Limited
17.	R. Kumar	VP & GUH-Advance Intermediates	CWA, MBA	28	3-Feb-14	51	6,026,492	Director	UXL Consultrain
18.	Sankaraiah R	Executive Director – Finance	B.Sc., FCA	31	9-Sep-02	56	39,951,582	GM – Finance	SRF Limited
19.	Sengar Chandan Singh	President-Acetyls & Ethanol	B.Sc., MBA	29	13-Jul-88	51	14,768,175	Assistant Officer	J.K.Synthetics Limited
20.	Singh Pratul	VP & GU Head – External Manufacturing	Master of Engineering, Bachelor of Engineering	23	5-Jun-13	49	6,511,134	Chief Scientific Manager	Syngene International Limited
21.	Singhal Sanjeev	Vice President – Finance	Ph.D, CA, B.Com	9	1-Oct-10	40	6,618,922	Executive VP	Religare Enterprises Limited
22.	Sirohi Suresh Kumar	Vice President – Supply Chain	Masters in Material Management, Master of Business Administration	35	2-Oct-98	52	6,026,021	Manager-Materials	Royal Cushion Product Limited
23.	Srivastava A P	Senior Vice President – Corporate Affairs	B.A.	42	17-Nov-90	69	10,191,480	Manager	Reliance Industries Limited
24.	Srivastava Rajesh Kumar	Co-CEO - Life Science Ingredients	B.Tech, MMM	28	19-Aug-00	50	25,740,688	Marketing Manager	Ranbaxy Fine Chemicals Limited
25.	Tiwari Neeraj	Vice President - Projects	Bachelor of Technology	26	7-Dec-89	50	6,635,693	Engineer	Hindustan Aluminium Corporation Limited
26.	Treasure Cecil Prem	Chief of Human Resources	PG in Personnel Management, LL.B	25	18-Oct-11	54	11,520,349	Director HR	Thermo Fisher Scientific Inc.

Sr. No.	Employee Name	Designation & Nature of Duties	Qualification	Total Work Experience (Years)	Date of Commencement of Employment	Age	Remuneration (₹)	Previous Employment held	
								Designation	Name of the Company
27.	Tripathy Ganesh Chandra	Chief Sustainability Officer	B.E. (Mech), MBA, APICS - Supply Chain	24	16-May-13	48	10,651,528	VP - EOHS	Hindustan Zinc Limited
28.	Verma P K	Vice President - Fine Chemicals	Diploma Bio - Medical Ph.D in Chemistry	29	8-May-00	52	6,370,557	GM Technical/ R&D	Armour Chemicals Limited
29.	Yadav Pramod	Co-CEO - Life Science Ingredients	B.Sc. (Tech), MMM	28	4-Sep-95	52	27,368,093	Marketing Manager (North)	Bhansali Engg.Polymers Limited
B. Employed for part of the year and in receipt of remuneration which in aggregate was not less than ₹ 500,000 per month									
1.	Agrawal Neeraj	CEO - Generics	B.Tech (Elect.), MBA	18	2-Jun-03	42	4,579,164	Business Strategy	Mckinsey & Company
2.	Bansal Sudhir Mohan	Vice President - Demand Planning	B.Tech (Mech), Diploma in Management	26	1-Sep-10	53	1,595,457	AVP - Supply Chain Management	Fiat India Automobiles Limited
3.	Devarajan J	VP - Indirect Taxation	CS, CWA	24	1-Sep-14	45	4,366,281	Sr. VP	Indiabulls Power Limited
4.	George Blesson	Head - Business HR	B.Sc., MBA (HR)	19	14-Feb-11	45	4,787,209	HR Head India Industrial	Schneider Electric Private Limited
5.	Gupta Kulbhushan	Head of Business Excellence & Six Sigma	B.E.	20	18-Aug-03	43	2,430,088	Quality Leader Training Development	IGE Limited
6.	Gupta Sanjay	Vice President - Legal	LL.B, CS, CWA	27	25-Nov-14	49	2,714,237	Partner	Hammurabi & Solomon Advocates & Corporate Law Advisors
7.	Holkar Anil	AVP - R&D (API)	Doctor of Philosophy, Bachelor of Science	23	10-Apr-09	52	1,320,348	R&D - Head	Atul Limited
8.	Jain Lalit Kumar	Senior VP & Company Secretary	CS, M.Com, LL.B	35	25-Oct-04	60	7,871,707	General Manager	Escorts Limited
9.	Joglekar Prasad Vasant	SVP - Supply Chain Management	Master of Business Administration	22	20-Aug-14	46	4,046,779	Sr. GM Purchase	Jindal Polyfilms Limited
10.	Kamat Anand	Vice President - Procurement	B.Tech (Chemical), M.Tech (Chemical), Master in Financial Management	25	2-Aug-10	50	3,857,253	Materials Planning Manager	Shell India Private Limited
11.	Mahadevan S	Vice President - Legal	B.Sc., CWA, CS, LL.B	22	19-Jan-12	55	3,709,561	Head - Legal	Landmark Retail Holding, Dubai

Sr. No.	Employee Name	Designation & Nature of Duties	Qualification	Total Work Experience (Years)	Date of Commencement of Employment	Age	Remuneration (₹)	Previous Employment held	
								Designation	Name of the Company
12.	Muhuri Goutam	President R&D - Dosage Forms	M.Pharma, Ph.D	24	15-Dec-10	56	3,374,992	Director-Pharmaceutical Research and Development	Teva Pharmaceuticals Inc., New York
13.	Nandi Prafulla Kumar	VP - RA (Generics)	M.Pharma	18	16-Aug-10	46	1,164,311	Sr. GM	Promed Research Centre
14.	Natarajan Ravi	AVP – Procurement	Post Graduate Diploma, Master of Business Administration	24	3-Mar-14	48	1,652,485	GM Materials	Ranbaxy Laboratories Limited
15.	Ravikumar N.	SVP – Formulations (Solid Dosage)	Masters in Pharmacy, Bachelor of Pharmacy	20	1-Aug-13	46	2,094,384	Vice President & Head of Pharmaceutical R&D	Amneal Pharmaceuticals Co. (I) Private Limited
16.	Rajulu Chantati Varada	Vice President - Engineering	Post Graduate Diploma in Industrial Management, B. E. (Electrical), Diploma in Engineering	35	30-Jan-12	57	2,802,028	Plant Head	Continental Carbon India Limited
17.	Reddy Yoganjaneya	Vice President - Operations	Master of Science	24	3-Sep-12	47	1,293,548	COO	RAMKY Group
18.	Sen Shoubhik	Head- BE & Six Sigma	BE-Electrical/ Electronic, Certified on Lean Black Belt, Six Sigma Black Belt	29	22-Dec-14	52	3,087,454	Sr. Director, Global Business Excellence	Flextronics Technology Sdn. Bhd
19.	Shah Rajiv	Head Secretarial (Company Secretary & VP)	B.Com., LL.B, CS	29	16-Feb-15	50	592,772	Additional Vice President (Secretarial)	Reliance Infrastructure Limited
20.	Sharma Arun K	Senior Vice President - Group Finance	B.Sc., CA	26	27-Aug-03	49	2,895,485	GM - Treasury & Financial Resources	Escorts Limited
21.	Sharma Devinder	Head - Indirect Taxation	LL.B, Master of Business Administration	28	6-Jan-03	59	7,925,445	Sr. Manager	Price Waterhouse Coopers India
22.	Sharma Pramod	Head - Planning (SCM-Generics)	Masters in International Business	21	7-Nov-08	41	1,095,724	Head - SCM	Delphi Automotives (I) Limited

Sr. No.	Employee Name	Designation & Nature of Duties	Qualification	Total Work Experience (Years)	Date of Commencement of Employment	Age	Remuneration (₹)	Previous Employment held	
								Designation	Name of the Company
23.	Shukla Ramakant	Sr. VP - CQA & Regulatory Affairs	Doctor of Philosophy, Master of Science	25	22-Aug-12	51	2,158,830	Corporate Quality & Regulatory Affairs	Alembic Pharmaceuticals Limited
24.	Soni Manoj Devendra	President - Supply Chain	B.Tech (Mechanical)	30	20-Jul-07	53	8,608,730	GM - Supply Chain	New Holland Tractors (India) Private Limited
25.	Srinivasan Swaminathan	VP - Program Management (Generics)	M.Tech.	21	14-May-14	48	826,629	Director	Dr. Reddy's Laboratories
26.	Venkatraman Prakash	Growth Unit Head - API	B.E., MBA	24	10-May-10	49	2,677,145	Associate Vice President	Wockhardt Limited
27.	Venugopal Mandapati Giridhar	VP-Strategic Marketing & BD	Masters in Pharmacy, Masters in Marketing Management	24	16-Oct-13	47	1,860,072	Director	Ranbaxy Labs Limited
28.	Vir Dharam	Head - API (R&D)	B.Sc., M.Sc., Ph.D	27	9-Dec-08	54	1,719,408	Associate Director	Ranbaxy Labs Limited

Notes:

1. Employment of the above named officials are governed by the rules and regulations of the Company from time to time
2. All above persons are/ were full time employees of the Company
3. None of the above employees is related to any Director of the Company
4. None of the above employees is covered under Rule 5(2)(iii) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014
5. Remuneration comprises salary, allowances, perquisites/ taxable value of perquisites etc. including perquisite value of ESOPs exercised

Abbreviations: API - Active Pharmaceutical Ingredient; BU - Business Unit; CEO - Chief Executive Officer; CIO - Chief Information Officer; CSO - Chief Scientific Officer; CRAMS - Contract Research and Manufacturing Services; DGM - Deputy General Manager; ED - Executive Director; GM - General Manager; HR - Human Resources, R&D- Research & Development, VP- Vice President

Annexure-5

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES

FINANCIAL YEAR 2014-15

1. **A brief outline of the Company's Corporate Social Responsibility Policy ("CSR Policy"), including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR Policy and projects or programs**

   Corporate Social Responsibility ("CSR") at Jubilant is the commitment of businesses to contribute to sustainable economic development by working with the employees, their families, the local community and the society at large to improve their lives in ways that are good for business and for its development.

   CSR segment of the organisation is guided by the Sustainability Mission of the Company. In compliance with the provisions of Section 135 of the Companies Act, 2013 (the "Act") read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, the Company has taken the following steps:

   - Adoption of CSR Policy which has been placed on the Company's website www.jubl.com
   - Renaming of the Sustainability Committee as Sustainability & CSR Committee (the "Committee") and reconstitution thereof
   - Approval by the Committee to implement CSR activities through "Jubilant Bhartia Foundation", a not-for-profit organisation registered under Section 25 of the Companies Act, 1956 (corresponding to Section 8 of the Act)
   - While implementing CSR projects, the Company shall give priority to the area around its manufacturing locations in India
   - The Committee approved the following CSR activities which are in line with Schedule VII to the Act:
     - **Project Arogya and Swasthya Prahari**: Improving health indices through innovative services and promoting health seeking behavior;
     - **Project Muskaan**: Universalising elementary education and improving quality parameters for primary education through community involvement;
     - **Nayee Disha**: Enhancing employability through vocational training; and
     - **Rural Development:** Supporting the community infrastructure as and when identified in the project area.
   - While Social Entrepreneur of the Year Award is not a part of Schedule VII to the Act, the Company shall continue its support to the project over and above the CSR Budget.

2. **Composition of the Sustainability & CSR Committee**

   Composition of the Committee is as under:

Sr. No.	Name of Director	Designation in CSR Committee
1	Dr. Ashok Misra	Chairman
2	Mr. Shyam S. Bhartia	Member
3	Mr. Hari S. Bhartia	Member
4	Mr. Shyamsundar Bang	Member
5	Ms. Sudha Pillai	Member

3. **Average net profit of the Company for last three Financial Years:** ₹ 632.62 million

4. **Prescribed CSR Expenditure (2% of the amount as in item 3 above):** ₹ 12.65 million

5. **Details of CSR spend during the Financial Year 2014-15**

   (a) Total amount to be spent as per budget for the Financial Year 2014-15 : ₹ 24.4 million

   (b) Amount unspent vis-à-vis prescribed CSR expenditure as per Section 135(5) of the Act : Nil

(c) **Manner in which the amount spent during the year is detailed below:**

(₹ /million)

(1)	(2)	(3)	(4)		(5)	(6)		(7)	(8)
Sr. No.	CSR Project or Activity identified	Sector in which the Project is covered	Projects or Programmes		Amount outlay (budget) Project or Programme wise	Amount spent on the Projects or Programmes		Cumulative expenditure upto the reporting period	Amount spent: Direct or through implementing agency*
			Local area or other	State and District where Projects or Programmes were undertaken		Direct expenditure on Projects or Programmes	Overheads		
1	Health (Arogya and Swasthya Prahari)	Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation and making available safe drinking water	Local	Gajraula (U.P.), Nanjangud (Karnataka), Nira (Maharashtra), Samlaya & Bharuch (Gujarat) and Roorkee (Uttarakhand)	12.10	4.64	-Nil-	4.64	Jubilant Bhartia Foundation
2	Education (Muskaan)	Promoting education, including special education and employment enhancing vocational skills especially among children, women, elderly and the differently abled and livelihood enhancement projects	Local	Gajraula (U.P.), Nanjangud (Karnataka), Nira (Maharashtra), Samlaya & Bharuch (Gujarat) and Roorkee (Uttarakhand)	8.00	6.90	-Nil-	6.90	Jubilant Bhartia Foundation
3	Livelihood (Nayee Disha)	Promoting education, including special education and employment enhancing vocational skills especially among children, women, elderly and the differently abled and livelihood enhancement projects	Local	Gajraula (U.P.), Nanjangud (Karnataka) and Nira (Maharashtra)	4.00	3.80	-Nil-	3.80	Jubilant Bhartia Foundation
4	Rural Development	Rural development projects	Local	Gajraula (U.P.), Nanjangud (Karnataka), Nira (Maharashtra), Samlaya & Bharuch (Gujarat), and Roorkee(Uttarakhand)	0.30	0.30	-Nil-	0.30	Jubilant Bhartia Foundation
Total					**24.40**	**15.64**		**15.64**	

*Jubilant Bhartia Foundation is the implementing agency

6. 2% of average net profit of the last three Financial Years works out to ₹ 12.65 million. The Company has spent ₹ 15.64 million on CSR activities during the Financial Year 2014-15.

7. The Sustainability & CSR Committee confirms that the implementation and monitoring of the CSR Policy is in compliance with CSR objectives and Policy of the Company.

For Jubilant Life Sciences Limited

Hari S. Bhartia
Co-Chairman & Managing Director

Ashok Misra
Chairman - Sustainability & CSR Committee

Annexure-6

Form No. MGT-9
EXTRACT OF ANNUAL RETURN
as on the Financial Year ended on March 31, 2015

[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS

i)	**CIN**	L24116UP1978PLC004624
ii)	**Registration Date**	June 21, 1978
iii)	**Name of the Company**	Jubilant Life Sciences Limited
iv)	**Category/ Sub-Category of the Company**	Public Company/ limited by shares
v)	**Address of the Registered office and contact details**	Bhartiagram, Gajraula, District Amroha-244 223, U.P. Ph. +91-5924-252353-60
vi)	**Whether listed company**	Yes
vii)	**Name, Address and Contact details of Registrar and Transfer Agent, if any**	Alankit Assignments Limited (Unit: Jubilant Life Sciences Limited) 1E/ 13, Alankit Heights, Jhandewalan Extension, New Delhi - 110055 Ph.+91-11-42541234/ 23541234

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the Company shall be stated:

Sr. No.	Name and Description of main products/ services	NIC Code of the Product/ service	% to total turnover of the Company
1	Basic Organic Chemicals	300.9	89

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name and Address of the Company	CIN/ GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section of the Companies Act, 2013
1	Jubilant Clinsys Limited 1A, Sector-16A, Noida-201301, U.P.	U24232UP2004PLC029008	Subsidiary	100% (Through subsidiary)	2(87)
2	Jubilant Biosys Limited 1A, Sector-16A, Noida-201301, U.P.	U24110UP1998PLC029591	Subsidiary	66.67% (Through subsidiary)	2(87)
3	Jubilant Chemsys Limited 1A, Sector-16A, Noida-201301, U.P.	U24232UP2004PLC029009	Subsidiary	100% (Through subsidiary)	2(87)
4	Jubilant First Trust Healthcare Limited 1A, Sector-16A, Noida-201301, U.P.	U85110UP2006PLC035993	Subsidiary	100% (Including through subsidiary)	2(87)
5	Jubilant Infrastructure Limited 1A, Sector-16A, Noida-201301, U.P.	U45201UP2006PLC031618	Subsidiary	100%	2(87)
6	Jubilant DraxImage Limited 1A, Sector-16A, Noida-201301, U.P.	U74900UP2009FLC038194	Subsidiary	100% (Through subsidiary)	2(87)
7	Jubilant Innovation (India) Limited 1A, Sector-16A, Noida-201301, U.P.	U73100UP2007PLC034211	Subsidiary	100% (Through subsidiary)	2(87)
8	First Trust Medicare Private Limited 1A, Sector-16A, Noida-201301, U.P.	U85110UP2007PTC059859	Subsidiary	100%	2(87)
9	Vanthys Pharmaceutical Development Private Limited 1A, Sector-16A, Noida-201301, U.P.	U73100UP2009PTC037333	Subsidiary	100% (Through subsidiary)	2(87)

Sr. No.	Name and Address of the Company	CIN/ GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section of the Companies Act, 2013
10	Jubilant Generics Limited 1A, Sector-16A, Noida-201301, U.P.	U24100UP2013FLC060821	Subsidiary	100% (Through subsidiary)	2(87)
11	Cadista Holdings Inc. 207 Kiley Drive, Salisbury, MD 21801, USA	N.A.	Subsidiary	100% (Through subsidiary)	2(87)
12	Jubilant Cadista Pharmaceuticals Inc. 207 Kiley Drive, Salisbury, MD 21801, USA	N.A.	Subsidiary	100% (Through subsidiary)	2(87)
13	Jubilant Drug Discovery & Development Services Inc. 16751 Trans-Canada Highway Kirkland, Québec H9H 4J4, Canada	N.A.	Subsidiary	100% (Through subsidiary)	2(87)
14	Jubilant Pharma Holdings Inc. 2711 Centerville Road, Suite 400, City of Wilmington, 19808, County of New Castle, Delaware, USA	N.A.	Subsidiary	100% (Through subsidiary)	2(87)
15	Jubilant Clinsys Inc. One Crossroads Drive, Building A, Second Floor, Bedminster, New Jersey 07921, USA	N.A.	Subsidiary	100% (Through subsidiary)	2(87)
16	HSL Holdings Inc. 2711 Centerville Road, Suite 400, City of Wilmington, 19808, County of New Castle, Delaware, USA	N.A.	Subsidiary	100% (Through subsidiary)	2(87)
17	Jubilant HollisterStier LLC 2711 Centerville Road, Suite 400, City of Wilmington, 19808, County of New Castle, Delaware, USA	N.A.	Subsidiary	100% (Through subsidiary)	2(87)
18	Jubilant Life Sciences (USA) Inc. 2711 Centerville Road, Suite 400, City of Wilmington, 19808, County of New Castle, Delaware, USA	N.A.	Subsidiary	100%	2(87)
19	Draximage LLC 1209 Orange Street, Wilmington, New Castle County, Delaware 19801, USA	N.A.	Subsidiary	100% (Through subsidiary)	2(87)
20	Jubilant DraxImage (USA) Inc. 2711 Centerville Road, Suite 400, City of Wilmington, 19808, County of New Castle, Delaware, USA	N.A.	Subsidiary	100% (Through subsidiary)	2(87)
21	Deprenyl Inc., USA 2711 Centerville Road, Suite 400, City of Wilmington, 19808, County of New Castle, Delaware, USA	N.A.	Subsidiary	100% (Through subsidiary)	2(87)
22	Draxis Pharma LLC 2711 Centerville Road, Suite 400, City of Wilmington, 19808, County of New Castle, Delaware, USA	N.A.	Subsidiary	100% (Through subsidiary)	2(87)
23	Jubilant HollisterStier Inc. 2711 Centerville Road, Suite 400, City of Wilmington, 19808, County of New Castle, Delaware, USA	N.A.	Subsidiary	100% (Through subsidiary)	2(87)

Sr. No.	Name and Address of the Company	CIN/ GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section of the Companies Act, 2013
24	Jubilant Discovery Services Inc. 2711 Centerville Road, Suite 400, City of Wilmington, 19808, County of New Castle, Delaware, USA	N.A.	Subsidiary	66.67% (Through subsidiary)	2(87)
25	Jubilant Pharma Trading Inc. 2711 Centerville Road, Suite 400, City of Wilmington, 19808, County of New Castle, Delaware, USA	N.A.	Subsidiary	100% (Through subsidiary)	2(87)
26	DAHI Animal Health (UK) Limited 2nd Floor, 5 Old Bailey London EC4M 7BA United Kingdom	N.A.	Subsidiary	100% (Through subsidiary)	2(87)
27	Draximage (UK) Limited 125 Old Broad Street, 26th Floor, London EC2N 1AR United Kingdom	N.A.	Subsidiary	100% (Through subsidiary)	2(87)
28	Jubilant Pharma Limited 80 Raffles Place #26-01 UOB Plaza 1 Singapore 048624	N.A.	Subsidiary	100%	2(87)
29	Jubilant Life Sciences International Pte. Limited 80 Raffles Place #26-01 UOB Plaza 1 Singapore 048624	N.A.	Subsidiary	100%	2(87)
30	Jubilant Biosys (Singapore) Pte. Ltd. 80 Raffles Place #26-01 UOB Plaza 1 Singapore 048624	N.A.	Subsidiary	100% (Through subsidiary)	2(87)
31	Jubilant Drug Development Pte. Ltd. 80 Raffles Place #26-01 UOB Plaza 1 Singapore 048624	N.A.	Subsidiary	100% (Through subsidiary)	2(87)
32	Jubilant Innovation Pte. Limited 80 Raffles Place #26-01 UOB Plaza 1 Singapore 048624	N.A.	Subsidiary	100% (Through subsidiary)	2(87)
33	Drug Discovery and Development Solutions Limited 80 Raffles Place #26-01 UOB Plaza 1 Singapore 048624	N.A.	Subsidiary	100%	2(87)
34	Jubilant Life Sciences (Shanghai) Limited Room No: 401-A, No. 169, Tiagu Road, Wai Gao Qiao Free Trade Zone, Shanghai-2001317, China	N.A.	Subsidiary	100% (Through subsidiary)	2(87)
35	Draximage Limited, Cyprus Themistokli Dervi, 3, Julia House, P.C. 1066, Nicosia, Cyprus	N.A.	Subsidiary	100% (Through subsidiary)	2(87)
36	Draximage Limited, Ireland 1st Floor, Riverview House, 21/ 23 City Quay, Dublin 2, Ireland	N.A.	Subsidiary	100% (Through subsidiary)	2(87)
37	Jubilant Pharma NV Havenlaan 86, C B, 414 1000 Brussels, Belgium	N.A.	Subsidiary	100% (Through subsidiary)	2(87)
38	Jubilant Pharmaceuticals NV AXXES BUSINESS PARK, Guldensporenpark 22 - Blok C, B - 9820 Merelbeke, Belgium	N.A.	Subsidiary	100% (Through subsidiary)	2(87)

Sr. No.	Name and Address of the Company	CIN/ GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section of the Companies Act, 2013
39	PSI Supply NV AXXES BUSINESS PARK, Guldensporenpark 22 - Blok C, B - 9820 Merelbeke, Belgium	N.A.	Subsidiary	100% (Through subsidiary)	2(87)
40	Jubilant Life Sciences NV AXXES BUSINESS PARK, Guldensporenpark 22 - Blok C, B - 9820 Merelbeke, Belgium	N.A.	Subsidiary	100% (Including through subsidiary)	2(87)
41	Jubilant Innovation (BVI) Ltd. P.O. Box 957, Offshore Incorporations Centre, Road Town, Tortola, British Virgin Islands	N.A.	Subsidiary	100% (Through subsidiary)	2(87)
42	Jubilant Life Sciences (BVI) Limited P.O. Box 957, Offshore Incorporations Centre, Road Town, Tortola, British Virgin Islands	N.A.	Subsidiary	100% (Through subsidiary)	2(87)
43	Jubilant Biosys (BVI) Limited P.O. Box 957, Offshore Incorporations Centre, Road Town, Tortola, British Virgin Islands	N.A.	Subsidiary	100% (Through subsidiary)	2(87)
44	Jubilant DraxImage Inc. 16751 Trans-Canada Highway Kirkland, Québec H9H 4J4, Canada	N.A.	Subsidiary	100% (Through subsidiary)	2(87)
45	6963196 Canada Inc. 100, King St. West 1 First Canadian Place, #6100 Toronto, Ontario M5X 1B8, Canada	N.A.	Subsidiary	100% (Through subsidiary)	2(87)
46	6981364 Canada Inc. 100, King St. West 1 First Canadian Place, #6100 Toronto, Ontario M5X 1B8, Canada	N.A.	Subsidiary	100% (Through subsidiary)	2(87)
47	Jubilant Innovation (USA) Inc. 2711 Centerville Road, Suite 400, City of Wilmington, 19808, County of New Castle, Delaware, USA	N.A.	Subsidiary	100% (Through subsidiary)	2(87)
48	Jubilant Life Sciences (Switzerland) AG Bei Klauser & Partner AG Muhlentalstrasse 2 8200 Schaffhausen, Switzerland	N.A.	Subsidiary	100% (Through subsidiary)	2(87)
49	Jubilant Generics Inc. (merged with and into Cadista Holdings Inc.) 2711 Centerville Road, Suite 400, City of Wilmington, 19808, County of New Castle, Delaware, USA	N.A.	Subsidiary	100% (Through subsidiary)	2(87)

IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Shareholding

Category of Shareholders	No. of Shares held at the beginning of the year (April 1, 2014)				No. of Shares held at the end of the year (March 31, 2015)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	1,903,435	–	1,903,435	1.20	503,500	–	503,500	0.32	(0.88)
b) Central Govt	–	–	–	–	–	–	–	–	–
c) State Govt(s)	–	–	–	–	–	–	–	–	–
d) Bodies Corp.	78,577,176	–	78,577,176	49.33	78,577,176	–	78,577,176	49.33	0.00
e) Banks/ FI	–	–	–	–	–	–	–	–	–
f) Any Other	–	–	–	–	–	–	–	–	–
Sub-total (A) (1):-	**80,480,611**	**–**	**80,480,611**	**50.53**	**79,080,676**	**–**	**79,080,676**	**49.65**	**(0.88)**
(2) Foreign									
a) NRIs - Individuals*	–	–	–	–	1,399,935	–	1,399,935	0.88	0.88
b) Other-Individuals	–	–	–	–	–	–	–	–	
c) Bodies Corp.	5,570,445	–	5,570,445	3.50	5,570,445	–	5,570,445	3.50	0.00
d) Banks/ FI	–	–	–	–	–	–	–	–	–
e) Any Other....	–	–	–	–	–	–	–	–	–
Sub-total (A) (2):-	**5,570,445**	**–**	**5,570,445**	**3.50**	**6,970,380**	**–**	**6,970,380**	**4.38**	**0.88**
Total shareholding of Promoters (A) = (A)(1)+(A)(2)	**86,051,056**	**–**	**86,051,056**	**54.02**	**86,051,056**	**–**	**86,051,056**	**54.02**	**0.00**
B. Public Shareholding									
(1) Institutions									
a) Mutual Funds	2,294,038	–	2,294,038	1.44	1,629	–	1,629	0.00	(1.44)
b) Banks/ FI	1,129,604	600	1,130,204	0.71	1,137,342	600	1,137,942	0.71	0.00
c) Central Govt	–	–	–	–	–	–	–	–	–
d) State Govt(s)	–	–	–	–	–	–	–	–	–
e) Venture Capital Funds	–	–	–	–	–	–	–	–	–
f) Insurance Companies	–	–	–	–	–	–	–	–	–
g) FIIs	27,592,231	–	27,592,231	17.32	24,270,977	–	24,270,977	15.24	(2.08)
h) Foreign Venture Capital Funds	–	–	–	–	–	–	–	–	–
i) Others									
(a) Foreign Financial Institutions	11,707,200	–	11,707,200	7.35	10,380,339	–	10,380,339	6.52	(0.83)
(b) UTI	500	–	500	0.00	500	–	500	0.00	–
Sub-total (B)(1):-	**42,723,573**	**600**	**42,724,173**	**26.82**	**35,790,787**	**600**	**35,791,387**	**22.47**	**(4.35)**
(2) Non-Institutions									
a) Bodies Corp.									
i) Indian	10,184,441	3,440	10,187,881	6.40	10,500,472	3,440	10,503,912	6.59	0.19
ii) Overseas	–	–	–	–	–	–	–	–	–
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	11,944,973	1,475,958	13,420,931	8.42	13,178,493	1,276,983	14,455,476	9.08	0.66
ii) Individual shareholders holding nominal share capital in excess of ₹ 1lakh	870,562	–	870,562	0.55	508,100	–	508,100	0.32	(0.23)

Category of Shareholders	No. of Shares held at the beginning of the year (April 1, 2014)				No. of Shares held at the end of the year (March 31, 2015)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
c) Others									
i) Qualified Foreign Investors	–	–	–	–	468,782	–	468,782	0.29	0.29
ii) Trusts	5,075,045	–	5,075,045	3.19	5,098,545	–	5,098,545	3.20	0.01
iii) Non-Resident Individuals	882,511	68,980	951,491	0.60	1,134,295	49,660	1,183,955	0.74	0.14
iv) Foreign Portfolio Investors	–	–	–	–	5,219,926	–	5,219,926	3.28	3.28
Sub-total (B)(2):-	**28,957,532**	**1,548,378**	**30,505,910**	**19.16**	**36,108,613**	**1,330,083**	**37,438,696**	**23.50**	**4.35**
Total Public Shareholding (B)=(B)(1)+(B)(2)	**71,681,105**	**1,548,978**	**73,230,083**	**45.98**	**71,899,400**	**1,330,683**	**73,230,083**	**45.98**	**0.00**
C. Shares held by Custodian for GDRs & ADRs	–	–	–	–	–	–	–	–	–
Grand Total (A+B+C)	**157,732,161**	**1,548,978**	**159,281,139**	**100.00**	**157,950,456**	**1,330,683**	**159,281,139**	**100.00**	**0.00**

** Residential status of Mr. Shyam S. Bhartia has changed to Non-Resident Indian effective from March 26, 2015. Accordingly, the shareholding pattern as on March 31, 2015 reflects his holding of 1,399,935 equity shares under the category of Foreign Promoters*

(ii) Shareholding of Promoters

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year (April 1, 2014)			Shareholding at the end of the year (March 31, 2015)			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	
1	Mr. Shyam S. Bhartia	1,399,935	0.88	–	1,399,935	0.88	–	–
2	Mr. Hari S. Bhartia	360,885	0.23	–	360,885	0.23	–	–
3	Ms. Kavita Bhartia	10,285	0.01	–	10,285	0.01	–	–
4	Mr. Shamit Bhartia	129,245	0.08	–	129,245	0.08	–	–
5	Mr. Priyavrat Bhartia	3,085	0.00	–	3,085	0.00	–	–
6	Vam Holdings Limited	5,681,400	3.57	–	5,681,400	3.57	–	–
7	Jubilant Stock Holding Private Limited	29,676,992	18.63	–	29,676,992	18.63	6.99	–
8	Jaytee Private Limited	7600	0.00	–	7,600	0.00	–	–
9	HSB Corporate Consultants Private Limited	18,698,979	11.74	–	18,698,979	11.74	–	–
10	SSB Consultants and Management Services Private Limited	21,007,665	13.19	–	21,007,665	13.19	–	–
11	Nikita Resources Private Limited	3,504,540	2.20	–	3,504,540	2.20	–	–
12	Rance Investment Holdings Limited	2,400,000	1.51	–	2,400,000	1.51	–	–
13	Torino Overseas Limited	770,445	0.48	–	770,445	0.48	–	–
14	Cumin Investments Limited	2,400,000	1.51	–	2,400,000	1.51	–	–
Total		**86,051,056**	**54.02**	**–**	**86,051,056**	**54.02**	**6.99**	–

(iii) Change in Promoters' Shareholding

There is no change in the shareholding of the Promoters during the year ended March 31, 2015.

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

Sr. No.	Name	Shareholding		Date	Increase/ Decrease in shareholding	Reason	Cumulative shareholding during the year (April 1, 2014 to March 31, 2015)	
		No. of Shares at the beginning (April 1, 2014)/ end of the year (March 31, 2015)	% of total shares of the Company				No. of Shares	% of total shares of the Company
1	GA Global Investments Ltd.	11,707,200	7.35	April 1, 2014				
				July 4, 2014	-182,755	Transfer	11,524,445	7.24
				July 11, 2014	-144,106	Transfer	11,380,339	7.14
				February 27, 2015	-342,947	Transfer	11,037,392	6.93
				March 6, 2015	-627,456	Transfer	10,409,936	6.54
				March 13, 2015	-29,597	Transfer	10,380,339	6.52
		10,380,339	6.52	March 31, 2015	-	-	10,380,339	6.52
2	Samena Special Situations Mauritius	7,624,151	4.79	April 1, 2014	NIL	No movement during the year		
		7,624,151	4.79	March 31, 2015			7,624,151	4.79
3	Jubilant Employees Welfare Trust	4,833,496	3.03	April 1, 2014	NIL	No movement during the year		
		4,833,496	3.03	March 31, 2015			4,833,496	3.03
4	Deutsche Securities Mauritius Limited	3,861,216	2.42	April 1, 2014	NIL	No movement during the year		
		3,861,216	2.42	March 31, 2015			3,861,216	2.42
5	Government Pension Fund Global	3,532,000	2.22	April 1, 2014				
				May 23, 2014	56029	Transfer	3,588,029	2.25
				May 30, 2014	-18029	Transfer	3,570,000	2.24
				June 13, 2014	30000	Transfer	3,600,000	2.26
				August 8, 2014	15000	Transfer	3,615,000	2.27
				September 19, 2014	-95000	Transfer	3,520,000	2.21
				January 9, 2015	160,000	Transfer	3,680,000	2.31
				February 13, 2015	15,000	Transfer	3,695,000	2.32
				February 27, 2015	100,000	Transfer	3,795,000	2.38
				March 6, 2015	105,000	Transfer	3,900,000	2.45
				March 20, 2015	200,000	Transfer	4,100,000	2.57
		4,100,000	2.57	March 31, 2015	-	-	4,100,000	2.57
6	Danske Invest Management Company S.A. A/c Danske Invest SICAV - SIF- Emerging and Frontier Markets SMI	2,240,942	1.41	April 1, 2014				
				May 30, 2014	-67,959	Transfer	2,172,983	1.36
				June 6, 2014	-7,983	Transfer	2,165,000	1.36
				October 17, 2014	30,000	Transfer	2,195,000	1.38
				February 6, 2015	10,000	Transfer	2,205,000	1.38
				February 13, 2015	15,000	Transfer	2,220,000	1.39
				February 20, 2015	15,000	Transfer	2,235,000	1.40
		2,235,000	1.40	March 31, 2015	-	-	2,235,000	1.40
7	Bio Veda Action Research Private Limited	1,548,819	0.97	April 1, 2014	NIL	No movement during the year		
		1,548,819	0.97	March 31, 2015			1,548,819	0.97
8	GA Global Investments Limited*	1,155,253	0.73	April 1, 2014				
				June 20, 2014	1,000,000	Transfer	155,253	0.10
		155,253	0.10	March 31, 2015	-	-	155,253	0.10

Sr. No.	Name	Shareholding		Date	Increase/ Decrease in shareholding	Reason	Cumulative shareholding during the year (April 1, 2014 to March 31, 2015)	
		No. of Shares at the beginning (April 1, 2014)/ end of the year (March 31, 2015)	% of total shares of the Company				No. of Shares	% of total shares of the Company
9	Kuwait Investment Authority Fund 225	1,036,442	0.65	April 1, 2014				
				August 22, 2014	58,362	Transfer	1,094,804	0.69
		1,094,804	0.69	March 31, 2015	–	–	1,094,804	0.69
10	Life Insurance Corporation of India*	1,028,020	0.65	April 1, 2014	NIL	No movement during the year		
		1,028,020	0.65	March 31, 2015			1,028,020	0.65
11	Birla Sun Life Trustee Company Private Limited A/c Birla Sun Life Midcap Fund**	689,738	0.43	April 1, 2014				
				April 4, 2014	463,261	Transfer	1,152,999	0.72
				April 18, 2014	100,066	Transfer	1,253,065	0.79
				April 25, 2014	81,674	Transfer	1,334,739	0.84
				May 2, 2014	18,758	Transfer	1,353,497	0.85
				May 9, 2014	173,865	Transfer	1,527,362	0.96
				May 16, 2014	25,046	Transfer	1,552,408	0.97
				May 23, 2014	184,731	Transfer	1,737,139	1.09
				May 30, 2014	400,000	Transfer	2,137,139	1.34
				June 13, 2014	162,000	Transfer	2,299,139	1.44
				June 20, 2014	-625,000	Transfer	1,674,139	1.05
				June 30, 2014	-7,000	Transfer	1,667,139	1.05
				July 4, 2014	-85,896	Transfer	1,581,243	0.99
				July 11, 2014	-28,190	Transfer	1,553,053	0.98
				July 25, 2014	-21,000	Transfer	1,532,053	0.96
				August 8, 2014	-36,500	Transfer	1,495,553	0.94
				November 7, 2014	-55,775	Transfer	1,439,778	0.90
				November 14, 2014	-439,778	Transfer	1,000,000	0.63
				November 21, 2014	-725,090	Transfer	274,910	0.17
				November 28, 2014	-274,910	Transfer	–	–
		–	–	March 31, 2015	–	–	–	–
12	GHI LTP LTD***	–	–	April 1, 2014				
				June 6, 2014	124,080	Transfer	124,080	0.08
				June 13, 2014	198,408	Transfer	322,488	0.20
				June 20, 2014	963,942	Transfer	1,286,430	0.81
				July 18, 2014	423,984	Transfer	1,710,414	1.07
				August 22, 2014	32,280	Transfer	1,742,694	1.09
				August 29, 2014	31,200	Transfer	1,773,894	1.11
				November 14, 2014	40,580	Transfer	1,814,474	1.14

Sr. No.	Name	Shareholding		Date	Increase/ Decrease in shareholding	Reason	Cumulative shareholding during the year (April 1, 2014 to March 31, 2015)	
		No. of Shares at the beginning (April 1, 2014)/ end of the year (March 31, 2015)	% of total shares of the Company				No. of Shares	% of total shares of the Company
				November 21, 2014	500,225	Transfer	2,314,699	1.45
				November 28, 2014	173,160	Transfer	2,487,859	1.56
				December 12, 2014	47,750	Transfer	2,535,609	1.59
				December 19, 2014	101,250	Transfer	2,636,859	1.66
				December 31, 2014	75,000	Transfer	2,711,859	1.70
				January 16, 2015	1,000	Transfer	2,712,859	1.70
		2,712,859	1.70	March 31, 2015	-	-	2,712,859	1.70
13	GHI JBD LTD***	-	-	April 1, 2014				
				June 6, 2014	52,405	Transfer	52,405	0.03
				June 13, 2014	82,975	Transfer	135,380	0.09
				June 20, 2014	407,119	Transfer	542,499	0.34
				July 18, 2014	179,069	Transfer	721,568	0.45
				August 1, 2014	10,000	Transfer	731,568	0.46
				August 15, 2014	4,750	Transfer	736,318	0.46
				August 22, 2014	8,580	Transfer	744,898	0.47
				August 29, 2014	13,200	Transfer	758,098	0.48
				November 14, 2014	19,500	Transfer	777,598	0.49
				November 21, 2014	240,493	Transfer	1,018,091	0.64
				November 28, 2014	67,170	Transfer	1,085,261	0.68
				December 12, 2014	18,945	Transfer	1,104,206	0.69
				December 19, 2014	41,250	Transfer	1,145,456	0.72
				December 31, 2014	15,000	Transfer	1,160,456	0.73
				January 16, 2015	1,000	Transfer	1,161,456	0.73
		1161456	0.73	March 31, 2015	-	-	1,161,456	0.73

* Ceased to be in the Top 10 shareholders as on March 31, 2015. The same is reflected above as the shareholder was one of the Top 10 shareholders as on April 1, 2014

** Not in the list of Top 10 shareholders as on April 1, 2014. The same has been reflected above as the shareholder was one of the Top 10 shareholders during the year and ceased to be in the Top 10 shareholders as on March 31, 2015

*** Not in the list of Top 10 shareholders as on April 1, 2014. The same is reflected above since the shareholder was one of the Top 10 shareholders as on March 31, 2015

(v) Shareholding of Directors and Key Managerial Personnel:

Sr. No.	Name	Shareholding at the beginning of the year (April 1, 2014)		Date wise Increase/ Decrease in Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment/ transfer/ bonus/ sweat equity, etc)	Cumulative Shareholding during the year (2014-15)		At the end of the year (March 31, 2015)	
		No. of shares	% of total shares of the Company		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	Mr. Shyam S. Bhartia, Chairman	1,399,935	0.88	No change during the Financial Year 2014-15	1,399,935	0.88	1,399,935	0.88
2	Mr. Hari. S. Bhartia, Co-Chairman and Managing Director	360,885	0.23		360,885	0.23	360,885	0.23
3	Mr. Shyamsundar Bang, Executive Director	57,963	0.04		57,963	0.04	57,963	0.04
4	Mr. Shardul S. Shroff, Director	–	–		–	–	–	–
5	Mr. S. Sridhar, Director	–	–		–	–	–	–
6	Ms. Sudha Pillai, Director	–	–		–	–	–	–
7	Dr. Ashok Misra, Director (Appointed w.e.f. September 15, 2014)	N.A.	N.A.		–	–	–	–
8	Dr. Inder Mohan Verma, Director (Resigned w.e.f. September 22, 2014)	–	–		–	–	N.A.	N.A.
9	Mr. Suresh Kumar, Director (Resigned w.e.f. September 22, 2014)	–	–		–	–	N.A.	N.A.
10	Mr. Abhay Havaldar, Director (Resigned w.e.f. September 24, 2014)	–	–		–	–	N.A.	N.A.
11	Mr. R. Sankaraiah, Chief Financial Officer	–	–		–	–	–	–
12	Mr. Lalit Jain, Company Secretary (Retired w.e.f. January 31, 2015)	–	–		–	–	N.A.	N.A.
13	Mr. Rajiv Shah, Company Secretary (Appointed w.e.f. February 16, 2015)	N.A.	N.A.		–	–	–	–

V. INDEBTEDNESS

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

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the Financial Year (April 1, 2014)				
i) Principal Amount	27,122.68	6,016.75	–	33,139.43
ii) Interest due but not paid	–	–	–	–
iii) Interest accrued but not due	84.95	65.07	–	150.02
Total (i+ii+iii)	**27,207.63**	**6,081.82**	**–**	**33,289.45**
Change in Indebtedness during the Financial Year (including Forex effect)				
i) Addition	13,397.19	54.21	–	13,451.40
ii) Reduction	20,585.52	3,271.14	–	23,856.66
Net Change	**-7,188.33**	**-3,216.93**	**–**	**-10,405.26**
Indebtedness at the end of the Financial Year (March 31, 2015)				
i) Principal Amount	19,997.18	2,796.21	–	22,793.39
ii) Interest due but not paid	–	–	–	–
iii) Interest accrued but not due	22.12	68.68	–	90.80
Total (i+ii+iii)	**20,019.30**	**2,864.89**	**–**	**22,884.19**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sr. No.	Particulars of Remuneration	Name of Managing Director/ Whole-time Director/ Manager			Total Amount (In ₹)
		Mr. Shyam S. Bhartia, Chairman[1]	Mr. Hari S. Bhartia, Co-Chairman & Managing Director	Mr. Shyamsundar Bang, Executive Director	
1.	Gross salary				
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act,1961	–	–	–	–
	(b) Value of perquisites under Section 17(2) of the Income Tax Act, 1961	–	–	–	–
	(c) Profits in lieu of salary under Section 17(3) of the Income Tax Act, 1961	–	–	–	–
2.	Stock Option	–	–	–	–
3.	Sweat Equity	–	–	–	–
4.	Commission - as % of profit - others	–	–	–	–
5.	Others	–	–	–	–
	Total (A)	–	–	–	–
	Ceiling as per the Act	No remuneration has been paid to Managing Directors and Whole-time Director during the Financial Year 2014-15. Hence, computation of ceiling under the Act is not given			

1. Consequent to the appointment of Mr. Shyam S. Bhartia as Chairman and Managing Director of Jubilant Pharma Limited, Singapore, a wholly-owned subsidiary of the Company, he has resigned from the position of Managing Director of the Company effective from March 25, 2015. Accordingly, as payment of retiral dues on resignation, the aggregate amounts accrued to him towards payment of gratuity and leave encashment since the Financial Year 1981-82, aggregating to ₹ 20,111,538 have been paid to him during the Financial Year 2014-15

B. Remuneration to other Directors:

(i) Independent Directors:

Particulars of Remuneration	Names of Directors						Total Amount (₹)
	Mr. Shardul S. Shroff	Mr. S. Sridhar	Ms. Sudha Pillai	Dr. Ashok Misra	Dr. Inder Mohan Verma	Mr. Suresh Kumar	
Fees for attending Board/ Committee meetings	125,000	355,000	465,000	320,000	145,000	50,000	**1,460,000**
Commission	–	–	–	–	–	–	–
Others	–	–	–	–	–	–	–
Total	125,000	355,000	465,000	320,000	145,000	50,000	**1,460,000**

Note: Dr. Ashok Misra was appointed as Additional Director effective from September 15, 2014. Dr. Inder Mohan Verma and Mr. Suresh Kumar resigned effective from September 22, 2014

(ii) Other Non-Executive Directors:

Mr. Abhay Havaldar, a Non-Executive Non-Independent Director, had opted for not taking any remuneration.

Note: No managerial remuneration has been paid to Non-Executive Directors during the Financial Year 2014-15. Hence, computation of ceiling of managerial remuneration is not given.

C. Remuneration to Key Managerial Personnel other than Managing Director/ Manager/ Whole-time Director

Amount (₹)

Sr. No.	Particulars of Remuneration	Name of Key Managerial Personnel			
		Mr. R. Sankaraiah [Executive Director-Finance (Designated as CFO)]	Mr. Rajiv Shah, Company Secretary	Mr. Lalit Jain, Company Secretary	Total Amount
1.	Gross salary:				
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	31,499,711	457,264	6,753,706	38,710,681
	(b) Value of perquisites under Section 17(2) of the Income Tax Act, 1961	8,451,871	135,508	1,118,001	9,705,380
	(c) Profits in lieu of salary under Section 17(3) of the Income Tax Act, 1961	–	–	–	–
2.	Stock Option	–	–	–	–
3.	Sweat Equity	–	–	–	–
4.	Commission - as % of profit - others	–	–	–	–
5.	Others	–	–	–	–
	Total	39,951,582	592,772	7,871,707	48,416,061

Note: Mr. Lalit Jain, Company Secretary, retired from the services of the Company effective from January 31, 2015. In his place, Mr. Rajiv Shah has been appointed as the Company Secretary effective from February 16, 2015

VII. PENALTIES/ PUNISHMENT/ COMPOUNDING OF OFFENCES

	Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority [RD/ NCLT/ COURT]	Appeal made, if any (give details)
A.	**COMPANY**					
	Penalty					
	Punishment					
	Compounding					
B.	**DIRECTORS**					
	Penalty					
	Punishment			NIL		
	Compounding					
C.	**OTHER OFFICERS IN DEFAULT**					
	Penalty					
	Punishment					
	Compounding					

Report on Corporate Governance

Annexure – 7

a) Company's Philosophy

At Jubilant Life Sciences Limited ('the Company' or 'Jubilant'), Corporate Governance is both a tradition and a way of life. We believe in delivering on Our Promise of *Caring, Sharing, Growing,* which spells:

"We will, with utmost care for the environment and society, continue to enhance value for our customers by providing innovative products and economically efficient solutions; and for our stakeholders through growth, cost effectiveness and wise investment of resources."

The Company's Corporate Governance philosophy is led by core principles of:

- Caring for the environment which includes caring for the society around us;
- Enhancement of stakeholder value through pursuit of excellence, efficiency of operations, quest for growth and continuous innovation;
- Transparency, promptness and fairness in disclosures to and communication with all stakeholders including shareholders, government authorities, customers, suppliers, lenders, employees and the community at large; and
- Complying with laws in letter as well as in spirit.

Highlights of Jubilant's Corporate Governance regime are:

- Appropriate mix of Executive and Non-Executive Directors on the Board;
- Constitution of several committees for focused attention and proactive flow of information;
- Emphasis on ethical business conduct by the Board, management and employees;
- Employees Stock Option Plans - to attract, reward and retain key senior executives;
- Active employee participation in place; one top executive on the Board of Directors;
- Business excellence through 'Velocity' initiatives like Six Sigma, lean and world class manufacturing;
- Online monitoring of internal controls on all operations spanning around 1,500 control assertions through a specially designed software to institutionalize a quarterly system of certification to enable CEO/CFO certification of internal controls as per Clause 49 of the Listing Agreement with the Stock Exchanges;
- Robust Risk Management and Control Mapping for each of the businesses and for the Company as a whole;
- Timely, transparent and regular disclosures;
- Effective control on statutory compliances by quarterly online reporting and presentation;
- Paperless meetings of Board and Committees;
- Comprehensive Corporate Sustainability Management System;
- Established Codes of Conduct for Directors and Senior Management as also for other employees;
- Robust Vigil Mechanism and Ombudsman Process;
- Code of Conduct for Prevention of Insider Trading;
- Focus on hiring, retaining and nurturing best talent and to promote a culture of excellence across the organisation. Exhaustive HRD policies cover succession planning, training and development, employee grievance handling, etc.; and
- Regular communication with shareholders including e-mailing of quarterly results and press releases just after release to Stock Exchanges, e-mailing of Annual Reports and Corporate Sustainability Reports and obtaining regular and also online feedback.

SEBI regulates Corporate Governance practices for listed companies through Clause 49 of the Listing Agreement with the Stock Exchanges (the "Listing Agreement"). Jubilant is in full compliance with Clause 49.

b) Board of Directors:

(i) Composition

The Board of Jubilant presently comprises seven members, including a Woman Director, of which four are Non-Executive Independent Directors, one Non-Executive Non-Independent Director, one Managing Director and one Executive Director.

The maximum tenure of Independent Directors is upto five consecutive years from the date of their appointment. However, they can be re-appointed for another term of five consecutive years. The date of appointment and tenure of the existing Independent Directors are given below:

Sr. No.	Name of Independent Director	Date of Appointment	Date of Completion of Tenure
1	Mr. S. Sridhar	September 2, 2014	March 31, 2019
2	Mr. Shardul S. Shroff	September 2, 2014	March 31, 2019
3	Ms. Sudha Pillai	September 2, 2014	March 31, 2019
4	Dr. Ashok Misra*	September 15, 2014	Upto the date of ensuing AGM

*Appointed as an Additional Director in the category of Independent Director. The Board has recommended his appointment as an Independent Director at the ensuing Annual General Meeting for a term upto March 31, 2019.

The letters of appointment have been issued to the Independent Directors and the terms and conditions thereof are posted on the Company's website.

The Board of Directors along with its Committees provides effective leadership and strategic guidance to the Company's management while discharging its fiduciary responsibilities, thereby ensuring that the management adheres to the high standards of ethics, transparency and disclosures.

(ii) Key functions of the Board

The Board performs various statutory and other functions in connection with managing the affairs of the Company. The key functions performed by the Board of Jubilant are:

a. Reviewing and guiding corporate strategy, major plans of action, risk policy, annual budgets and business plans, setting performance objectives, monitoring implementation and corporate performance and overseeing major capital expenditures, acquisitions and divestments;

b. Monitoring effectiveness of the Company's governance practices and making changes as needed;

c. Selecting, compensating, monitoring and when necessary, replacing key executives and overseeing succession planning;

d. Aligning key executive and Board remuneration with the long term interests of the Company and its shareholders;

e. Ensuring a transparent Board nomination process with the diversity of thought, experience, knowledge, perspective and gender in the Board;

f. Monitoring and managing potential conflicts of interest of management, board members and shareholders, including misuse of corporate assets and abuse in related party transactions;

g. Ensuring integrity of the company's accounting and financial reporting systems, including the independent audit and that appropriate systems of control are in place, in particular, systems for risk management, financial and operational controls and compliance with the law and relevant standards;

h. Overseeing the process of disclosure and communications;

i. Monitoring and reviewing Board Evaluation framework.

(iii) Meetings of the Board

Meetings of the Board are generally held at the Corporate Office of the Company at 1A, Sector 16A, Noida - 201 301, Uttar Pradesh, India. During the year, Jubilant's Board met five times i.e. on May 26, 2014, August 5, 2014, October 28, 2014, February 3, 2015 and March 25, 2015.

The Company has held a minimum of one Board Meeting in each quarter and maximum gap between two consecutive meetings did not exceed 120 days which is in compliance with the Listing Agreement and provisions of the Companies Act, 2013 (the "Act").

An annual calendar of meetings is prepared well in advance and shared with the Directors at the beginning of the year to enable them to plan their attendance at the meetings. Directors are expected to attend the Board Meetings, spend necessary time and meet as frequently as the situation warrants to properly discharge their responsibilities.

Concerned executives of the Company communicate to the Company Secretary matters requiring approval of the Board, well in advance, so that these can be included in the agenda for the scheduled Board/ Committee Meeting.

Agenda papers are sent electronically to the Directors, well in advance, before the Board Meetings. Draft Minutes of the Board meetings are circulated to the Directors of the Company for their comments and thereafter, confirmed by the Board at its next Meeting.

Composition of the Board of Directors as on March 31, 2015 and attendance at the Board meetings held during the Financial Year ended March 31, 2015 and at the last Annual General Meeting ("AGM") are given in table below:

COMPOSITION OF THE BOARD AND ATTENDANCE OF DIRECTORS AT THE BOARD MEETINGS AND AT THE LAST AGM				
Name and Designation	Category	Attendance at Meetings		
		No. of Board Meetings		Last AGM Attended
		Held During Tenure	Attended	
Mr. Shyam S. Bhartia[1, 2] *Chairman*	Non-Executive and Promoter	5	5	Yes
Mr. Hari S. Bhartia[1] *Co-Chairman & Managing Director*	Executive and Promoter	5	5	No
Mr. Shyamsundar Bang *Executive Director*	Executive	5	5	Yes
Mr. Shardul S. Shroff *Director*	Non-Executive, Independent	5	2	No
Mr. S. Sridhar *Director*	Non-Executive, Independent	5	4	Yes
Ms. Sudha Pillai *Director*	Non-Executive, Independent	5	5	Yes
Dr. Ashok Misra[3] *Director*	Non-Executive, Independent	3	3	N. A.
Mr. Abhay Havaldar[4] *Director*	Non-Executive, Nominee	2	2	Yes
Dr. Inder Mohan Verma[5] *Director*	Non-Executive, Independent	2	2	No
Mr. Suresh Kumar[5] *Director*	Non-Executive, Independent	2	1	No

1. Mr. Shyam S. Bhartia and Mr. Hari S. Bhartia are related to each other, being brothers
2. Resigned as Managing Director of the Company effective from March 25, 2015
3. Appointed as Director in the category of Independent Director effective from September 15, 2014
4. Nominee of GA Global Investments Limited - Private Equity Investor. Resigned effective from September 24, 2014
5. Resigned effective from September 22, 2014

(iv) Other Directorships

Number of directorships in other bodies corporate and memberships/ chairmanships of Board Committees held by the Directors as on March 31, 2015 are given in the table below:

Name of Director	No. of Directorships in Other Bodies Corporate				No. of Chairmanships/ Memberships of Committees*	
	Public Listed	Public Unlisted	Private	Foreign	Chairmanships	Memberships
Mr. Shyam S. Bhartia	2	4	13	6	0	2
Mr. Hari S. Bhartia	4	3	10	5	0	1
Mr. Shyamsundar Bang	0	5	0	0	0	2
Mr. Shardul S. Shroff	2	2	9	0	0	1
Mr. S. Sridhar	5	3	5	0	3	5
Ms. Sudha Pillai	3	2	0	0	0	3
Dr. Ashok Misra	1	0	0	0	0	3

*Pursuant to Clause 49 of the Listing Agreement, membership of Audit Committees and Stakeholders Relationship Committees of Indian Public Companies, whether listed or not, have been considered. Committees of Jubilant are also included

(v) Information given to the Board

The Board and its Committees have complete access to all relevant information. Such information is submitted either as a part of the agenda papers in advance of the meetings or by way of presentations and discussion material during the meetings. Such information, *inter alia,* includes the following:

- Annual operating plans, budgets and updates thereon;
- Capital budgets and updates thereon;
- Quarterly results of the Company and its operating divisions or business segments;
- Minutes of the meetings of Audit Committee and other Committees of the Board;
- Information on recruitment and remuneration of senior officers just below the Board level, including appointment or removal of the Chief Financial Officer and the Company Secretary;
- Show cause, demand, prosecution notices and penalty notices, which are materially important;
- Fatal or serious accidents, dangerous occurrences, any material effluent or pollution problems;
- Material defaults in financial obligations to and by the Company or substantial non-payment for goods sold by the Company;
- Issues which involve possible public or product liability claims of substantial nature;
- Details of any joint venture or collaboration agreement;
- Transactions that involve substantial payment towards goodwill, brand equity or intellectual property;
- Significant labour problems and their proposed solutions including any significant development in Human Resources/ Industrial Relations front;
- Sale of material nature, of investments, subsidiaries, assets, which is not in normal course of business;
- Quarterly details of foreign exchange exposures and steps taken by the Management to limit the risks of adverse exchange rate movement, if material;
- Minutes of Board Meetings of unlisted subsidiary companies;
- Statement of significant transactions or arrangements made by unlisted subsidiary companies; and
- Non-compliance of any regulatory, statutory or listing requirements and shareholder services such as non-payment of dividend, delay in share transfer, etc.

(vi) Board Process

In sync with its policy of environmental preservation, the Company sends documents relating to Board and Committee meetings, including agenda papers and supplementary documents, to the Directors in electronic form.

Important decisions taken at the Board/ Committee meetings are promptly communicated to the concerned departments/ divisions. Action Taken Report (ATR) on the decisions of the previous meeting(s) is placed at the next meeting of the Board/ Committee.

The Company has substantially complied with the Secretarial Standards (SS) recommended by the Institute of Company Secretaries of India (ICSI) from time to time.

(vii) Independent Directors' Meeting

The Independent Directors met on March 11, 2015 and on May 12, 2015 without the attendance of Non-Independent Directors and members of the Management of the Company. The Independent Directors, *inter alia,* evaluated performance of the Non-Independent Directors, Chairperson of the Company and the Board of Directors as a whole. They also assessed the quality, content and timeliness of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

(viii) Familiarisation Programme for Independent Directors

The Company familiarises 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. In this regard, the Company follows a structured familiarisation programme for the Independent Directors. The details related thereto are displayed on the Company's website (www.jubl.com). The web-link for the same is: http://www.jubl.com/cpage.aspx?mpgid=28&pgid=29&spgid=1018&spgid1=1023

c) Committees of the Board

To focus effectively on the issues and ensure expedient resolution of diverse matters, the Board has constituted several Committees of Directors with specific terms of reference. The Committees operate as empowered agents of the Board as per their terms of reference that set forth their purposes, goals and responsibilities. Committee members are appointed by the Board with the consent of individual Directors. These Committees meet as often as required or as statutorily required. Committees that are constituted voluntarily for effective governance of the affairs of the Company may also include Company executives.

The minutes of the meetings of all the Committees of the Board are placed quarterly at the Board meetings for noting.

Major Committees are:

- Audit Committee
- Nomination, Remuneration and Compensation Committee
- Stakeholders Relationship Committee
- Sustainability & CSR Committee
- Finance Committee
- Fund Raising Committee

The Company Secretary officiates as the Secretary of the Committees. Detailed terms of reference, composition, quorum, meetings, attendance and other relevant details of these Committees are as under:

Audit Committee

The Audit Committee primarily constitutes a formal and transparent arrangement for accurate financial reporting and strong internal controls. The Committee through regular interaction with the external and internal auditors and review of various financial statements ensures that the interests of stakeholders are properly protected.

All members of the Audit Committee are financially literate and have accounting or financial management expertise.

(i) Terms of Reference

The Audit Committee functions according to its terms of reference that define its composition, authority, responsibility and reporting functions in accordance with the provisions of the Act and Clause 49 of the Listing Agreement which, *inter alia*, include the following:

1. Oversight of the Company's financial reporting process and disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of cost auditor and statutory auditor including their replacement or removal;
3. Approval for payment to statutory auditors for any other permitted services rendered by statutory auditors;
4. Reviewing with the management, the annual financial statements and auditors' report thereon before submission to the Board for approval, with particular reference to:
   a. Matters required to be included in the Directors' Responsibility Statement to be included in the Board's report;
   b. Changes, if any, in accounting policies and practices and reasons for the same;
   c. Major accounting entries involving estimates based on the exercise of judgement by management;
   d. Significant adjustments made in the financial statements arising out of audit findings;
   e. Compliance with listing and other legal requirements relating to financial statements;
   f. Disclosure of any related party transactions;
   g. Qualifications in the draft audit report, if any.
5. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval;
6. Reviewing with the management, the statement of uses/ application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue and making appropriate recommendations to the Board to take steps in this matter;
7. Reviewing and monitoring with the management, independence and performance of statutory and internal auditors, adequacy of internal control systems and effectiveness of the audit processes;
8. Reviewing adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
9. Discussion with internal auditors on any significant findings and follow up there-on;
10. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
11. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
12. To look into the reasons for substantial defaults in payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
13. To review the functioning of the Whistle Blower Policy (Vigil Mechanism);
14. Approval of appointment of CFO (i.e. the whole-time Finance Director or any other

person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;

15. Approval or any subsequent modification of transactions of the Company with related parties;
16. Scrutiny of inter-corporate loans and investments;
17. Valuation of undertakings or assets of the Company, wherever it is necessary;
18. Evaluation of internal financial controls and risk management system;
19. Review of management discussion and analysis of financial condition and results of operations;
20. Review of management letters/ letters of internal control weaknesses issued by the statutory auditors;
21. Review of internal audit reports relating to internal control weaknesses;
22. Review of financial statement, in particular, investments made by the subsidiary company(s);
23. Any other role as may be prescribed by law from time to time.

(ii) Composition

As on date, the Committee comprises of Mr. S. Sridhar, Chairman, Ms. Sudha Pillai and Dr. Ashok Misra. Dr. Inder Mohan Verma and Mr. Abhay Havaldar were members of the Committee during the year. They ceased to be members of the Committee effective from September 22, 2014 and September 24, 2014 respectively, on their resignation from the Board of Directors.

Invitees:

Mr. R. Sankaraiah, Executive Director-Finance and Mr. Shyamsundar Bang, Executive Director are permanent invitees to all Audit Committee meetings.

The Statutory Auditors, representative of the Internal Audit firm and Head of the Management Assurance Department attend the meetings. Cost Auditor and other executives, as desired by the Committee, attend the meetings as invitees.

(iii) Meetings, Quorum and Attendance

The Audit Committee meets at least four times in a year with a gap of not more than four months between two consecutive meetings. The quorum for the meetings is two Independent Directors.

During the year, the Committee met six times i.e. on May 26, 2014, May 27, 2014, August 5, 2014, October 28, 2014, February 3, 2015 and March 25, 2015.

Attendance details of the members are given in the table below:

Name of the Committee Member	Meetings Held During Tenure	Meetings Attended
Mr. S. Sridhar, Chairman	6	5
Ms. Sudha Pillai[1]	5	5
Dr. Ashok Misra[2]	3	3
Dr. Inder Mohan Verma[3]	3	3
Mr. Abhay Havaldar[4]	3	3

1. Appointed effective from May 26, 2014
2. Appointed effective from September 15, 2014
3. Ceased effective from September 22, 2014
4. Ceased effective from September 24, 2014

Nomination, Remuneration and Compensation Committee

During the year, the Nomination, Remuneration and Compensation Committee was constituted as per the requirements of Section 178 of the Act and the Listing Agreement. The Committee functions according to its terms of reference that define its composition, authority, responsibility and reporting functions in accordance with the provisions of Act and Clause 49 of the Listing Agreement which, *inter alia*, include the following:

(i) Terms of Reference

The role of the Committee is:

1. To identify persons who are qualified to become director in accordance with the criteria laid down and recommend to the Board, their appointment/ removal;
2. To identify persons who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board, their appointment/ removal;
3. To formulate criteria for performance evaluation of independent directors and the Board and to carry out evaluation of every director's performance;
4. To formulate the criteria for determining qualifications, positive attributes and independence of a director;
5. Devising a policy on Board diversity;
6. To formulate and recommend to the Board, policies relating to the remuneration of:
   a. Directors
   b. Key Managerial Personnel
   c. Other Employees of the Company
7. To discharge the role envisaged under the SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; and

8. Any other role as may be prescribed by law from time to time.

(ii) Composition

As on date, the Committee comprises of Ms. Sudha Pillai, Chairperson, Mr. Shyam S. Bhartia, Mr. Shardul S. Shroff and Mr. S. Sridhar.

Invitee

Mr. R. Sankaraiah, Executive Director-Finance is a permanent invitee to all Nomination, Remuneration and Compensation Committee meetings.

(iii) Meetings, Quorum and Attendance

During the year, the Committee met once i.e. on March 25, 2015.

Attendance details of the members are given in the table below:

Name of the Committee Member	Meetings Held During Tenure	Meetings Attended
Ms. Sudha Pillai, Chairperson	1	1
Mr. Shyam S. Bhartia	1	1
Mr. Shardul S. Shroff	1	1
Mr. S. Sridhar	1	1

Stakeholders Relationship Committee

During the year, pursuant to the provisions of Section 178 of the Act and the Listing Agreement, 'Investors Grievance Committee' was renamed as the 'Stakeholders Relationship Committee'.

The Board has delegated the powers of share transfer and other related matters to the Stakeholders Relationship Committee. The Committee meets as often as required. Additionally, the Board has authorised the Executive Director-Finance and the Company Secretary to jointly exercise the powers of approving transfer/ transmission of shares. Normally, transfers/ transmissions are approved once in a fortnight.

Apart from the above, the Committee is empowered to perform all the functions of the Board in relation to handling of investor grievances/ complaints and overseeing investor services.

(i) Terms of Reference

The role of Committee is:

a. To address security holders' complaints/ grievances like non-transfer of securities, non-receipt of annual report, non-receipt of dividends/ interest, etc.

b. To deal with all matters relating to issue of duplicate certificates, transmission of securities, etc.;

c. To approve transfer of securities as per powers delegated by the Board and to note transfer of securities approved by the Executive Director-Finance and the Company Secretary; and

d. Any other role as may be prescribed by law from time to time.

(ii) Composition

As on date, the Committee comprises of Mr. S. Sridhar, Chairman, Mr. Shyam S. Bhartia, Mr. Shyamsundar Bang and Dr. Ashok Misra. Mr. Suresh Kumar was a member of the Committee during the year. He, however, ceased to be a member of the Committee effective from September 22, 2014, on his resignation from the Board of Directors.

Invitee

Mr. R. Sankaraiah, Executive Director-Finance is a permanent invitee to all meetings of the Committee.

Compliance Officer

Mr. Lalit Jain, who was the Company Secretary and Compliance Officer officiated as the Secretary to the Committee till his retirement on January 31, 2015. Effective from February 16, 2015, Mr. Rajiv Shah, Company Secretary and Compliance Officer, officiates as the Secretary to the Committee.

(iii) Meetings, Quorum and Attendance

The Committee meets as frequently as circumstances necessitate. During the year, the Committee met twice i.e. on August 18, 2014 and February 3, 2015. The quorum for the meetings is two members.

Attendance details of the members are given in the table below:

Name of the Committee Member	Meetings Held During Tenure	Meetings Attended
Mr. S. Sridhar, Chairman	2	0
Mr. Shyam S. Bhartia	2	2
Mr. Shyamsundar Bang	2	2
Dr. Ashok Misra[1]	1	1
Mr. Suresh Kumar[2]	1	0

1. Appointed effective from September 15, 2014

2. Ceased effective from September 22, 2014

(iv) Investor Complaints

During the year, the Company received 17 complaints, which were duly resolved. No complaint was pending as on March 31, 2015.

(v) Transfers and Transmissions approved

During the year, the Company received 72 cases (representing 65,650 shares) of share transfer/ transposition out of which 41 cases representing 52,690 shares were approved and 31 cases representing 12,960 shares were rejected on technical grounds.

The Company had 29,080 investors as on March 31, 2015.

Sustainability & CSR Committee

This Committee was originally constituted to oversee the performance of the Company on triple bottom line indicators viz. Environmental, Economic and Social factors. The Committee was re-constituted during the year under review and oversees the sustainability and CSR initiatives of the Company.

(i) Terms of Reference

The role of Committee is:

i. Sustainability:

- To take all steps and decide all matters relating to triple bottom line indicators viz. Environmental, Economic and Social factors.

ii. CSR:

- To formulate and recommend to the Board, a CSR Policy which shall indicate the activities to be undertaken by the Company;
- To recommend the amount of expenditure to be incurred on the activities referred to in the CSR Policy and review the same;
- To monitor the CSR Policy including CSR projects/ programmes;
- Any other role as may be prescribed by law from time to time.

(ii) Composition

As on date, the Committee comprises of Dr. Ashok Misra, Chairman, Mr. Shyam S. Bhartia, Mr. Hari S. Bhartia, Mr. Shyamsundar Bang and Ms. Sudha Pillai. Dr. Inder Mohan Verma and Mr. Suresh Kumar were also members of the Committee during the year. They ceased to be members of the Committee effective from September 22, 2014 on their resignation from the Board of Directors.

Invitee

Mr. R. Sankaraiah, Executive Director-Finance is a permanent invitee to all meetings of the Committee.

(iii) Meetings, Quorum and Attendance

The Committee meets atleast once in every six months. The quorum for the meetings is two members. During the year, the Committee met three times i.e. on May 26, 2014, October 28, 2014 and March 25, 2015.

Attendance details of the members are given in the table below:

Name of the Committee Member	Meetings Held During Tenure	Meetings Attended
Dr. Ashok Misra, Chairman[1, 2]	2	2
Mr. Shyam S. Bhartia	3	3
Mr. Hari S. Bhartia	3	2
Mr. Shyamsundar Bang	3	3
Ms. Sudha Pillai	3	3
Dr. Inder Mohan Verma[3]	1	1
Mr. Suresh Kumar[3]	1	0

1. Appointed as member of the Committee effective from September 15, 2014
2. Appointed as Chairman of the Committee effective from March 25, 2015
3. Ceased to be member of the Committee effective from September 22, 2014

Finance Committee

The Board of Directors of the Company has delegated to the Finance Committee the powers to borrow money and avail financial assistance from banks, financial institutions, etc.

(i) Terms of Reference

(a) To avail financial assistance from banks, financial institutions, NBFCs, mutual funds, insurance companies or any other lender by way of term loans, working capital loans or any other funding method;

(b) To approve creation of mortgages/ charges in favour of lenders;

(c) To give corporate guarantees to banks/ financial institutions for financial assistance availed by wholly-owned subsidiaries; and

(d) To open, operate, transfer and close accounts with banks/ institutions outside India from time to time.

(ii) Composition

As on date, the Committee comprises of Mr. Shyam S. Bhartia, Chairman, Mr. Hari S. Bhartia and Mr. Shyamsundar Bang.

Invitee

Mr. R. Sankaraiah, Executive Director-Finance is a permanent invitee to all Finance Committee meetings.

(iii) Meetings, Quorum and Attendance

The Committee meets as frequently as circumstances necessitate. The quorum for the meetings is two members.

During the year, the Committee met nine times i.e. on April 30, 2014, September 18, 2014, October 9, 2014, December 31, 2014, February 3, 2015, February 16, 2015, March 2, 2015, March 25, 2015 and March 30, 2015.

Attendance details of the members are given in the table below:

Name of the Committee Member	Meetings Held During Tenure	Meetings Attended
Mr. Shyam S. Bhartia, Chairman	9	9
Mr. Hari S. Bhartia	9	8
Mr. Shyamsundar Bang	9	9

Fund Raising Committee

The Fund Raising Committee was constituted to decide the modalities of the consolidation and re-organisation of the Company's pharmaceuticals business segment, comprising of the Pharma Business and the Drug Discovery Business under two separate subsidiaries of the Company.

(i) Terms of Reference

The Committee is authorised to take all steps and decide all matters to explore the options and opportunities for raising money by listing the Pharma business and to finalise and execute the consolidation, reorganisation and listing of the Pharma business and to give loans to, make investments in and provide guarantee/ security to wholly-owned subsidiaries or any other person/ body corporate.

(ii) Composition

As on date, the Committee comprises of two members namely, Mr. Shyam S. Bhartia, Chairman and Mr. Hari S. Bhartia. Mr. Abhay Havaldar was a member of the Committee. He, however, ceased to be a member of the Committee effective from September 24, 2014, on his resignation from the Board of Directors.

Invitee

Mr. R. Sankaraiah, Executive Director-Finance is a permanent invitee to all meetings of the Committee.

(iii) Meetings, Quorum and Attendance

The Committee meets as frequently as circumstances necessitate. The quorum for the meetings is two members.

During the year, the Committee met four times i.e. on May 19, 2014, June 18, 2014, November 12, 2014 and December 31, 2014.

Attendance details of the members are given in the table below:

Name of the Committee Member	Meetings Held During Tenure	Meetings Attended
Mr. Shyam S. Bhartia, Chairman	4	4
Mr. Hari S. Bhartia	4	4
Mr. Abhay Havaldar[1]	2	0

1. Ceased effective from September 24, 2014

d) Performance Evaluation and its Criteria

Pursuant to the provisions of the Act and Clause 49 of the Listing Agreement, the Board has carried out annual evaluation of its performance, its committees, Chairperson and Directors through structured questionnaire.

Performance of the Board was evaluated by each Director on the parameters such as its role and responsibilities, business risks, contribution to the development of strategy and effective risk management, understanding of operational programmes, availability of quality information in a timely manner, regular evaluation of progress towards strategic goals and operational performance, adoption of good governance practices and adequacy and length of meetings, etc. Independent Directors also carried out evaluation of the Board performance.

Board committees were evaluated by the respective committee members on the parameters such as its role and responsibilities, effectiveness of the committee vis-a-vis assigned role, appropriateness of committee composition, timely receipt of information by the committee, effectiveness of communication by the committee with the Board and Senior Management and Key Managerial Personnel.

Performance of the Chairperson was evaluated by the Independent Directors on the parameters such as demonstration of effective leadership, contribution to the Board's work, communication with the Board, use of time and overall efficiency of Board meetings, quality of discussions at the Board meetings, process for settling Board agenda, etc.

Directors were evaluated individually by the Board of Directors (excepting the Director himself) on the parameters such as his/ her preparedness at the Board meetings, attendance at the Board meetings, devotion of time and efforts to understand the Company and its business, quality of contribution at the Board meetings, application of knowledge and experience while considering the strategy, effectiveness of follow-up in the areas of concern, communication with Board members, Senior Management and Key Managerial Personnel, etc. Nomination, Remuneration and Compensation Committee also carried out the performance evaluation of the individual Directors. The performance evaluation of the Non Independent Directors was also carried out by the Independent Directors.

e) Remuneration of Directors

(i) Remuneration to Managing/ Whole-Time Directors

- During the year, no remuneration was paid to Managing Directors and Whole-time Director.

  Consequent to the appointment of Mr. Shyam S. Bhartia as Chairman and Managing Director of Jubilant Pharma Limited, Singapore, a wholly-owned subsidiary of the Company, he has resigned from the position of Managing Director of the Company effective from March 25, 2015. He continues to be Non-executive Chairman of the Company. Accordingly, as payment of retiral dues on resignation, the aggregate amounts accrued to him towards payment of gratuity and leave encashment since the financial year 1981-82, aggregating to ₹ 20,111,538 have been paid to him during the Financial Year 2014-15.

- **Service Contracts, Notice Period and Severance Fees**

  Appointments of Managing Director and Whole-time Director are contractual. Appointment of Whole-time Director is terminable on 3 months' notice or salary in lieu thereof.

- Mr. Shyamsundar Bang was given 50,591 Options on October 24, 2011 and 56,310 Options on December 5, 2012 under JLL Employees Stock Option Plan 2011. Each Option confers a right to acquire one Equity Share of ₹ 1 at an exercise price of ₹ 200.05 per share and ₹ 220.90 per share in respect of grants made on October 24, 2011 and December 5, 2012 respectively (being the market price at the time of grant). Till March 31, 2015, 78,746 Options have been vested with Mr. Shyamsundar Bang.

(ii) Remuneration to Non-Executive Directors

The Company considers the time and efforts put in by the Non-Executive Directors in deliberations at the Board/ Committee meetings. They are remunerated by way of sitting fees for attending the meetings and through commission, as approved by the Board and members.

No commission was proposed for Non-executive Directors for the Financial Year 2014-15. Details of sitting fees paid to the Non-Executive Directors for attending Board/ Committee Meetings held during the year ended on March 31, 2015 are given in the table below:

Name of Director	Sitting Fees ₹
Mr. S. Sridhar	355,000
Mr. Shardul S. Shroff[1]	125,000
Ms. Sudha Pillai	465,000
Dr. Ashok Misra	320,000
Mr. Abhay Havaldar[2]	Nil
Dr. Inder Mohan Verma[3]	145,000
Mr. Suresh Kumar[3]	50,000
Total	**1,460,000**

1. During the year, the Company has paid ₹ 67.11 lacs as professional fees to M/s. Amarchand & Mangaldas & Suresh A. Shroff & Co., which has since dissolved. Mr. Shardul S. Shroff was a Managing Partner of that firm
2. Opted not to take any remuneration. Ceased as Director effective from September 24, 2014
3. Ceased as Director effective from September 22, 2014

Details of Equity Shares/ Options in the Company held by Non-Executive Directors as on March 31, 2015 are given in the table below:

Name of Director	No. of Equity Shares of ₹ 1 held	No. of Options under Plan 2005	No. of Options under Plan 2011
Mr. Shyam S. Bhartia	1,399,935	Nil	Nil
Mr. S. Sridhar	Nil	Nil	Nil
Mr. Shardul S. Shroff	Nil	Nil	15,000[1]
Ms. Sudha Pillai	Nil	Nil	Nil
Dr. Ashok Misra[2]	Nil	Nil	Nil

1. 7,500 Options were granted on December 5, 2012. Each Option entitles the holder to one Equity Share of ₹ 1 at an exercise price of ₹ 220.90 per Equity Share. The balance Options were granted on October 24, 2011, each Option entitling the holder to one Equity Share of ₹ 1, at an exercise price of ₹ 200.05 per Equity Share
2. Appointed as Director effective from September 15, 2014

Other than holding Shares/ Options, remuneration and professional fees as indicated above, the Non-Executive Directors did not have any pecuniary relationship or transactions with the Company during the year.

f) General Body Meetings

(i) Date, time and location of the Annual General Meetings held during the last three years

Financial Year	Date	Time	Location
2013-14 (36th AGM)	September 2, 2014	11.30 a.m.	Registered Office: Bhartiagram, Gajraula – 244 223 District Amroha, U.P.
2012-13 (35th AGM)	August 27, 2013		
2011-12 (34th AGM)	August 28, 2012		

Following are the Special Resolutions passed at Annual General Meetings held in the last three years:

Meeting	Subject Matter of Special Resolutions Passed
36th AGM	Nil
35th AGM	Modification of the Jubilant Employees Stock Option Plan 2005 and JLL Employees Stock Option Plan 2011
34th AGM	Approval for payment of commission to Non-Executive Directors

(ii) Special Resolutions passed through Postal Ballot in Financial Year 2014-15

Details of Special Resolutions passed through Postal Ballot during the Financial Year 2014-15 and the pattern of voting are given below:

Sr. No.	Particulars of Resolutions	Votes in Favour of Resolution	Votes Against Resolution
1	Authorisation for borrowings (including by way of issue of non-convertible debentures) upto ₹ 5,000 crores	102,883,325	10,792
2	Authorisation for creation of mortgage(s) and/or charge(s) on the Company's undertakings for securing borrowings upto ₹ 5,000 crores	102,879,684	14,478
3	Approval for investments, loans, guarantees and securities for the amounts specified in the resolution	97,533,658	6,444,354

The Company had appointed Mr. Sanjay Grover, a Practicing Company Secretary (FCS No. 4223, C.P. No. 3850) of M/s Sanjay Grover & Associates, Company Secretaries as the Scrutinizer to conduct the Postal Ballot process.

(iii) Whether any Special Resolutions are proposed to be passed through Postal Ballot

Special Resolution(s) as may be necessary under the Act and/or the Listing Agreement would be passed through Postal Ballot.

(iv) Procedure for Postal Ballot

- The notices containing the proposed resolutions and explanatory statement are sent to the shareholders at the addresses registered with the Company alongwith a Postal Ballot Form and a postage pre-paid envelope containing the address of the Scrutinizer appointed by the Board for carrying out the Postal Ballot process;
- The Postal Ballot Forms received within 30 days of despatch are considered by the Scrutinizer;
- The Scrutinizer submits his report to the Chairman/Co-Chairman of the Company, who on the basis of the report announces the results; and
- The Company has entered into an agreement with National Securities Depository Limited ("NSDL") and Central Depository Services (India) Limited ("CDSL") for providing e-voting facility to its shareholders. Under this facility, shareholders are provided an electronic platform to participate and vote on the resolutions to be passed through Postal Ballot.

g) Codes and Policies

The Company has established the following salient codes and policies:

i. Code of Conduct

The Company has formulated and implemented a Code of Conduct for all Board members and Senior Management. Requisite annual affirmations of compliance with the Code have been received from the Directors and Senior Management of the Company. A declaration signed to this effect by Mr. Hari S. Bhartia, Co-Chairman & Managing Director is enclosed as **Annexure-A.** The Code of Conduct is posted on the Company's website (www.jubl.com).

ii. Code of Conduct for Prevention of Insider Trading

The Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities of the Company by its Directors and Designated Employees.

iii. Whistle Blower Policy

Jubilant has a robust Whistle Blower Policy and Ombudsman Process to make the workplace at Jubilant conducive to open communication regarding business practices. It enables the Directors and full time employees to voice their concerns or disclose or report fraud, unethical behaviour, violation of the Code of Conduct, questionable accounting practices, grave misconduct, etc. without fear of retaliation/ unlawful victimization/ discrimination which is a sine qua non for an ethical organization.

The Whistle Blower Policy has been posted on the Company's website (www.jubl.com). The Audit Committee periodically reviews the functioning of the Policy and Ombudsman Process. During the year, no Director or full time employee was denied access to the Chairman of the Audit Committee.

iv. Appointment and Remuneration Policy

The Company's policy on appointment and remuneration of the Directors, Key Managerial Personnel and other employees is given as **Annexure-B**.

v. 'Policy for Determining Material Subsidiaries' is displayed on the Company's website. The web-link for the same is: http://jubl.com/cpage.aspx?mpgid=28&pgid=29&spgid=1018&spgid1=1022

vi. 'Policy on Materiality of Related Party Transactions and Dealing with Related Party Transactions' is displayed on the Company's website. The web-link for the same is: http://jubl.com/cpage.aspx?mpgid=28&pgid=29&spgid=1018&spgid1=1021

vii. 'Corporate Social Responsibility Policy' is displayed on Company's website (www.jubl.com)

viii. Policy on Board Diversity

ix. Disclosure Policy

x. Succession Plan for Board Members and Senior Management

xi. Performance Evaluation Policy

h) Disclosures

(i) The Company does not have any material unlisted Indian subsidiary company;

(ii) There are no materially significant transactions with the related parties viz. promoters, directors or the management, their subsidiaries or relatives, etc. that may have a potential conflict with the interests of the Company at large. Related Party Transactions are given at Note No. 53 of Notes to the Standalone Financial Statements;

(iii) The Company has complied with various rules and regulations prescribed by the Stock Exchanges, Securities and Exchange Board of India or any other statutory authority relating to the capital markets. During the last three years, no penalties or strictures have been imposed by them on the Company;

(iv) Listing fees for the Financial Year 2015-16 have been paid to the Stock Exchanges on which the shares of the Company are listed;

(v) Detailed note on risk management is included in the Management Discussion & Analysis section.

i) Means of Communication

(i) The quarterly results are regularly submitted to the Stock Exchanges and are normally published in leading Business Newspapers of the country like 'Mint' and regional newspapers like 'Hindustan' in accordance with the Listing Agreement;

(ii) The official news releases, including the quarterly, half yearly and annual results and presentations are posted on the Company's website (www.jubl.com);

(iii) Various sections of the Company's website (www.jubl.com) keep the investors updated on material developments of the Company by providing key and timely information like details of Directors, financial information, press releases, presentations, stock information, etc.;

(iv) Regular communications are sent to shareholders including e-mailing of quarterly results and press release just after release to the Stock Exchanges, e-mailing of Annual Reports and Corporate Sustainability Report, obtaining regular and online feedback; and

(v) The Company works towards excellence in stakeholder communication. It believes in sharing all material information that may directly or indirectly affect the financial and operational performance of the Company and consequently the share price.

We host a quarterly conference call to share the financial results of the Company along with discussion on the performance of the businesses by the leadership team. This is followed by question and answer session such that whosoever has a question for the management can raise it in the forum. In the 4 quarterly calls that were conducted during the year 2014-15, around 100 participants from leading brokerage houses, foreign and domestic institutional investors, banks, insurance and portfolio management companies and rating agencies, besides media and others logged into the conference each time to listen to the management discussion and analysis. A detailed docket on the financials and business highlights is released after the Board approves the results for the period. Transcripts of the investor calls are also available on the Company's website. The Company, as a process, disseminates material information on specific business updates through business or press releases, as is appropriate.

In addition, one on one calls and meetings with analysts from intermediary broking outfits and institutional shareholders are conducted.

j) General Shareholder Information

(i) Date, time and venue for 37th Annual General Meeting

As per notice of 37th Annual General Meeting.

(ii) Financial Year and Financial Calendar

The Company observes April 1 to March 31 as its Financial Year. The Financial Calendar for year 2015-16 is as follows:

Item	Tentative Dates *
First Quarter Results	Tuesday, August 11, 2015
Second Quarter Results	Thursday, October 29, 2015
Third Quarter Results	Tuesday, February 9, 2016
Audited Annual Results for the year	Tuesday, May 24, 2016

*As approved by the Board. However, these dates are subject to change

(iii) Book Closure & Dividend Payment Dates

As per Notice of 37th Annual General Meeting. The Dividend, if declared, will be paid within 30 days from the date of the Annual General Meeting.

(iv) Listing

The names of the Stock Exchanges at which the securities of the Company are listed and the respective stock codes are as under:

Sr. No.	Name of the Stock Exchange	Security Listed	Stock Code
1.	BSE Limited	Equity Shares	530019
2.	National Stock Exchange of India Limited	Equity Shares	JUBILANT

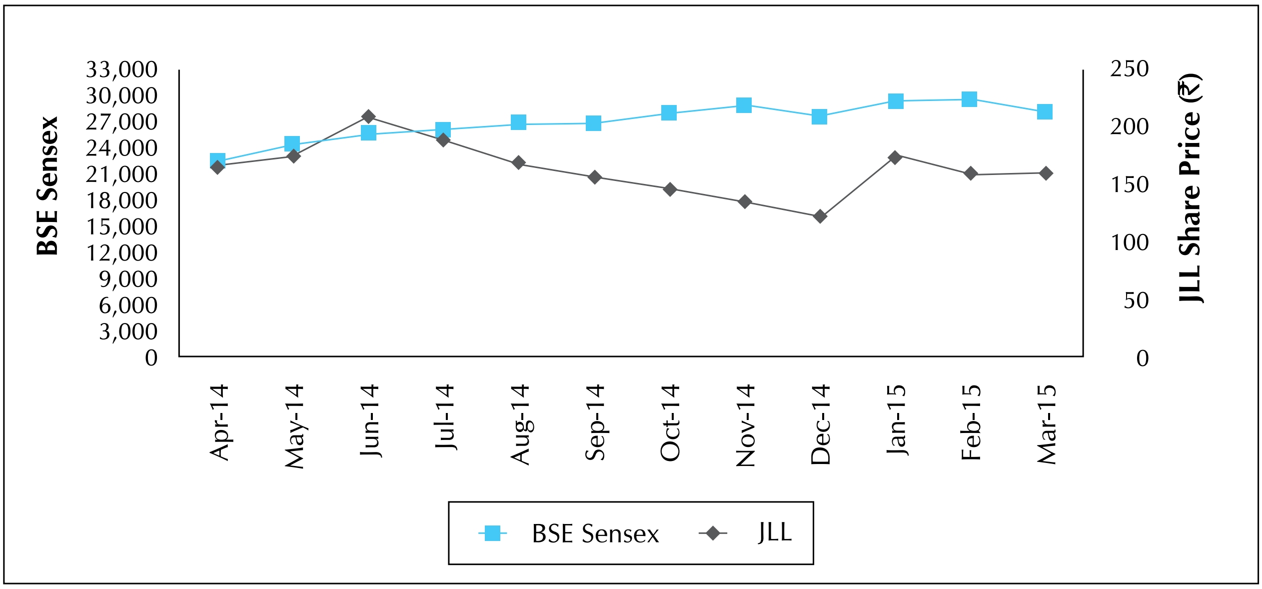
(v) Market Information

Monthly high/ low of the market price of the Company's Equity Shares (of ₹ 1 each) traded on the Stock Exchanges during the year 2014-15 is given hereunder:

(Amount in ₹)

Month	BSE Limited		National Stock Exchange of India Limited	
	High	Low	High	Low
Apr-14	179.80	157.15	182.00	157.25
May-14	197.05	151.00	198.00	151.00
Jun-14	222.00	174.00	222.00	172.70
Jul-14	214.90	176.65	214.50	176.00
Aug-14	203.65	148.60	203.80	148.15
Sep-14	181.15	149.00	181.35	141.10
Oct-14	167.50	143.30	168.80	140.20
Nov-14	146.10	130.50	146.75	130.50
Dec-14	138.50	116.10	139.00	115.60
Jan-15	185.65	118.70	185.00	121.15
Feb-15	177.00	148.50	176.95	149.10
Mar-15	175.15	152.05	175.00	148.25

(vi) Performance of the Company's Equity Shares vis-a-vis BSE Sensex during 2014-15



The above chart is based on the monthly closing prices of the Equity Shares of the Company and monthly closing BSE Sensex.

(vii) Growth in Equity Capital

Year	Particulars	Increase in Number of Shares	Cumulative Number of Shares	Face Value (₹)/Per Share
1978	Issue of Shares to initial subscribers	1,200	1,200	10
1981	Issued to Indian promoters	608,370	609,570	10
1981	Issued to Foreign collaborators	655,430	1,265,000	10
1981	Issued to Public through public issue	2,200,000	3,465,000	10
1982-1983	Rights Issue 1: 5	693,000	4,158,000	10
1984-1985	Forfeited on account of non-payment of allotment money	-3,200	4,154,800	10
1986-1987	Conversion of loan into Equity Shares	1,006,180	5,160,980	10
1995-1996	Issued to shareholders of Ramganga Fertilizers Limited upon merger with the Company	256,522	5,417,502	10
1999-2000	Issued to shareholders of Anichem India Limited and Enpro Speciality Chemicals Limited upon merger with the Company	839,897	6,257,399	10
2001-2002	Conversion of 1,500,000 Warrants issued to promoters on preferential basis	1,500,000	7,757,399	10
2002-2003	Sub-division of shares from ₹ 10 to ₹ 5	7,757,399	15,514,798	5
2002-2003	Cancellation of shares as per Scheme of Amalgamation of the Company with Vam Leasing Limited and Vam Investments Limited	-851,234	14,663,564	5
2003-2004	Issue of Bonus Shares in the ratio of 3: 5	8,798,139	23,461,703	5
2004-2005	Issued to foreign investors on preferential basis	2,424,273	25,885,976	5
2004-2005	Part conversion of FCCBs	27,379	25,913,355	5
2005-2006	Part conversion of FCCBs	1,448,348	27,361,703	5
2005-2006	Issued to foreign investors on preferential basis	990,000	28,351,703	5
2005-2006	Sub-division of shares from ₹ 5 to ₹ 1	113,406,812	141,758,515	1
2005-2006	Part conversion of FCCBs	684,480	142,442,995	1
2006-2007	Part conversion of FCCBs	999,339	143,442,334	1
2006-2007	Issue of shares upon exercise of Options under Jubilant Employees Stock Option Plan, 2005	3,000	143,445,334	1
2007-2008	Part conversion of FCCBs	2,675,375	146,120,709	1
2007-2008	Issue of shares upon exercise of Options under Jubilant Employees Stock Option Plan, 2005	65,205	146,185,914	1
2008-2009	Issue of shares upon exercise of Options under Jubilant Employees Stock Option Plan, 2005	46,630	146,232,544	1
2008-2009	Part conversion of FCCBs	1,309,714	147,542,258	1
2009-2010	Issue of Shares to Qualified Institutional Buyers	11,237,517	158,779,775	1
2010-2011	Issue of Shares under Scheme of Amalgamation & Demerger with Jubilant Industries Limited and Others	501,364	159,281,139	1

(viii) Appreciation in Share Price

A person who invested ₹ 1 lac in the Company in April, 2001 has holdings worth approximately ₹ 39.92 lacs now as computed below:

Date	Action	No. of Resultant Shares of JLL	Face Value of JLL Shares (₹)	No. of Resultant Shares of JIL	Face Value of JIL Shares (₹)
April 02, 2001	Purchased shares @ ₹ 62.90 per share (BSE Opening Price)	1,589.83	10	NA	NA
November 21, 2002	Sub-division of shares from ₹ 10 to ₹ 5	3,179.65	5	NA	NA
March 18, 2004	Issue of Bonus Shares 3: 5	5,087.44	5	NA	NA
March 24, 2006	Sub-division of shares from ₹ 5 to ₹ 1	25,437.20	1	NA	NA
November 26, 2010	Issue of Shares by JIL pursuant to Demerger	–	–	1271.86	10

Market Value of 25,437.20 Equity Shares of JLL as at the end of Financial Year 2014-15 @ ₹ 152.90 per share is ₹ 3,889,348 and Market Value of 1,271.86 Equity Shares of JIL as at the end of Financial Year 2014-15 @ ₹ 81.35 per share is ₹ 103,466 resulting in an aggregate of ₹ 3,992,814. Thus, the investor has multiplied his wealth over 39 times in 14 years, implying a Compounded Annual Growth Rate of 30% approximately. In addition, he has got handsome dividends.

(**Note:** JLL means Jubilant Life Sciences Limited and JIL means Jubilant Industries Limited)

(ix) Compliance Officer

Mr. Rajiv Shah, Company Secretary, is the Compliance Officer appointed by the Board. He can be contacted for any investor related matter relating to the Company. His contact no. is +91 120 4361000; Fax no. +91 120 4234895 and e-mail ID is investors@jubl.com.

(x) Registrar and Transfer Agent

For share related matters, members are requested to correspond with the Company's Registrar and Transfer Agents - M/s. Alankit Assignments Limited quoting their Folio No. / DP ID & Client ID at the following address:

M/s. Alankit Assignments Limited (Unit: Jubilant Life Sciences Limited), 1E/13, Alankit Heights, Jhandewalan Extension, New Delhi-110055; Tel: +91-11-23541234, 42541234; E-mail: rta@alankit.com.

(xi) Share Transfer System

Stakeholders Relationship Committee is authorised to approve transfers of shares. Share transfers which are received in physical form, are processed and the share certificates are normally returned within a period of 15 days from the date of receipt subject to the documents being valid and complete in all respects. The dematerialised shares are transferred directly to the beneficiaries by the depositories.

(xii) Shareholder Satisfaction Survey

Like every year, the Company conducted a survey during the year to assess the shareholders' satisfaction level for the investor services being rendered by the Company, comprising:

1. Timely receipt of Annual Report, Dividend & other documents
2. Quality & content of Annual Report
3. Dissemination of information about the Company
4. Response time & satisfaction level experienced
5. Interaction with the Company's officials
6. Interaction with Registrar & Transfer Agents
7. Investor service section of the Company's website
8. Overall rating of our investor services

The Shareholders were asked to give one of the following four possible ratings to each of the above:

- Excellent
- Very Good
- Good
- Poor

The responses were converted into numbers after assigning appropriate weightages for each of the above 4 ratings. The Composite Satisfaction Index arrived as above for the year 2014-15 is 63.99%.

(xiii) Distribution of Shareholding as on March 31, 2015

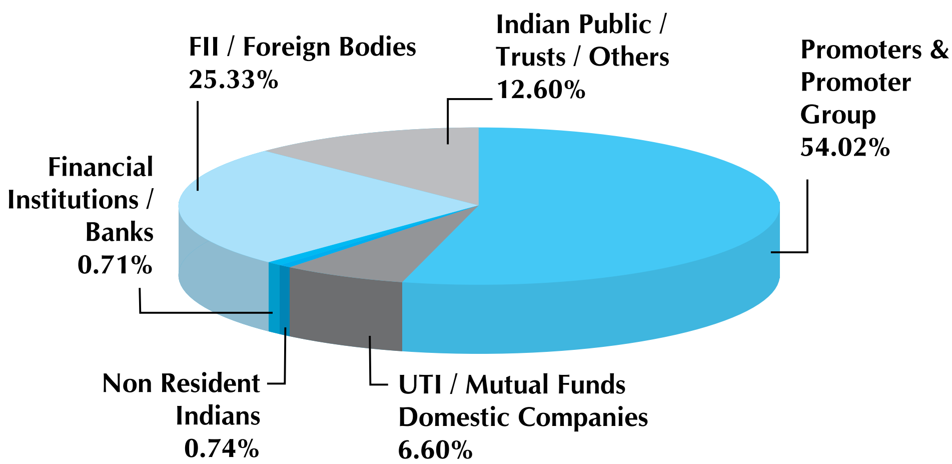
(a) Value wise

Shareholding of Nominal Value in ₹	Shareholders		Shareholding	
	Number	% of Total	Number	% of Total
Upto 5000	28,537	98.13	10,897,033	6.84
5001 to 10000	249	0.86	1,808,152	1.14
10001 to 20000	119	0.41	1,769,699	1.11
20001 to 30000	38	0.13	953,496	0.60
30001 to 40000	28	0.10	1,014,481	0.64
40001 to 50000	16	0.06	750,005	0.47
50001 to 100000	29	0.10	2,076,727	1.30
100001 and above	64	0.21	140,011,546	87.90
Total	**29,080**	**100.00**	**159,281,139**	**100.00**

(b) Category wise

Sr. No.	Category	No. of Shares	Shareholding as a Percentage of Total Number of Shares
A	**Promoters & Promoter Group**	86,051,056	54.02
B	**Public Shareholding:**		
	1. Financial Institutions/ Banks	1,137,942	0.71
	2. UTI/ Mutual Funds/ Domestic Companies	10,506,041	6.60
	3. Non Resident Indians	1,183,955	0.74
	4. FII/ Foreign Bodies	40,340,024	25.33
	5. Indian Public/ Trusts/ Others	20,062,121	12.60
	Grand Total	**159,281,139**	**100.00**

Graphic depiction of above is given below:



(xiv) Unclaimed Dividends

Dividends pertaining to the financial years upto and including 1993-94, remaining unclaimed, have been transferred to the General Revenue Account of the Central Government. Shareholders having valid claims of unpaid dividend for any of these financial years may approach the Registrar of Companies, Uttar Pradesh and Uttarakhand, Kanpur.

Dividends pertaining to the financial years 1994-95 to 2006-07 remaining unpaid, have been transferred to the Investor Education and Protection Fund ('the Fund').

In respect of unpaid/ unclaimed dividends for the Financial Year 2007-08 onwards, the shareholders are requested to write to the Company. Dividends remaining unclaimed for seven years from the date of transfer to the unpaid dividend account will be transferred to the Fund.

Shareholders who have not encashed their warrants relating to the dividends specified in the table given below are requested to immediately approach the Registrar and Transfer Agent for issue of duplicate warrants.

Financial Year	Date of Dividend Declaration	Due Date for Transfer to the Fund
2007-08	September 27, 2008	October 30, 2015
2008-09	August 28, 2009	October 01, 2016
2009-10	September 28, 2010	October 31, 2017
2010-11	August 23, 2011	September 24, 2018
2011-12	August 28, 2012	September 29, 2019
2012-13	August 27, 2013	September 30, 2020
2013-14	September 2, 2014	October 4, 2021

(xv) Information Pursuant to Clause 49 VIII(E)(1) of the Listing Agreement

Information pertaining to Directors to be appointed/ re-appointed at the forthcoming Annual General Meeting is being included in the Notice convening the Annual General Meeting.

(xvi) Compliance Certificate of Practicing Company Secretary

The Company has obtained a certificate from a Practicing Company Secretary, M/s Tanuj Vohra & Associates, confirming compliance with the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement. The Certificate is attached as **Annexure-C.**

(xvii) (a) Dematerialisation of Shares

The shares of the Company fall under the category of compulsory delivery in dematerialised mode by all categories of investors. The Company has signed agreements with NSDL and CDSL for dematerialization connectivity. As on March 31, 2015, 157,950,456 Equity Shares of the Company (99.16% of the Paid-up capital) were in dematerialised form.

Under the Depository System, the International Securities Identification Number (ISIN) allotted to the Company's equity shares is INE700A01033.

(b) Liquidity

The Equity Shares of the Company are frequently traded on the National Stock Exchange as well as on the Bombay Stock Exchange and are in the category of Group A scrips on the Bombay Stock Exchange.

(xviii) Outstanding GDRs/ ADRs/ Warrants or any Convertible Instruments, Conversion Date and Likely Impact on Equity

(a) As on March 31, 2015, there were no FCCBs/ GDRs/ ADRs/ Warrants outstanding.

(b) Employees Stock Options

The Company has two Stock Option Plans in place, namely, Jubilant Employees Stock Option Plan, 2005 ('Plan 2005') and JLL Employees Stock Option Plan, 2011 ('Plan 2011'). The Board has decided not to grant any further Options under Plan 2005. Each Option under Plan 2005 entitles the holder to five Equity Shares of ₹ 1 each at the grant price being the market price as per the SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 ('SEBI Guidelines') at the time of grant. Each Option under Plan 2011 entitles the holder to one Equity Share of ₹ 1 at the grant price being the market price as per SEBI Guidelines at the time of grant.

During the year 2014-15, no Options were granted under Plan 2011. As on March 31, 2015, 105,495 Options were outstanding under Plan 2005 and 1,112,306 Options were outstanding under Plan 2011.

No dilution of capital is expected due to exercise of Options, as Jubilant Employees Welfare Trust is envisaged to transfer the shares held by it to the employees on exercise of Options.

(c) Paid-up Capital

The Paid-up Capital as at March 31, 2015 stands at ₹ 159,281,139 comprising of 159,281,139 Equity Shares of ₹ 1 each, the same as in previous year.

(xix) Location of the Manufacturing Facilities

Uttar Pradesh	Gujarat
Bhartiagram, Gajraula – 244 223 District Amroha	1. Block 133, Village Samalaya, Taluka Savli, District Vadodara – 391 520 2. Plot No. P-1-L-1 (Plot No. 5 of Jubilant SEZ), Vilayat GIDC, Taluka Vagra, District Bharuch, Gujarat
Maharashtra 1. Village Nimbut, Railway Station Nira, Tal-Baramati, District Pune - 412 102 2. B-34, MIDC, Ambernath - 421 501 3. N- 34, MIDC Anand Nagar, Addl. Ambernath - 421 506	

(xx) R&D Centres

Uttar Pradesh (Central R&D)	Uttar Pradesh (Gajraula R&D)
C-26, Sector 59, Noida - 201 301	Bhartiagram, Gajraula, District Amroha - 244 223
	Gujarat (Savli R&D) Block 133, Village Samalaya, Taluka Savli, District Vadodara - 391 520

(xxi) Address for Correspondence

Jubilant Life Sciences Limited
1A, Sector 16A
Noida, UP - 201 301
Tel: +91 120 4361000
Fax: +91 120 4234895
E-mail: investors@jubl.com
Website: www.jubl.com

(xxii) Corporate Identity Number (CIN)

L24116UP1978PLC004624

(xxiii) Equity Shares in Suspense Account

Pursuant to Clause 5A of the Listing Agreement, shareholders holding physical shares and not having claimed share certificates were sent three reminder letters to claim their Equity Shares. In terms of the aforesaid clause, Equity Shares which remained unclaimed were transferred during 2011-12 to JLL-Unclaimed Suspense Account. Details required under Clause 5A of the Listing Agreement are given in the table below:

Particulars	Number of Shareholders	Number of Equity Shares
Aggregate number of shareholders and the outstanding shares in the Unclaimed Suspense Account lying as on April 1, 2014	4,622	2,595,325
Aggregate number of shareholders and the outstanding shares transferred to Unclaimed Suspense Account during 2014-15	0	0
Number of shareholders who approached the Company for transfer of shares from the Unclaimed Suspense Account during 2014-15	61	54,980
Number of shareholders to whom shares were transferred from the Unclaimed Suspense Account during 2014-15	61	54,980
Aggregate number of shareholders and the outstanding shares lying in the Unclaimed Suspense Account as on March 31, 2015	4,561	2,540,345

The voting rights on the shares lying in JLL-Unclaimed Suspense Account will remain frozen till the rightful owners of such shares claim the shares.

k) Compliance with Clause 49 of the Listing Agreement

(a) Mandatory Requirements

The Company has complied with all mandatory requirements of Clause 49 as detailed below:

	Particulars	Clause of Listing Agreement	Compliance Status
II.	**Board of Directors**	49 (II)	
	(A) Composition of Board	49 (IIA)	Complied
	(B) Independent Directors	49 (IIB)	Complied
	(C) Non-executive Directors' compensation & disclosures	49 (IIC)	Complied
	(D) Other provisions as to Board and Committees	49 (IID)	Complied
	(E) Code of Conduct	49 (IIE)	Complied
	(F) Whistle Blower Policy	49 (IIF)	Complied
III.	**Audit Committee**	49 (III)	
	(A) Qualified & Independent Audit Committee	49 (IIIA)	Complied
	(B) Meeting of Audit Committee	49 (IIIB)	Complied
	(C) Powers of Audit Committee	49 (IIIC)	Complied
	(D) Role of Audit Committee	49 (IIID)	Complied
	(E) Review of Information by Audit Committee	49 (IIIE)	Complied
IV.	**Nomination and Remuneration Committee**	49 (IV)	Complied
V.	**Subsidiary Companies**	49 (V)	Complied
VI.	**Risk Management**	49 (VI)	Complied
VII.	**Related Party Transactions**	49 (VII)	Complied
VIII.	**Disclosures**	49 (VIII)	
	(A) Related party transactions	49 (VIIIA)	Complied
	(B) Disclosure of Accounting Treatment	49 (VIIIB)	Complied
	(C) Remuneration of Directors	49 (VIIIC)	Complied
	(D) Management	49 (VIIID)	Complied
	(E) Shareholders	49 (VIIIE)	Complied
	(F) Proceeds from public issues, rights issue, preferential issues, etc.	49 (VIIIF)	N.A.
IX.	**CEO/CFO Certification**	49 (IX)	Complied
X.	**Report on Corporate Governance**	49 (X)	Complied
XI.	**Compliance**	49 (XI)	Complied

(b) Extent to which Non-Mandatory requirements have been adopted:

1. **The Board**
   - **Non-Executive Chairman's Office**

     The Chairman is Non-Executive Promoter Director.
2. **Shareholders' Rights**

   Quarterly and year to date results along with press releases are sent to those shareholders whose e-mail addresses are available with the Company.
3. **Audit Qualifications**

   Financial Statements of the Company contain no audit qualifications.
4. **Separate posts of Chairman and Managing Director/CEO**

   The Co-Chairman is the Managing Director of the Company.
5. **Reporting of Internal Auditor**

   Internal Auditor reports to the Audit Committee.

(c) CEO/CFO Certification

In compliance with Clause 49(IX) of the Listing Agreement, a declaration by the CEO i.e. the Co-Chairman & Managing Director and the CFO, i.e. the Executive Director-Finance, is enclosed as **Annexure-D** which, *inter alia*, certifies to the Board the accuracy of financial statements and the adequacy of internal controls for the financial reporting purpose.

Annexure-A

TO WHOMSOEVER IT MAY CONCERN

This is to confirm that all the Board members and senior management personnel have affirmed compliance with the Code of Conduct of the Company for the year ended March 31, 2015.

For **Jubilant Life Sciences Limited**

Place : Noida
Date : May 12, 2015

Hari S. Bhartia
Co-Chairman & Managing Director

Annexure-B

APPOINTMENT AND REMUNERATION POLICY

SCOPE

This Policy aims to ensure that the persons appointed as Directors, Key Managerial Personnel and Senior Management possess requisite qualifications, experience, expertise and attributes commensurate to their positions and level and that the composition of remuneration to such persons is fair and reasonable and sufficient to attract, retain and motivate the personnel to manage the Company successfully.

This Policy has been developed and implemented by the Nomination, Remuneration and Compensation Committee and is applicable to Directors, Key Managerial Personnel, Senior Management and other employees of the Company.

This Policy is in compliance with Section 178 of the Companies Act, 2013 and Clause 49 of the Listing Agreement with the Stock Exchanges and applies to the following categories of Directors and employees of the Company:

Part I - Key Managerial Personnel

Part II - Non-executive Directors / Independent Directors

Part III - Senior Management and other employees

DEFINITIONS

i. "Act" means the Companies Act, 2013 read with the rules, clarifications, circulars and orders issued thereunder from time to time including any modification or re-enactment thereof.

ii. "Board" means the Board of Directors of the Company.

iii. "Independent Director" means an Independent Director of the Company appointed in pursuance of the Act and Listing Agreement with the stock exchanges.

iv. "Key Managerial Personnel" or "KMP" means person(s) appointed as such in pursuance of Section 203 of the Act.

v. "Listing Agreement" means the listing agreement between the Company and the stock exchanges on which the securities of the Company are listed and traded.

vi. "NRC" means Nomination, Remuneration and Compensation Committee of the Board, constituted in accordance with the provisions of Section 178 of the Act and the Listing Agreement.

vii. "Other Employees" means all the employees of the Company other than the Key Managerial Personnel and the Senior Management.

viii. "Rules" means the rules framed under the Act.

ix. "Senior Management" shall mean the personnel of the Company designated as Senior Management in accordance with the definition laid down under Explanation to Section 178 of the Act and Clause 49(VIII)(D)(2) of the Listing Agreement.

x. "Stock Options" means the options given or to be given by the Company as per the prevalent Employees Stock Option Scheme/Plans of the Company.

Unless the context otherwise provides, terms not defined herein and used in this Policy, shall bear the same meaning as prescribed under the Act, the Listing Agreement or any other relevant law.

Where an employee is a Key Managerial Personnel as well as holds a Senior Management Position (such as CFO), his/her terms of appointment shall be governed by both Part I and Part III of this Policy and in the event of any conflict, the stricter clause shall prevail.

GENERAL QUALIFICATIONS AND ATTRIBUTES FOR ALL DIRECTORS

The prospective Director:

- Should be a reasonable person with integrity and ethical standards.
- Should meet the requirements of the Act, the Listing Agreement and other applicable laws for the time being in force.
- Should have the requisite qualifications, skills, knowledge, experience and expertise relevant or useful to the business of the Company. The relevant experience could be in areas of management, human resources, sales, administration, research, Corporate Governance, manufacturing, international operations, public service, finance, accounting, strategic planning, risk management, supply chain, science and technology, marketing, law or any other area considered necessary by the Board/NRC.
- Should be a person who is capable of balancing the interests of the Company, its employees, the shareholders, the community and for the protection of the environment.
- Is expected to:
  a. Uphold ethical standards of integrity and probity.
  b. Act objectively and constructively while exercising his/her duties.
  c. Exercise his/her responsibilities in a *bonafide* manner in the interest of the Company.
  d. Devote sufficient time and attention for informed and balanced decision making.
  e. Not allow any extraneous considerations that will vitiate his/her exercise of objective independent judgment in the paramount interest of the Company as a whole, while concurring in or dissenting from the collective judgment of the Board in its decision making.
  f. Not abuse his/her position to the detriment of the Company or its shareholders or to gain direct or indirect personal advantage or advantage for any associated person.
  g. Avoid conflict of interest, and in case of any situation of conflict of interest, make appropriate disclosures to the Board.
  h. Assist the Company in implementing the best corporate governance practices.
  i. Exhibit his/her total submission to the limits of law in drawing up the business policies, including strict adherence to and monitoring of legal compliances at all levels.
  j. Have ability to read and understand the financial statements.
  k. Protect confidentiality of the confidential and proprietary information of the Company.

NRC has the discretion to decide whether qualification, expertise, experience and attributes possessed by a person are sufficient/ satisfactory for the concerned position.

COMPLIANCES

The terms/ process of appointment / re-appointment and remuneration of the Directors and other employees covered under this Policy shall be governed by the provisions of the Act, Rules, Listing Agreement, other applicable laws and policies and practices of the Company.

DISCLOSURES

This Policy shall be disclosed in the Annual Report of the Company.

REVIEW / AMENDMENT

Based on the recommendation of the NRC, the Board may amend, abrogate, modify or revise any or all clauses of this Policy in accordance with the Act, Listing Agreement and/or any other applicable law or regulation.

PART I – KEY MANAGERIAL PERSONNEL

Part I of this Policy comprises of two parts as under:

PART A - Managing Directors / Whole-Time Directors ("EDs")

PART B - Chief Financial Officer, Company Secretary and other KMPs

PART A- MANAGING DIRECTORS / WHOLE-TIME DIRECTORS ("EDs")

OBJECTIVES

- Identify persons who possess appropriate qualifications, experience and attributes for appointment as EDs.
- The remuneration payable to the EDs is commensurate with their qualification, experience and capabilities and takes into account the past performance and achievements of such ED. A suitable component of remuneration payable to the EDs is linked to their performance, performance of the business and the Company.
- The remuneration payable to the EDs is comparable with the remuneration paid to the EDs of other companies which are similar to the Company in terms of nature of business, size and complexity.

SPECIFIC QUALIFICATIONS AND ATTRIBUTES

In addition to the qualifications and attributes specified in 'General Qualifications and Attributes' above, the prospective Director satisfies the criteria set out under the applicable law including the Act and the Listing Agreement for eligibility to be appointed as ED.

PROCESS OF APPOINTMENT AND REMOVAL

Appointment

- NRC shall identify suitable persons for appointment and recommend their appointment to the Board along with the terms of appointment and remuneration. The Board will consider recommendations of NRC and approve the appointment and remuneration, subject to approval of the shareholders of the Company.

Removal

- Where the appointee is subjected to any disqualification(s) mentioned in the Act, Rules or under any other law, rules and regulations, code of conduct and / or policies of the Company, NRC shall recommend to the Board his/her removal from the services of the Company.

COMPONENTS OF REMUNERATION / INCREMENTS

Remuneration shall consist of:

- Fixed remuneration including perquisites and allowances, retiral benefits (like Provident Fund/Gratuity/Superannuation/ Leave encashment, etc.) and other benefits as per policy of the Company.
- Commission to Managing Director(s) based on the net profits of the Company and variable pay to Whole-Time Director(s) based on the performance of the individual, business and the Company as a whole.
- No Sitting Fee shall be payable for attending the meetings of the Board or committees thereof.
- Stock Options as per terms of the prevalent Stock Options Plan, if eligible.
- Any other incentive as may be applicable.

Managing Directors

Normally, the remuneration to be paid to the Managing Director(s) payable during the tenure of their appointment is determined by the shareholders of the Company. Therefore, no prescribed increment will be given in salary, allowances and in the commission during their tenure of appointment. However, the actual amount of remuneration may vary from year to year on account of re-imbursement claims and variation in profit linked commission.

Whole-Time Director

Annual increment will be granted by the Board on recommendation of NRC, based on the performance of the individual, performance of the business and the Company as a whole.

The Board and the shareholders of the Company may approve changes in the remuneration from time to time.

PART B - CHIEF FINANCIAL OFFICER, COMPANY SECRETARY AND OTHER KMPs

OBJECTIVES

- Identify persons who possess appropriate qualifications, experience and attributes for appointment as Chief Financial Officer ("CFO"), Company Secretary ("CS") and other Key Managerial Personnel ("KMPs").
- The remuneration payable to CFO, CS and KMPs is commensurate with his/ her qualification, experience and capabilities and takes into account the past performance and achievements of such individual. Remuneration payable to them is comparable with the remuneration paid to persons performing the same or similar roles in other companies which are similar to the Company in terms of nature of business, size and complexity.
- A suitable component of their remuneration is linked to his/ her performance, performance of the business and the Company.

QUALIFICATIONS AND ATTRIBUTES

- Should be a reasonable person with integrity and ethical standards.
- Have requisite qualification and experience as may be relevant to the task he/ she is expected to perform.

NRC/ Board has the discretion to decide whether qualification, expertise, experience and attributes possessed by the person are sufficient/ satisfactory for the concerned position.

PROCESS OF APPOINTMENT AND REMOVAL

Appointment

- Appointment of KMPs (including terms and remuneration) shall be approved by the Board.
- Upon the NRC recommending the appointment of the CFO to the Audit Committee, the Audit Committee shall approve the appointment of CFO and recommend the same to the Board for approval after assessing the qualifications, experience, background, etc.
- Where a KMP is in Senior Management, the appointment (including terms and remuneration) shall be recommended by NRC to the Board for its approval.

Removal

- Where KMP is subjected to any disqualification(s) mentioned in the Act, Rules or under any other applicable law, rules and regulations, Code of Conduct and/ or Policies of the Company, the Board may remove such KMP from the services of the Company.
- Where KMP is in Senior Management, his/her removal shall be recommended by NRC to the Board for its approval.

ELEMENTS/ COMPONENTS OF REMUNERATION

Remuneration and other perquisites/ facilities (including loans/ advances) shall be governed by the policies and practices of the Company from time to time. Remuneration shall consist of:

- Fixed remuneration including perquisites and allowances, retiral benefits (like Provident Fund/ Gratuity/ Superannuation/ Leave encashment, etc.) and other benefits as per policy of the Company.
- Variable remuneration based on the performance of the individual, the function and the Company as a whole.
- Stock Options as per terms of the prevalent Stock Options Plan.
- Any other incentive as may be applicable.

ANNUAL APPRAISAL AND INCREMENT

Appraisal and increment will be done by the Co-Chairman & Managing Director after taking into account the following:

- Individual's performance against Key Performance Indicators.
- The performance of:
  a) individual;
  b) business function handled by the individual; and
  c) Company.
- The prevalent rate of increments given by companies of similar nature of business and size.
- The criticality of the individual to the Company in his capacity as a Key Managerial Personnel.

PART II – NON-EXECUTIVE DIRECTORS/ INDEPENDENT DIRECTORS

OBJECTIVES

- Identify persons who meet the criteria for independence, if required, as set out under the Act and the Listing Agreement and possess appropriate qualifications, experience and attributes for appointment to a Company of our size.
- The remuneration payable to the Non-executive / Independent Directors takes into account the contributions of the Director to the performance of the Company. Remuneration payable to them is fair and reasonable and comparable with the remuneration paid by other companies which are similar to the Company in terms of nature of business, size and complexity.

SPECIAL QUALIFICATIONS AND ATTRIBUTES FOR INDEPENDENT DIRECTORS

In addition to the qualifications and attributes specified in 'General Qualifications and Attributes' above, the prospective Independent Director should meet the requirements of Schedule IV to the Act and the Listing Agreement.

PROCESS OF APPOINTMENT AND REMOVAL

Appointment

- NRC shall identify suitable persons for appointment and recommend their appointment to the Board. The Board will consider recommendations of NRC and accordingly, approve appointment and remuneration of Non-executive and/or Independent Directors subject to approval of the shareholders of the Company.
- The appointment of Independent Directors shall be formalized in accordance with the applicable laws.

Removal

- Where the appointee is subjected to any disqualification(s) mentioned in the Act, Rules or under any other law, rules and regulations, Code of Conduct and / or Policies of the Company, NRC shall recommend to the Board for removal of the appointee from directorship of the Company.

ELEMENTS/COMPONENTS OF REMUNERATION

- Variable remuneration - Commission - As a % of the net profits of the Company as approved by the Board and/or the shareholders of the Company.
- Sitting fees for attending meetings of the Board and Committees thereof as recommended by NRC and approved by the Board and reimbursement of expenses for participation in the meetings of the Board and other meetings.
- Stock Options as per terms of prevalent Stock Options Plan. Independent Directors will not be entitled to Stock Options.

PART III – SENIOR MANAGEMENT & OTHER EMPLOYEES

OBJECTIVES

- Identify persons who possess appropriate qualifications, experience and attributes for appointment in the Senior Management and Other Employees category.
- Remuneration payable to the Senior Management and other employees is commensurate with their qualification, experience and capabilities and takes into account their past performance and achievements. Remuneration payable to them is comparable with the remuneration paid to employees at the same level in other companies which are similar to the Company in terms of nature of business, size and complexity.
- Depending on the level of the employee, a suitable component of remuneration is linked to performance of such individual employee, the performance of the business and the Company as per the HR Policy of the Company.

QUALIFICATIONS AND ATTRIBUTES

- Should be a reasonable person with integrity and ethical standards.
- Senior Management: Should have the requisite qualification and experience as may be relevant to the task he / she is expected to perform.

  NRC has the discretion to decide whether qualification, expertise, experience and attributes possessed by a person are sufficient / satisfactory for the concerned Senior Management position.
- Other Employees: Qualification, expertise, experience and attributes will be determined by the Management as per the HR Policy of the Company.

PROCESS OF APPOINTMENT AND REMOVAL

Appointment

- NRC shall identify suitable persons for appointment in the Senior Management and recommend to the Board their appointment alongwith the terms of appointment and remuneration.
- The Board will consider recommendation of NRC and approve the appointment alongwith the terms of appointment and remuneration.
- Appointments to positions other than the Senior Management will be made as per the Company's HR policy.

Removal

- Where an employee in the Senior Management is subjected to any disqualification(s) mentioned in the Act, Rules or under any other law, rules and regulations, Code of Conduct and/ or Policies of the Company, the Board may remove such employee from the services of the Company, on recommendation of NRC.
- In case of other employees, the Management of the Company may terminate the services of such employee as per HR Policy of the Company.

ELEMENTS / COMPONENTS OF REMUNERATION

Remuneration and other perquisites/ facilities (including loans/ advances) shall be governed by the policies and practices of the Company from time to time. Remuneration shall consist of:

- Fixed remuneration including perquisites and allowances, retiral benefits (like Provident Fund/ Gratuity/ Superannuation/ Leave encashment, etc.) and other benefits as per policy of the Company.
- Variable remuneration based on the performance of the individual, the function and the Company as a whole.
- Stock Options as per terms of the prevalent Stock Options Plan.
- Any other incentive as may be applicable.

ANNUAL APPRAISAL AND INCREMENT

Appraisal and increment will be done for the Senior Management by the Co-Chairman & Managing Director and for other employees, by the Senior Management or any other appropriate authorities after taking into account the following:

- Individual's performance against Key Performance Indicators.
- The performance of the:
  - a) individual;
  - b) business function handled by the individual; and
  - c) Company.
- The prevalent rate of increments given by the companies of similar nature of business and size.
- The criticality of the individual to the Company in his capacity as a member of the Senior Management or other employees category.

Annexure-C

CERTIFICATE BY PRACTICING COMPANY SECRETARY ON COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE AS PER CLAUSE 49 OF THE LISTING AGREEMENT WITH THE STOCK EXCHANGES

To,
The Members of
JUBILANT LIFE SCIENCES LIMITED

1. We have examined the compliance of the conditions of Corporate Governance by Jubilant Life Sciences Limited ('the Company') for the Financial Year ended on 31^{st} of March, 2015, as stipulated under Clause 49 of the Listing Agreement of the said Company with the Stock Exchanges.
2. The compliance of the conditions of Corporate Governance is the responsibility of the management. Our examination has been limited to a review of the procedures and implementations thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the company.
3. In our opinion and to the best of our information and according to the explanations given to us and the representation made by the directors and the management, we certify that the Company has complied with the mandatory conditions of Corporate Governance as stipulated in Clause 49 of the above-mentioned Listing Agreement.
4. We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the company.

For **Tanuj Vohra & Associates**
Company Secretaries

Tanuj Vohra
Delhi, 12 May, 2015 **C.P. No. 5253**

Annexure-D

CERTIFICATE OF CEO - CFO

This is to certify that:

A. We have reviewed financial statements and the cash flow statement for the year 2014-15 and that to the best of our knowledge and belief:

   1. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

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

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

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

D. We have indicated to the auditors and the Audit committee:

   i. significant changes in internal control over financial reporting during the year;

   ii. significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and

   iii. instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For **Jubilant Life Sciences Limited**

Hari S. Bhartia	**R. Sankaraiah**
Co-Chairman & Managing Director	Executive Director - Finance

Place: Noida
Date : May 12, 2015

Independent Auditor's Report

To the Members of Jubilant Life Sciences Limited

Report on the Standalone Financial Statements

We have audited the accompanying financial statements ('standalone financial statements') of Jubilant Life Sciences Limited ('the Company'), which comprise the Balance Sheet as at 31 March 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone 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 standalone 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 the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2015, and its profit and its 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 sub-section (11) of section 143 of the Act, 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 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.

Independent Auditor's Report (Continued)

(b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

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

(d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

(e) On the basis of the written representations received from the directors as on 31 March 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 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 pending litigations on its financial position in its standalone financial statements – Refer Note 34(B) and 34(C) to the standalone financial statements;

  (ii) the Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note 48 to the standalone financial statements;

  (iii) there has been no delay in transferring amounts, required to be transferred, to the investor education and protection fund by the Company.

For **B S R & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 101248W/W-100022

Pravin Tulsyan
Partner
Membership No.: 108044

Place: Noida
Date: 12 May 2015

Annexure to the Auditor's Report

The Annexure referred to in our report to the members of Jubilant Life Sciences Limited ('the Company') for the year ended 31 March 2015. We report that:

(i) (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of its fixed assets.

(b) According to the information and explanations given to us, the Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner over a period of three years. In accordance with this programme, certain fixed assets were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. As informed to us, no material discrepancies were noticed on such verification.

(ii) (a) The inventory, except goods-in-transit and stocks lying with third parties, has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable. For stocks lying with third parties at the year-end, written confirmations have been obtained.

(b) In our opinion and according to the information and explanations given to us, the procedures for physical verification of inventories 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 inventory. As informed to us, the discrepancies noticed on verification between the physical stocks and the book records were not material and have been properly adjusted in the books of account.

(iii) According to the information and explanations given to us, the Company has granted unsecured loans to two subsidiary companies covered in the register maintained under Section 189 of the Act. However, during the year ended 31 March 2015, based on recoverability assessment, the Company has written off one of these unsecured loan (including accrued interest) amounting to ₹ 1,866.18 million. In respect of the other loan:

(a) The party is repaying the principal amount, as stipulated, and is also regular in payment of interest as applicable.

(b) There is no overdue amount more than Rupees One Lakh.

According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to firms or other parties covered in the register maintained under Section 189 of the Act.

(iv) In our opinion and according to the information and explanations given to us, and having regard to the explanation that purchase of certain items of inventories and fixed assets are for the Company's specialized requirements and similarly certain goods sold and services rendered are for the specialized requirements of the buyers and suitable alternative sources are not available to obtain comparable quotations, there is an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchase of inventories and fixed assets and for the sale of goods and services. We have not been informed or observed any major weakness in the internal control system during the course of the audit.

(v) According to the information and explanations given to us, the Company has not accepted any deposits from the public. Accordingly, paragraph 3(v) of the Order is not applicable.

(vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules specified by the Central Government for maintenance of cost records under section 148(1) of the Act, in respect of its products and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not carried out a detailed examination of the records with a view to determine whether these are accurate or complete.

(vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of 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 have generally been regularly deposited with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of 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 were in arrears as at 31 March 2015 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no dues of sales-tax, wealth tax and cess which have not been deposited with the appropriate authorities on account of any dispute. According to the information and explanations given to us, the following dues of income-tax, service tax, duty of customs, duty of excise and value added tax have not been deposited by the Company on account of disputes:

Annexure to the Auditor's Report (Continued)

Name of the Statute	Nature of the Dues	Amount involved* (₹ in million)	Amount paid under protest (₹ in million)	Financial year to which the amount relates	Forum where dispute is pending
Income-tax Act, 1961	Income Tax	64.78	–	1987-88, 1992-94, 1995-97	High Court
		265.13	–	1988-89, 1997-98, 2001-02, 2003-08	Income Tax Appellate Tribunal
Central Excise Act, 1944	Excise Duty	6.01	–	1996-97, 1999-2000	High Court
		5.60	0.09	1996-98, 2003-13	Custom Excise and Service Tax Appellate Tribunal
		533.43 **			
		0.86	–	2012-13	Commissioner (Appeals)
		533.10	–	2008-15	Commissioner
		38.04	–	2010-14	Additional Commissioner
		3.75	–	2009-15	Assistant Commissioner
Finance Act, 1994	Service Tax	1.59	–	2002-03	High Court
		5.89	0.05	2007-11	Custom Excise and Service Tax Appellate Tribunal
Customs Act, 1962	Customs Duty	12.04	–	2012-14	Commissioner (Appeals)
Uttar Pradesh Value Added Tax Act, 2008	Value Added Tax	56.47	–	2010-15	Supreme Court

* amount as per demand orders including interest and penalty, wherever indicated in the order.

** a stay order has been received against the amount disputed and hence, not deposited.

The above table excludes the disputed cases pertaining to the businesses demerged into Jubilant Industries Limited pursuant to the Scheme of Amalgamation and Demerger as sanctioned by Hon'ble Allahabad High Court in the earlier year and businesses transferred into Jubilant Generics Limited, though some of the same are still being pursued in the Company's name.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the amount required to be transferred to investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made thereunder has been transferred to such fund within time.

(viii) The Company does not have any accumulated losses at the end of the financial year and has not incurred cash losses in the current financial year and in the immediately preceding financial year.

(ix) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to its bankers or financial institutions. The Company did not have any outstanding debentures during the year.

(x) In our opinion and according to the information and explanations given to us, the terms and conditions of the guarantees given by the Company for loans taken by a subsidiary company from banks are not prejudicial to the interest of the Company.

(xi) Based on our examination of books of account and according to the information and explanations given to us, the term loans have been applied for the purposes for which they were obtained.

(xii) Based on our examination of the books of account and according to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the course of our audit.

For **B S R & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 101248W/W-100022

Pravin Tulsyan
Partner
Membership No.: 108044

Place: Noida
Date: 12 May 2015

Balance Sheet as at 31 March 2015

(₹ in million)

	Note	As at 31 March 2015	As at 31 March 2014
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	3	159.30	154.46
Reserves & surplus	4	19,290.35	17,173.08
		19,449.65	**17,327.54**
Non-current liabilities			
Long-term borrowings	5	17,390.68	11,410.50
Deferred tax liabilities (net)	6	1,519.70	1,734.20
Other long term liabilities	7	–	104.06
Long-term provisions	8	438.50	2,104.13
		19,348.88	**15,352.89**
Current liabilities			
Short-term borrowings	9	3,404.32	10,971.26
Trade payables	10	4,984.25	5,992.45
Other current liabilities	11	3,971.67	14,682.49
Short-term provisions	12	716.74	2,178.59
		13,076.98	**33,824.79**
Total		**51,875.51**	**66,505.22**
ASSETS			
Non-current assets			
Fixed assets			
Tangible fixed assets	13	14,387.76	20,458.89
Intangible fixed assets	14	71.50	1,052.47
Capital work-in-progress	13	200.17	211.62
Intangible assets under development	14	–	2,207.80
Non-current investments	15	17,662.64	20,056.92
Long-term loans and advances	16	3,006.68	3,022.34
Other non-current assets	17	4.49	4.99
		35,333.24	**47,015.03**
Current assets			
Current investments	18	–	3.75
Inventories	19	5,158.60	7,335.18
Trade receivables	20	3,187.65	5,295.97
Cash and bank balances	21	1,367.35	1,787.10
Short-term loans and advances	22	6,769.50	5,050.78
Other current assets	23	59.17	17.41
		16,542.27	**19,490.19**
Total		**51,875.51**	**66,505.22**
Significant accounting policies	2		
Notes to the financial statements	1-55		

The notes referred to above form an integral part of the financial statements

As per our report of even date attached

For **B S R & Co. LLP**
Chartered Accountants
ICAI Firm registration number : 101248W/W-100022

Pravin Tulsyan
Partner
Membership No.: 108044

Place : Noida
Date : 12 May 2015

For and on behalf of the Board of Directors of **Jubilant Life Sciences Limited**

Shyam S. Bhartia
Chairman

Rajiv Shah
Company Secretary

R. Sankaraiah
Executive Director-Finance

Hari S. Bhartia
Co-Chairman and Managing Director

Statement of Profit and Loss for the year ended 31 March 2015

(₹ in million)

	Note	For the year ended 31 March 2015	For the year ended 31 March 2014
REVENUE			
Revenue from operations (gross)	24	33,295.54	38,095.13
Less: excise duty		(1,532.50)	(1,367.21)
Revenue from operations (net)		**31,763.04**	**36,727.92**
Other Income	25	1,064.19	298.81
Total revenue		**32,827.23**	**37,026.73**
EXPENSES			
Cost of materials consumed	26	16,631.98	18,330.49
Purchases of stock-in-trade	27	1,980.53	1,740.18
Changes in inventories of finished goods, work-in-progress and stock-in-trade	28	738.87	(212.07)
Employee benefits expense	29	2,408.28	2,982.32
Finance costs	30	2,270.96	2,775.91
Depreciation and amortisation expense	13-14	1,074.14	1,752.87
Other expenses	31	7,241.72	8,069.98
Total expenses		**32,346.48**	**35,439.68**
Profit before exceptional items and tax		**480.75**	**1,587.05**
Exceptional items	32	(1,982.22)	2,268.63
Profit/ (loss) before tax		**2,462.97**	**(681.58)**
of which discontinuing operations	38	*93.70*	*1,095.20*
Tax expenses	47		
– Current tax		576.41	–
– Deferred tax credit		(164.54)	(689.82)
		411.87	**(689.82)**
of which discontinuing operations	38	*22.90*	*157.30*
Profit for the year		**2,051.10**	**8.24**
of which discontinuing operations	38	*70.80*	*937.90*
Basic and diluted earnings per share of ₹ 1 each (In Rupees)			
i) Total operations	55	12.88	0.05
ii) Continuing operations	55	12.43	(5.84)
Significant accounting policies	2		
Notes to the financial statements	1-55		

The notes referred to above form an integral part of the financial statements

As per our report of even date attached

For and on behalf of the Board of Directors of **Jubilant Life Sciences Limited**

For **B S R & Co. LLP**
Chartered Accountants
ICAI Firm registration number : 101248W/W-100022

Pravin Tulsyan
Partner
Membership No.: 108044

Shyam S. Bhartia
Chairman

Place : Noida
Date : 12 May 2015

Rajiv Shah
Company Secretary

R. Sankaraiah
Executive Director-Finance

Hari S. Bhartia
Co-Chairman and Managing Director

Cash Flow Statement for the year ended 31 March 2015

(₹ in million)

		For the year ended 31 March 2015	For the year ended 31 March 2014
A.	**Cash flow from operating activities**		
	Net profit/ (loss) before tax	**2,462.97**	**(681.58)**
	Adjustments :		
	Depreciation and amortisation expense	1,074.14	1,752.87
	Loss on sale/ disposal/ discard/ impairment of fixed assets (net)	331.16	36.89
	Finance costs	2,270.96	2,775.91
	Amortisation of Foreign Currency Monetary Item Translation Difference Account (FCMITDA)	447.52	1,000.21
	Provision for doubtful debts	(4.81)	18.78
	Bad debts/ irrecoverable loans and advances written off (net off provisions written-back)	1,846.19	(21.86)
	Unrealised foreign exchange (including mark-to-market on currency and interest rate swaps)	(56.01)	1,009.72
	Realised foreign exchange on loans to subsidiaries and mark-to-market on currency and interest rate swaps	(223.59)	(303.20)
	Interest income	(678.57)	(208.50)
	Profit on sale of businesses	(2,754.28)	–
	Profit on sale of investments	(1,650.77)	–
	Dividend on non-trade current investments	(7.01)	–
		594.93	**6,060.82**
	Operating cash flow before working capital changes	**3,057.90**	**5,379.24**
	Decrease/ (increase) in trade receivables, loans and advances and other assets	736.24	(1,005.70)
	Decrease/ (increase) in inventories	518.38	(1,206.39)
	(Decrease)/ increase in trade payables, provisions and other liabilities	(1,078.96)	2,330.01
	Cash generated from operations	**3,233.56**	**5,497.16**
	Income tax and wealth tax paid (net of refund)	(378.06)	(10.40)
	Net cash generated from operating activities	**2,855.50**	**5,486.76**
B.	**Cash flow from investing activities**		
	Acquisition/ purchase of fixed assets/ Capital work-in-progress	(1,036.20)	(1,517.31)
	Sale of fixed assets	249.53	6.05
	Investment in subsidiaries	(6.20)	(275.61)
	Sale of investment in subsidiaries (2)	4,055.00	–
	Loans to subsidiaries (net)	697.03	(836.43)
	Sale of businesses (2)	9,062.57	–
	Payment for business acquisitions	–	(87.00)
	Movement in other bank balances*	2.73	710.00
	Interest received	162.06	62.47
	Dividend received	7.01	–
	Net cash generated from/ (used in) investing activities	**13,193.53**	**(1,937.83)**

Cash Flow Statement for the year ended 31 March 2015 (Continued)

(₹ in million)

	For the year ended 31 March 2015	For the year ended 31 March 2014
C. Cash flow from financing activities		
Proceeds from long term borrowings	13,181.54	–
Repayment of long term borrowings (2)	(16,186.79)	(1,696.25)
Proceeds from short term borrowings (net of repayments) (2)	(7,574.44)	606.74
Net (payment)/ receipt on settlement of currency and interest rate swaps	(2,921.85)	303.34
Receipt of capital subsidy	–	3.00
Loans taken from subsidiaries	50.60	633.90
Repayment of loans to subsidiaries	(30.13)	(70.20)
Dividend paid (including dividend distribution tax)	(538.05)	(552.36)
Finance costs paid	(2,447.37)	(2,836.10)
Net cash used in financing activities	**(16,466.49)**	**(3,607.93)**
Net decrease in cash and cash equivalents (A + B + C)	**(417.46)**	**(59.00)**
Add: cash and cash equivalents at the beginning of year	1,784.87	1,843.81
Adjustment: cash and cash equivalents on (deconsolidation)/ consolidation of ESOP trust (Refer note 43)	(0.06)	0.06
Cash and cash equivalents at the end of the year	**1,367.35**	**1,784.87**
Components of cash and cash equivalents		
Balances with banks:*		
– On current accounts	1,239.82	1,597.38
– On dividend accounts	34.68	28.18
– On deposits accounts with original maturity upto three months	0.90	104.74
Cash on hand	0.76	1.75
Cheques/ Drafts on hand	74.22	–
Others		
– Funds in transit	15.85	51.43
– Imprest	1.12	1.39
	1,367.35	**1,784.87**

* ₹ 40.07 million (Previous year ₹ 140.14 million) has restricted use.

Notes:

1. Cash Flow Statement has been prepared under the indirect method as set out in the Accounting Standard 3 (AS-3) " Cash Flow Statements".
2. Refer note 38.

As per our report of even date attached

For and on behalf of the Board of Directors of **Jubilant Life Sciences Limited**

For **B S R & Co. LLP**
Chartered Accountants
ICAI Firm registration number : 101248W/W-100022

Pravin Tulsyan
Partner
Membership No.: 108044

Shyam S. Bhartia
Chairman

Place : Noida
Date : 12 May 2015

Rajiv Shah
Company Secretary

R. Sankaraiah
Executive Director-Finance

Hari S. Bhartia
Co-Chairman and Managing Director

Notes to the financial statements for the year ended 31 March 2015

1. Corporate information

Jubilant Life Sciences Limited (the Company) is a public limited company domiciled in India and incorporated under the provisions of Companies Act, 1956. Its shares are listed on Bombay Stock Exchange and National Stock Exchange of India. The Company is a global pharmaceutical and life sciences player engaged in manufacture and supply of Generics [including Active Pharmaceutical Ingredients (APIs) and Solid Dosage Formulations (Refer note 38)] and Life Science Ingredients (including Advance Intermediates and Specialty Ingredients, Nutritional Products and Life Science Chemicals). The Company's strength lies in its unique offerings of Pharmaceuticals and Life Sciences products and services across the value chain. It is well recognised as a 'Partner of Choice' by leading pharmaceuticals and life sciences companies globally.

2. Significant accounting policies

A. Basis of preparation and presentation of financial statements

The accounts of the Company are prepared under the historical cost convention on the accrual basis of accounting in accordance with the accounting principles generally accepted in India ("GAAP") and comply with the Accounting Standards specified under section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014, the other relevant provisions of the Companies Act, 2013 (including provisions of Companies Act, 1956 which continue to remain in force, to the extent applicable), pronouncements of the Institute of Chartered Accountants of India, guidelines issued by the Securities and Exchange Board of India ("SEBI"), to the extent applicable. The financial statements are presented as per Schedule III to the Companies Act, 2013 and in Indian rupees rounded off to the nearest million.

Previous year's figures have been regrouped/ rearranged wherever considered necessary to conform to current year's classification. Further, the figures for the current year are not comparable to the previous year due to transfer of certain businesses as explained in note 38.

B. Use of estimates

The preparation of financial statements in conformity with GAAP requires management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets and liabilities, the disclosure of contingent liabilities at the date of financial statements and the results of operations during the reporting periods. Examples of such estimate include future obligations under employee benefit plans, income taxes, useful lives of tangible assets and intangible assets, impairment of assets, valuation of derivatives, provision for doubtful debts etc. Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Actual results could vary from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Appropriate changes in estimates are made as the management becomes aware of the changes in circumstances surrounding the estimates. Any revision to accounting estimates is recognised prospectively in current and future periods. Effect of material changes is disclosed in the notes to the financial statements.

C. Current-non-current classification

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria in accordance with Schedule III to the Companies Act, 2013 set out below:

Assets

An asset is classified as current when it satisfies any of the following criteria:

a. it is expected to be realised in, or is intended for sale or consumption in, the Company's normal operating cycle;

b. it is held primarily for the purpose of being traded;

c. it is expected to be realised within 12 months after the reporting date; or

d. it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Current assets include the current portion of non-current financial assets.

All other assets are classified as non-current.

Liabilities

A liability is classified as current when it satisfies any of the following criteria:

a. it is expected to be settled in the company's normal operating cycle;

b. it is held primarily for the purpose of being traded;

c. it is due to be settled within 12 months after the reporting date; or

d. the company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current liabilities include current portion of non-current financial liabilities.

All other liabilities are classified as non-current.

Operating cycle

Operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. Based on the nature of products and the time

Notes to the financial statements for the year ended 31 March 2015 (Continued)

between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current-non-current classification of assets and liabilities.

D. Tangible and Intangible fixed assets

Tangible fixed assets

Tangible fixed Assets are stated at cost net of tax/ duty credits availed, if any, less accumulated depreciation/ amortisation/ impairment losses. The cost of an item of tangible fixed asset comprises its purchase price, including import duties and other non-refundable taxes or levies and any directly attributable cost of bringing the asset to its working condition for its intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Exchange differences (favorable as well as unfavorable) arising in respect of translation/ settlement of long term foreign currency borrowings attributable to the acquisition of a depreciable asset are also included in the cost of the asset.

In case of fixed assets acquired at the time of amalgamation of certain entities with Company, the same are recognised at book value in case of amalgamation in the nature of merger and at book value/ fair value in case of amalgamation in the nature of purchase in line with Accounting Standard (AS) 14 -"Accounting for Amalgamations".

Expenditure incurred on start up and commissioning of the project and/ or substantial expansion, including the expenditure incurred on trial runs (net of trial run receipts, if any) up to the date of commencement of commercial production are capitalised. Subsequent expenditures related to an item of fixed asset are capitalised to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance. Losses arising from the retirement of, and gains or losses arising from disposal of fixed assets are recognised in the Statement of Profit and Loss.

Tangible fixed assets under construction are disclosed as capital work-in-progress.

Insurance spares/ standby equipments are capitalised as part of the mother asset and are depreciated at applicable rates, over the remaining useful life of the mother assets.

Intangible fixed assets

Acquired intangible assets

Intangible assets that are acquired by the Company are measured initially at cost. After initial recognition, an intangible asset is carried at its cost less any accumulated amortisation and any accumulated impairment loss.

Subsequent expenditure is capitalised only when it increases the future economic benefits from the specific asset to which it relates.

Expenditure for acquisition and implementation of software systems is recognised as part of the intangible assets.

Internally generated intangible assets

Internally generated goodwill is not recognised as an asset. With regard to other internally generated intangible assets:

- Expenditure on research activities, undertaken with the prospect of gaining new scientific or technical knowledge and understanding, is recognised in the Statement of Profit and Loss as incurred.
- Development activities involve a plan or design for the production of new or substantially improved products or processes. Development expenditure including regulatory cost and legal expenses leading to product registration/ market authorisation relating to the new and/ or improved product and/ or process development capitalised only if development costs can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, and the Company intends to and has sufficient resources to complete development and to use the asset. The expenditure capitalised includes the cost of materials, direct labour, overhead costs that are directly attributable to preparing the asset for its intended use, and directly attributable borrowing costs (in the same manner as in the case of tangible fixed assets). Other development expenditure is recognised in the Statement of Profit and Loss as incurred.

E. Depreciation and amortisation

Upto 31 March 2014, depreciation was provided on straight line method on the original cost/ acquisition cost of assets or other amounts substituted for cost (i) in respect of assets added/ installed up to December 15, 1993, at the rates applicable at the time of additions/ installations of the assets, as per the Companies Act, 1956; and (ii) in respect of assets added/ installed during the subsequent period, at the rates mentioned in Schedule XIV to the Companies Act, 1956 read with Notification dated 16 December 1993 issued by Department of Company Affairs, Government of India, except for the following classes of fixed assets which are depreciated as under:

a. Research and development related equipments and machineries: ten years.

b. Dies and punches for manufacture of dosage formulations: one to two years.

c. Motor vehicles: five years.

d. Motor vehicles under finance lease: tenure of lease or five years whichever is shorter.

Notes to the financial statements for the year ended 31 March 2015 (Continued)

e. Computer and information technology related assets: three to five years.

f. Certain employee perquisite related assets: five years, being the period of the perquisite scheme.

Assets costing individually ₹ 5,000 (in absolute amount) or less were fully depreciated in the year of purchase.

During the current year, pursuant to the Companies Act, 2013 ('the Act') being effective from 1 April 2014, the Company has revised depreciation rates on the original cost/ acquisition cost of assets or other amounts substituted for cost of fixed assets as per the useful life specified in Part 'C' of Schedule II of the Act, read with notification dated 29 August 2014 of the Ministry of Corporate Affairs, except for the following classes of fixed assets which are depreciated based on the internal technical assessment of the management as under:

a. Motor vehicles: five years.

b. Motor vehicles under finance lease: tenure of lease or five years whichever is shorter.

c. Computer servers and networks: five years.

d. Dies and punches for manufacture of dosage formulations: one to two years.

e. Employee perquisite related assets (except end user computers): five years, being the period of the perquisite scheme.

Depreciation on assets added/ disposed off during the year has been provided on pro-rata basis with reference to the date of addition/ disposal.

Depreciation on exchange fluctuation capitalised, in view of the option exercised by the Company for accounting the exchange differences arising on reporting of long term foreign currency monetary items in line with Para 46 and 46A of Accounting Standard (AS) 11 on “The Effects of Changes in Foreign Exchange Rates”, is charged over the remaining useful life of assets.

Leasehold land is amortised over the lease period on straight line basis.

Intangible assets in the nature of Product registrations/ Market authorisations (Products) are amortised on a straight line basis over a period of five years in case of internally developed products (intangibles) and 10 years in case of bought out product (intangibles), from the date of regulatory approval or the date of product going off-patent, whichever is later. Software systems are being amortised over a period of five years being their useful life. Rights are amortised over the useful life.

Also refer note 40.

F. Impairment of fixed assets

Fixed assets are reviewed at each reporting date to determine if there is any indication of impairment. For assets in respect of which any such indication exists and for intangible assets mandatorily tested annually for impairment, the asset’s recoverable amount is estimated. For assets that are not yet available for use, the recoverable amount is estimated at each reporting date. An impairment loss is recognised if the carrying amount of an asset exceeds its recoverable amount.

For the purpose of impairment testing, assets are grouped together into the smallest group of assets (Cash Generating Unit or CGU) that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of an asset or CGU is the greater of its value in use and its net selling price. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. Impairment losses are recognised in the Statement of Profit and Loss.

If at the Balance Sheet date there is an indication that a previously assessed impairment loss no longer exists or has decreased, the asset’s or CGU’s recoverable amount is estimated. The impairment loss is reversed to the extent that the asset’s carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised. Such a reversal is recognised in the Statement of Profit and Loss.

G. Leases

Finance leases

Assets leased by the Company in its capacity as lessee where substantially all the risks and rewards of ownership vest in the Company are classified as finance leases. Such leases are capitalised at the inception of the lease at the lower of the fair value and the present value of the minimum lease payments and a liability is created for an equivalent amount. Lease payment is allocated between the liability and finance charges so as to obtain a constant periodic rate of interest on the outstanding liability for each year.

Operating leases

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor are recognised as operating leases. Lease payments under operating leases are recognised in the Statement of Profit and Loss on a straight line basis over the lease term unless another systematic basis is more representative of the time pattern of the benefit.

H. Valuation of Inventories

Inventories are valued at lower of cost or net realisable value except scrap, which is valued at net estimated realisable value.

Notes to the financial statements for the year ended 31 March 2015 (Continued)

The methods of determining cost of various categories of inventories are as follows:

Raw materials	Weighted average method
Stores and spares	Weighted average method
Work-in-process and finished goods (manufactured)	Variable cost at weighted average including an appropriate share of variable and fixed production overheads. Fixed production overheads are included based on normal capacity of production facilities
Fuel, consumables, packing material etc.	Weighted average method
Finished goods (traded)	Weighted average method
Goods in transit	Cost of purchase

Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition inclusive of excise duty wherever applicable.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

The net realisable value of work-in-progress is determined with reference to the selling prices of related finished products. Raw materials and other supplies held for use in the production of finished products are not written down below cost except in cases where material prices have declined and it is estimated that the cost of the finished products will exceed their net realisable value.

The comparison of cost and net realisable value is made on an item-by-item basis.

I. Investments

Investments that are readily realisable and are intended to be held for not more than one year from the date, on which such investments are made, are classified as current investments. All other investments are classified as long-term investments. However, that part of long term investments which is expected to be realised within 12 months after the reporting date is also presented under 'current assets' as "current portion of long term investments" in consonance with the current/ non-current classification scheme of Schedule III.

Current investments are carried at cost or fair value, whichever is lower. Long-term investments are carried at cost. However, provision for diminution is made to recognise a decline, other than temporary, in the value of the investments, such reduction being determined and made for each investment individually.

Investments in foreign subsidiary companies are expressed in Indian currency at the rates prevailing on the date when the remittance for the purpose was made/ foreign currency balance lying abroad was used, as the case may be.

J. Income taxes

Tax expense for the period, comprising current tax and deferred tax, are included in the determination of the net profit or loss for the period.

Current tax

Current tax is measured at the amount expected to be paid to (recovered from) the taxation authorities, using the applicable tax rates and tax laws.

Deferred tax

Deferred tax charge or credit reflects the tax effects of timing differences between accounting income and taxable income for the current year and reversal of timing differences for earlier years. The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognised using the tax rates that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax assets are recognised only to the extent there is reasonable certainty that the assets can be realised in future; however, where there is unabsorbed depreciation or carry forward of losses, deferred tax assets are recognised only if there is a virtual certainty of realisation of such assets. Deferred tax assets are reviewed at each Balance Sheet date and are written-down or written-up to reflect the amount that is reasonably/ virtually certain (as the case may be) to be realised. Deferred tax consequences of timing differences that originate in the tax holiday period and reverse after the tax holiday period are recognised in the period in which the timing differences originate. Timing differences that originate and reverse within the tax holiday period are not considered for deferred tax purposes.

Minimum Alternate Tax (MAT)

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 period for which the MAT credit can be carried forward for set-off against the normal tax liability. In the year in which MAT credit becomes eligible to be recognised as an asset in accordance with the recommendation contained in the Guidance Note on "Accounting for Credit Available in respect of Minimum Alternative Tax under The Income Tax Act, 1961" issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the Statement of Profit and Loss and shown as MAT Credit Entitlement. The Company reviews the same at each Balance Sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal income tax during the specified period.

Notes to the financial statements for the year ended 31 March 2015 (Continued)

K. Foreign Currency transactions, derivatives and hedging

Foreign currency transactions are recorded into Indian rupees by applying to the foreign currency amount the exchange rate between Indian rupees and the foreign currency on/ or closely approximating to the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies as at the Balance Sheet date are translated into Indian rupees at the closing exchange rates on that date. The resultant exchange differences are recognised in the Statement of Profit and Loss except that:

(a) Exchange differences pertaining to long-term foreign currency monetary items that are related to acquisition of depreciable assets are adjusted in the carrying amount of the related fixed assets; and

(b) Exchange differences arising on other long-term foreign currency monetary items are accumulated in 'Foreign Currency Monetary Item Translation Difference Account' (FCMITDA), and are amortised over the balance period of the relevant foreign currency item.

A monetary asset or liability is termed as a long-term foreign currency monetary item, if the asset or liability is expressed in a foreign currency and has a term of 12 months or more at the date of origination of the asset or liability.

Foreign Exchange Forward Contracts: The premium or discount arising at the inception of foreign exchange forward contracts entered into to hedge an existing monetary item, is amortised as expense or income over the life of the contract. Any profit or loss arising on cancellation or renewal of such a foreign exchange forward contracts is recognised as income or as an expense for the period. Such foreign exchange forward contracts are translated at the closing exchange rates and resultant exchange differences are recognised in the same manner as those on the underlying foreign currency asset or liability.

Apart from the above mentioned foreign exchange forward contracts, the Company also enters into derivative contracts in the nature of foreign currency swaps, foreign exchange forward contracts, interest rate swaps etc. with an intention to hedge its existing assets and liabilities, firm commitments and highly probable forecasted transactions. All these derivative contracts are marked-to-market and the resultant loss, if any, from these contracts are recognised in the Statement of Profit and Loss however the gain on mark-to-market of such contracts is ignored. The contracts are aggregated category-wise, to determine the net gain/ loss.

Also refer note 50(iv).

L. Provisions, contingent liabilities and contingent assets

The Company recognises a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. Contingent liabilities are disclosed in respect of possible obligations that may arise from past events but their existence is confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. Contingent assets are neither recognised nor disclosed in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognised in the period in which the change occurs.

M. Employee benefits

(i) *Short-term employee benefits:* All employee benefits falling due within twelve months of the end of the period in which the employees render the related services are classified as short-term employee benefits, which include benefits like salaries, wages, short term compensated absences, performance incentives, etc. and are recognised as expenses in the period in which the employee renders the related service and measured accordingly.

(ii) *Post-employment benefits:* Post employment benefit plans are classified into defined contribution plans and defined benefit plans in line with the requirements of AS 15 on "Employee Benefits".

a. Gratuity

The liability in respect of Gratuity, a defined benefit plan, is recognised in the books of account based on actuarial valuation using projected unit credit method as at Balance Sheet date by an independent actuary. Actuarial gains and losses arising from the experience adjustment and change in actuarial assumption are immediately recognised in the Statement of Profit and Loss as an income or expense. The gratuity liability for certain employees of the Company is funded with Life Insurance Corporation of India.

b. Superannuation

Certain employees of the Company are also participants in the superannuation plan ('the Plan'), a defined contribution plan. Contribution made by the Company to the plan during the year is charged to Statement of Profit and Loss.

c. Provident fund

i) The Company makes contribution to the recognised provident fund - "VAM EMPLOYEES PROVIDENT FUND TRUST" (a multiemployer trust) for most of its employees in India, which is a defined benefit

Notes to the financial statements for the year ended 31 March 2015 (Continued)

plan to the extent that the Company has an obligation to make good the shortfall, if any, between the return from the investments of the trust and the notified interest rate. The Company's obligation in this regard is determined by an independent actuary and provided for if the circumstances indicate that the Trust may not be able to generate adequate returns to cover the interest rates notified by the Government.

ii) For other employees, provident fund is deposited with Regional Provident Fund Commissioner. This is treated as defined contribution plan.

Company's contribution to the provident fund is charged to Statement of Profit and Loss.

(iii) *Other long-term employee benefits*

Accumulated compensated absences are treated as other long-term employee benefits. The Company's liability in respect of other long-term employee benefits is recognised in the books of account based on actuarial valuation using projected unit credit method as at Balance Sheet date by an independent actuary. Actuarial losses/ gains are recognised in the Statement of Profit and Loss in the year in which they arise.

(iv) *Termination benefits*

Termination benefits are recognised as expense when, as a result of a past event, the Company has a present obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

N. Borrowing costs

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

Borrowing costs are recognised in the Statement of Profit and Loss in the period in which it is incurred, except where the cost is incurred for acquisition, construction, production or development of an asset that takes a substantial period of time to get ready for its intended use in which case it is capitalised up to the date the assets are ready for their intended use. Ancillary costs incurred in connection with the arrangement of borrowings are amortised over the period of such borrowings.

O. Revenue recognition

Revenue from sale of products is recognised when the significant risks and rewards of ownership of the products have been transferred to the buyer, recovery of the consideration is probable and the amount of revenue can be measured reliably. Revenues include excise duty and are shown net of sales tax and value added tax, if any.

Revenue includes only those sales for which the Company has acted as a principal in the transaction, takes title to the products, and has the risks and rewards of ownership, including the risk of loss for collection, delivery and returns. Any sales for which the Company has acted as an agent or broker without assuming the risks and rewards of ownership have been reported on a net basis.

Goods sold on consignment are recorded as inventory until goods are sold by the consignee to the end customer.

Revenue from fixed-price contracts are recorded on a proportional completion method.

Revenue related to contract manufacturing arrangements, development contracts and licensing and regulatory services is recognised when performance obligations are fulfilled.

Sale of utility is recognised on delivery of the same to the consumers and no significant uncertainty exists as to its realisation.

Export incentives/ benefits are accounted for on accrual basis in the year in which exports are made and where recovery is probable.

Upfront non-refundable payments are recorded as deferred revenue. These amounts are recognised as revenues as obligations are fulfilled under contractual arrangement and/ or as milestones are achieved as the case may be.

Dividend income is recognised when the unconditional right to receive the income is established. Income from interest on deposits, loans and interest bearing securities is recognised on time proportionate method.

P. Segment reporting

The accounting policies adopted for segment reporting are in line with accounting policies of the Company. Revenues, expenses, assets and liabilities have been identified to segments on the basis of their relationship to operating activities of the segments (taking into account the nature of products and services and, risks and rewards associated with them) and internal management information systems and the same is reviewed from time to time to realign the same to conform to the business units of the Company. Revenues, expenses, assets and liabilities, which are common to the enterprise as a whole and are not allocable to segments on a reasonable basis, have been treated as "Common Revenues/ Expenses/ Assets/ Liabilities", as the case may be.

Notes to the financial statements for the year ended 31 March 2015 (Continued)

Q. Earnings per share

The basic earnings per share is calculated by dividing the net profit after tax for the year by the weighted average number of equity shares outstanding during the year. For the purpose of calculating diluted earnings per share, net profit after tax during the year and the weighted average number of shares outstanding during the year are adjusted for the effect of all dilutive potential equity shares. The dilutive potential equity shares are deemed converted as of the beginning of the year unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Anti dilutive effect of any potential equity shares is ignored in the calculation of earnings per share.

R. Employee stock option schemes

Hitherto, the Company was following Securities and Exchange Board of India (SEBI) guidelines for accounting of employee stock options wherein the cost was calculated based on the intrinsic value method i.e. the excess of market price of underlying equity shares as of the date of the grant of options over the exercise price of such options is regarded as employee compensation and in respect of the number of options that are expected to ultimately vest. Such cost was recognised on a straight line basis over the period over which the employees would become unconditionally entitled to apply for the shares. The cost recognised at any date at least equals the intrinsic value of the vested portion of the option at that date. Adjustment, if any, for difference in initial estimate for number of options that are expected to ultimately vest and related actual experience was recognised in the Statement of Profit and Loss of that period. In respect of vested options expire unexercised, the cost was reversed in the Statement of Profit and Loss of that period.

Further, during the previous year, the Company had changed its policy with respect to treatment of shares issued to Jubilant Employee Welfare trust (‘Trust’). As per an opinion of the Expert Advisory Committee (‘EAC’) of The Institute of Chartered Accountants of India (ICAI), as on the reporting date, the shares held by the trust but yet to be allotted to employees were presented as a deduction, from the Share Capital to the extent of face value of the shares and Securities Premium to the extent of amount exceeding face value of shares, with a corresponding adjustment to the, loan receivable from Trust, Capital Reserve (for the amount of profit on sale of shares) and Surplus (to the extent of dividend received net of operating expenses).

During the current year, SEBI on 28 October 2014, issued Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (‘new guidelines’) repealing Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999. According to the new guidelines, any company implementing any of the share based schemes shall follow the requirements of the 'Guidance Note on Accounting for employee share-based Payments' (Guidance Note) or Accounting Standards as may be prescribed by the ICAI from time to time, including the disclosure requirements prescribed therein. The consequential accounting/ presentation impact, vis-à-vis SEBI guidelines followed earlier, w.e.f. 28 October 2014 is summarized below:

– In respect of vested options expire unexercised, the reversal of related cumulative cost which was accounted as credit in the Statement of Profit and Loss of that period will now be accounted as credit to general reserve.

– Since, shares held by the Trust are purchased from market instead of direct issuance by the Company, the consolidation thereof as prescribed above, in these financial statements, has been discontinued.

Also refer note 43.

Notes to the financial statements for the year ended 31 March 2015 (Continued)

(₹ in million)

	As at 31 March 2015	As at 31 March 2014
3. SHARE CAPITAL		
Authorised		
655,000,000 equity shares of ₹ 1 each	655.00	655.00
(Previous Year 655,000,000 equity shares of ₹ 1 each)		
	655.00	**655.00**
Issued and Subscribed		
159,313,139 equity shares of ₹ 1 each	159.31	159.31
(Previous Year 159,313,139 equity shares of ₹ 1 each)		
	159.31	**159.31**
Paid up		
159,281,139 equity shares of ₹ 1 each	159.28	159.28
(Previous Year 159,281,139 equity shares of ₹ 1 each)		
Add: Equity shares forfeited (paid up)	0.02	0.02
	159.30	**159.30**
Less: Shares held in trust for employees under ESOP Scheme (Refer note 43)	-	(4.84)
	159.30	**154.46**

Notes :

3.1 Paid up capital includes, 501,364 (Previous year 501,364), equity shares of ₹ 1 each allotted and issued pursuant to the Scheme of Amalgamation and Demerger, to the shareholders of erstwhile Pace Marketing Specialities Limited for consideration other than cash during the year ended 31 March 2011.

3.2 The Company has only one class of shares referred to as equity shares having par value of ₹ 1 each. Holder of each equity share is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

3.3 The details of shareholders holding more than 5% shares is set out below:

Equity shares of ₹ 1 each fully paid-up held by	As at 31 March 2015		As at 31 March 2014	
	Number	% of total shares	Number	% of total shares
Jubilant Stock Holding Private Limited	29,676,992	18.63%	29,676,992	18.63%
SSB Consultants & Management Services Private Limited	21,007,665	13.19%	21,007,665	13.19%
HSB Corporate Consultants Private Limited	18,698,979	11.74%	18,698,979	11.74%
GA Global Investments Limited	10,380,339	6.52%	11,707,200	7.35%

3.4 The reconciliation of the shares outstanding at the beginning and at the end of the year:

Particulars	As at 31 March 2015		As at 31 March 2014	
	Number	₹ in million	Number	₹ in million
At the commencement and at the end of the year	159,281,139	159.28	159,281,139	159.28

3.5 a) 114,835 (Previous year 114,835) equity shares of ₹ 1 each allotted on exercise of the vested stock options in accordance with the terms of exercise under the "Jubilant Employees Stock Option Plan, 2005".

b) Under the Jubilant Employees Stock Option 2005 Plan, as at 31 March 2015- 105,495 (Previous year 132,684) outstanding options are convertible into 527,475 (Previous year 663,420) shares. (Refer note 42).

c) Under the Jubilant Employees Stock Option 2011 Plan, as at 31 March 2015- 1,112,306 (Previous year 1,428,939) outstanding options are convertible into 1,112,306 (Previous year 1,428,939) shares. (Refer note 42).

3.6 The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

Notes to the financial statements for the year ended 31 March 2015 (Continued)

(₹ in million)

	As at 31 March 2015	As at 31 March 2014
4. RESERVES AND SURPLUS		
Capital Reserve		
At the commencement of the year	187.87	80.10
Add: Capital subsidy received	–	3.00
(Less)/ Add: Adjustment on account of (deconsolidation)/ consolidation of ESOP Trust (Refer note 43)	(104.77)	104.77
At the end of the year	**83.10**	**187.87**
Capital Redemption Reserve		
At the commencement and at the end of the year	**9.86**	**9.86**
Securities Premium Account		
At the commencement of the year	5,300.82	5,878.41
Add/ (Less): Adjustment on account of deconsolidation/ (consolidation) of ESOP Trust (Refer note 43)	577.59	(577.59)
At the end of the year	**5,878.41**	**5,300.82**
Amalgamation Reserve		
At the commencement and at the end of the year	**13.21**	**13.21**
General Reserve		
At the commencement and at the end of the year	**5,745.31**	**5,745.31**
Hedging Reserve (net of related tax effect- (Refer note 50(iv)))		
At the commencement of the year	9.23	354.14
Deduction during the year	(9.23)	(344.91)
At the end of the year	**–**	**9.23**
Foreign Currency Monetary Item Translation Difference Account (FCMITDA) (Refer note 49)		
At the commencement of the year	(480.73)	(675.45)
Exchange loss during the year on foreign currency term loan	(117.11)	(805.49)
Amount amortised during the year in the Statement of Profit and Loss	447.52	1,000.21
At the end of the year	**(150.32)**	**(480.73)**
Surplus		
At the commencement of the year	6,387.51	6,871.00
Add: Net profit after tax transferred from Statement of Profit and Loss	2,051.10	8.24
Less: Adjustment on account of revised useful lives of fixed assets (Refer note 40)	(85.41)	–
(Less)/ Add: Adjustment on account of (deconsolidation)/ consolidation of ESOP Trust (Refer note 43)	(67.30)	52.82
Amount available for appropriation	**8,285.90**	**6,932.06**
Less: Appropriations		
Proposed dividend on equity shares*#	477.84	463.34
Distribution tax on proposed equity dividend*	97.28	81.21
At the end of the year	**7,710.78**	**6,387.51**
	19,290.35	**17,173.08**

* For the year ended 31 March 2015, dividend of 300 % (Previous year 300 %) i.e. ₹ 3 (Previous year ₹ 3) per fully paid up equity share has been recognised as distributions to equity shareholders.

\# Amount for the year ended 31 March 2014 is net of dividend of ₹ 14.50 million on equity shares held by ESOP trust (Refer note 43).

Notes to the financial statements for the year ended 31 March 2015 (Continued)

(₹ in million)

		As at 31 March 2015		As at 31 March 2014
5. LONG-TERM BORROWINGS				
Term loans				
From Banks				
– Indian rupee loans (secured)		6,912.46		5,438.92
– Foreign currency loans (secured)		2,187.50		2,845.72
From other parties				
– Indian rupee loans (secured)		6,000.00		–
– Foreign currency loans (secured)		1,250.00		2,096.85
– Indian rupee loans from subsidiaries (unsecured) (Refer note 53(29))		1,028.87		1,015.90
Finance lease obligations (secured)		11.85		13.11
	(1)	**17,390.68**	(1)	**11,410.50**
The above amount includes				
Secured borrowings		16,361.81		10,394.60
Unsecured borrowings		1,028.87		1,015.90
		17,390.68		**11,410.50**

(1) Refer note 11 for current maturities of long term borrowings

5. Nature of security of long term borrowings and other terms of repayment

5.1 Indian rupee loans amounting to ₹ 10,181.53 million (Previous year ₹ 9,744.48 million) from Axis Bank Limited, IFCI Limited, IndusInd Bank Limited, Yes Bank Limited (Previous year from Corporation Bank, Central Bank of India, Indian Bank, Axis Bank Limited) and External commercial borrowings amounting to ₹ 2,968.75 million (Previous year ₹ 2,995.50 million) from DBS Bank Limited, Singapore and foreign currency loans amounting to ₹ 2,187.50 million (Previous year ₹ 2,695.95 million) from Export Import Bank of India are secured by a first pari-passu charge created/ to be created amongst the lenders by way of:

a. Mortgage of the immovable fixed assets both present and future situated at Bhartiagram, District Amroha, Uttar Pradesh and immovable fixed assets situated at Village Samlaya, Taluka Savli, District Vadodara, Gujarat, and

b. Hypothecation on the entire movable fixed assets, both present and future of the Company.

Indian rupee loan from Axis Bank Limited is further secured by exclusive first charge created by way of hypothecation on receivable of USD 52.50 million (rupee equivalent converted at closing rate ₹ 3,281.25 million) (Previous year ₹ Nil) from Jubilant Generics Limited arising on account of Business Transfer Agreement (Refer note 38).

5.2 Indian rupee loan amounting to ₹ 3,000.00 million (Previous year ₹ Nil) from Housing Development Finance Corporation Limited is secured by first mortgage by way of deposit of original title deeds of specified land and buildings situated at Noida, Greater Noida, Ambernath and also at Bharuch owned by one of the subsidiaries of the Company.

5.3 Foreign currency loan amounting to ₹ Nil (Previous year ₹ 5,691.45 million) from Housing Development Finance Corporation Limited was secured by first mortgage by way of deposit of original title deeds of specified land and buildings situated at Noida, Greater Noida, Nanjangud, Nira, Roorkee, Ambernath and also at Bharuch owned by one of the subsidiaries of the Company.

5.4 Indian rupee loan amounting to ₹ 1,800.00 million (Previous year ₹ Nil) from Yes Bank Limited is repayable in twelve equal quarterly instalments commencing from June 2017.

5.5 Indian rupee loan amounting to ₹ 3,000.00 million (Previous year ₹ Nil) from IFCI Limited is repayable in twelve equal quarterly instalments commencing from May 2017.

5.6 Indian rupee loan amounting to ₹ 3,000.00 million (Previous year ₹ Nil) from Housing Development Finance Corporation Limited is repayable in eight equal half yearly instalments commencing from March 2017.

Notes to the financial statements for the year ended 31 March 2015 (Continued)

5.7 Indian rupee loan amounting to ₹ 3,500.00 million (Previous year ₹ Nil) from Axis Bank Limited is repayable in fourteen half yearly instalments commencing from September 2015.

5.8 Indian rupee loan amounting to ₹ 1,881.53 million (Previous year ₹ Nil) from IndusInd Bank Limited is repayable in twenty quarterly instalments commencing from June 2015.

5.9 External commercial borrowing amounting to ₹ 2,968.75 million (Previous year ₹ 2,995.50 million) from DBS Bank Limited, Singapore is repayable in three yearly instalments from December 2015.

5.10 Foreign currency loan amounting to ₹ 2,187.50 million (Previous year ₹ 2,695.95 million) from Export Import Bank of India is repayable in two yearly instalments from May 2015.

5.11 Indian rupee loans amounting to ₹ 9,744.48 million from Corporation Bank, Central Bank of India, Indian Bank, Axis Bank Limited and foreign currency loan amounting to ₹ 5,691.45 million from Housing Development Finance Corporation Limited outstanding at the end of previous year have been fully repaid during the current year.

5.12 Loans from subsidiaries are repayable at end of five years from the date of respective disbursement.

5.13 Finance lease obligations are secured by hypothecation of specific assets taken under such lease. The same are repayable within five years.

5.14 The term loans carry floating interest rate calculated in accordance with the terms of the arrangement which is a specified benchmark rate (reset at periodic intervals), adjusted for agreed spread. During the year ended 31 March 2015, the interest rate on Indian currency loans and foreign currency loans range from 9.50% to 13.25% per annum (Previous year 9.50% to 12.75% per annum) and 3.50% to 4.50% per annum (Previous year 3.25% to 4.95% per annum), respectively.

The composition of assets/ fixed assets and current assets as mentioned above are defined in detail in the respective financing/ credit arrangements.

(₹ in million)

	As at 31 March 2015	As at 31 March 2014
6. DEFERRED TAX LIABILITIES (NET) **		
Deferred tax liabilities on account of:		
– Depreciation and amortisation#	1,891.71	2,902.71
– Research and development expenses	1.54	673.32
	1,893.25	**3,576.03**
Deferred tax assets on account of:		
– Provision for compensated absences and gratuity	189.28	198.67
– Expenditure covered by section 43B of Income-tax Act, 1961	47.21	21.70
– Unabsorbed depreciation carried forward	–	1,607.12
– Others*	137.06	14.34
	373.55	**1,841.83**
Deferred tax liabilities (net)	**1,519.70**	**1,734.20**

* Net of ₹ Nil (Previous year ₹ 4.75 million) representing deferred tax on hedging reserve balance. [Refer note 50(iv)]

** Refer note 38 and 47

\# Refer note 40

(₹ in million)

	As at 31 March 2015	As at 31 March 2014
7. OTHER LONG TERM LIABILITIES		
Income received in advance/ unearned revenue	–	104.06
	–	104.06

Notes to the financial statements for the year ended 31 March 2015 (Continued)

(₹ in million)

	As at 31 March 2015	As at 31 March 2014
8. LONG-TERM PROVISIONS		
Provision for employee benefits (Refer note 51)	438.50	443.89
Mark-to-market losses on derivative contracts [Refer note 48, 50(i) and 50(iii)]	–	1,660.24
	438.50	**2,104.13**

(₹ in million)

	As at 31 March 2015	As at 31 March 2014
9. SHORT-TERM BORROWINGS		
Loans repayable on demand		
– From Banks		
– Secured	886.98	5,071.76
– Unsecured	1,689.84	4,930.85
– From Others		
– Secured	750.00	898.65
– From related parties (unsecured)- (Refer note 53(29))	77.50	70.00
	3,404.32	**10,971.26**
The above amount includes		
Secured borrowings	1,636.98	5,970.41
Unsecured borrowings	1,767.34	5,000.85
	3,404.32	**10,971.26**

9. Nature of security of short term borrowings and other terms of repayment

9.1 Working capital facilities (including cash credit) sanctioned by consortium of banks and notified financial institutions comprising of ICICI Bank Limited, Corporation Bank, Punjab National Bank, State Bank of India, The Hongkong and Shanghai Banking Corporation Limited, ING Vysya Bank Limited, Central Bank of India, Yes Bank Limited, DBS Bank Limited and Export Import Bank of India, are secured by a first charge by way of hypothecation, ranking pari passu inter-se banks, of the entire book debts and receivables and inventories both present and future, of the Company wherever the same may be or be held. During the previous year, the working capital sanctioned limits also included commercial paper programme of ₹ 3,000.00 million as sublimit carved out from the funded limits, against which the maximum balance outstanding at any time during the previous year was ₹ Nil and balance outstanding as at end of previous year was ₹ Nil. Other working capital loans are repayable as per terms of agreement within one year.

9.2 Short term loans are availed in Indian rupees and in foreign currency which carry floating interest rate calculated in accordance with the terms of the arrangement which is a specified benchmark rate (reset at periodic intervals), adjusted for agreed spread. During the year ended 31 March 2015, the interest rate on Indian currency loans and foreign currency loans range from 9.50% to 14.00% per annum (Previous year 9.50% to 13.85% per annum) and 0.50% to 4.50% per annum (Previous year 0.25% to 4.75% per annum), respectively.

The composition of assets/ fixed assets and current assets as mentioned above are defined in detail in the respective financing/ credit arrangements.

Notes to the financial statements for the year ended 31 March 2015 (Continued)

(₹ in million)

	As at 31 March 2015	As at 31 March 2014
10. TRADE PAYABLES		
Trade payables-due to micro, small and medium enterprises under MSMED Act, 2006 (Refer note 37)	18.65	12.01
Trade payables-others	4,965.60	5,980.44
	4,984.25	**5,992.45**

(₹ in million)

	As at 31 March 2015	As at 31 March 2014
11. OTHER CURRENT LIABILITIES		
Current maturities of long term debt (secured)- (Refer note 5.1 to 5.11)	1,987.83	10,745.89
Current maturities of finance lease obligations (secured)- (Refer note 5.13)	10.56	11.78
Trade deposits and advances	1,263.28	2,795.15
Interest accrued but not due on borrowings	90.80	150.02
Income received in advance/ unearned revenue	–	4.59
Unpaid dividends	34.68	28.18
Creditors for capital supplies and services	176.70	224.45
Statutory dues	74.83	140.19
Other payables*	332.99	582.24
	3,971.67	**14,682.49**

*(includes employee benefits, lease equalisation and provision for excise duty on closing stock, etc)

(₹ in million)

	As at 31 March 2015	As at 31 March 2014
12. SHORT-TERM PROVISIONS		
Provision for employee benefits (Refer note 51)	108.44	162.08
Dividends on equity shares (Including dividend distribution tax)	575.12	544.55
Provision for income tax [Net of advance tax ₹ Nil (Previous year ₹ Nil)]	32.58	32.58
Provision for wealth tax [Net of advance tax ₹ 0.80 million (Previous year ₹ Nil)]	0.60	0.74
Mark-to-market losses on derivative contracts [Refer note 48, 50(i) and 50(iii)]	–	1,438.64
	716.74	**2,178.59**

Notes to the financial statements for the year ended 31 March 2015 (Continued)

13. TANGIBLE ASSETS

(₹ in million)

Description	GROSS BLOCK - COST/ BOOK VALUE						DEPRECIATION/ AMORTISATION/ IMPAIRMENT					NET BLOCK	
	As at 31 March 2014	Additions consequent of acquisition	Deduction on account of sale of businesses (Refer note 38)	Additions/ adjustments during the year	Deductions/ adjustments during the year (5)	As at 31 March 2015	As at 31 March 2014	Deduction on account of sale of businesses (Refer note 38)	Provided during the year (1)	Deductions/ adjustments during the year (5)	As at 31 March 2015	As at 31 March 2015	As at 31 March 2014
Land													
(a) Freehold	342.07	–	122.50	–	–	219.57	–	–	–	–	–	219.57	342.07
(b) Leasehold	530.35	–	–	11.14	70.70	470.79	87.20	–	6.24	2.72	90.72	380.07	443.15
Buildings													
(a) Factory	2,132.40	–	1,125.06	28.01	–	1,035.35	336.65	194.00	43.83	–	186.48	848.87	1,795.75
(b) Others	1,916.17	–	170.38	85.89	–	1,831.68	191.98	57.01	126.58	–	261.55	1,570.13	1,724.19
Plant and equipment	24,491.81	–	5,806.42	637.32	1,197.27	18,125.44	9,024.24	1,939.15	714.30	588.47	7,210.92	10,914.52	15,467.57
Furniture and fixtures	384.66	–	198.45	18.38	5.82	198.77	172.24	99.31	46.56	3.65	115.84	82.93	212.42
Vehicles													
(a) Owned	68.38	–	7.53	6.85	9.26	58.44	42.84	5.50	6.18	8.79	34.73	23.71	25.54
(b) Leased	48.36	–	8.97	16.17	7.98	47.58	26.93	4.33	10.55	5.46	27.69	19.89	21.43
Office equipments	564.94	–	84.20	58.06	31.71	507.09	257.68	56.02	115.65	29.86	287.45	219.64	307.26
Railway sidings	159.38	–	–	–	–	159.38	39.87	–	11.08	–	50.95	108.43	119.51
TOTAL	**30,638.52**	**–**	**7,523.51**	**(2) 861.82**	**1,322.74**	**22,654.09**	**10,179.63**	**2,355.32**	**1,080.97**	**638.95**	**8,266.33**	**14,387.76**	**20,458.89**
Previous Year	29,628.53	81.63	–	982.44	54.08	30,638.52	8,727.31	–	1,477.88	25.56	10,179.63		
Capital work in progress (CWIP)												200.17	211.62
												14,587.93	**20,670.51**

Notes :

(1) Includes ₹ 130.62 million (Previous year ₹ Nil) debited to opening balance of retained earnings based on transitional provision provided in Note 7(b) of Schedule II of the Companies Act, 2013. (Refer note 40)

(2) Includes ₹ 99.13 million (Previous year ₹ 63.19 million) in respect of R&D Assets.

(3) Capital research and development expenditure aggregating to ₹ 91.40 million (Previous year ₹ 70.58 million) incurred during the year included in additions to fixed assets/ capital work in progress.

(4) Addition to fixed assets (including movement in CWIP) includes ₹ 98.54 million (Previous year ₹ 281.00 million) on account of exchange loss/ (gain) (Refer note 49).

(5) Refer note 46

Notes to the financial statements for the year ended 31 March 2015 (Continued)

14. INTANGIBLE ASSETS

(₹ in million)

Description	GROSS BLOCK - COST/ BOOK VALUE						DEPRECIATION/ AMORTISATION/ IMPAIRMENT					NET BLOCK	
	As at 31 March 2014	Additions consequent of acquisition	Deduction on account of sale of businesses (Refer note 38)	Additions/ adjustments during the year	Deductions/ adjustments during the year	As at 31 March 2015	As at 31 March 2014	Deduction on account of sale of businesses (Refer note 38)	Provided during the year	Deductions/ adjustments during the year	As at 31 March 2015	As at 31 March 2015	As at 31 March 2014
a) Internally generated													
– Product registration/ market authorisation	1,405.33	–	1,508.56	103.23	–	–	489.81	556.08	66.27	–	–	–	915.52
b) Others													
– Rights	107.59	–	25.93	–	–	81.66	67.38	6.23	8.27	–	69.42	12.24	40.21
– Software	281.97	–	2.91	13.45	–	292.51	185.23	1.23	49.25	–	233.25	59.26	96.74
TOTAL	**1,794.89**	**–**	**1,537.40**	**(1) 116.68**	**–**	**374.17**	**742.42**	**563.54**	**123.79**	**–**	**302.67**	**71.50**	**1,052.47**
Previous Year	1,421.05	1.04	–	372.80	–	1,794.89	467.43	–	274.99	–	742.42		
Intangible assets under development (including R&D expenditure in the nature of intangibles) [CWIP]												–	2,207.80
												71.50	**3,260.27**

Notes :

(1) Includes ₹ 103.23 million (Previous year ₹ 353.32 million) in respect of R&D assets.

(2) Capital research and development expenditure aggregating to ₹ 197.41 million (Previous year ₹ 705.03 million) incurred during the year included in additions to fixed assets/Intangible assets under development.

Notes to the financial statements for the year ended 31 March 2015 (Continued)

(₹ in million)

			As at 31 March 2015	As at 31 March 2014
15. NON-CURRENT INVESTMENTS (at cost)				
Number	**Face value per unit**	**All unquoted unless otherwise specified**		
		Trade Investments (Long Term)		
		Investment in equity instruments (fully paid up equity shares)		
		Investment in subsidiary companies		
375 (375)	No Par Value	– Jubilant Life Sciences (USA) Inc.	17.11	17.11
– (13,900,000)	EURO 1	– Jubilant Pharma NV (Belgium) (1) & (2)	–	743.79
326,758,994 (326,758,994)	USD 1	– Jubilant Pharma Limited (Singapore) (3)	14,902.26	14,902.26
– (200)	No Par Value	– Jubilant Pharma Holdings Inc. (USA) (2)	–	1,660.44
34,484,000 (34,484,000)	₹ 10	– Jubilant Infrastructure Limited	1,297.40	1,297.40
14,963,171 (14,963,171)	₹ 10	– Jubilant First Trust Healthcare Limited	690.55	690.55
100,000 (100,000)	₹ 10	– First Trust Medicare Private Limited	30.00	30.00
437,503 (437,503)	USD 1	– Jubilant Life Sciences International Pte. Limited	2.91	2.91
99,999 (99,999)	No Par Value	– Jubilant Life Sciences NV	7.81	7.81
100,001 (1)	USD 1	– Drug Discovery and Development Solutions Limited (3)	336.60	330.40
		Investment in preference shares		
		Investment in subsidiary companies		
		– Jubilant Chemsys Limited		
6,200,000 (6,200,000)	₹ 10	8% optionally convertible non-cumulative redeemable preference shares fully paid.	62.00	62.00
		– Jubilant Clinsys Limited		
20,850,000 (20,475,000)	₹ 10	6% optionally convertible non-cumulative redeemable preference shares fully paid.	208.50	204.75
6,200,000 (6,200,000)	₹ 10	8% optionally convertible non-cumulative redeemable preference shares fully paid.	62.00	62.00
		Other Investments (Long term)		
		Investment in equity instruments (fully paid up equity shares)		
4,550,000 (4,550,000)	₹ 10	– Forum I Aviation Limited	45.50	45.50
– (192,086)	₹ 10	– Jubilant Industries Limited (Quoted) (Issued to Jubilant Employee Welfare Trust in accordance with the Scheme of Amalgamation & Demerger)	–	–
		(Also Refer note 42 and 43)		
		Total non-current investments	**17,662.64**	**20,056.92**
		Aggregate amount of quoted investments		
		– Cost	**–**	**–**
		– Market Value	**–**	**9.63**
		Aggregate amount of unquoted investments	**17,662.64**	**20,056.92**

Notes:

(1) Previous year includes one share held through nominee.

(2) Transferred to Jubilant Generics Limited, a wholly owned Indian Subsidiary of Jubilant Pharma Limited, Singapore (Refer note 38).

(3) Includes ₹ 330.40 million (Previous year ₹ 330.40 million) in pursuance of gift of shares held by Jubilant Pharma Limited, Singapore held in Jubilant Innovation (BVI) Limited and Jubilant Life Sciences (BVI) Limited, to Drug Discovery and Development Solutions Limited, Singapore, a 100% Subsidiary of the Company.

(4) Figures in ( ) are in respect of previous year.

Notes to the financial statements for the year ended 31 March 2015 (Continued)

(₹ in million)

	As at 31 March 2015	As at 31 March 2014
16. LONG-TERM LOANS AND ADVANCES		
(Unsecured and considered good)		
Capital advances	2.69	14.58
Security deposits	41.75	68.11
Loans to related parties [Refer note 53(32)]	410.39	–
Advance recoverable in cash or kind		
– From related parties (Refer note 53(36))*	–	25.00
– Loans and advances to employees	8.37	19.03
– Prepaid expenses	432.68	348.94
MAT credit entitlement	1,804.69	2,085.80
Advance payment of income tax [Net of provision for tax ₹ 532.01 million (Previous year ₹ Nil)]	306.11	460.88
	3,006.68	**3,022.34**

* Due from an officer of the Company

(₹ in million)

	As at 31 March 2015	As at 31 March 2014
17. OTHER NON-CURRENT ASSETS		
(Unsecured and considered good)		
Other bank balances		
– Deposits with original maturity of more than 12 months	4.00	4.50
– Margin money deposit	0.49	0.49
	(1) 4.49	**(1) 4.99**

(1) These deposits have restricted use.

(₹ in million)

			As at 31 March 2015	As at 31 March 2014
18. CURRENT INVESTMENTS (at cost)				
Number	**Face value per unit**	**All unquoted unless otherwise specified**		
		Current portion of non-current investments		
		Trade Investments		
		Investment in preference shares		
		Investment in subsidiary companies		
		– Jubilant Clinsys Limited		
– (375,000)	₹ 10	6% optionally convertible non-cumulative redeemable preference shares fully paid	–	3.75
		Total current investments	**–**	**3.75**
		Aggregate amount of unquoted investments	**–**	**3.75**

Note:

(1) Figures in ( ) are in respect of previous year.

Notes to the financial statements for the year ended 31 March 2015 (Continued)

(₹ in million)

		As at 31 March 2015		As at 31 March 2014
19. INVENTORIES				
(Valued at the lower of cost and net realisable value)				
Raw materials		3,026.75		3,672.56
[(including goods-in-transit ₹ 1,186.18 million (Previous year ₹ 404.32 million)]				
Work-in-progress		469.21		1,522.26
Finished goods		871.69		1,327.21
Stock-in-trade		20.67		18.76
Stores and spares		230.80		313.94
[(including goods-in-transit ₹ 24.66 million (Previous year ₹ 48.92 million)]				
Packing material		32.01		122.55
Others- process chemicals and fuels		507.47		357.90
[(including goods-in-transit ₹ 31.54 million (Previous year ₹ 42.78 million)]				
		5,158.60		**7,335.18**

(₹ in million)

		As at 31 March 2015		As at 31 March 2014
20. TRADE RECEIVABLES				
(Unsecured)				
Outstanding for a period exceeding six months from the date they become due for payment				
Considered good		254.76		45.44
Considered doubtful		14.15		33.71
		268.91		**79.15**
Provision for doubtful receivables		14.15		33.71
(A)		**254.76**		**45.44**
Other receivables				
Considered good		2,932.89		5,250.53
(B)		**2,932.89**		**5,250.53**
Total (A + B)	**(1)**	**3,187.65**	**(1)**	**5,295.97**

(1) [Refer note 34(C)(i)]

(₹ in million)

		As at 31 March 2015		As at 31 March 2014
21. CASH AND BANK BALANCES				
Cash and cash equivalents				
Balances with banks				
– On current accounts		1,239.82		1,597.38
– On dividend accounts		34.68		28.18
– On deposits accounts with original maturity upto three months		0.90		104.74
Cash on hand		0.76		1.75
Cheques/Drafts on hand		74.22		–
Others				
– Funds in transit		15.85		51.43
– Imprest		1.12		1.39
		1,367.35		**1,784.87**
Other bank balances				
– As margin money		–		2.23
	(1)	**1,367.35**	**(1)**	**1,787.10**

(1) ₹ 35.58 million (Previous year ₹ 135.15 million) has restricted use.

Notes to the financial statements for the year ended 31 March 2015 (Continued)

(₹ in million)

	As at 31 March 2015	As at 31 March 2014
22. SHORT-TERM LOANS AND ADVANCES		
(Unsecured and considered good)		
Loans to related parties (Refer note 36 and 53(32))	831.25	2,951.64
Deposits	65.18	55.88
Deposits/ Balances with excise/ sales tax authorities	367.87	644.99
MAT credit entitlement	236.71	–
Advances recoverable in cash or kind		
– From related parties [Refer note 53(33) and 53(36)]*	4,828.16	575.83
– Loans and advances to employees	9.68	21.68
– Advance for supply of goods and services	123.38	168.73
– Prepaid expenses	121.14	157.03
– Claims recoverable	173.86	430.63
– Others	12.27	44.37
	6,769.50	**5,050.78**

* Includes due by directors and private companies having common director aggregating to ₹ 0.25 million (Previous year ₹ 106.09 million)

(₹ in million)

	As at 31 March 2015	As at 31 March 2014
23. OTHER CURRENT ASSETS		
Other current assets	59.17	17.41
[Including mark-to-market recoverable ₹ Nil (Previous year ₹ 4.62 million)]		
[Refer note 46 and 50(iv)]	**59.17**	**17.41**

(₹ in million)

	For the year ended 31 March 2015	For the year ended 31 March 2014
24. REVENUE FROM OPERATIONS		
Sales of products		
– Finished goods	30,749.60	35,556.15
– Traded goods	2,167.63	2,050.17
Sales of services	21.50	36.03
Other operating revenues (Refer note 39)	356.81	452.78
Revenue from operations (gross)	**33,295.54**	**38,095.13**
Less: excise duty	(1,532.50)	(1,367.21)
Revenue from operations (net)	**31,763.04**	**36,727.92**
24.1 BREAK-UP OF REVENUE FROM SALES OF PRODUCTS		
Finished goods		
Organic chemicals including specialty chemicals and its intermediates	27,814.09	26,835.13
Active pharma ingredients (API)	1,268.20	5,061.51
Tablets, capsules and injectables	713.32	2,767.57
Dry and aqueous choline chloride	800.55	733.03
Feed premixes	75.68	71.98
Power and steam	77.76	86.93
	30,749.60	**35,556.15**

Notes to the financial statements for the year ended 31 March 2015 (Continued)

(₹ in million)

	For the year ended 31 March 2015	For the year ended 31 March 2014
Traded goods		
Organic chemicals including specialty chemicals and its intermediates	1,912.27	1,734.39
Active pharma ingredients (API)	18.29	188.16
Tablets, capsules and injectables	88.73	28.60
Feed premixes	148.34	99.02
	2,167.63	**2,050.17**
Revenue from sales of products	**32,917.23**	**37,606.32**
24.2 BREAK-UP OF REVENUE FROM SALES OF SERVICES		
Income from utility and other services rendered	21.50	36.03
	21.50	**36.03**

(₹ in million)

	For the year ended 31 March 2015	For the year ended 31 March 2014
25. OTHER INCOME		
Interest income	678.57	208.50
Dividend on non-trade current investments	7.01	–
Net gain on sale/disposal/discard of fixed assets	220.85	–
Other non-operating income	157.76	90.31
	1,064.19	**298.81**

(₹ in million)

	For the year ended 31 March 2015	For the year ended 31 March 2014
26. COST OF MATERIALS CONSUMED		
Raw and process materials consumed	16,631.98	18,330.49
	16,631.98	**18,330.49**
26.1 BREAK-UP OF COST OF MATERIALS CONSUMED		
Molasses	1,017.66	1,166.18
Alcohol	4,560.42	4,455.32
Acetic Acid	6,666.75	5,359.81
Process chemicals	3,123.70	3,714.69
Chemicals for API/Dosage/Feed Additives	1,116.21	3,340.13
Others	147.24	294.36
	16,631.98	**18,330.49**

	%	₹ in million	%	₹ in million
26.2 BREAK-UP OF IMPORTED AND INDIGENOUS MATERIALS CONSUMED				
Imported	59.21	9,847.38	42.98	7,877.88
Indigenous	40.79	6,784.60	57.02	10,452.61
	100.00	**16,631.98**	**100.00**	**18,330.49**

(₹ in million)

	For the year ended 31 March 2015	For the year ended 31 March 2014
27. PURCHASE OF STOCK-IN-TRADE		
Purchase of stock-in-trade	1,980.53	1,740.18
	1,980.53	**1,740.18**

Notes to the financial statements for the year ended 31 March 2015 (Continued)

(₹ in million)

	For the year ended 31 March 2015	For the year ended 31 March 2014
27.1 BREAK-UP OF PURCHASE OF STOCK-IN-TRADE		
Organic chemicals including specialty chemicals and its intermediates	1,803.22	1,514.50
Feed premixes	96.76	89.38
Active pharma ingredients (API)	16.94	122.72
Tablets, capsules and injectables	63.61	13.58
	1,980.53	**1,740.18**

(₹ in million)

	For the year ended 31 March 2015	For the year ended 31 March 2014
28. CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE		
Stock at close -Work-in-progress	469.21	1,522.26
Stock at close -Finished goods	871.69	1,327.21
Stock at close -Stock-in-trade	20.67	18.76
	1,361.57	**2,868.23**
Stock at commencement -Work-in-progress	1,522.26	1,153.02
Stock at commencement -Finished goods	1,327.21	1,434.81
Stock at commencement -Stock-in-trade	18.76	68.33
	2,868.23	**2,656.16**
Decrease/ (increase) in stocks	1,506.66	(212.07)
Less: Adjustment on account of sale of businesses (Refer note 38)	(767.79)	–
	738.87	**(212.07)**
28.1 BREAK-UP OF INVENTORIES		
Break-up of work-in-progress		
Organic chemicals including specialty chemicals and its intermediates	453.58	903.11
Dry and aqueous choline chloride	15.63	16.52
Active pharma ingredients (API)	–	501.49
Tablets, capsules and injectables	–	101.14
	469.21	**1,522.26**
Break-up of finished goods		
Organic chemicals including specialty chemicals and its intermediates	851.27	974.04
Feed premixes	11.54	9.25
Dry and aqueous choline chloride	8.88	32.80
Active pharma ingredients (API)	–	273.94
Tablets, capsules and injectables	–	37.18
	871.69	**1,327.21**
Break-up of stock-in-trade		
Organic chemicals including specialty chemicals and its intermediates	4.20	4.31
Feed premixes	4.02	9.43
Active pharma ingredients (API)	–	5.02
Tablets, capsules and injectables	12.45	–
	20.67	**18.76**

(₹ in million)

	For the year ended 31 March 2015	For the year ended 31 March 2014
29. EMPLOYEE BENEFITS EXPENSE		
Salaries, wages, bonus, gratuity and allowances (Refer note 51)	2,154.72	2,661.13
Contribution to provident, superannuation and other funds (Refer note 51)	123.48	141.18
Staff welfare expenses	130.08	180.01
	2,408.28	**2,982.32**

Notes to the financial statements for the year ended 31 March 2015 (Continued)

(₹ in million)

	For the year ended 31 March 2015	For the year ended 31 March 2014
30. FINANCE COSTS*		
Interest expense	2,094.10	2,635.82
Other borrowings cost	69.52	20.86
Exchange difference to the extent considered as an adjustment to borrowing cost	107.34	119.23
	2,270.96	**2,775.91**

*(Refer note 45)

(₹ in million)

	For the year ended 31 March 2015	For the year ended 31 March 2014
31. OTHER EXPENSES		
Power and fuel	3,288.31	3,601.69
Stores, spares, chemicals and packing materials consumed	1,342.84	1,518.48
Processing charges	149.23	138.19
Excise duty related to increase/decrease in inventory of finished goods	7.60	(36.01)
Rent (Refer note 44)	130.06	117.41
Rates and taxes	64.20	139.15
Insurance	50.48	81.34
Advertisement, publicity and sales promotion	60.80	82.05
Travelling and other incidental expenses	191.60	220.64
Repairs		
– Building	43.93	50.14
– Machinery	790.61	756.35
– Others	84.97	84.92
Office expenses	101.35	123.94
Vehicle running and maintenance	25.20	23.69
Printing and stationery	17.68	25.77
Communication expenses	33.11	38.90
Staff recruitment and training	30.93	36.68
Donation (Refer note 41)	81.35	65.03
Auditors Remuneration – As Auditors	2.00	2.40
– For tax audit	0.50	0.60
– For certification and other services	3.34	(1) 5.03
– Out of pocket expenses	–	(1) 0.27
Legal professional and consultancy charges	77.72	248.84
Freight and forwarding (including ocean freight)	414.58	464.66
Directors' sitting fees	1.46	0.41
Subscription	21.05	43.89
Miscellaneous expenses	49.64	11.76
Bank charges	61.98	72.04
Discounts and claims to customers and other selling expenses	39.78	71.38
Commission on sales	75.42	69.01
Loss on sale/disposal/discard of fixed assets (net)	–	11.33
	7,241.72	**8,069.98**

(1) Includes ₹ 3.53 million in respect of erstwhile auditors.

Notes to the financial statements for the year ended 31 March 2015 (Continued)

	%	₹ in million	%	₹ in million
31.1 PARTICULARS OF IMPORTED AND INDIGENOUS STORES, SPARES, CHEMICALS CONSUMED				
Imported	13.18	176.96	12.73	193.39
Indigenous	86.82	1,165.88	87.27	1,325.09
	100.00	**1,342.84**	**100.00**	**1,518.48**

(₹ in million)

	For the year ended 31 March 2015	For the year ended 31 March 2014
31.2 RESEARCH AND DEVELOPMENT EXPENSES (EXCLUDING FINANCE COST, DEPRECIATION AND AMORTISATION) COMPRISES AS MENTIONED HEREUNDER:		
Cost of material consumed	58.91	185.19
Employee benefits expense	203.67	433.53
Utilities-power	16.29	33.39
Other expenses	147.88	511.42
	426.75	**1,163.53**
Less: Transferred to Intangibles/assets under development	(175.28)	(624.66)
Balance charged to revenue	**251.47**	**538.87**

(₹ in million)

	For the year ended 31 March 2015	For the year ended 31 March 2014
32. EXCEPTIONAL ITEMS		
Amortisation of Foreign Currency Monetary Item Translation Difference Account (FCMITDA)	447.52	1,000.21
Mark-to-market (gain)/loss in respect of currency and interest rate swap contracts and forward covers outstanding (Refer note 50(iii))	(167.60)	764.55
Foreign exchange (gain)/ loss	(275.28)	422.53
Impairment of intangibles	–	25.56
Profit on sale of businesses (Refer note 38)	(2,754.28)	–
Profit on sale of investments (Refer note 38)	(1,650.77)	–
Loans and advances irrecoverable written off (Refer note 35)	1,866.18	–
Other litigation expenses	–	55.78
Loss on write off of idle assets (Refer note 46)	552.01	–
	(1,982.22)	**2,268.63**

33. Commitments as at year end:

a) **Capital Commitments:**

Estimated amount of contracts remaining to be executed on capital account (Net of advances) ₹ 147.89 million (Previous year ₹ 239.89 million).

b) **Other Commitments:**

I) Export obligation under Advance License Scheme/DFIA scheme on duty free import of specific raw materials, remaining outstanding is ₹ 3,213.44 million (Previous year ₹ 6,125.53 million).

II) Outstanding export obligation amounting to ₹ 1,202.78 million (Previous year ₹ 2,663.57 million), against equivalent supplier advance received from a step down wholly owned subsidiary.

III) For lease commitments refer note 44.

Notes to the financial statements for the year ended 31 March 2015 (Continued)

34. Contingent liabilities to the extent not provided for:

A. Guarantees:

i. The Company has given following corporate guarantee on behalf of its subsidiaries to secure financial facilities :

Particulars	Bank	As at 31 March 2015	As at 31 March 2014
Jubilant HollisterStier Inc.	ICICI Bank Canada		
Outstanding as at the beginning of year		USD 4.20 million	USD 20.93 million
Provided during the year		–	–
Settled/expired during the year		USD 4.20 million	USD 16.73 million
Outstanding as at the end of year		–	USD 4.20 million
Jubilant Life Sciences International Pte. Limited	ICICI Bank Limited Singapore		
Outstanding as at the beginning of year		–	SGD 22.00 million
Provided during the year		–	–
Settled/expired during the year		–	SGD 22.00 million
Outstanding as at the end of year		–	–

Total effective guarantee as on 31 March 2015 is ₹ Nil (Previous year ₹ 251.78 million)

ii. Outstanding guarantees furnished by banks on behalf of the Company are ₹ 433.63 million (Previous year ₹ 518.27 million).

B. Claims against Company, disputed by the Company, not acknowledged as debt:

(₹ in million)

Particulars	As at 31 March 2015	As at 31 March 2014
Central Excise	1,138.57	1,093.17
Customs	18.61	11.49
Sales Tax	56.47	51.59
Income Tax	505.77	563.52
Service Tax	7.48	222.68
Others	332.16	27.19

Excluding claims in respect of businesses transferred in current year to Jubilant Generics Limited (Refer note 38) and claims in respect of business transferred in earlier year to Jubilant Industries Limited in accordance with the demerger scheme approved by the Hon'ble Allahabad High Court, though the litigations may be continuing in the name of the Company.

Future cash outflows in respect of the above matters as well as for matters listed under 34(C) below are determinable only on receipt of judgments/decisions pending at various stages/forums.

C. Other contingent liabilities as at 31 March 2015:

i. Liability in respect of bills discounted with banks is ₹ 447.01 million (Previous year ₹ 699.85 million).

ii. The Company's writ petition against the levy of transport fee by the State of Maharashtra on consumption of rectified spirit and molasses within Nira factory has been allowed by the Hon'ble Bombay High Court with consequential refund. The Company has filed a refund claim for an amount of ₹ 2.51 million (Previous year ₹ 2.51 million) deposited during the period when the dispute was pending before the High Court. The total amount of disputed transport fee is ₹ 209.13 million (Previous year ₹ 193.06 million). The State of Maharashtra has filed a special leave petition in the Supreme Court and has sought a stay on the operation of the High Court order.

Notes to the financial statements for the year ended 31 March 2015 (Continued)

iii. The Company has challenged before the Hon'ble Allahabad High Court, the increase in denaturing fee by the State of Uttar Pradesh w.e.f 1 April 2004 on denaturing of rectified spirit in the Gajraula factory and the writ petition has been admitted by the court. The Company has deposited ₹ 25.55 million (Previous year ₹ 24.45 million) under protest which is shown as deposits.

iv. Zila Panchayat at J.P. Nagar (in respect of the Company's Gajraula plant) served a notice demanding a compensation of ₹ 277.40 million (Previous year ₹ 277.40 million) allegedly for, percolation of poisonous water stored in lagoons and flowing through the land of Zila Panchayat resulting in loss of crops and cattle of the farmers and for putting poisonous fly ash on national highway which caused loss to the health and damages to eyes and skin of people.

District Magistrate issued a recovery certificate along with 10% collection charges inflating the demand to ₹ 305.14 million (Previous year ₹ 305.14 million). In the opinion of the Company, the Zila Panchayat has no jurisdiction in raising this demand. The demand was challenged in Hon'ble Allahabad High Court and the court stayed the demand till further orders.

v. The Company has challenged, before the Hon'ble Allahabad High Court, the levy of license fees of ₹ 2.87 million (Previous year ₹ 2.87 million) by State of Uttar Pradesh, for grant of PD-2 license for manufacture of ethyl alcohol for industrial use. The writ petition has been admitted and is being listed for final hearing. Though the amount has been deposited and shown as such, no provision against this has been made as the issue is covered by the earlier favorable judgment of the Hon'ble Supreme Court of India.

vi. The State of Uttar Pradesh (UP) has imposed levy on import of denatured spirit into the State of Uttar Pradesh (UP). The Company has imported denatured spirit into the State of Uttar Pradesh and has challenged levy amounting to ₹ 90.00 million (Previous year ₹ 90.00 million) before Hon'ble Allahabad High Court. The writ petition has been allowed by the High Court in favour of the Company. The State of Uttar Pradesh filed a special leave petition (SLP) with Hon'ble Supreme Court. The SLP has been admitted but the Hon'ble Supreme Court has declined the request of the State of Uttar Pradesh (UP) to stay the operation of High Court Order.

vii. The Hon'ble Supreme Court has quashed the levy of license fee by State of Uttar Pradesh on captive consumption of denatured spirit in the Gajraula factory, and has ordered the refund of the fee paid during the period of dispute subject to condition that the amount has not been collected from the Company's customers. Further the Court has directed the State to investigate whether the Company has collected the disputed fee from its customers to the extent bank guarantees were furnished.

The Company is entitled to a refund of ₹ 84.06 million (Previous year ₹ 84.06 million) as the amount paid during the period of dispute or secured by bank guarantees was not collected from its customers. Accordingly the Company has approached the State of Uttar Pradesh for the refund of the said amount. The amount paid has been shown as deposit.

viii. A group of villagers from Nira in Pune District, State of Maharashtra had filled a Public Interest Litigation against the Company on account of ground water contamination against which National Green Tribunal (NGT), Pune Bench passed an order on 16 May 2014. In this order, NGT has instructed the Company to comply with the recommendations of National Environmental Engineering Research Institute (NEERI), Maharashtra Pollution Control Board (MPCB) and Central Ground Water Board (CGWB) to ensure zero discharge and remediation to contaminated ground water. NGT in its order has also instructed the district authority to form a committee to conduct an enquiry around 2 Km radius of Nira unit to ascertain extent of loss and recommend the loss if any, caused to agriculturist due to effluent discharge to Nira river and asked Company to deposit adhoc amount of ₹ 2.50 million (Previous year ₹ 2.50 million) with the Collector of Pune. During current year Company deposited the above amount with the Collector of Pune. The report of the nominated committee is awaited.

ix. Additionally, the Company is involved in other disputes, lawsuits, claims, governmental and/ or regulatory inspections, inquiries, investigations and proceedings, including commercial matters that arise from time to time in the ordinary course of business. The Company believes that none of these matters, either individually or in aggregate, are expected to have any material adverse effect on its financial statements.

Notes to the financial statements for the year ended 31 March 2015 (Continued)

35. Loans to subsidiary companies, including interest accrued thereon pursuant to information required to be disclosed under clause 32 of listing agreement [Refer note 53(32) and 53(33)]:

(₹ in million)

Particulars	Outstanding amount (including interest accrued thereon)		Maximum balance outstanding during the year	
	As at 31 March 2015	As at 31 March 2014	2015	2014
Jubilant Biosys Limited*	–	1,727.76	1,866.18	1,727.76
Jubilant Pharma Limited	845.03	920.02	975.72	959.01
Jubilant Pharma Holding Inc.	–	527.14	1,421.64	537.22

The above companies have not invested in the securities of the Company.

* During the year ended 31 March 2015, the Company has written off loan amounting to ₹ 1,513.80 million and outstanding accrued interest thereon ₹ 352.38 million, given to a subsidiary on recoverability assessment. However, the Company will continue to pursue the recoverability of the same.

36. Disclosure pursuant to section 186(4) of the Companies Act, 2013 in respect of unsecured loans to subsidiary companies [Refer note 53(32)]:

(₹ in million)

Particulars	Purpose/Term of loan	As at 31 March 2015	As at 31 March 2014
Jubilant Biosys Limited (denominated in INR)	General business purpose and interest rate ranging 7.5% to 12% p.a.		
Outstanding as at the beginning of year		1,513.80	1,513.80
Given during the year		–	–
Repaid during the year		–	–
Written-off during the year		1,513.80	–
Outstanding as at the end of year		–	1,513.80
Jubilant Pharma Limited (denominated in USD)	General business purpose and interest rate upto 5% p.a.		
Outstanding as at the beginning of year		916.62	570.04
Given during the year		–	312.85
Repaid during the year		124.10	18.44
Currency translation adjustment		38.73	52.17
Outstanding as at the end of year		831.25	916.62
Jubilant Pharma Holdings Inc. (denominated in USD)	General business purpose and interest rate 5% p.a.		
Outstanding as at the beginning of year		521.22	–
Given during the year		776.65	542.01
Repaid during the year		1,349.58	–
Currency translation adjustment		51.71	(20.79)
Outstanding as at the end of year		–	521.22

37. Micro, Small and Medium Enterprises

There are no Micro, Small and Medium Enterprises, to whom the Company owes dues, which are outstanding for more than 45 days as at 31 March 2015. The information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED) has been determined to the extent such parties have been identified on the basis of information available with the Company.

Notes to the financial statements for the year ended 31 March 2015 (Continued)

(₹ in million)

Particulars	As at 31 March 2015	As at 31 March 2014
Principal amount payable to suppliers at the year end	18.65	12.01
Interest due on the remaining unpaid amount to the suppliers as at the end of the year	–	–
Amount of interest paid by the Company in terms of Section 16 of the MSMED, along with the amount of the payment made to the supplier beyond the appointed day during the accounting year	–	–
Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED	–	–
Amount of interest accrued and remaining unpaid at the end of the accounting year	–	–
Amount of further interest due and payable in the succeeding year	–	–

38. During the current year, the Company completed the Pharma consolidation under its wholly owned subsidiary Jubilant Pharma Limited Singapore (JPL). Under Pharma consolidation:

(i) the Company has transferred, with effect from 1 July 2014, its Active Pharmaceutical Ingredients and Dosage Forms business to Jubilant Generics Limited (JGL), a wholly owned Subsidiary of JPL, by way of a slump sale on going concern basis for a lump sum consideration of ₹ 9,293.00 million (net of debts of ₹ 3,923.00 million) and the profit on sale of such businesses amounting to ₹ 2,754.28 million has been classified under exceptional items. The Company has reversed net Deferred Tax Liabilities amounting to ₹ 1,642.96 million relating to the sold businesses in its books of account. A portion of the consideration, to the extent discharged, was paid directly to lenders of the company.

(ii) the Company has transferred shares held by it in Jubilant Pharma Holding Inc, USA and Jubilant Pharma NV, Belgium to JGL, for a consideration of ₹ 2,158.00 million (net of debts of ₹ 1,897.00 million) and the profit on sale of such shares amounting to ₹ 1,650.77 million has been classified under exceptional items. A portion of the consideration was paid directly to lenders of the company.

Accordingly, the Active Pharmaceutical Ingredients (API) and Dosage Forms business of the Company has been treated as discontinuing operations for the purpose of these financial reporting. The required relevant information for these discontinued operations which has been derived on the basis of assumptions used and available information is as below:

(₹ in million)

Particulars	31 March 2015	31 March 2014
Total revenue	2,007.07	8,082.05
Total expenditure	1,913.37	6,986.85
Profit before tax	93.70	1,095.20
Tax expense	22.90	157.30
Profit after tax	70.80	937.90
Total assets	–	11,961.28
Total liabilities	–	1,478.55
Net assets	–	10,482.73

Net cash flows attributable to the above discontinued operations are as follows:

(₹ in million)

Particulars	For the year ended 31 March 2015	For the year ended 31 March 2014
Net cash flows from operating activities	392.15	1,292.19
Net cash flows from investing activities	(199.20)	(1,104.58)
Net cash flows from financing activities	(200.26)	(190.46)

39. Other operating revenues are in the nature of export incentives, scrap sales, etc.

Notes to the financial statements for the year ended 31 March 2015 (Continued)

40. During the current year, pursuant to the Companies Act, 2013 ('the Act') being effective from 1 April 2014, the Company has revised depreciation rates on fixed assets as per the useful life specified in Part 'C' of Schedule II of the Act. As a result of this change, the depreciation charge for the year ended 31 March 2015 is lower by ₹ 243.52 million. Further, based on the transitional provision provided in Note 7(b) of the Schedule II an amount of ₹ 85.41 million (after adjustment for related tax impact of ₹ 45.21 million) has been debited to opening balance of retained earnings in respect of the fixed assets where life has expired as per the said Schedule as on 31 March 2014.

41. Donation includes ₹ Nil (Previous year ₹ 38.80 million) to Satya Electoral Trust during the year.

42. Employee Stock Option Scheme

The Company has two stock option plans in place namely:

– Jubilant Employees Stock Option Plan, 2005 ("Plan 2005")

– JLL Employees Stock Option Plan, 2011 ("Plan 2011")

The Nomination, Remuneration and Compensation Committee ('Committee') of the Board of Directors which comprises a majority of Independent Directors is responsible for administration and supervision of the Stock Option Plans.

Under Plan 2005, as amended, and under Plan 2011, upto 1,100,000 Stock Options and upto 5,352,000 Stock Options, respectively, can be issued to eligible directors (other than promoter directors) and other specified categories of employees of the Company/ subsidiaries. Options are to be granted at market price. As per the SEBI guidelines, the market price is taken as the closing price on the day preceding the date of grant of options, on the stock exchange where the trading volume is the highest. Under Plan 2005, each option, upon vesting, shall entitle the holder to acquire five equity shares of ₹ 1 each. Options granted upto 28 August 2009 will vest entirely within two years from the grant date, with certain lock-in provisions. Options granted after 28 August 2009 will vest gradually over a period of 5 years from the grant date, without any lock-in provisions.

Under Plan 2011, each option, upon vesting, shall entitle the holder to acquire one equity share of ₹ 1 each. Options granted will vest gradually over a period of 3 years from the grant date. Vesting of Options is a function of achievement of performance criteria or any other criteria, as specified by the Committee and communicated in the grant letter.

Summary of vesting and lock-in provisions are given below:

Sr. No	PLAN 2005						PLAN 2011		
	Vesting schedule (With lock in) Applicable for grants made upto 28 August 2009			Vesting schedule (Without lock in) Applicable for grants made after 28 August 2009			Vesting schedule		
	% of options scheduled to vest	Vesting date	Lock-in period	% of options scheduled to vest	Vesting date	Lock-in period	% of options scheduled to vest	Vesting date	Lock-in period
1.	10	1 year from grant date	Nil	10	1 year from grant date	Nil	20	1 year from grant date	Nil
2.	15	2 years from grant date	Nil	15	2 years from grant date	Nil	30	2 years from grant date	Nil
3.	20	2 years from grant date	1 year from vesting date	20	3 years from grant date	Nil	50	3 years from grant date	Nil
4.	25	2 years from grant date	2 years from vesting date	25	4 years from grant date	Nil			
5.	30	2 years from grant date	3 years from vesting date	30	5 years from grant date	Nil			

In 2008-09, members approved constitution of Jubilant Employees Welfare Trust ('Trust') for the purpose of acquisition of equity shares of the Company from the Secondary market or subscription of shares from the Company, to hold the shares and to allocate/transfer these shares to eligible employees of the Company/subsidiaries from time to time on the terms and

Notes to the financial statements for the year ended 31 March 2015 (Continued)

conditions specified under respective Plans. The members authorised grant of loan(s) from time to time to the Trust in one or more tranches, upto ₹ 1,000 million either free of interest or at interest agreed between the Board and the Trust. The outstanding loan to the Trust as at 31 March 2015 is ₹ 410.39 million (Previous year ₹ 424.89 million). Also refer note 43.

Upto 31 March 2014, the Trust has purchased 6,363,506 equity shares of the Company from the open market, out of interest free loan provided by the Company, of which 1,530,010 shares were transferred to the employees on exercise of Options. The Trust has also been issued 192,086 equity shares of Jubilant Industries Limited in accordance with the Scheme of Amalgamation and Demerger amongst the Company, Jubilant Industries Limited and others. There is no movement in these numbers during the year ended 31 March 2015.

The movement in the stock options under both the Plans, during the year, is set out below:

Under Plan 2005

Particulars	For the year ended 31 March 2015		For the year ended 31 March 2014	
	Number of options	Weighted average exercise price (₹)	Number of options	Weighted average exercise price (₹)
Outstanding at the beginning of the year	132,684	223.90	145,443	227.05
Forfeited during the year	(27,189)	228.46	(12,759)	259.78
Outstanding at the end of the year	105,495	222.73	132,684	223.90
Exercisable at the end of the year	105,495	222.73	127,966	223.98

** The Board has decided that no further grants will be made under Plan 2005.*

Under Plan 2011

Particulars	For the year ended 31 March 2015		For the year ended 31 March 2014	
	Number of options	Weighted average exercise price (₹)	Number of options	Weighted average exercise price (₹)
Outstanding at the beginning of the year	1,428,939	210.49	1,585,055	210.47
Granted during the year	–	–	12,187	176.00
Forfeited during the year	(316,633)	209.38	(168,303)	207.81
Outstanding at the end of the year	1,112,306	210.80	1,428,939	210.49
Exercisable at the end of the year	771,930	207.07	403,811	206.58

The Company has opted for intrinsic value method of accounting for Employee Stock Options. As market price of the options is equal to the exercise price on the date of grant, intrinsic value is ₹ Nil. Hence, there is no cost charged to the Statement of Profit and Loss on account of options granted to employees under the Employee Stock Option Plans of the Company.

The Company has granted stock options to certain senior executives of its subsidiaries/step down subsidiaries under the following stock option schemes:

Under Plan 2005, options outstanding at the end of the year:

Particulars	As at 31 March 2015		As At 31 March 2014	
	Number of options	Weighted average exercise price (₹)	Number of options	Weighted average exercise price (₹)
Jubilant Infrastructure Limited	800	314.35	800	314.35
Jubilant Generics Limited**	12,600	254.80	–	–
Jubilant Cadista Pharmaceuticals Inc.	1,877	201.33	1,877	201.33
Jubilant HollisterStier LLC	1,100	273.55	1,100	273.55
Jubilant DraxImage Inc.	–	–	1,832	201.33
Jubilant Agri and Consumer Products Limited*	16,648	222.03	21,474	221.03

Notes to the financial statements for the year ended 31 March 2015 (Continued)

* In respect of employees transferred in earlier year to Jubilant Industries Limited in accordance with the demerger scheme approved by the Hon'ble Allahabad High Court and subsequently transferred to Jubilant Agri and Consumer Products Limited, a subsidiary company of Jubilant Industries Limited.

Under Plan 2011, options outstanding at the end of the year:

Particulars	As at 31 March 2015		As at 31 March 2014	
	Number of options	Weighted average exercise price (₹)	Number of options	Weighted average exercise price (₹)
Jubilant Infrastructure Limited	19,437	212.61	21,006	213.23
Jubilant Generics Limited**	158,664	209.87	–	–
Drug Discovery and Development Solutions Limited	51,831	193.31	57,335	192.37
Jubilant HollisterStier LLC	–	–	62,594	211.59
Jubilant Life Sciences (Shanghai) Limited	7,562	212.65	12,512	210.93

** Represents options outstanding out of options granted to employees of the Company which were transferred to Jubilant Generics Limited on account of sale of businesses as explained in note 38.

Stock compensation expense in relation to stock options granted to employee of subsidiaries/ step-down subsidiaries is ₹ Nil (Previous year ₹ Nil).

If the Company had considered "fair value" of the options on the date of grant instead of the "intrinsic value", the effect on earnings per share would be as under:

Particulars		For the year ended 31 March 2015	For the year ended 31 March 2014
Profit for the year as reported in the Statement of Profit and Loss	(₹ in million)	2,051.10	8.24
Add: Employee stock compensation expense included in reported net profit	(₹ in million)	–	–
Less: Employee stock compensation expense determined under fair value method *	(₹ in million)	8.92	22.36
Pro forma net profit/(loss)	(₹ in million)	2,042.18	(14.12)
Basic and diluted earnings per share - as reported	(Rupees)	12.88	0.05
Basic and diluted earnings per share - adjusted pro forma	(Rupees)	12.82	(0.09)

* Net of employee stock compensation expense in relation to stock options granted to employees of subsidiaries.

The impact of differential stock compensation expense if the "fair value" of the options on the date of grant was considered instead of the "intrinsic value" on earnings per share for continuing operations is not material for the year.

Stock compensation expense under the Fair Value Method has been determined based on fair value of the stock options. The fair value of stock options was determined using the Black Scholes option pricing model with the following assumptions:

Particulars	Plan 2005	Plan 2011
Expected volatility	29.73% - 41.76%	38.36% - 45.95%
Risk free interest rate	7.52% - 9.44%	7.74% - 8.81%
Exercise price (₹)	198.55 - 359.25	170.20 - 220.90
Expected dividend yield	0.51% - 0.90%	0.63% - 1.10%
Life of options (years)	4.25	3.65
Weighted average fair value of options as at the grant date (₹)	94.18	84.90

43. During the previous year, the Company had changed its policy with respect to treatment of shares issued to Jubilant Employee Welfare trust ('Trust'). The Trust primarily holds equity shares of the Company which are to be transferred to employees of the Company and it's subsidiaries upon exercise of their stock options under various Employee Stock

Notes to the financial statements for the year ended 31 March 2015 (Continued)

Option Plans (ESOP) in force. As per an opinion of the Expert Advisory Committee ('EAC') of The Institute of Chartered Accountants of India (ICAI), as on the reporting date, the shares held by the trust but yet to be allotted to employees be shown as a deduction, from the Share Capital to the extent of face value of the shares and Securities Premium to the extent of amount exceeding face value of shares, with a corresponding adjustment to the, loan receivable from Trust, Capital Reserve (for the amount of profit on sale of shares) and Surplus (to the extent of dividend received net of operating expenses). Consequently, the face value of 4,833,496 equity shares held by trust as at 31 March 2014 amounting to ₹ 4.84 million was reduced from the share capital and the excess of net worth (after elimination of inter-company loans) of ₹ 420.00 million was adjusted from securities premium ₹ 577.59 million, capital reserve (₹ 104.77 million) and surplus (₹ 52.82 million).

During the current year, SEBI vide notification no. LAD-NRO/GN/2014-15/16/1729 dated 28 October 2014, has issued Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 ('new guidelines') repealing Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999. According to the new guidelines, any company implementing any of the share based schemes shall follow the requirements of the 'Guidance Note on Accounting for employee share-based Payments' (Guidance Note) or Accounting Standards as may be prescribed by the ICAI from time to time, including the disclosure requirements prescribed therein. As a consequence, since shares held by the Trust are purchased from market instead of direct issuance by the Company, the consolidation thereof as prescribed above, in these financial statements, has been discontinued and consequential adjustments have been made in the financial statements.

44. Leases:

a) The Company's significant operating lease arrangements are in respect of premises (residential, offices, godown etc.). These leasing arrangements, which are cancellable, range between 11 months and 3 years generally and are usually renewable by mutual agreeable terms. The aggregate lease rentals payable are charged as expenses. Rental expenses recognized under such leases are ₹ 93.24 million (Previous year ₹ 80.59 million).

b) The Company has significant operating lease arrangements which are non-cancellable for a fixed period of 25 years. The lease rental is subject to escalation whereby the Lessor is entitled to increase the lease rental by 10% of the average lease rental of preceding three years blocked period.

The schedule of future minimum lease rental payments in respect of non-cancellable operating leases is set out below:

(₹ in million)

Particulars	Minimum lease payments	
	As at 31 March 2015	As at 31 March 2014
Not later than one year	15.64	15.10
Later than one year but not later than five years	68.10	65.79
Later than five years	342.86	360.82

Rental expenses recognised under such leases during the year are ₹ 36.82 million (Previous year ₹ 36.82 million).

c) Assets acquired under finance lease:

The Company has taken vehicles under finance lease. Future minimum lease payments and their present values under finance leases are as follows:

(₹ in million)

Particulars	Minimum lease payments		Present value of minimum lease payments		Future interest	
	As at 31 March 2015	As at 31 March 2014	As at 31 March 2015	As at 31 March 2014	As at 31 March 2015	As at 31 March 2014
Not later than one year	12.91	14.28	10.56	11.78	2.34	2.50
Later than one year but not later than five years	13.93	14.66	11.85	13.11	2.08	1.55
Later than five years	–	–	–	–	–	–

There is no element of contingent rent or sub lease payments. The Company has option to purchase the assets at the end of the lease term. There are no restrictions imposed by these lease arrangements regarding dividend, additional debt and further leasing.

Notes to the financial statements for the year ended 31 March 2015 (Continued)

45. In line with the applicable Accounting Standards, during the year, finance costs amounting to ₹ 22.13 million (Previous year ₹ 80.37 million) and expenditure incurred on start up and commissioning of the project and/ or substantial expansion and development, including the expenditure incurred on trial runs (Net of trial run receipts, if any) up to the date of capitalisation amounting to ₹ 11.51 million (Previous year ₹ 16.10 million) have been capitalised.

46. During the current year, the Company has identified and written off idle assets of net book value (adjusted for net realizable value) amounting to ₹ 552.01 million on usability assessment, and the same has been reported under exceptional items. The realisable value of the same has been included under other current assets.

47. Consequent to re-evaluation of certain tax provisions pertaining to earlier years (including deferred taxes), tax benefit amounting to ₹ 591.86 million was recognised in the previous year.

48. Disclosure required by Accounting Standard 29 (AS-29) "Provisions, contingent liabilities and contingent assets"

Movement in provisions:

(₹ in million)

Sr. No.	Particulars of disclosure	Provision for MTM losses
1.	Balance at the commencement of the year	3,098.88 (2,031.12)
2.	Additional provision during the year	251.22 (1,202.11)
3.	Provision used during the year	3,350.10 (134.35)
4.	Balance at the end of the year	– (3,098.88)

Figures in ( ) are in respect of previous year.

49. The Company has opted for accounting the exchange difference arising on reporting of long term foreign currency monetary items in line with Para 46A of Accounting Standard 11 (AS-11) – "The Effects of Changes in Foreign Exchange Rates" notified by the Ministry of Corporate Affairs on 29 December 2011. Accordingly during year ended 31 March 2015, the Company has capitalised exchange difference amounting to ₹ 98.54 million (Previous year ₹ 281.00 million) to the cost of fixed assets and ₹ 117.11 million (Previous year ₹ 805.49 million) to foreign currency monetary item translation difference account (FCMITDA). During the year ₹ 447.52 million (Previous year ₹ 1,000.21 million) has been amortised to the Statement of Profit and Loss in terms of the said notification and balance of ₹ 150.32 million (Previous year ₹ 480.73 million) is carried in Balance Sheet as on 31 March 2015.

50. Hedging and derivatives instruments:

i) The Company uses various derivative instruments such as foreign exchange forward contracts, currency and interest rate swaps to selectively hedge its exposures to movement in foreign exchange rates and interest rates. These derivatives instruments are not used for speculative or trading purposes.

The following are the outstanding derivative contracts entered into by the Company:

Category	Currency	Cross Currency	Amount (in million)	Buy/Sell
As at 31 March 2015:				
Forward Contracts	USD	INR	USD 22.00	Sell
Forward Contracts	EUR	USD	EUR 3.69	Sell
As at 31 March 2014:				
Forward Contracts	USD	INR	USD 70.00	Sell
Currency and Interest Swap	INR	USD	USD 188.57	

Refer note (iv) below

Notes to the financial statements for the year ended 31 March 2015 (Continued)

ii) **Foreign currency exposure not hedged by derivative instrument:**

Amount (foreign currency in million)

	As at 31 March 2015		As at 31 March 2014	
Amount receivable on account of sale of goods and services and loans and advances	USD	46.59	USD	79.99
	EURO	2.24	EURO	10.57
	GBP	–	GBP	0.13
	CAD	2.05	CAD	1.94
	CHF	0.01	CHF	0.01
Amount payable on account of purchase of goods and services and loans	USD	156.89	USD	321.70
	JPY	–	JPY	0.15
	EURO	0.24	EURO	2.25
	GBP	–	GBP	0.03
	CAD	–	CAD	0.34
	CHF	0.01	CHF	–
Amount outstanding as balances with banks	USD	0.90	USD	25.15

The above foreign currency exposure excludes impact of forward contracts taken for hedging currency risk of highly probable forecasted transaction as per note (i) above maturing during the period of recoverability of receivable as per note (ii). For foreign currency exposure in relation to currency swap (including currency and interest rate swaps)- refer note (i) above.

iii) Mark-to-market gains amounting to ₹ 167.60 million (Previous year loss amounting to ₹ 764.55 million) in respect of currency and interest rate swaps contracts have been credited/ charged to the Statement of Profit and Loss. The accumulated mark-to-market losses on currency swaps (including currency and interest rate swaps) as at 31 March 2015 is ₹ Nil (Previous year ₹ 3,098.88 million).

iv) During the current year, the Company discontinued hedge accounting applied in respect of certain foreign currency transactions including forward contracts under Accounting Standard (AS) 30 "Financial Instruments: Recognition and Measurement" and the consequent financial impact is insignificant on the profit for the year had the Company continued to follow hedge accounting.

51. Employee benefits have been calculated as under:

(A) Defined Contribution Plans

a. Provident fund*

b. Superannuation fund

During the year the Company has contributed following amounts to:

(₹ in million)

Particulars	For the year ended 31 March 2015	For the year ended 31 March 2014
Employer's contribution to provident fund	6.24	6.86
Employer's contribution to employee's pension scheme 1995	26.10	23.49
Employer's contribution to superannuation fund	8.79	11.99

*For certain employees where provident fund is deposited with Government authorities i.e. Regional Provident Fund Commissioner.

Notes to the financial statements for the year ended 31 March 2015 (Continued)

c. State plans

During the year the Company has contributed following amounts to:

(₹ in million)

Particulars	For the year ended 31 March 2015	For the year ended 31 March 2014
Employer's contribution to employee's state insurance	1.10	2.82

(B) Defined Benefit Plans

i. Gratuity

In accordance with Accounting Standard 15 (AS-15) "Employee Benefits (Revised 2005)", an actuarial valuation has been carried out in respect of gratuity. The discount rate assumed is 7.74% p.a. (Previous year 9.40% p.a.) which is determined by reference to market yield at the Balance Sheet date on Government bonds. The retirement age has been considered at 58 years (Previous year 58 years) and mortality table is as per IALM (2006-08) (Previous year IALM (2006-08)).

The estimates of future salary increases, considered in actuarial valuation is 10% p.a. for first three years and 6% p.a. thereafter (Previous year 10% p.a. for first three years and 6% p.a. thereafter), taking into account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

The plans assets are maintained with Life Insurance Corporation of India in respect of gratuity scheme for certain employees of the Company. The details of investments maintained by Life Insurance Corporation are not available with the Company, hence not disclosed. The expected rate of return assumed on plan assets is 9.00% p.a. (Previous year 9.00% p.a.).

Reconciliation of opening and closing balances of the present value of the defined benefit obligation:

(₹ in million)

Particulars	31 March 2015	31 March 2014
Present value of obligation at the beginning of the year	406.11	329.04
Current service cost	35.93	43.53
Interest cost	35.21	26.32
Actuarial loss	19.07	44.65
Benefits paid	(34.19)	(37.43)
Adjustment on account of transfer of businesses (Refer note 38)	(89.24)	–
Present value of obligation at the end of the year	372.89	406.11

Reconciliation of the present value of defined benefit obligation and the fair value of the plan assets:

(₹ in million)

Particulars	31 March 2015	31 March 2014
Present value of obligation at the end of the year	372.89	406.11
Fair value of plan assets at the end of the year	(5.36)	(21.66)
Net liability recognised in the Balance Sheet	(367.53)	(384.45)

Cost recognised for the period (included under salaries, wages, allowances, bonus and gratuity):

(₹ in million)

Particulars	31 March 2015	31 March 2014
Current service cost	35.93	43.53
Interest cost	35.21	26.32
Actuarial loss	17.91	44.65
Expected return on plan assets	(0.76)	(1.61)
Net cost recognised during the year	88.29	112.89

Notes to the financial statements for the year ended 31 March 2015 (Continued)

Fair Value of Plan Assets:

(₹ in million)

Particulars	31 March 2015	31 March 2014
Plan assets at the beginning of the year	21.66	17.91
Expected return on plan assets	0.76	1.61
Contribution by employer	0.93	5.85
Actual benefits paid	(0.77)	(3.65)
Actuarial gain/(loss)	1.15	(0.06)
Adjustment on account of transfer of businesses (Refer note 38)	(18.37)	–
Plan assets at the end of the year	5.36	21.66

Company's best estimate of contribution during next year is ₹ 82.18 million (Previous year ₹ 101.84 million).

Experience adjustment:

(₹ in million)

Particulars	31 March 2015	31 March 2014	31 March 2013	31 March 2012	31 March 2011
Defined benefit obligation	372.89	406.11	329.04	277.70	241.63
Plan assets	5.36	21.66	17.91	12.64	9.96
Surplus/(deficit)	(367.53)	(384.45)	(311.13)	(265.06)	(231.67)
Experience adjustment of plan liabilities-(loss)/gain	13.28	(11.41)	(26.39)	(20.33)	34.81
Experience adjustment on plan assets-(loss)/gain	1.15	(0.08)	(0.85)	(0.90)	0.17

ii. **Provident Fund**

The guidance on implementation of AS-15, Employee Benefits (Revised 2005) issued by Accounting Standard Board (ASB) states that benefits involving provident funds, which require interest shortfall to be compensated, are to be considered as defined benefit plans. The actuary has worked out a liability of ₹ Nil (Previous year ₹ Nil) likely to arise towards interest guarantee. The trust is managing common corpus of some of the group companies. The total liability of ₹ Nil (Previous year ₹ Nil) as worked out by the actuary has been allocated to each entity based on the corpus value of each entity as on 31 March 2015. Accordingly, liability of ₹ Nil (Previous year ₹ Nil) has been allocated to Company and ₹ Nil (Previous year ₹ Nil) has been charged to Statement of Profit and Loss during the year. The Company has contributed ₹ 79.73 million (Previous year ₹ 115.16 million) to Provident Fund for the year.

(C) Other long-term benefits:

(₹ in million)

Particulars	31 March 2015	31 March 2014
Present value of obligation at the end of the year	179.41	220.88

52. Segment Reporting:

i) **Based on the guiding principles given in Accounting Standard 17 (AS-17) on " Segment Reporting", the Company's Primary Business Segments were organised around customers on industry and product lines as under:**

a. **Pharmaceuticals :** Generics comprising Active Pharmaceuticals Ingredients (APIs), Solid Dosage Formulations and Indian Branded Pharmaceuticals (Refer note 38).

b. **Life Sciences Ingredients :** i) Advance Intermediates and Specialty Ingredients ii) Life Sciences Chemicals iii) Nutritional Products.

ii) **In respect of Secondary Segment information, the Company has identified its geographical segments as:**

(i) Within India (ii) Outside India.

iii) **Inter segment transfer pricing**

Inter segment transfer prices are based on market prices.

Notes to the financial statements for the year ended 31 March 2015 (Continued)

iv) **The financial information about the primary business segments is presented in the table given below:**

(₹ in million)

	Particulars	Pharmaceuticals		Life Sciences Ingredients		Total	
		31 March 2015	31 March 2014	31 March 2015	31 March 2014	31 March 2015	31 March 2014
1)	**Segment revenue**	2,111.17	8,199.67	31,193.53	29,931.12	33,304.70	38,130.79
	Less: Inter segment revenue	–	–	9.16	35.66	9.16	35.66
	Less: Excise duty on sales	14.07	88.97	1,518.43	1,278.24	1,532.50	1,367.21
	Revenue from operations (net)	**2,097.10**	**8,110.70**	**29,665.94**	**28,617.22**	**31,763.04**	**36,727.92**
2)	**Segment results**	(97.48)	1,853.54	2,296.75	3,119.13	2,199.27	4,972.67
	Less : Interest (finance cost)					2,270.96	2,775.91
	Exceptional items and un-allocable expenditure (net of un-allocable income)					(2,534.66)	2,878.34
	Total profit/(loss) before tax	**(97.48)**	**1,853.54**	**2,296.75**	**3,119.13**	**2,462.97**	**(681.58)**
3)	**Capital employed**						
	(Segment assets - segment liabilities)						
	Segment assets	26.23	12,467.03	22,576.07	24,714.50	22,602.30	37,181.53
	Add: Unallocated assets					29,273.21	29,323.69
	Total assets	**26.23**	**12,467.03**	**22,576.07**	**24,714.50**	**51,875.51**	**66,505.22**
	Segment liabilities	68.76	1,560.30	7,017.23	8,412.24	7,085.99	9,972.54
	Add: Unallocated liabilities*					1,026.78	4,331.51
	Total liabilities	**68.76**	**1,560.30**	**7,017.23**	**8,412.24**	**8,112.77**	**14,304.05**
	Segment capital employed	(42.53)	10,906.73	15,558.84	16,302.26	15,516.31	27,208.99
	Add: Unallocated capital employed					28,246.43	24,992.18
	Total capital employed	**(42.53)**	**10,906.73**	**15,558.84**	**16,302.26**	**43,762.74**	**52,201.17**
4)	**Segment capital expenditure**	271.29	1,057.36	734.76	594.74	1,006.05	1,652.10
	Add: Unallocated capital expenditure					93.13	94.61
	Total capital expenditure	**271.29**	**1,057.36**	**734.76**	**594.74**	**1,099.18**	**1,746.71**
5)	**Depreciation and amortisation**	195.34	668.38	813.65	1,033.84	1,008.99	1,702.22
	Add: Unallocated Depreciation					65.15	50.65
	Total depreciation and amortisation (Refer note 40)	**195.34**	**668.38**	**813.65**	**1,033.84**	**1,074.14**	**1,752.87**

* Excluding long-term borrowings (including current maturities), short-term borrowings and deferred tax liabilities (net).

v) **Secondary segments (Geographical segments):**

(₹ in million)

	Particulars	31 March 2015	31 March 2014
a)	**Revenue from operations by geographical location of customers (net of excise duty)**		
	Within India	16,045.58	14,723.86
	Outside India	15,717.46	22,004.06
	Total	**31,763.04**	**36,727.92**
b)	**Carrying amount of segment assets (by geographic location of assets)**		
	Within India	33,422.68	43,030.64
	Outside India	18,452.83	23,474.58
	Total	**51,875.51**	**66,505.22**
c)	**Capital expenditure**		
	Within India	1,099.18	1,746.71
	Outside India	–	–
	Total	**1,099.18**	**1,746.71**

Notes to the financial statements for the year ended 31 March 2015 (Continued)

(₹ in million)

Particulars		31 March 2015	31 March 2014
d)	**Revenue from operations by geographical markets**		
	India	16,045.58	14,723.86
	Americas and Europe	9,832.95	13,980.27
	China	2,919.83	3,705.53
	Others	2,964.68	4,318.26
	Total	**31,763.04**	**36,727.92**

Notes:

1) The Company has disclosed Business Segment as the Primary Segment.
2) Segments have been identified and reported taking into account the nature of products and services, the differing risk and returns, the organisation structure and the internal financial reporting systems.
3) The Segment revenue, results, assets and liabilities include the respective amounts identifiable to each of the segments and amounts allocated on a reasonable basis.

53. Related Party Disclosures

1. Related parties where control exists:

a) Subsidiaries including step-down subsidiaries:

Jubilant Pharma Limited (formerly known as Jubilant Pharma Pte. Limited), Draximage Limited, Cyprus, Draximage Limited, Ireland, Draximage LLC, Jubilant DraxImage (USA) Inc., Deprenyl Inc., USA, Jubilant DraxImage Inc., 6963196 Canada Inc., 6981364 Canada Inc., DAHI Animal Health (UK) Limited, Draximage (UK) Limited, Jubilant Pharma Holdings Inc. (formerly known as Jubilant Life Sciences Holdings Inc.), Jubilant Clinsys Inc., Cadista Holdings Inc., Jubilant Cadista Pharmaceuticals Inc., Jubilant Life Sciences International Pte. Limited, HSL Holdings Inc., Jubilant HollisterStier LLC, Jubilant Life Sciences (Shanghai) Limited, Jubilant Pharma NV, Jubilant Pharmaceuticals NV, PSI Supply NV, Jubilant Life Sciences (USA) Inc., Jubilant Life Sciences (BVI) Limited, Jubilant Biosys (BVI) Limited, Jubilant Biosys (Singapore) Pte. Limited, Jubilant Biosys Limited, Jubilant Discovery Services Inc., Jubilant Drug Development Pte. Limited, Jubilant Chemsys Limited., Jubilant Clinsys Limited, Jubilant Infrastructure Limited, Jubilant First Trust Healthcare Limited, Asia Healthcare Development Limited (upto 3 March 2014), Jubilant Innovation (BVI) Limited, Jubilant Innovation Pte. Limited, Jubilant DraxImage Limited, Jubilant Innovation (India) Limited, Jubilant Innovation (USA) Inc., Jubilant HollisterStier Inc., Draxis Pharma LLC, Jubilant Generics Inc. (upto 22 December 2014), Jubilant Life Sciences (Switzerland) AG, First Trust Medicare Private Limited, Jubilant Drug Discovery & Development Services Inc., Vanthys Pharmaceutical Development Private Limited, Jubilant Life Sciences NV, Jubilant Generics Limited, Jubilant Pharma Trading Inc., Drug Discovery and Development Solutions Limited.

b) Other Entities:

Jubilant HollisterStier General Partnership Canada, Draximage General Partnership Canada (controlled through subsidiaries/step down subsidiaries).

2. Other Related parties with whom transactions have taken place during the year:

a) Enterprise over which certain key management personnel have significant influence:

Jubilant Enpro Private Limited, Jubilant Oil & Gas Private Limited, Jubilant FoodWorks Limited, Tower Promoters Private Limited, B&M Hot Breads Private Limited, Jubilant Industries Limited, Jubilant Agri and Consumer Products Limited, Jubilant Motors Private Limited, Jubilant Aeronautics Private Limited, Jubilant Fresh Private Limited, Sankur Chalets Private Limited.

b) Key management personnel:

Mr. Shyam S. Bhartia (upto 25 March 2015), Mr. Hari S. Bhartia, Mr. R. Sankaraiah, Mr. Shyamsundar Bang, Mr. Rajiv Shah (w.e.f. 16 February 2015), Mr. Lalit Jain (upto 31 January 2015).

c) Others:

Vam Employees Provident Fund Trust, Jubilant Employee Welfare Trust*, Jubilant Bhartia Foundation, Vam Officers Superannuation Fund.

*Refer note 43

Notes to the financial statements for the year ended 31 March 2015 (Continued)

3. Transactions with related parties during the year:

(₹ in million)

S. No.	Particulars	Subsidiaries	Enterprise over which certain key management personnel have significant influence	Key management personnel and relatives	Others
1.	Sale of goods and services	6,809.73 (9,874.90)	133.57 (201.32)		
2.	Rental and other income	90.99 (13.60)	79.43 (78.37)		
3.	Interest income	637.34 (163.86)			
4.	Purchase of goods and services	875.02 (826.87)	129.89 (120.16)		
5.	Recovery of expenses	596.48 (158.72)	19.14 (24.52)		
6.	Reimbursement of expenses	63.23 (174.20)	0.82 (–)		
7.	Remuneration and related expenses (2)			48.41 (42.27)	
8.	Payment of retiral dues on resignation			20.11 (–)	
9.	Company's contribution to PF Trust				79.73 (115.16)
10.	Company's contribution to superannuation fund				8.79 (11.99)
11.	Rent expenses		7.81 (57.49)		
12.	Donation				21.64 (17.20)
13.	Sharing of licensing fees	2.00 (42.89)			
14.	Lease rental expenses	15.10 (14.84)			
15.	Business sale consideration (net of debts of ₹ 3,923.00 million) (3)	9,293.00 (–)			
16.	Investment sale consideration (net of debts of ₹ 1,897.00 million) (3)	2,158.00 (–)			
17.	Sale of tangible/intangible assets		302.87 (–)		
18.	Business purchase consideration	– (87.00)			
19.	Purchase of tangible/intangible assets		1.46 (9.18)		
20.	Purchase of investments	– (2.91)			

Notes to the financial statements for the year ended 31 March 2015 (Continued)

(₹ in million)

S. No.	Particulars	Subsidiaries	Enterprise over which certain key management personnel have significant influence	Key management personnel and relatives	Others
21.	Investments in equity share capital	6.20 (272.70)			
22.	Interest expense on loans	104.38 (55.12)			
23.	Loans given	776.65 (854.86)			
24.	Loans received back	1,473.68 (18.44)			14.50 (–)
25.	Loan (including accrued interest) written off	1,866.18 (–)			
26.	Loans taken	50.60 (633.90)			
27.	Loans repaid	30.13 (70.20)			
28.	Advance from customers against goods/ assets	2,325.89 (4,484.41)	– (60.57)		
Balance as at 31 March 2015					
29.	Loans payable	1,106.37 (1,085.90)			
30.	Interest payable on loan	65.41 (58.16)			
31.	Trade and other payables	263.90 (382.25)	12.59 (9.67)		15.01 (18.54)
32.	Loans recoverable	831.25 (2,951.64)			410.39 (–)
33.	Interest recoverable	388.36 (223.28)			
34.	Trade receivables	1,108.43 (2,158.82)	8.46 (37.19)		
35.	Deposits recoverable		22.27 (21.00)		
36.	Other recoverables	4,424.28 (224.21)	15.52 (24.27)	– (129.07)	
37.	Advance from customers	1,202.78 (2,663.57)	– (60.57)		
38.	Financial guarantees on behalf of subsidiaries/step down subsidiaries and outstanding at the end of the year.	– (251.78)			
39.	Mortgage of land and building at Bharuch owned by one of subsidiaries as security against term loan.	Refer note 5.2 and 5.3			

Notes to the financial statements for the year ended 31 March 2015 (Continued)

Notes:

(1) Figures in ( ) indicates in respect of previous year.

(2) Excludes provision for gratuity and compensated absences, as these are determined on the basis of actuarial valuation for the Company as a whole.

(3) Refer note 38

Disclosure in respect of material related party transactions during the year:

1. Sale of goods and services to Jubilant Life Sciences (Shanghai) Limited ₹ 404.79 million (Previous year ₹ 602.27 million), Jubilant Life Sciences (USA) Inc. ₹ 761.69 million (Previous year ₹ 1,791.20 million), PSI Supply NV ₹ 55.85 million (Previous year ₹ 218.43 million), Jubilant Cadista Pharmaceuticals Inc. ₹ 197.97 million (Previous year ₹ 934.51 million), Jubilant Pharmaceuticals NV ₹ Nil (Previous year ₹ 1,491.32 million), Jubilant Chemsys Limited ₹ 15.92 million (Previous year ₹ 15.88 million), Jubilant Agri and Consumer Products Limited ₹ 133.57 million (Previous year ₹ 201.32 million), Jubilant Infrastructure Limited ₹ 3.08 million (Previous year ₹ 2.86 million), Jubilant Life Sciences International Pte. Limited ₹ 2,758.32 million (Previous year ₹ 3,198.42 million), Jubilant Life Sciences NV ₹ 2,556.43 million (Previous year ₹ 1,620.01 million) and Jubilant Generics Limited ₹ 55.68 million (Previous year ₹ Nil).

2. Rental and other income from Jubilant Chemsys Limited ₹ 7.04 million (Previous year ₹ 9.95 million), Jubilant Cadista Pharmaceuticals Inc. ₹ 0.55 million (Previous year ₹ 0.51 million), Jubilant HollisterStier LLC ₹ 1.75 million (Previous year ₹ 1.75 million), Jubilant DraxImage Inc. ₹ 0.40 million (Previous year ₹ 0.44 million), Jubilant HollisterStier General Partnership ₹ 0.95 million (Previous year ₹ 0.95 million), Jubilant Enpro Private Limited ₹ 9.18 million (Previous year ₹ 7.64 million), Jubilant Oil & Gas Private Limited ₹ 9.70 million (Previous year ₹ 5.28 million), Jubilant FoodWorks Limited ₹ 13.44 million (Previous year ₹ 13.51 million), Jubilant Industries Limited ₹ 0.18 million (Previous year ₹ 0.18 million), Jubilant Agri and Consumer Products Limited ₹ 46.21 million (Previous year ₹ 51.08 million), B&M Hot Breads Private Limited ₹ 0.71 million (Previous year ₹ 0.29 million), Jubilant Aeronautics Private Limited ₹ Nil (Previous year ₹ 0.30 million), Jubilant Biosys Limited ₹ 2.81 million (Previous year ₹ Nil), Jubilant Fresh Private Limited ₹ 0.01 million (Previous year ₹ 0.09 million), and Jubilant Generics Limited ₹ 77.49 million (Previous year ₹ Nil).

3. Interest income from Jubilant Biosys Limited ₹ 153.80 million (Previous year ₹ 153.80 million), Jubilant Pharma Limited ₹ 11.80 million (Previous year ₹ 4.01 million), Jubilant Pharma Holdings Inc. ₹ 55.55 million (Previous year ₹ 6.05 million) and Jubilant Generics Limited ₹ 416.19 million (Previous year ₹ Nil).

4. Purchase of goods and services from Jubilant Clinsys Limited ₹ Nil (Previous year ₹ 50.24 million), Jubilant Pharmaceuticals NV ₹ 9.56 million (Previous year ₹ 33.23 million), Jubilant Infrastructure Limited ₹ 846.42 million (Previous year ₹ 742.95 million), Jubilant Biosys Limited ₹ Nil (Previous year ₹ 0.45 million), Jubilant Agri and Consumer Products Limited ₹ 129.89 million (Previous year ₹ 120.16 million) and Jubilant Generics Limited ₹ 19.04 million (Previous year ₹ Nil).

5. Recovery of expenses from Jubilant Chemsys Limited ₹ 8.93 million (Previous year ₹ 8.08 million), Jubilant Cadista Pharmaceuticals Inc. ₹ 61.58 million (Previous year ₹ 9.85 million), Jubilant HollisterStier LLC ₹ 87.70 million (Previous year ₹ 23.98 million), Jubilant DraxImage Inc. ₹ 58.60 million (Previous year ₹ 5.33 million), Jubilant DraxImage Limited ₹ 0.34 million (Previous year ₹ Nil), Jubilant HollisterStier General Partnership ₹ 33.83 million (Previous year ₹ 12.73 million), Jubilant Clinsys Inc. ₹ Nil (Previous year ₹ 1.19 million), Jubilant Infrastructure Limited ₹ 155.47 million (Previous year ₹ 96.71 million), Jubilant Enpro Private Limited ₹ 0.09 million (Previous year ₹ Nil), Jubilant Oil & Gas Private Limited ₹ 1.32 million (Previous year ₹ 0.18 million), Jubilant Industries Limited ₹ Nil (Previous year ₹ 1.14 million), Jubilant Agri and Consumer Products Limited ₹ 17.73 million (Previous year ₹ 23.20 million), Jubilant Biosys Limited ₹ 10.68 million (Previous year ₹ Nil), PSI Supply NV ₹ 11.22 million (Previous year ₹ 0.04 million), Jubilant Pharmaceuticals NV ₹ Nil (Previous year ₹ 0.04 million), Jubilant Clinsys Limited ₹ 0.50 million (Previous year ₹ 0.77 million), Jubilant Life Sciences (USA) Inc. ₹ 0.42 million (Previous year ₹ Nil) and Jubilant Generics Limited ₹ 167.21 million (Previous year ₹ Nil).

6. Reimbursement of expenses to Jubilant Pharmaceuticals NV ₹ 43.87 million (Previous year ₹ 129.88 million), Jubilant Biosys Limited ₹ 0.14 million (Previous year ₹ 0.08 million), Jubilant Infrastructure Limited ₹ 0.01 million (Previous year ₹ 0.15 million), PSI Supply NV ₹ 2.19 million (Previous year ₹ 9.62 million), Jubilant DraxImage Inc. ₹ 2.07 million (Previous year ₹ 6.84 million), Jubilant HollisterStier LLC ₹ Nil (Previous year ₹ 1.15 million), Jubilant Cadista Pharmaceuticals Inc. ₹ 13.98 million (Previous year ₹ 15.36 million), Jubilant HollisterStier

Notes to the financial statements for the year ended 31 March 2015 (Continued)

General Partnership ₹ Nil (Previous year ₹ 0.03 million), Jubilant Clinsys Limited ₹ 0.35 million (Previous year ₹ 10.67 million), Jubilant Life Sciences NV ₹ 0.62 million (Previous year ₹ 0.42 million) and Jubilant Enpro Private Limited ₹ 0.82 million (Previous year ₹ Nil).

7. Remuneration and related expenses to Mr. R. Sankaraiah ₹ 39.95 million (Previous year ₹ 36.05 million), Mr. Lalit Jain ₹ 7.87 million (Previous year ₹ 6.22 million) and Mr. Rajiv Shah ₹ 0.59 million (Previous year ₹ Nil).
8. Payment of retiral dues (accrued over the years on the basis of actuarial valuation for the Company as a whole) on resignation made to Mr. Shyam S. Bhartia ₹ 20.11 million (Previous year ₹ Nil).
9. Company's contribution to Vam Employees Provident Fund Trust ₹ 79.73 million (Previous year ₹ 115.16 million).
10. Company's contribution to Vam Officers Superannuation Fund ₹ 8.79 million (Previous year ₹ 11.99 million).
11. Rent expenses to Jubilant Enpro Private Limited ₹ 7.81 million (Previous year ₹ 4.09 million), Tower Promoters Private Limited ₹ Nil (Previous year ₹ 52.00 million) and Sankur Chalets Private Limited ₹ Nil (Previous year ₹ 1.40 million).
12. Donation to Jubilant Bhartia Foundation ₹ 21.64 million (Previous year ₹ 17.20 million).
13. Sharing of licensing fees with Jubilant Pharmaceuticals NV ₹ 2.00 million (Previous year ₹ 42.89 million).
14. Lease rental to Jubilant Infrastructure Limited ₹ 15.10 million (Previous year ₹ 14.84 million).
15. Business sale consideration (net of debts of ₹ 3,923.00 million) from Jubilant Generics Limited ₹ 9,293.00 million (Previous year ₹ Nil).
16. Investment sale consideration (net of debts of ₹ 1,897.00 million) from Jubilant Generics Limited ₹ 2,158.00 million (Previous year ₹ Nil).
17. Sale of tangible/intangible assets to Jubilant FoodWorks Limited ₹ 302.87 million (Previous year ₹ Nil).
18. Business purchase consideration to Jubilant Clinsys Limited ₹ Nil (Previous year ₹ 87.00 million).
19. Purchase of tangible/intangible assets from Jubilant Motors Private Limited ₹ Nil (Previous year ₹ 5.32 million) and Jubilant Oil & Gas Private Limited ₹ 1.46 million (Previous year ₹ 3.86 million).
20. Purchase of investments being equity shares of Jubilant Life Sciences International Pte. Limited purchased from Jubilant Pharma Limited ₹ Nil (Previous year ₹ 2.91 million).
21. Investments in equity share capital of Jubilant Pharma Limited ₹ Nil (Previous year ₹ 264.89 million), Jubilant Life Sciences NV ₹ Nil (Previous year ₹ 7.81 million) and Drug Discovery and Development Solutions ₹ 6.20 million (Previous year ₹ Nil).
22. Interest expense on loans from Jubilant Infrastructure Limited ₹ 33.96 million (Previous year ₹ 21.75 million), Jubilant Clinsys Limited ₹ 3.83 million (Previous year ₹ 3.92 million), Jubilant First Trust Healthcare Limited ₹ 64.09 million (Previous year ₹ 26.34 million), Asia Healthcare Development Limited ₹ Nil (Previous year ₹ 0.74 million) and Vanthys Pharmaceutical Development Private Limited ₹ 2.50 million (Previous year ₹ 2.37 million).
23. Loans given to Jubilant Pharma Limited ₹ Nil (Previous year ₹ 312.85 million) and Jubilant Pharma Holdings Inc. ₹ 776.65 million (Previous year ₹ 542.01 million).
24. Loans received back from Jubilant Pharma Limited ₹ 124.10 million (Previous year ₹ 18.44 million), Jubilant Employee Welfare Trust ₹ 14.50 million (Previous year ₹ Nil) and Jubilant Pharma Holdings Inc. ₹ 1,349.58 million (Previous year ₹ Nil).
25. Loan (including accrued interest) to Jubilant Biosys Limited written off ₹ 1,866.18 million (Previous year ₹ Nil).
26. Loans taken from Jubilant Infrastructure Limited ₹ Nil (Previous year ₹ 130.00 million), Jubilant Clinsys Limited ₹ 15.00 million (Previous year ₹ 25.00 million), Jubilant First Trust Healthcare Limited ₹ 33.10 million (Previous year ₹ 478.90 million) and Vanthys Pharmaceutical Development Private Limited ₹ 2.50 million (Previous year ₹ Nil).
27. Loans repaid to Jubilant First Trust Healthcare Limited ₹ 20.13 million (Previous year ₹ 21.70 million), Asia

Notes to the financial statements for the year ended 31 March 2015 (Continued)

Healthcare Development Limited ₹ Nil (Previous year ₹ 8.50 million) and Jubilant Clinsys Limited ₹ 10.00 million (Previous year ₹ 40.00 million).

28. Advance against goods/assets from Jubilant Life Sciences International Pte. Limited ₹ Nil (Previous year ₹ 2,388.85 million), Jubilant Life Sciences NV ₹ 2,325.89 million (Previous year ₹ 2,095.56 million) and Jubilant FoodWorks Limited ₹ Nil (Previous year ₹ 60.57 million).

29. Loan payable to Jubilant Infrastructure Limited ₹ 357.50 million (Previous year ₹ 357.50 million), Jubilant Clinsys Limited ₹ 50.00 million (Previous year ₹ 45.00 million), Jubilant First Trust Healthcare Limited ₹ 671.37 million (Previous year ₹ 658.40 million) and Vanthys Pharmaceutical Development Private Limited ₹ 27.50 million (Previous year ₹ 25.00 million).

30. Interest on loans payable to Jubilant Infrastructure Limited ₹ 30.56 million (Previous year ₹ 20.08 million), Jubilant Clinsys Limited ₹ 3.45 million (Previous year ₹ 4.37 million), Jubilant First Trust Healthcare Limited ₹ 29.15 million (Previous year ₹ 31.58 million) and Vanthys Pharmaceutical Development Private Limited ₹ 2.25 million (Previous year ₹ 2.13 million).

31. Trade and other payables to Jubilant Clinsys Limited ₹ 87.00 million (Previous year ₹ 107.05 million), Jubilant Pharmaceuticals NV ₹ 12.45 million (Previous year ₹ 158.40 million), Jubilant Life Sciences USA Inc. ₹ 10.35 million (Previous year ₹ 9.92 million), Jubilant Cadista Pharmaceuticals Inc. ₹ Nil (Previous year ₹ 2.38 million), Jubilant Infrastructure Limited ₹ 133.19 million (Previous year ₹ 81.92 million), Jubilant Industries Limited ₹ 0.83 million (Previous year ₹ 0.97 million), Jubilant Agri and Consumer Products Limited ₹ 10.00 million (Previous year ₹ 8.70 million), PSI Supply NV ₹ 1.00 million (Previous year ₹ 12.21 million), Jubilant DraxImage Inc. ₹ Nil (Previous year ₹ 9.14 million), Jubilant HolisterStier General Partnership ₹ Nil (Previous year ₹ 0.12 million), Jubilant Oil & Gas Private Limited ₹ 1.44 million (Previous year ₹ Nil), B&M Hot Breads Private Limited ₹ 0.32 million (Previous year ₹ Nil), Jubilant Chemsys Limited ₹ Nil (Previous year ₹ 0.42 million), Jubilant Biosys Limited ₹ 0.27 million (Previous year ₹ 0.27 million), Jubilant Life Sciences NV ₹ 0.60 million (Previous year ₹ 0.42 million) and Jubilant Generics Limited ₹ 19.04 million (Previous year ₹ Nil), Vam Employees Provident Fund Trust ₹ 14.20 million (Previous year ₹ 17.58 million), Vam Officers Superannuation Fund ₹ 0.81 million (Previous year ₹ 0.96 million).

32. Loans recoverable from Jubilant Pharma Limited ₹ 831.25 million (Previous year ₹ 916.62 million), Jubilant Biosys Limited ₹ Nil (Previous year ₹ 1,513.80 million), Jubilant Pharma Holdings Inc. ₹ Nil (Previous year ₹ 521.22 million) and Jubilant Employee Welfare Trust ₹ 410.39 million (Previous year ₹ Nil).

33. Interest recoverable from Jubilant Pharma Limited ₹ 13.78 million (Previous year ₹ 3.40 million), Jubilant Biosys Limited ₹ Nil (Previous year ₹ 213.96 million), Jubilant Pharma Holdings Inc. ₹ Nil (Previous year ₹ 5.92 million) and Jubilant Generics Limited ₹ 374.58 million (Previous year ₹ Nil).

34. Trade receivables from Jubilant Pharmaceuticals NV ₹ Nil (Previous year ₹ 326.29 million), PSI Supply NV ₹ Nil (Previous year ₹ 109.59 million), Jubilant Life Sciences (USA) Inc. ₹ 83.26 million (Previous year ₹ 474.70 million), Jubilant Life Sciences (Shanghai) Limited ₹ 3.73 million (Previous year ₹ 239.59 million), Jubilant Cadista Pharmaceuticals Inc. ₹ Nil (Previous year ₹ 111.76 million), Jubilant Agri and Consumer Products Limited ₹ 8.46 million (Previous year ₹ 37.19 million), Jubilant Chemsys Limited ₹ 0.79 million (Previous year ₹ 0.01 million), Jubilant Infrastructure Limited ₹ 0.23 million (Previous year ₹ 0.15 million), Jubilant Life Sciences International Pte. Limited ₹ 889.15 million (Previous year ₹ 664.96 million), Jubilant Generics Limited ₹ 12.48 million (Previous year ₹ Nil) and Jubilant Life Sciences NV ₹ 118.79 million (Previous year ₹ 231.77 million).

35. Deposits recoverable from Tower Promoters Private Limited ₹ 21.00 million (Previous year ₹ 21.00 million) and Jubilant Enpro Private Limited ₹ 1.27 million (Previous year ₹ Nil).

36. Other recoverables from Jubilant Pharmaceuticals NV ₹ Nil (Previous year ₹ 58.93 million), Jubilant Cadista Pharmaceuticals Inc. ₹ 1.00 million (Previous year ₹ 1.18 million), Jubilant HollisterStier LLC ₹ 106.00 million (Previous year ₹ 15.15 million), Jubilant Clinsys Inc. ₹ 12.89 million (Previous year ₹ 12.34 million), Jubilant HollisterStier General Partnership ₹ 93.49 million (Previous year ₹ 68.13 million), Jubilant DraxImage Inc. ₹ 7.11 million (Previous year ₹ 46.66 million), Jubilant DraxImage Limited ₹ 7.09 million (Previous year ₹ 6.44 million), Jubilant Chemsys Limited ₹ 4.14 million (Previous year ₹ 13.41 million), Jubilant Oil & Gas Private Limited ₹ Nil (Previous year ₹ 1.96 million), Jubilant Agri and Consumer Products Limited ₹ 13.30 million (Previous year ₹ 13.32 million), B&M Hot Breads Private Limited ₹ 0.16 million (Previous year ₹ 0.06 million), Jubilant Biosys Limited ₹ 1.54 (Previous year ₹ Nil), Jubilant Life Sciences (Switzerland) AG Schaffhausen ₹ 0.85

Notes to the financial statements for the year ended 31 March 2015 (Continued)

million (Previous year ₹ 0.90 million), Jubilant FoodWorks Limited ₹ 1.97 million (Previous year ₹ 8.93 million), Jubilant Clinsys Limited ₹ Nil (Previous year ₹ 1.07 million), PSI Supply NV ₹ 6.72 million (Previous year ₹ Nil), Jubilant Generics Limited ₹ 4,183.45 million (Previous year ₹ Nil), Jubilant Enpro Private Limited ₹ 0.09 million (Previous year ₹ Nil), Mr. R. Sankaraiah ₹ Nil (Previous year ₹ 25.00 million) and remuneration recoverable from Mr. Shyam S. Bhartia ₹ Nil (Previous year ₹ 40.06 million), Mr. Hari S. Bhartia ₹ Nil (Previous year ₹ 40.05 million), Mr. Shyamsundar Bang ₹ Nil (Previous year ₹ 23.96 million).

37. Advance from Jubilant Life Sciences International Pte. Limited ₹ Nil (Previous year ₹ 1,908.52 million), Jubilant Life Sciences NV ₹ 1,202.78 million (Previous year ₹ 755.05 million) and Jubilant FoodWorks Limited ₹ Nil (Previous year ₹ 60.57 million).

38. Financial guarantees given on behalf of subsidiaries for Jubilant HollisterStier Inc. ₹ Nil (Previous year ₹ 251.78 million).

39. Mortgage of land and building at Bharuch owned by one of subsidiaries as security against term loan.

40. The Company has established a comprehensive system of maintenance of information and documents as required by the transfer pricing legislation under sections 92-92F of the Income-tax Act, 1961. Since the law requires existence of such information and documentation to be contemporaneous in nature, the Company is in the process of updating the documentation for the specified domestic transactions entered into with the specified persons and the international transactions entered into with the associated enterprises during the financial year and expects such records to be in existence before the due date of filing of income tax return. The management is of the opinion that its specified domestic transactions and international transactions are at arm's length so that the aforesaid legislation will not have any impact on the financial statements, particularly on the amount of tax expense and that of provision for taxation.

(₹ in million)

				For the year ended 31 March 2015	For the year ended 31 March 2014
54.	**(a)**	**Expenditure in foreign currency (on accrual basis)**			
		–	Legal, professional and consultancy charges	25.28	146.09
		–	Travel /entertainment expenses	29.27	28.77
		–	Commission on export sales	73.06	54.85
		–	Interest	345.16	601.02
		–	Product development expenses	58.63	127.16
		–	Trading goods	1,030.34	996.53
		–	Rates and taxes	28.18	108.41
		–	Others	73.01	118.82
	(b)	**Value of imports on C.I.F. basis**			
		–	Raw materials	9,586.97	8,980.93
		–	Store, spares, chemicals and packing material	666.99	541.47
		–	Capital goods	34.67	44.85
	(c)	**Remittance in foreign currency on account of final dividend**			
		a)	Amount of dividend remitted	16.71	16.71
		b)	Number of Non-resident shareholders	3.00	3.00
		c)	Number of equity shares held by Non-resident shareholders*	5,570,445	5,570,445
		d)	The year to which dividend related	2013-14	2012-13
			*excluding where dividend has been paid in Indian currency		
	(d)	**Earnings in foreign exchange (on accrual basis)**			
		–	Export sales-net of returns (FOB value)	15,648.10	21,932.65
		–	Towards services and other operating income	69.36	71.41
		–	Towards Interest income	67.39	0.04

Notes to the financial statements for the year ended 31 March 2015 (Continued)

			For the year ended 31 March 2015	For the year ended 31 March 2014
55.	**Earnings per share (EPS)**			
I.	Profit for the year for total operations	₹ in million	2,051.10	8.24
II.	Weighted average number of equity shares for earnings per share computation			
	A) For basic earnings per share	Nos.	159,281,139	159,281,139
	B) For diluted earnings per share:			
	No. of shares for basic earning per share as per II (A)	Nos.	159,281,139	159,281,139
	Add: weighted average outstanding options related to employee stock options.(Note1)	Nos.	Nil	Nil
	No. of shares for diluted earnings per share	Nos.	159,281,139	159,281,139
III.	Earnings per share - Basic and diluted (total operations)	Rupees	12.88	0.05
IV.	Profit/(loss) for the year for continuing operations	₹ in million	1,980.30	(929.66)
V.	Earnings per share - Basic and diluted (continuing operations)	Rupees	12.43	(5.84)

Note : 1) The shares held by Jubilant Employee Welfare Trust are in excess of employee stock option granted and outstanding. Therefore, the effect of outstanding employee stock options is Nil on computation of diluted EPS. (Refer note 43).

As per our report of even date attached

For and on behalf of the Board of Directors of **Jubilant Life Sciences Limited**

For **B S R & Co. LLP**
Chartered Accountants
ICAI Firm registration number : 101248W/W-100022

Pravin Tulsyan
Partner
Membership No.: 108044

Shyam S. Bhartia
Chairman

Place : Noida
Date : 12 May 2015

Rajiv Shah
Company Secretary

R. Sankaraiah
Executive Director-Finance

Hari S. Bhartia
Co-Chairman and Managing Director

Independent Auditor's Report

To the Members of Jubilant Life Sciences Limited

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Jubilant Life Sciences Limited (hereinafter referred to as 'the Holding Company'), its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), comprising the consolidated balance sheet as at 31 March 2015, the consolidated statement of profit and loss and consolidated cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (particularly Accounting Standard 21 - Consolidated Financial Statements). The respective Board of Directors of the entities 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 sub section 10 of Section 143 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 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 statutory auditors of subsidiary companies of the Holding Company which are incorporated in India is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31 March 2015, and their consolidated loss and their consolidated 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 sub-section 11 of Section 143 of the Act, based on the comments in the auditor's reports of the Holding Company and its subsidiary companies incorporated in India, we give in the Annexure a

Independent Auditor's Report (Continued)

statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. As required by sub-section 3 of Section 143 of the Act, we report, to the extent applicable, that:

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

   (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.

   (c) The consolidated balance sheet, the consolidated statement of profit and loss, and the consolidated cash flow statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

   (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

   (e) On the basis of the relevant assertion contained in the audit reports on standalone financial statements of the Holding Company and each of its subsidiary companies incorporated in India, none of the Directors of any such company are disqualified as on 31 March 2015 from being appointed as a Director of that company in terms of sub-section 2 of Section 164 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 consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group – Refer Note 32(B) and 32(C) to the consolidated financial statements;

      ii. Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivatives contracts – Refer note 47 to the consolidated financial statements; and

      iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies incorporated in India.

For **B S R & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 101248W/W-100022

Pravin Tulsyan
Partner
Membership No.: 108044

Place: Noida
Date: 12 May 2015

Annexure to the Auditor's Report

As stated in Para 1 of 'Report on Other Legal and Regulatory Requirements' in our Auditors' Report of even date, the following statement is based on the comments in the auditors' reports on the standalone financial statements of the Holding Company and its subsidiary companies incorporated in India.

(i) (a) The Holding Company and its subsidiary companies incorporated in India, other than those which do not have any fixed assets, are maintaining proper records showing full particulars, including quantitative details and situation of its fixed assets.

(b) The Holding company and its subsidiary companies incorporated in India, other than those which do not have any fixed assets, have a regular programme of physical verification of its fixed assets by which all the fixed assets are verified in a phased manner largely over a period of three years. In accordance with this programme, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. This periodicity of physical verification is reasonable having regard to the size and nature of assets of the respective company.

(ii) (a) The inventory, except goods-in-transit and stocks lying with third parties, has been physically verified during the current year by the respective management of the Holding Company and its subsidiary companies incorporated in India, other than those which do not have inventories due to nature of their operations. The frequency of such verification is reasonable. In respect of inventory lying with third parties at the year-end, written confirmations have been obtained for a substantial part of such inventory by the respective company.

(b) The procedures for the physical verification of inventories followed by the respective management as referred above are reasonable and adequate in relation to the size of the respective company and the nature of its business.

(c) The Holding Company and its subsidiary companies incorporated in India, other than those which do not have inventories, are maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and the book records were not material and have been properly adjusted in the book of account of the respective company.

(iii) The Holding Company and certain subsidiary companies incorporated in India have granted unsecured loans to parties covered in the register maintained under Section 189 of the Act which being intra-group transaction/ balances have been eliminated for the purpose of preparing these consolidated financial statements.

Of these, other than a loan of ₹ 1,866.18 million (including interest accrued thereon) given by the Holding Company which has been written off in its standalone financial statements on recoverability assessment:

a) The party is repaying the principal amount, as stipulated, and is also regular in payment of interest as applicable.

b) There is no overdue amount more than Rupees One Lakh.

The subsidiary companies incorporated in India other than referred above have not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under Section 189 of the Act.

(iv) In the opinion of and according to the information and explanations obtained by the statutory auditors of the Holding Company and its subsidiary companies incorporated in India, and having regard to the explanation that purchase of certain items of inventories and fixed assets of the Holding Company and certain subsidiary companies incorporated in India are of specialized requirements and similarly certain goods sold and services rendered by the Holding Company and certain subsidiary companies incorporated in India are for the specialized requirements of the buyers and suitable alternative sources are not available to obtain comparable quotations, there is an adequate internal control system in the Holding Company and its subsidiary companies incorporated in India commensurate with the respective size of each company and the nature of its business with regard to purchase of inventories and fixed assets and for the sale of goods and services to the extent applicable. No major weakness in the internal control system observed during the course of the audit by the statutory auditors of the Holding Company and its subsidiary companies incorporated in India.

(v) The Holding Company and its subsidiary companies incorporated in India have not accepted any deposits from the public.

Annexure to the Auditor's Report (Continued)

(vi) The statutory auditors of the Holding Company have broadly reviewed the books of account maintained by the Holding Company pursuant to the rules specified by the Central Government for maintenance of cost records under section 148(1) of the Act, in respect of its products and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, the statutory auditor have not carried out a detailed examination of the records with a view to determine whether these are accurate or complete.

The Central Government has not prescribed the maintenance of cost records under sub-section 1 of Section 148 of the Companies Act, 2013, for the products and services of subsidiary companies of the Holding Company which are incorporated in India.

(vii) (a) According to the information and explanations given to and on the basis of examination of the records of the Holding Company and its subsidiary companies incorporated in India by their respective statutory auditors, amounts deducted / accrued in the books of account in respect of 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, as applicable, have been regularly deposited with the appropriate authorities.

According to the information and explanations given to the statutory auditors of the Holding Company and its subsidiary companies incorporated in India, no undisputed amounts payable in respect of 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 were in arrears as at 31 March 2015 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to the statutory auditors of the Holding Company and its subsidiary companies incorporated in India, such dues of income-tax, service tax, duty of customs, duty of excise and value added tax have not been deposited with the appropriate authority on account of disputes are disclosed in Annexure 1. There are no dues of sales tax, wealth tax and cess which have not been deposited with the appropriate authorities on account of any dispute.

(c) According to the information and explanations given to and on the basis of examination by the statutory auditors of the records of the Holding Company and its subsidiary companies incorporated in India, the amount required to be transferred by the Holding Company to Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made thereunder has been transferred to such fund within time, while the subsidiary companies incorporated in India did not have any dues on account of Investor Education and Protection Fund.

(viii) The Holding Company and two of its subsidiary companies incorporated in India do not have any accumulated losses at the end of the financial year and have not incurred cash losses in the current financial year and in the immediately preceding financial year.

One subsidiary company incorporated in India has been registered for less than 5 years, accordingly paragraph (viii) of the Order is not applicable.

One subsidiary company incorporated in India on standalone basis has accumulated losses at the end of the financial year which is in excess of fifty percent of its net worth and has incurred cash losses in the financial year and in the immediately preceding financial year.

One subsidiary company incorporated in India on standalone basis has accumulated losses at the end of the financial year which is in excess of fifty percent of its net worth and has incurred cash losses in the financial year but has not incurred cash losses in the immediately preceding financial year.

Four subsidiary companies incorporated in India on standalone basis do not have any accumulated losses at the end of the financial year which is in excess of fifty percent of the respective net worth and have incurred cash losses in the financial year and in the immediately preceding financial year.

One subsidiary company incorporated in India on standalone basis has accumulated losses at the end of the financial year which is in excess of fifty percent of its net worth and has not incurred cash losses in the financial year and in the immediately preceding financial year.

Annexure to the Auditor's Report (Continued)

(ix) In the opinion of and according to the information and explanations given to the statutory auditors of the Holding Company and its subsidiary companies incorporated in India, the Holding Company has not defaulted in repayment of dues to its bankers or financial institutions. The Holding Company did not have any outstanding debentures during the year. The subsidiary Companies incorporated in India did not have any outstanding dues to any financial institution, bank or debenture holders during the year except for one subsidiary which has not defaulted in repayment of dues to its bankers or debenture holders.

(x) According to the information and explanations given to the statutory auditors of the Holding Company and its subsidiary companies incorporated in India, the terms and conditions of the guarantees given by the Holding Company for loans taken by a subsidiary company from banks are not prejudicial to the interest of the Holding Company. The subsidiary companies incorporated in India have not given any guarantees for the loans taken by others from bank. The Holding Company and its subsidiary companies incorporated in India have not given any guarantees for loans taken by others from financial institutions.

(xi) In the opinion of and according to the information and explanations given to the statutory auditors of the Holding Company and its subsidiary companies incorporated in India, the Holding Company has raised the term loans and have been applied for the purposes for which they were obtained. The subsidiary companies incorporated in India did not have any term loan outstanding during the year, except for one subsidiary where as per the information given to the respective statutory auditor, the term loan have been applied for the purpose for which they were obtained.

(xii) According to the information and explanations given to the statutory auditors of the Holding Company and its subsidiary companies incorporated in India, no fraud on or by each of these companies has been noticed or reported during the course of audit by the statutory auditors of the Holding Company and its subsidiary companies incorporated in India.

For **B S R & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 101248W/W-100022

Pravin Tulsyan
Partner
Membership No.: 108044

Place: Noida
Date: 12 May 2015

Annexure to the Auditor’s Report (Continued)

Annexure 1

Name of the Statute	Nature of the Dues	Amount involved* (₹ in million)	Amount paid under protest (₹ in million)	Financial year to which the amount relates	Forum where dispute is pending
Jubilant Life Sciences Limited (Holding Company)					
Income-tax Act, 1961	Income Tax	64.78	–	1987-88, 1992-94, 1995-97	High Court
		265.13	–	1988-89, 1997-98, 2001-02, 2003-08	Income Tax Appellate Tribunal
Central Excise Act, 1944	Excise Duty	6.01	–	1996-97, 1999-2000	High Court
		5.60	0.09	1996-98,	Custom Excise and Service Tax Appellate Tribunal
		533.43 **		2003-13	
		0.86	–	2012-13	Commissioner (Appeals)
		533.10	–	2008-15	Commissioner
		38.04	–	2010-14	Additional Commissioner
		3.75	–	2009-15	Assistant Commissioner
Finance Act, 1994	Service Tax	1.59	–	2002-03	High Court
		5.89	0.05	2007-11	Custom Excise and Service Tax Appellate Tribunal
Customs Act, 1962	Customs Duty	12.04	–	2012-14	Commissioner (Appeals)
Uttar Pradesh Value Added Tax Act, 2008	Value Added Tax	56.47	–	2010-15	Supreme Court
Jubilant Chemsys Limited (Subsidiary Company incorporated in India)					
Income Tax Act, 1961	Income Tax	0.40	–	2007-08	Income Tax Appellate Tribunal
Income Tax Act, 1961	Income Tax	13.91	–	2008-09	Income Tax Appellate Tribunal
Income Tax Act, 1961	Income Tax	47.32	–	2010-11	Commissioner of Income tax (Appeals)
Jubilant Biosys Limited (Subsidiary Company incorporated in India)					
Income-tax Act, 1961	Income tax	0.62	0.62	2007-08 2008-09	Commissioner of Income tax (Appeals)
Jubilant Generics Limited (Subsidiary Company incorporated in India)					
Central Excise Act, 1944	Excise Duty	3.64	–	2010-13	Revisionary Authority
		0.59	–	2011-13	Additional Commissioner
		0.05	–	2011-12	Deputy Commissioner
		0.34	–	2013-14	Assistant Commissioner
Finance Act, 1994	Service Tax	86.87	–	2006-13	Custom Excise and Service Tax Appellate Tribunal
		145.26 **	–		
		10.50	–	2013-14	Commissioner
Customs Act, 1962	Customs Duty	0.75	–	2014-15	Commissioner
		0.08	0.08	2000-02	Deputy Commissioner

* amount as per demand orders including interest and penalty, wherever indicated in the order.

** a stay order has been received against the amount disputed and not deposited.

The above table excludes the disputed cases pertaining to the businesses demerged into Jubilant Industries Limited pursuant to the Scheme of Amalgamation and Demerger as sanctioned by Hon’ble Allahabad High Court in the earlier year.

Consolidated Balance Sheet as at 31 March 2015

(₹ in million)

	Note	As at 31 March 2015	As at 31 March 2014
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	3	159.30	154.46
Reserves and surplus	4	24,375.86	26,110.68
		24,535.16	**26,265.14**
Minority interest	34	–	1,579.35
Non-current liabilities			
Long-term borrowings	5	36,912.86	17,168.83
Deferred tax liabilities (net)	46	2,380.22	2,370.65
Other long term liabilities	6	398.01	114.72
Long-term provisions	7	670.40	2,195.30
		40,361.49	**21,849.50**
Current liabilities			
Short-term borrowings	8	5,171.72	11,878.29
Trade payables	9	6,991.56	7,181.37
Other current liabilities	10	8,287.32	17,312.01
Short-term provisions	11	974.90	2,572.48
		21,425.50	**38,944.15**
Total		**86,322.15**	**88,638.14**
ASSETS			
Non-current assets			
Fixed assets			
Tangible fixed assets	12	29,875.09	31,207.30
Intangible fixed assets	13	19,238.25	19,780.50
Capital work-in-progress	12	1,981.77	1,108.44
Intangible assets under development	13	3,984.22	3,615.50
Non-current investments	14	394.96	339.89
Long-term loans and advances	15	3,562.50	3,300.35
Other non-current assets	16	6.07	5.86
		59,042.86	**59,357.84**
Current assets			
Inventories	17	12,353.25	13,414.17
Trade receivables	18	8,163.90	8,058.73
Cash and bank balances	19	3,943.43	4,795.32
Short-term loans and advances	20	2,143.26	2,144.56
Other current assets	21	675.45	867.52
		27,279.29	**29,280.30**
Total		**86,322.15**	**88,638.14**
Significant accounting policies	2		
Notes to the consolidated financial statements	1-54		

The notes referred to above form an integral part of the consolidated financial statements

As per our report of even date attached

For and on behalf of the Board of Directors of **Jubilant Life Sciences Limited**

For **B S R & Co. LLP**
Chartered Accountants
ICAI Firm registration number : 101248W/W-100022

Pravin Tulyan
Partner
Membership No.: 108044

Shyam S. Bhartia
Chairman

Place : Noida
Date : 12 May 2015

Rajiv Shah
Company Secretary

R. Sankaraiah
Executive Director-Finance

Hari S. Bhartia
Co-Chairman and Managing Director

Consolidated Statement of Profit and Loss for the year ended 31 March 2015

(₹ in million)

	Note	For the year ended 31 March 2015	For the year ended 31 March 2014
REVENUE			
Revenue from operations (gross)	22	59,843.33	59,400.84
Less: excise duty		(1,580.86)	(1,367.21)
Revenue from operations (net)		**58,262.47**	**58,033.63**
Other income	23	424.53	190.60
Total revenue		**58,687.00**	**58,224.23**
EXPENSES			
Cost of materials consumed	24	22,360.09	21,920.89
Purchases of stock-in-trade	25	2,940.54	3,489.19
Changes in inventories of finished goods, work-in-progress and stock-in-trade	26	1,316.44	(989.47)
Employee benefits expense	27	10,902.76	11,051.68
Finance costs	28	3,553.40	3,237.23
Depreciation and amortisation expense	12-13	2,879.54	2,811.68
Other expenses	29	13,849.95	12,485.26
Total expenses		**57,802.72**	**54,006.46**
Profit before exceptional items and tax		**884.28**	**4,217.77**
Exceptional items	30	481.04	2,144.94
Profit before tax		**403.24**	**2,072.83**
Tax expenses	46		
– Current tax		737.46	1,143.60
– Minimum Alternate Tax (MAT) credit entitlement		(19.45)	(25.89)
– Deferred tax charge/ (credit)		86.83	(421.27)
		804.84	**696.44**
(Loss)/ profit for the year (before adjustment for minority interest)		**(401.60)**	**1,376.39**
Minority interest		176.04	285.99
(Loss)/ profit for the year (after adjustment for minority interest)		**(577.64)**	**1,090.40**
Basic earnings per share of ₹ 1 each (In Rupees)	54	(3.63)	6.85
Diluted earnings per share of ₹ 1 each (In Rupees)	54	(3.63)	6.85
Significant accounting policies	2		
Notes to the consolidated financial statements	1-54		

The notes referred to above form an integral part of the consolidated financial statements

As per our report of even date attached

For and on behalf of the Board of Directors of **Jubilant Life Sciences Limited**

For **B S R & Co. LLP**
Chartered Accountants
ICAI Firm registration number : 101248W/W-100022

Pravin Tulsyan
Partner
Membership No.: 108044

Shyam S. Bhartia
Chairman

Place : Noida
Date : 12 May 2015

Rajiv Shah
Company Secretary

R. Sankaraiah
Executive Director-Finance

Hari S. Bhartia
Co-Chairman and Managing Director

Consolidated Cash Flow Statement for the year ended 31 March 2015

(₹ in million)

		For the year ended 31 March 2015	For the year ended 31 March 2014
A.	**Cash flow from operating activities**		
	Net profit before tax	**403.24**	**2,072.83**
	Adjustments :		
	Depreciation and amortisation expense	2,879.54	2,811.68
	Loss on sale/ disposal/ discard/ impairment of fixed assets (net)	429.79	25.11
	Finance costs	3,553.40	3,237.23
	Provision for loss on impairment of goodwill	51.25	35.06
	Amortisation of Foreign Currency Monetary Item Translation Difference Account (FCMITDA)	447.52	1,000.21
	Provision for doubtful debts	62.47	32.96
	Bad debts/ irrecoverable loans and advances written off (net off provisions written-back)	144.43	(44.83)
	Unrealised foreign exchange (including mark-to-market on currency and interest rate swaps)	(72.96)	966.69
	Realised foreign exchange on mark-to-market on currency and interest rate swaps	(167.60)	(303.20)
	Interest income	(62.40)	(52.20)
	Profit on Sale of business/ investment	–	(142.72)
	Dividend on non-trade current investments	(7.01)	–
		7,258.43	**7,565.99**
	Operating cash flow before working capital changes	**7,661.67**	**9,638.82**
	(Increase)/ Decrease in trade receivables, loans and advances and other assets	(236.15)	507.23
	Decrease/ (increase) in inventories	1,102.65	(1,750.04)
	Increase in trade payables, provisions and other liabilities	97.50	135.81
	Cash generated from operations	**8,625.67**	**8,531.82**
	Income tax and wealth tax paid (net of refund)	(793.07)	(809.11)
	Net cash generated from operating activities	**7,832.60**	**7,722.71**
B.	**Cash flow from investing activities**		
	Acquisition/ purchase of fixed assets/ Capital work-in-progress	(3,750.31)	(2,908.08)
	Sale of fixed assets	258.96	63.50
	Purchase of investments	(41.53)	(62.52)
	Sale of business	–	407.11
	Movement in other bank balances*	34.26	702.83
	Interest received	58.27	52.93
	Dividend received	7.01	–
	Net cash used in investing activities	**(3,433.34)**	**(1,744.23)**

Consolidated Cash Flow Statement for the year ended 31 March 2015 (Continued)

(₹ in million)

	For the year ended 31 March 2015	For the year ended 31 March 2014
C. Cash flow arising from financing activities		
Proceeds from long term borrowings**	30,969.42	5,163.79
Repayment of long term borrowings**	(20,412.76)	(6,233.20)
Proceeds from short term borrowings (net of repayments)	(6,740.17)	516.21
Net (payment)/ receipt on settlement of currency and interest rate swaps	(2,921.85)	303.34
Payment to Minority	(2,030.53)	–
Receipt of capital subsidy	–	3.00
Dividend paid (including dividend distribution tax)	(538.05)	(552.36)
Finance costs paid	(3,352.92)	(3,344.86)
Net cash used in financing activities	**(5,026.86)**	**(4,144.08)**
D. Effect of exchange rate changes	**(190.92)**	**114.26**
Net (decrease)/ increase in cash and cash equivalents (A+B+C+D)	**(818.52)**	**1,948.66**
Add: cash and cash equivalents at the beginning of year	4,734.91	2,796.47
Adjustment: cash and cash equivalents on sale of business of Asia Healthcare Development Limited	–	(10.28)
Adjustment: cash and cash equivalents on (deconsolidation)/ consolidation of ESOP trust (Refer note 40)	(0.06)	0.06
Cash and cash equivalents at the end of the year	**3,916.33**	**4,734.91**
Components of cash and cash equivalents		
Balances with banks:*		
– On current accounts	3,667.20	4,546.12
– On dividend accounts	34.68	28.18
– On deposits accounts with original maturity upto three months	120.90	104.95
Cash on hand	1.95	2.29
Cheques/Drafts in hand	74.24	0.23
Others		
– Funds in transit	15.85	51.43
– Imprest	1.51	1.71
	3,916.33	**4,734.91**

* ₹ 83.08 million (Previous year ₹ 198.03 million) has restricted use.

** Revolver facility of Jubilant HollisterStier LLC is presented on net basis (Refer note 5.19).

Note:

Cash Flow Statement has been prepared under the indirect method as set out in the Accounting Standard 3 (AS-3)-" Cash Flow Statements".

As per our report of even date attached

For and on behalf of the Board of Directors of **Jubilant Life Sciences Limited**

For **B S R & Co. LLP**
Chartered Accountants
ICAI Firm registration number : 101248W/W-100022

Pravin Tulsyan
Partner
Membership No.: 108044

Shyam S. Bhartia
Chairman

Place : Noida
Date : 12 May 2015

Rajiv Shah
Company Secretary

R. Sankaraiah
Executive Director-Finance

Hari S. Bhartia
Co-Chairman and Managing Director

Notes to the consolidated financial statements for the year ended 31 March 2015

1. Corporate Information

Jubilant Life Sciences Limited (the Company or the Parent Company) is a public limited company domiciled in India and incorporated under the provisions of Companies Act, 1956. Its shares are listed on Bombay Stock Exchange and National Stock Exchange of India. The consolidated financial statements of the Company as at and for the year ended on 31 March 2015 comprise the Company and its subsidiaries (together referred to as "the Group"). The Group is a global Pharmaceutical and Life Sciences player engaged in manufacture and supply of generics (including active pharmaceutical ingredients (APIs) and solid dosage formulations), specialty pharmaceuticals (including radiopharmaceuticals, allergy therapy products and contract manufacturing operations (CMO) of sterile injectables), and Life Science Ingredients (Advance Intermediates and Specialty Ingredients, Nutritional Products and Life Science Chemicals). It also provides drug discovery and development solutions (DDDS). The Group's strength lies in its unique offerings of pharmaceuticals and life sciences products and services across the value chain. It is well recognised as a 'Partner of Choice' by leading pharmaceuticals and life sciences companies globally.

2. Significant accounting policies

A. Basis of preparation and presentation of consolidated financial statements

The consolidated financial statements have been prepared and presented under the historical cost convention on the accrual basis of accounting in accordance with the accounting principles generally accepted in India ("GAAP") and comply with the Accounting Standards specified under section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014, the other relevant provisions of the Companies Act, 2013 (including provisions of Companies Act, 1956 which continue to remain in force, to the extent applicable), pronouncements of the Institute of Chartered Accountants of India, guidelines issued by the Securities and Exchange Board of India ("SEBI"), to the extent applicable. The consolidated financial statements are presented as per Schedule III to the Companies Act, 2013 and in Indian rupees rounded off to the nearest million.

Previous year's figures have been regrouped/rearranged wherever considered necessary to conform to current year's classification.

B. Principles of consolidation

The consolidated financial statement are prepared in accordance with the principles and procedures required for the preparation and presentation of the consolidated financial statements as laid down under the Accounting Standard (AS) 21, 'Consolidated Financial Statements'. The consolidated financial statements include the financial statements of the Company and its subsidiaries (collectively known as "the Group") and have been combined on a line-by-line basis by adding the book values of like items of assets, liabilities, income and expenses after eliminating intra-group balances/ transactions and unrealised profits in full. The amounts shown in respect of reserves comprise the amount of the relevant reserves as per the Balance Sheet of the Parent Company and its share in the post-acquisition increase/ decrease in the reserves of the consolidated entities.

The excess/ deficit of cost to the Parent Company of its investment over its portion of net worth in the consolidated entities at the respective dates on which investment in such entities was made is recognised in the consolidated financial statements as goodwill/ capital reserve. The Parent Company's portion of net worth in such entities is determined on the basis of book values of assets and liabilities as per the financial statements of the entities as on the date of investment.

Entities acquired/ sold during the year have been consolidated from/ up to the respective date of their acquisition/ disposal.

Minority Interest in the net assets of consolidated subsidiaries consists of the amount of equity attributable to the minority shareholders at the dates on which investments are made by the Group in the subsidiary companies and further movements in their share in the equity, subsequent to the dates of investments as stated above. In case of losses applicable to minority exceeding the minority interest in equity of the subsidiary, the excess and any further losses applicable to the minority, are adjusted against the majority interest except to the extent that the minority has a binding obligation to, and is able to, make good the losses. If the subsidiary subsequently reports profits, all such profits are allocated to the majority interest until the minority's share of losses previously absorbed by the majority has been recovered.

Notes to the consolidated financial statements for the year ended 31 March 2015 (Continued)

The details of the consolidated entities are as follows:

Sr. No.	Name	Country of Incorporation	Name of Parent	Percentage of ownership
1.	Jubilant Pharma Limited (Formerly known as Jubilant Pharma Pte Ltd)	Singapore	Jubilant Life Sciences Limited	100%
2.	Draximage Limited, Cyprus	Cyprus	Jubilant Pharma Limited	100%
3.	Draximage Limited, Ireland	Ireland	Draximage Limited, Cyprus	100%
4.	Draximage LLC	USA	Draximage Limited, Cyprus	100%
5.	Jubilant DraxImage (USA) Inc.	USA	Draximage Limited, Cyprus	100%
6.	Deprenyl Inc., USA	USA	Draximage Limited, Cyprus	100%
7.	Jubilant DraxImage Inc.	Canada	Jubilant Pharma Limited	100%
8.	6963196 Canada Inc.	Canada	Jubilant DraxImage Inc.	100%
9.	6981364 Canada Inc.	Canada	Jubilant DraxImage Inc.	100%
10.	DAHI Animal Health (UK) Limited	UK	Jubilant DraxImage Inc.	100%
11.	Draximage (UK) Limited	UK	Jubilant DraxImage Inc.	100%
12.	Jubilant Pharma Holdings Inc. (Formerly known as Jubilant Life Sciences Holdings Inc.)	USA	Jubilant Pharma Limited Jubilant Generics Limited	82% 18%
13.	Jubilant Clinsys Inc.	USA	Jubilant Pharma Holdings Inc.	100%
14.	Cadista Holdings Inc.	USA	Jubilant Pharma Holdings Inc.	100%
15.	Jubilant Cadista Pharmaceuticals Inc.	USA	Cadista Holdings Inc.	100%
16.	Jubilant Life Sciences International Pte. Limited	Singapore	Jubilant Life Sciences Limited	100%
17.	HSL Holdings Inc.	USA	Jubilant Pharma Holdings Inc.	100%
18.	Jubilant HollisterStier LLC	USA	HSL Holdings Inc.	100%
19.	Jubilant Life Sciences (Shanghai) Limited	China	Jubilant Pharma Limited	100%
20.	Jubilant Pharma NV	Belgium	Jubilant Generics Limited Jubilant Pharma Limited	77.65% 22.35%
21.	Jubilant Pharmaceuticals NV	Belgium	Jubilant Pharma NV Jubilant Pharma Limited	99.81% 0.19%
22.	PSI Supply NV	Belgium	Jubilant Pharma NV Jubilant Pharma Limited	99.50% 0.50%
23.	Jubilant Life Sciences (USA) Inc.	USA	Jubilant Life Sciences Limited	100%
24.	Jubilant Life Sciences (BVI) Limited	BVI	Drug Discovery and Development Solutions Limited	100%
25.	Jubilant Biosys (BVI) Limited	BVI	Jubilant Life Sciences (BVI) Limited	100%
26.	Jubilant Biosys (Singapore) Pte. Limited	Singapore	Jubilant Biosys (BVI) Limited	100%
27.	Jubilant Biosys Limited	India	Jubilant Biosys (Singapore) Pte. Limited	66.98%
28.	Jubilant Discovery Services, Inc.	USA	Jubilant Biosys Limited	100%
29.	Jubilant Drug Development Pte. Limited	Singapore	Jubilant Life Sciences (BVI) Limited	100%
30.	Jubilant Chemsys Limited	India	Jubilant Drug Development Pte. Limited	100%
31.	Jubilant Clinsys Limited	India	Jubilant Drug Development Pte. Limited	100%
32.	Jubilant Infrastructure Limited	India	Jubilant Life Sciences Limited	100%

Notes to the consolidated financial statements for the year ended 31 March 2015 (Continued)

Sr. No.	Name	Country of Incorporation	Name of Parent	Percentage of ownership
33.	Jubilant First Trust Healthcare Limited	India	Jubilant Life Sciences Limited First Trust Medicare Pvt. Limited	95.84% 4.16%
34.	Jubilant Pharma Trading Inc.	USA	Jubilant Pharma Holdings Inc.	100%
35.	Jubilant Innovation (BVI) Limited	BVI	Drug Discovery and Development Solutions Limited	100%
36.	Jubilant Innovation Pte. Limited	Singapore	Jubilant Innovation (BVI) Limited	100%
37.	Jubilant DraxImage Limited	India	Draximage Limited, Cyprus	100%
38.	Jubilant Innovation (India) Limited	India	Jubilant Innovation (BVI) Limited	100%
39.	Jubilant Innovation (USA) Inc.	USA	Jubilant Innovation (BVI) Limited	100%
40.	Jubilant HollisterStier Inc.	USA	HSL Holdings Inc.	100%
41.	Draxis Pharma LLC	USA	Jubilant HollisterStier Inc.	100%
42.	Jubilant Generics Inc (merged with and into Cadista Holdings Inc.)	USA	Jubilant Pharma Holdings Inc.	100%
43.	Jubilant Life Sciences (Switzerland) AG, Schaffhausen	Switzerland	Jubilant Pharma Limited	100%
44.	First Trust Medicare Pvt. Limited	India	Jubilant Life Sciences Limited	100%
45.	Drug Discovery and Development Solutions Limited	Singapore	Jubilant Life Sciences Limited	100%
46.	Jubilant Drug Discovery & Development Services Inc.	Canada	Jubilant Innovation Pte. Limited	100%
47.	Jubilant HollisterStier General Partnership #	Canada	Jubilant HollisterStier Inc. Draxis Pharma LLC	99.99% 0.01%
48.	Draximage General Partnership #	Canada	Jubilant DraxImage Inc 6981364 Canada Inc.	90% 10%
49.	Vanthys Pharmaceutical Development Pvt. Limited	India	Jubilant Innovation Pte. Limited	100%
50.	Jubilant Generics Limited	India	Jubilant Pharma Limited	100%
51.	Jubilant Life Sciences NV	Belgium	Jubilant Life Sciences Limited (One share, representing 0.001% holding is held by Jubilant Infra-structure Limited)	100%

Partnership firms, in which two subsidiaries of the Parent Company are partners.

C. Use of estimates

The preparation of consolidated financial statements in conformity with GAAP requires management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets and liabilities, the disclosure of contingent liabilities at the date of consolidated financial statements and the results of operations during the reporting periods. Examples of such estimate include future obligations under employee benefit plans, income taxes, useful lives of tangible assets and intangible assets, impairment of assets/goodwill, valuation of derivatives, provision for doubtful debts, accounting for deductions from revenues (such as rebates, charge backs, price equalisations and sales returns) etc.

Management believes that the estimates used in the preparation of the consolidated financial statements are prudent and reasonable. Actual results could vary from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Appropriate changes in estimates are made as the management becomes aware of the changes in circumstances surrounding the estimates. Any revision to accounting estimates is recognised prospectively in current and future periods. Effect of material changes is disclosed in the notes to the consolidated financial statements.

Notes to the consolidated financial statements for the year ended 31 March 2015 (Continued)

D. Current-non-current classification

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle of each entity of the Group and other criteria in accordance with Schedule III to the Companies Act, 2013 set out below:

Assets

An asset is classified as current when it satisfies any of the following criteria:

a. it is expected to be realised in, or is intended for sale or consumption in, the entity's normal operating cycle;

b. it is held primarily for the purpose of being traded;

c. it is expected to be realised within 12 months after the reporting date; or

d. it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Current assets include the current portion of non-current financial assets.

All other assets are classified as non-current.

Liabilities

A liability is classified as current when it satisfies any of the following criteria:

a. it is expected to be settled in the entity's normal operating cycle;

b. it is held primarily for the purpose of being traded;

c. it is due to be settled within 12 months after the reporting date; or

d. the company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current liabilities include current portion of non-current financial liabilities.

All other liabilities are classified as non-current.

Operating cycle

Operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, each entity of the Group ascertained its operating cycle as 12 months for the purpose of current-non current classification of assets and liabilities.

E. Tangible and intangible fixed assets

Tangible fixed assets

Tangible fixed Assets are stated at cost net of tax/duty credits availed, if any, less accumulated depreciation/ amortisation/impairment losses. The cost of an item of tangible fixed asset comprises its purchase price, including import duties and other non-refundable taxes or levies and any directly attributable cost of bringing the asset to its working condition for its intended use; any trade discounts and rebates are deducted in arriving at the purchase price.

Exchange differences (favorable as well as unfavorable) arising in respect of translation/ settlement of long term foreign currency borrowings attributable to the acquisition of a depreciable asset are also included in the cost of the asset.

In case of fixed assets acquired at the time of amalgamation of certain entities with Group, the same are recognised at book value in case of amalgamation in the nature of merger and at book value/ fair value in case of amalgamation in the nature of purchase in line with Accounting Standard (AS) 14 -"Accounting for Amalgamations".

Expenditure incurred on start up and commissioning of the project and/or substantial expansion, including the expenditure incurred on trial runs (net of trial run receipts, if any) up to the date of commencement of commercial production are capitalised. Subsequent expenditures related to an item of fixed asset are capitalised to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance. Losses arising from the retirement of, and gains or losses arising from disposal of fixed assets are recognised in the Consolidated Statement of Profit and Loss.

Tangible fixed assets under construction are disclosed as capital work-in-progress.

Insurance spares/ standby equipments are capitalised as part of the mother asset and are depreciated at applicable rates, over the remaining useful life of the mother assets.

Intangible fixed assets

Acquired intangible assets

Intangible assets that are acquired are measured initially at cost. After initial recognition, an intangible asset is carried at its cost less any accumulated amortisation and any accumulated impairment loss.

Subsequent expenditure is capitalised only when it increases the future economic benefits from the specific asset to which it relates.

Expenditure for acquisition and implementation of software systems is recognised as part of the intangible assets.

Notes to the consolidated financial statements for the year ended 31 March 2015 (Continued)

Internally generated intangible assets

Internally generated goodwill is not recognised as an asset. With regard to other internally generated intangible assets:

– Expenditure on research activities, undertaken with the prospect of gaining new scientific or technical knowledge and understanding, is recognised in the Consolidated Statement of Profit and Loss as incurred.

– Development activities involve a plan or design for the production of new or substantially improved products or processes. Development expenditure including regulatory cost and legal expenses leading to product registration/ market authorisation relating to the new and/or improved product and/or process development capitalised only if development costs can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, and the Group intends to and has sufficient resources to complete development and to use the asset. The expenditure capitalised includes the cost of materials, direct labour, overhead costs that are directly attributable to preparing the asset for its intended use, and directly attributable borrowing costs (in the same manner as in the case of tangible fixed assets). Other development expenditure is recognised in the Consolidated Statement of Profit and Loss as incurred.

F. Depreciation and amortisation

For Indian entities, upto 31 March 2014, depreciation was provided on straight line method on the original cost/ acquisition cost of assets or other amounts substituted for cost (i) in respect of assets added/installed up to December 15, 1993, at the rates applicable at the time of additions/installations of the assets, as per the Companies Act, 1956; and (ii) in respect of assets added/installed during the subsequent period, at the rates mentioned in Schedule XIV to the Companies Act, 1956 read with Notification dated 16 December 1993 issued by Department of Company Affairs, Government of India, except for the following classes of fixed assets which are depreciated as under:

a. Research and development related equipments and machineries: ten years.

b. Dies and punches for manufacture of dosage formulations: one to two years.

c. Motor vehicles: five years.

d. Motor vehicles under finance lease: tenure of lease or five years whichever is shorter.

e. Computer and information technology related assets: three to five years.

f. Certain employee perquisite related assets: five years, being the period of the perquisite scheme.

Assets costing individually ₹ 5,000 (in absolute amount) or less were fully depreciated in the year of purchase.

During the current year, pursuant to the Companies Act, 2013 ('the Act') being effective from 1 April 2014, the Group has revised depreciation rates on the original cost/ acquisition cost of assets or other amounts substituted for cost of fixed assets as per the useful life specified in Part 'C' of Schedule II of the Act, read with notification dated 29 August 2014 of the Ministry of Corporate Affairs, except for the following classes of fixed assets which are depreciated based on the internal technical assessment of the management as under:

a. Motor vehicles: five years.

b. Motor vehicles under finance lease: tenure of lease or five years whichever is shorter.

c. Computer servers and networks: five years.

d. Dies and punches for manufacture of dosage formulations: one to two years.

e. Employee perquisite related assets (except end user computers): five years, being the period of the perquisite scheme.

For overseas entities, depreciation is charged using the straight line method, over the estimated useful life considered as follows:-

- Building: 30 years
- Plant and machinery: 3 to 20 years
- Dies and punches: 1 to 2 years
- Furniture and office equipments: 3 to 15 years
- Computer and information technology related assets: 3 to 5 years
- Vehicles : 3 to 5 years

Leasehold land is amortised over the lease period on straight line basis.

Leasehold improvements (included in furniture and fixtures) are depreciated over their estimated useful life, or the remaining period of lease from the date of capitalisation, whichever is shorter.

Depreciation on assets added/disposed off during the year has been provided on pro-rata basis with reference to the date of addition/disposal. Depreciation on assets added/disposed off during the year, in case of some of overseas subsidiaries, is provided on pro rata basis with reference to the month of addition/disposal.

Depreciation on exchange fluctuation capitalised, in view of the option exercised by the Group for accounting the exchange differences arising on reporting of long term foreign currency monetary items in line with Para 46 and 46A of Accounting Standard (AS) 11 on "The Effects of Changes in Foreign Exchange Rates", is charged over the remaining useful life of assets.

Intangible assets in the nature of Product registrations/

Notes to the consolidated financial statements for the year ended 31 March 2015 (Continued)

Market authorisations (Products) are amortised on a straight-line basis over a period of five years in case of internally developed products (intangibles) and 5-10 years in case of bought out product (intangibles), from the date of regulatory approval or the date of product going off-patent whichever is later. Software systems are being amortised over a period of five years being their useful life. Rights are amortised over the useful life.
Also refer note 36.

G. Impairment of fixed assets

Fixed assets other than goodwill are reviewed at each reporting date to determine if there is any indication of impairment. Goodwill is tested for impairment at least once in year. For assets in respect of which any such indication exists and for intangible assets mandatorily tested annually for impairment, the asset's recoverable amount is estimated. For assets that are not yet available for use, the recoverable amount is estimated at each reporting date. An impairment loss is recognised if the carrying amount of an asset exceeds its recoverable amount.

For the purpose of impairment testing, assets are grouped together into the smallest group of assets (Cash Generating Unit or CGU) that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of an asset or CGU is the greater of its value in use and its net selling price. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. Impairment losses are recognised in the Consolidated Statement of Profit and Loss.

If at the Balance Sheet date there is an indication that a previously assessed impairment loss no longer exists or has decreased, the assets or CGU's recoverable amount is estimated. The impairment loss (other than impairment loss on goodwill) is reversed to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised. Such a reversal is recognised in the Consolidated Statement of Profit and Loss. An impairment loss for goodwill is reversed only if the impairment loss was caused due to specific external events of an exceptional nature, that is not expected to reoccur and subsequent external events have occurred that reverse the effect of that event.

H. Leases

Finance leases

Assets leased by the Group in its capacity as lessee where substantially all the risks and rewards of ownership vest in the Group are classified as finance leases. Such leases are capitalised at the inception of the lease at the lower of the fair value and the present value of the minimum lease payments and a liability is created for an equivalent amount. Lease payment is allocated between the liability and finance charges so as to obtain a constant periodic rate of interest on the outstanding liability for each year.

Operating leases

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor are recognised as operating leases. Lease payments under operating leases are recognised in the Consolidated Statement of Profit and Loss on a straight-line basis over the lease term unless another systematic basis is more representative of the time pattern of the benefit.

I. Valuation of Inventories

Inventories are valued at lower of cost or net realisable value except scrap, which is valued at net estimated realizable value.

The methods of determining cost of various categories of inventories are as follows:

Raw materials	Weighted average method
Stores and spares	Weighted average method
Work-in-process and finished goods (manufactured)	Variable cost at weighted average including an appropriate share of variable and fixed production overheads. Fixed production overheads are included based on normal capacity of production facilities
Fuel, consumables, packing material etc.	Weighted average method
Finished goods (traded)	Weighted average method
Goods in transit	Cost of purchase

Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition inclusive of excise duty wherever applicable.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

The net realisable value of work-in-progress is determined with reference to the selling prices of related finished products. Raw materials and other supplies held for use in the production of finished products are not written down below cost except in cases where material prices have declined and it is estimated that the cost of the finished products will exceed their net realisable value.

Notes to the consolidated financial statements for the year ended 31 March 2015 (Continued)

The comparison of cost and net realisable value is made on an item-by-item basis.

J. Investments

Investments that are readily realisable and are intended to be held for not more than one year from the date, on which such investments are made, are classified as current investments. All other investments are classified as long-term investments. However, that part of long term investments which is expected to be realised within 12 months after the reporting date is also presented under 'current assets' as "current portion of long term investments" in consonance with the current/ non-current classification scheme of Schedule III.

Current investments are carried at cost or fair value, whichever is lower. Long-term investments are carried at cost. However, provision for diminution is made to recognise a decline, other than temporary, in the value of the investments, such reduction being determined and made for each investment individually.

K. Income taxes

Tax expense for the period, comprising current tax and deferred tax, are included in the determination of the net profit or loss for the period.

Current Tax

Current tax is measured at the amount expected to be paid to (recovered from) the taxation authorities, using the applicable tax rates and tax laws.

Deferred Tax

Deferred tax charge or credit reflects the tax effects of timing differences between accounting income and taxable income for the current year and reversal of the timing differences of the earlier years. The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognised using the tax rates that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax assets are recognised only to the extent there is reasonable certainty that the assets can be realised in future; however, where there is unabsorbed depreciation or carry forward of losses, deferred tax assets are recognised only if there is a virtual certainty of realisation of such assets. Deferred tax assets are reviewed at each Balance Sheet date and are written-down or written-up to reflect the amount that is reasonably/virtually certain (as the case may be) to be realised. Deferred tax consequences of timing differences that originate in the tax holiday period and reverse after the tax holiday period are recognised in the period in which the timing differences originate. Timing differences that originate and reverse within the tax holiday period are not considered for deferred tax purposes. Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off assets against liabilities representing current tax and where the deferred tax assets and the deferred tax liabilities relate to taxes on income levied by the same governing taxation laws.

Minimum Alternate Tax (MAT)

Minimum Alternate Tax (MAT) credit is recognised as an asset only when and to the extent there is convincing evidence that the Group will pay normal income tax during the specified period. In the year in which MAT credit becomes eligible to be recognised as an asset in accordance with the recommendation contained in the Guidance Note on "Accounting for Credit Available in respect of Minimum Alternative Tax under The Income Tax Act, 1961" issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the Consolidated Statement of Profit and Loss and shown as MAT Credit Entitlement. The Group reviews the same at each Balance Sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that respective entities of the Group will pay normal income tax during the specified period.

L. Foreign currency transactions, derivatives and hedging

The reporting currency of the Group is the Indian Rupee. However, the local currencies of non-integral overseas subsidiaries are different from the reporting currency of the Group.

Foreign currency transactions are recorded at the exchange rate prevailing at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies as at the Balance Sheet date are translated at the closing exchange rates on that date. The resultant exchange differences are recognised in the Consolidated Statement of Profit and Loss except that:

(a) Exchange differences pertaining to long term foreign currency monetary items that are related to acquisition of depreciable assets are adjusted in the carrying amount of the related fixed assets; and

(b) Exchange differences arising on other long-term foreign currency monetary items are accumulated in 'Foreign Currency Monetary Item Translation Difference Account' (FCMITDA), and are amortised over the balance period of the relevant foreign currency item.

A monetary asset or liability is termed as a long-term foreign currency monetary item, if the asset or liability is expressed in a foreign currency and has a term of 12 months or more at the date of origination of the asset or liability.

Foreign Exchange Forward Contracts: The premium or discount arising at the inception of foreign exchange forward contracts entered into to hedge an existing monetary item, is amortised as expense or income over the life of the contract. Any profit or loss arising

Notes to the consolidated financial statements for the year ended 31 March 2015 (Continued)

on cancellation or renewal of such a foreign exchange forward contract is recognised as income or as an expense for the period. Such foreign exchange forward contracts are translated at the closing exchange rates and resultant exchange differences are recognised in the same manner as those on the underlying foreign currency asset or liability.

Apart from the above mentioned foreign exchange forward contracts, the Group also enters into derivative contracts in the nature of foreign currency swaps, foreign exchange forward contracts, interest rate swaps etc. with an intention to hedge its existing assets and liabilities, firm commitments and highly probable forecasted transactions. All these derivative contracts are marked-to-market and the resultant loss, if any, from these contracts are recognised in the Consolidated Statement of Profit and Loss however the gain on mark-to-market of such contracts is ignored. The contracts are aggregated category-wise, to determine the net gain/ loss.

Also refer note 49(iii).

Non-integral operations

The financial statements of the foreign non integral subsidiaries (collectively referred to as the 'foreign non integral operations') are translated into Indian Rupees as follows:-

- Share capital and opening reserves and surplus are carried at historical cost.
- All assets and liabilities, both monetary and non-monetary, (excluding share capital, opening reserves and surplus) are translated using closing rates at Balance Sheet date.
- Profit and Loss items are translated at the respective quarterly average rates or the exchange rate that approximates the actual exchange rate on date of specific transaction.
- Contingent liabilities are translated at the closing rates at Balance sheet date.
- The resulting net exchange difference is credited or debited to the foreign currency translation reserve.

The items of Consolidated Cash Flow Statement are translated at the respective average rates (quarterly for profit and loss related items and annual for Balance Sheet related items) or the exchange rate that approximates the actual exchange rate on date of specific transaction. The impact of changes in exchange rate on cash and cash equivalent held in foreign currency is included in effect of exchange rate changes.

M. Provisions, contingent liabilities and contingent assets

The Group recognises a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. Contingent liabilities are disclosed in respect of possible obligations that may arise from past events but their existence is confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. Contingent assets are neither recognised nor disclosed in the consolidated financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognised in the period in which the change occurs.

N. Employee benefits

(i) *Short-term employee benefits*: All employee benefits falling due within twelve months of the end of the period in which the employees render the related services are classified as short-term employee benefits, which include benefits like salaries, wages, short term compensated absences, performance incentives, etc. and are recognised as expenses in the period in which the employee renders the related service and measured accordingly.

(ii) *Post-employment benefits*: Post employment benefit plans are classified into defined contribution plans and defined benefit plans in line with the requirements of AS 15 on "Employee Benefits".

a. Gratuity

The liability in respect of Gratuity (applicable for Indian entities of the Group), a defined benefit plan, is recognised in the books of accounts based on actuarial valuation using projected unit credit method as at Balance Sheet date by an independent actuary. Actuarial gains and losses arising from the experience adjustment and change in actuarial assumption are immediately recognised in the Consolidated Statement of Profit and Loss as an income or expense. The gratuity liability for certain employees of the Group is funded with Life Insurance Corporation of India.

b. Superannuation

Certain employees of the Parent Company are also participants in the superannuation plan ('the Plan'), a defined contribution plan. Contribution made by the Parent Company to the plan during the year is charged to Consolidated Statement of Profit and Loss.

c. Provident fund

i) The Group makes contribution to the recognised provident fund - "VAM EMPLOYEES PROVIDENT FUND TRUST" (a multiemployer trust) for most of its employees in India, which is a defined benefit plan to the extent that the

Notes to the consolidated financial statements for the year ended 31 March 2015 (Continued)

Group has an obligation to make good the shortfall, if any, between the return from the investments of the trust and the notified interest rate. The Group's obligation in this regard is determined by an independent actuary and provided for if the circumstances indicate that the Trust may not be able to generate adequate returns to cover the interest rates notified by the Government.

ii) For other employees in India, provident fund is deposited with Regional Provident Fund Commissioner. This is treated as defined contribution plan.

Group's contribution to the provident fund is charged to Consolidated Statement of Profit and Loss.

d. Foreign subsidiaries make contribution to various social security plans and insurance schemes as per local requirements and generally accepted practices in their respective country of incorporation. Such contributions are charged to Consolidated Statement of Profit and Loss on accrual basis in the year in which liability to pay arise.

(iii) *Other long-term employee benefits*

Accumulated compensated absences are treated as other long-term employee benefits. The Group's liability in respect of other long-term employee benefits is recognised in the books of account based on actuarial valuation using projected unit credit method as at Balance Sheet date by an independent actuary. Actuarial losses/gains are recognised in the Consolidated Statement of Profit and Loss in the year in which they arise.

(iv) *Termination benefits*

Termination benefits are recognised as an expense when, as a result of a past event, the Group has a present obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

O. Borrowing costs

Borrowing costs are interest, ancillary cost and exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs incurred by the Group in connection with the borrowing of funds.

Borrowing costs are recognised in the Consolidated Statement of Profit and Loss in the period in which it is incurred, except where the cost is incurred for acquisition, construction, production or development of an asset that takes a substantial period of time to get ready for its intended use in which case it is capitalised up to the date the assets are ready for their intended use. Ancillary costs incurred in connection with the arrangement of borrowings are amortised over the period of such borrowings.

P. Revenue recognition

Revenue from sale of products is recognised when the significant risks and rewards of ownership of the products have been transferred to the buyer, recovery of the consideration is probable and the amount of revenue can be measured reliably. Revenues include excise duty and are shown net of sales tax, value added tax and chargeback, if any.

Revenue includes only those sales for which the Group has acted as a principal in the transaction, takes title to the products, and has the risks and rewards of ownership, including the risk of loss for collection, delivery and returns. Any sales for which the Group has acted as an agent or broker without assuming the risks and rewards of ownership have been reported on a net basis.

Goods sold on consignment are recorded as inventory until goods are sold by the consignee to the end customer.

Revenue from time and material contracts is recognised as hours are incurred, multiplied by contractual billing rates. Revenue from unit-based contracts is recognised as units are completed.

Revenue from fixed-price contracts are recorded on a proportional completion method.

Revenue related to contract manufacturing arrangements, development contracts and licensing and regulatory services is recognised when performance obligations are fulfilled.

Revenue includes amounts derived from product out-licensing agreements. These arrangements typically consist of an initial up-front payment on inception of the license and subsequent payments dependent on achieving certain milestones in accordance with the terms prescribed in the agreement.

Upfront non-refundable payments are recorded as deferred revenue. These amounts are recognised as revenues as obligations are fulfilled under contractual arrangement and/or as milestones are achieved as the case may be.

Refundable fees are deferred and recognised as revenue in the period in which all contractual obligations are met and the contingency is resolved.

In respect of outsourcing contracts for drug development with third party CRO's, revenue is recognised on the basis of actual cost incurred plus mark up as agreed with the customer under each agreement.

Revenue from rendering of medical services is recognised upon completion/performance of such services. Revenue from ongoing medical services on cut off date is recognised on proportionate completion method.

Notes to the consolidated financial statements for the year ended 31 March 2015 (Continued)

Sale of utility is recognised on delivery of the same to the consumers and when no significant uncertainty exists as to its realisation.

Royalty revenue is recognised on an accrual basis in accordance with contractual agreements when all significant contractual obligations have been fulfilled, the amounts are determinable and collection is reasonably assured.

Export incentives/ benefits are accounted for on accrual basis in the year in which exports are made and where recovery is probable.

Dividend income is recognised when the unconditional right to receive the income is established. Income from interest on deposits, loans and interest bearing securities is recognised on time proportionate method.

Q. Segment reporting

The accounting policies adopted for segment reporting are in line with accounting policies of the Group. Revenues, expenses, assets and liabilities have been identified to segments on the basis of their relationship to operating activities of the segments (taking into account the nature of products and services and, risks and rewards associated with them) and internal management information systems and the same is reviewed from time to time to realign the same to conform to the business units of the Group. Revenues, expenses, assets and liabilities, which are common to the enterprise as a whole and are not allocable to segments on a reasonable basis, have been treated as "Common Revenues/ Expenses/ Assets/ Liabilities", as the case may be.

R. Earnings per share

The basic earnings per share is calculated by dividing the net profit after tax for the year by the weighted average number of equity shares outstanding during the year. For the purpose of calculating diluted earnings per share, net profit after tax during the year and the weighted average number of shares outstanding during the year are adjusted for the effect of all dilutive potential equity shares. The dilutive potential equity shares are deemed converted as of the beginning of the year unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Anti dilutive effect of any potential equity shares is ignored in the calculation of earnings per share.

S. Employee stock option schemes

Hitherto, the Group was following Securities and Exchange Board of India (SEBI) guidelines for accounting of employee stock options wherein the cost was calculated based on the intrinsic value method i.e. the excess of market price of underlying equity shares as of the date of the grant of options over the exercise price of such options is regarded as employee compensation and in respect of the number of options that are expected to ultimately vest. Such cost was recognised on a straight line basis over the period over which the employees would become unconditionally entitled to apply for the shares. The cost recognised at any date at least equals the intrinsic value of the vested portion of the option at that date. Adjustment, if any, for difference in initial estimate for number of options that are expected to ultimately vest and related actual experience was recognised in the Consolidated Statement of Profit and Loss of that period. In respect of vested options expire unexercised, the cost was reversed in the Consolidated Statement of Profit and Loss of that period.

Further, during the previous year, the Group had changed its policy with respect to treatment of shares issued to Jubilant Employee Welfare trust ('Trust'). As per an opinion of the Expert Advisory Committee ('EAC') of The Institute of Chartered Accountants of India (ICAI), as on the reporting date, the shares issued to a trust but yet to be allotted to employees were presented as a deduction, from the Share Capital to the extent of face value of the shares and Securities Premium to the extent of amount exceeding face value of shares, with a corresponding adjustment to the, loan receivable from Trust, Capital Reserve (for the amount of profit on sale of shares) and Surplus (to the extent of dividend received net of operating expenses).

During the current year, SEBI on 28 October 2014, issued Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 ('new guidelines') repealing Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999. According to the new guidelines, any company implementing any of the share based schemes shall follow the requirements of the 'Guidance Note on Accounting for employee share-based Payments' (Guidance Note) or Accounting Standards as may be prescribed by the ICAI from time to time, including the disclosure requirements prescribed therein. The consequential accounting/ presentation impact, vis-à-vis SEBI guidelines followed earlier, w.e.f. 28 October 2014 is summarized below:

– In respect of vested options expire unexercised, the reversal of related cumulative cost which was accounted as credit in the Consolidated Statement of Profit and Loss of that period will now be accounted as credit to general reserve.

– Since shares held by the Trust are purchased from market instead of direct issuance by the Group, the consolidation thereof as prescribed above, in these consolidated financial statements, has been discontinued.

Also refer note 40.

Notes to the consolidated financial statements for the year ended 31 March 2015 (Continued)

(₹ in million)

	As at 31 March 2015	As at 31 March 2014
3. SHARE CAPITAL		
Authorised		
655,000,000 equity shares of ₹ 1 each	655.00	655.00
(Previous Year 655,000,000 equity shares of ₹ 1 each)		
	655.00	**655.00**
Issued and Subscribed		
159,313,139 equity shares of ₹ 1 each	159.31	159.31
(Previous Year 159,313,139 equity shares of ₹ 1 each)		
	159.31	**159.31**
Paid up		
159,281,139 equity shares of ₹ 1 each	159.28	159.28
(Previous Year 159,281,139 equity shares of ₹ 1 each)		
Add: equity shares forfeited (paid up)	0.02	0.02
	159.30	**159.30**
Less: Shares held in trust for employees under ESOP Scheme (Refer note 40)	-	(4.84)
	159.30	**154.46**

Notes :

3.1 Paid up capital includes, 501,364 (Previous year 501,364), equity shares of ₹ 1 each allotted and issued pursuant to the Scheme of Amalgamation and Demerger, to the shareholders of erstwhile Pace Marketing Specialities Limited for consideration other than cash during the year ended 31 March 2011.

3.2 The Company has only one class of shares referred to as equity shares having par value of ₹ 1 each. Holder of each equity share is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

3.3 The details of shareholders holding more than 5% shares is set out below:

Equity shares of ₹ 1 each fully paid-up held by	As at 31 March 2015		As at 31 March 2014	
	Number	% of total shares	Number	% of total shares
Jubilant Stock Holding Private Limited	29,676,992	18.63%	29,676,992	18.63%
SSB Consultants & Management Services Private Limited	21,007,665	13.19%	21,007,665	13.19%
HSB Corporate Consultants Private Limited	18,698,979	11.74%	18,698,979	11.74%
GA Global Investments Limited	10,380,339	6.52%	11,707,200	7.35%

3.4 The reconciliation of the shares outstanding at the beginning and at the end of the year:

Particulars	As at 31 March 2015		As at 31 March 2014	
	Number	₹ in million	Number	₹ in million
At the commencement and at the end of the year	159,281,139	159.28	159,281,139	159.28

3.5 a) 114,835 (Previous year 114,835) equity shares of ₹ 1 each allotted on exercise of the vested stock options in accordance with the terms of exercise under the "Jubilant Employees Stock Option Plan, 2005".

b) Under the Jubilant Employees Stock Option 2005 Plan, as at 31 March 2015- 105,495 (Previous year 132,684) outstanding options are convertible into 527,475 (Previous year 663,420) shares. (Refer note 39).

c) Under the Jubilant Employees Stock Option 2011 Plan, as at 31 March 2015- 1,112,306 (Previous year 1,428,939) outstanding options are convertible into 1,112,306 (Previous year 1,428,939) shares. (Refer note 39).

3.6 The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

Notes to the consolidated financial statements for the year ended 31 March 2015 (Continued)

(₹ in million)

	As at 31 March 2015	As at 31 March 2014
4. RESERVES AND SURPLUS		
Capital Reserve		
At the commencement of the year	203.30	95.53
Add: Capital Subsidy received	–	3.00
(Less)/Add: Adjustment on account of (deconsolidation)/consolidation of ESOP Trust (Refer note 40)	(104.77)	104.77
At the end of the year	**98.53**	**203.30**
Capital Redemption Reserve		
At the commencement and at the end of the year	**398.36**	**398.36**
Securities Premium Account		
At the commencement of the year	5,300.82	5,878.41
Add/(Less): Adjustment on account of deconsolidation/ (consolidation) of ESOP Trust (Refer note 40)	577.59	(577.59)
At the end of the year	**5,878.41**	**5,300.82**
Amalgamation Reserve		
At the commencement and at the end of the year	**13.21**	**13.21**
General Reserve		
At the commencement of the year	5,512.59	5,583.34
Less: Loss attributable to minority	–	(70.75)
At the end of the year	**5,512.59**	**5,512.59**
Legal Reserve**		
At the commencement of the year	23.38	15.73
Add: Transferred from Surplus	9.61	9.08
Less: Utilised during the year	(1.26)	(1.43)
At the end of the year	**31.73**	**23.38**
Hedging Reserve (net of related tax effect- (Refer note 49(iii))		
At the commencement of the year	(9.61)	365.56
Addition/ (deduction) during the year	9.61	(375.17)
At the end of the year	**–**	**(9.61)**
Foreign Currency Monetary Item Translation Difference Account (FCMITDA) (Refer note 48)		
At the commencement of the year	(480.73)	(675.45)
Exchange loss during the year on foreign currency term loan	(117.11)	(805.49)
Amount amortised during the year in Consolidated Statement of Profit and Loss	447.52	1,000.21
At the end of the year	**(150.32)**	**(480.73)**
Foreign Currency Translation Reserve		
At the commencement of the year	4,902.93	3,282.92
(Deduction)/addition during the year	(1,221.76)	1,620.01
At the end of the year	**3,681.17**	**4,902.93**

Notes to the consolidated financial statements for the year ended 31 March 2015 (Continued)

(₹ in million)

	As at 31 March 2015	As at 31 March 2014
Surplus		
At the commencement of the year	10,246.43	9,644.30
(Less)/ Add: Net (Loss)/ profit after tax transferred from Consolidated Statement of Profit and Loss	(577.64)	1,090.40
Add : Opening adjustment on account of Intangibles	–	12.54
Less: Adjustment on account of revised useful lives of fixed assets (Refer note 36)	(104.58)	–
(Less)/ Add: Adjustment on account of (deconsolidation)/consolidation of ESOP Trust (Refer note 40)	(67.30)	52.82
Amount available for appropriation	**9,496.91**	**10,800.06**
Less Appropriation:		
Proposed dividend on equity shares*#	477.84	463.34
Distribution tax on proposed equity dividend*	97.28	81.21
Amount transferred to legal reserve	9.61	9.08
At the end of the year	**8,912.18**	**10,246.43**
	24,375.86	**26,110.68**

* For the year ended 31 March 2015, dividend of 300 % (Previous year 300%) i.e. ₹ 3 (Previous year ₹ 3) per fully paid up equity share has been recognised as distributions to equity shareholders.

*# Amount for the year ended 31 March 2014 is net of dividend of ₹ 14.50 million on equity shares held by ESOP trust (Refer note 40).

** Includes ₹ 22.34 million (Previous year ₹ 16.29 million) created in Jubilant Life Sciences (Shanghai) Limited, China, ₹ 4.55 million (Previous year ₹ 4.76 million) created in Jubilant Pharmaceuticals NV, Belgium, ₹ 3.64 million (Previous year ₹ 2.33 million) created in PSI Supply NV, Belgium and ₹ 1.20 million (Previous year ₹ Nil) created in Jubilant Life Sciences NV, Belgium as per the requirements of local regulations. This reserve is not available for distribution.

(₹ in million)

	As at 31 March 2015	As at 31 March 2014
5. LONG-TERM BORROWINGS		
Term loans		
From Banks		
– Indian rupee loans (secured)	10,487.45	5,438.92
– Other foreign currencies loans (secured)	9,942.15	9,615.90
From other parties		
– Indian rupee loans (secured)	6,000.00	–
– Indian rupee loans (unsecured)	–	2.16
– Other foreign currencies loans (secured)	6,718.75	2,096.85
– Other foreign currencies loans (unsecured)	3,750.00	–
Finance lease obligations (secured)	14.51	15.00
	(1) 36,912.86	**(1) 17,168.83**
The above amount includes		
Secured borrowings	33,162.86	17,166.67
Unsecured borrowings	3,750.00	2.16
	36,912.86	**17,168.83**

(1) Refer note 10 for current maturities of long term borrowings

Notes to the consolidated financial statements for the year ended 31 March 2015 (Continued)

Nature of security of long term borrowings and other terms of repayment

Parent Company

5.1 Indian rupee term loans amounting to ₹ 10,181.53 million (Previous year ₹ 9,744.48 million) from Axis Bank Limited, IFCI Limited, IndusInd Bank Limited, Yes Bank Limited (Previous year from Corporation Bank, Central Bank of India, Indian Bank, Axis Bank Limited) and External commercial borrowings amounting to ₹ 2,968.75 million (Previous year ₹ 2,995.50 million) from DBS Bank Limited, Singapore and foreign currency loans amounting to ₹ 2,187.50 million (Previous year ₹ 2,695.95 million) from Export Import Bank of India are secured by a first pari-passu charge created/to be created amongst the lenders by way of:

a. Mortgage of the immovable fixed assets both present and future situated at Bhartiagram, District Amroha, Uttar Pradesh and immovable fixed assets situated at Village Samlaya, Taluka Savli, District Vadodara, Gujarat, and

b. Hypothecation on the entire movable fixed assets, both present and future of the Company.

Indian rupee loan from Axis Bank Limited is further secured by exclusive first charge created by way of hypothecation on receivable of USD 52.50 million (rupee equivalent converted at closing rate ₹ 3,281.25 million) (Previous year ₹ Nil) from Jubilant Generics Limited arising on account of Business Transfer Agreement (Refer note 33).

5.2 Indian rupee term loan amounting to ₹ 3,000.00 million (Previous year ₹ Nil) from Housing Development Finance Corporation Limited is secured by first mortgage by way of deposit of original title deeds of specified land and buildings situated at Noida, Greater Noida, Ambernath and also at Bharuch owned by one of the subsidiaries of the Company.

5.3 Term loan of USD Nil (₹ Nil) (Previous year USD 95 million) (₹ 5,691.45 million)) from Housing Development Finance Corporation Limited was secured by first mortgage by way of deposit of original title deeds of specified land and buildings situated at Noida, Greater Noida, Nanjangud, Nira, Roorkee, Ambernath and also at Bharuch owned by one of the subsidiaries of the Company.

5.4 Indian rupee term loan amounting to ₹ 1,800.00 million (Previous year ₹ Nil) from Yes Bank Limited is repayable in twelve equal quarterly instalments commencing from June 2017.

5.5 Indian rupee term loan amounting to ₹ 3,000.00 million (Previous year ₹ Nil) from IFCI Limited is repayable in twelve equal quarterly instalments commencing from May 2017.

5.6 Indian rupee term loan amounting to ₹ 3,000.00 million (Previous year ₹ Nil) from Housing Development Finance Corporation Limited is repayable in eight equal half yearly instalments commencing from March 2017.

5.7 Indian rupee loan term amounting to ₹ 3,500.00 million (Previous year ₹ Nil) from Axis Bank Limited is repayable in fourteen half yearly instalments commencing from September 2015.

5.8 Indian rupee term loan amounting to ₹ 1,881.53 million (Previous year ₹ Nil) from IndusInd Bank Limited is repayable in twenty quarterly instalments commencing from June 2015.

5.9 External commercial borrowing loan for USD 47.5 million (₹ 2,968.75 million) (Previous year USD 50 million (₹ 2,995.50 million)) from DBS Bank Limited, Singapore is repayable in three yearly instalments from December 2015.

5.10 Term loan of USD 35 million (₹ 2,187.50 million) (Previous year USD 45 million (₹ 2,695.95 million)) from Export Import Bank of India is repayable in two yearly instalments from May 2015.

5.11 Indian rupee term loans amounting to ₹ 9,744.48 million from Corporation Bank, Central Bank of India, Indian Bank, Axis Bank Limited and Term loan of USD 95 million (₹ 5,691.45 million) from Housing Development Finance Corporation Limited outstanding at the end of previous year have been fully repaid during the current year.

Jubilant Generics Limited

5.12 Indian rupee term loans amounting to ₹ 4,300 million (Previous period ₹ Nil) from Yes Bank, Indian Bank and Ratnakar Bank Limited are secured by a first pari-passu charge amongst the lenders on all immovable and movable fixed assets (both present and future) of the Company.

5.13 Indian rupee term loan amounting to ₹ 1,500.00 million (Previous period ₹ Nil) from Yes Bank is repayable in sixteen quarterly equal instalments commencing from September 2015.

Notes to the consolidated financial statements for the year ended 31 March 2015 (Continued)

5.14 Indian rupee term loans amounting to ₹ 1,500.00 million (Previous period ₹ Nil) from Indian Bank is repayable in sixteen quarterly equal instalments commencing from September 2015.

5.15 Indian rupee term loans amounting to ₹ 1,300.00 million (Previous period ₹ Nil) from Ratnakar Bank Limited is repayable in sixteen quarterly equal instalments commencing from October 2015.

Other entities

5.16 Term loan of USD 87.50 million (₹ 5,468.75 million) as on 31 March 2015 (Previous Year Nil) under Facility A to Jubilant Pharma Limited from International Finance Corporation, Singapore is secured by way of:

i) Pledge over 51% of shares of Class B Common Stock of Jubilant Pharma Holdings Inc.

ii) Charge over Interest Reserve Account maintained by the Jubilant Pharma Limited with the Account Bank.

iii) Guarantee from Jubilant Pharma Holding Inc. and Jubilant Draximage Inc. guaranteeing all outstanding obligations of the borrower under the Facility A. Total guaranteed amount as 31 March 2015 is USD 87.50 million (₹ 5,468.75 million).

Repayable in ten equal half yearly instalments commencing from December 2016.

5.17 Jubilant Pharma Limited obtained a unsecured term loan amounting to USD 60.00 million (₹ 3,750.00 million) under facility C from International Finance Corporation (IFC), due for repayment on 15 June 2020 (50%) and 15 June 2021 (50%) along with the repayment premium in accordance with the terms of the contract, if on or prior to such repayment date there has been (a) Neither a Private Equity (PE) Investment nor a Qualifying IPO, or (b) There has been a PE Investment but IFC has not converted the entire loan into shares. The return to IFC is variable upon the events described above and the time period elapsed in accordance with the terms of the arrangement.

5.18 Term loans of USD 35 million (₹ 2,187.56 million) as on 31 March 2015 (Previous Year Nil) to Jubilant Generics Inc. (merged with Cadista Holdings Inc.) from ICICI Bank Limited, New York, is secured by way of:

i) Guarantee from Jubilant Cadista Pharmaceuticals Inc.

ii) Exclusive first ranking charge over all presently owned and after acquired real and personal property including all deposit accounts of Jubilant Cadista Pharmaceuticals Inc.

Repayable in ten equal quarterly installments commencing from September, 2015.

5.19 Revolving Facility of USD 75.73 million (₹ 4,733.20 million) as on 31 March 2015 (Previous Year USD 77.56 million (₹ 4,646.55 million)) of Jubilant HollistierStier LLC from Bank of America N.A. is secured by way of:

i). Security interest in the receivable inventory, equipments and fixtures, deposit accounts and all general intangibles, including patents, trademarks, computer software (including any accessions, attachments, additions, substitutes or replacements thereof), books and records of Jubilant HollistierStier LLC pertaining to the collateral more particularly described in the security interest agreement dated 5 April 2013.

ii). Amended Deed of trust dated 5 April 2013 encumbering the parcel or parcels of real property owned by Jubilant HollistierStier LLC located in Spokane County, State of Washington, USA.

Revolving Facility is repayable in single installment in September 2016.

5.20 Term loans of USD 4.20 million (₹ 251.78 million) under Facility C to Jubilant HollisterStier Inc. from ICICI Bank Canada as the arranger and the agent outstanding at the end of previous year have been fully repaid during the current year.

5.21 Term loan of CAD 31.68 million (₹ 1,552.94 million) as on 31 March 2015 (Previous Year CAD 32 million (₹ 1,736.52 million)) under Facility B to Jubilant DraxImage Inc. from ICICI Bank, Canada as the arranger and the agent is secured by way of:

i) Irrevocable and unconditional corporate guarantee from Jubilant DraxImage Inc. and its subsidiaries.

ii) Pledge over the entire fully paid up equity shares, present and future, of:

a. Jubilant DraxImage Inc. and its subsidiaries.

b. Draximage Limited, Cyprus

Notes to the consolidated financial statements for the year ended 31 March 2015 (Continued)

iii) First and exclusive charge over the fixed assets and current assets of Jubilant DraxImage Inc. and its subsidiaries.

iv) Irrevocable and unconditional corporate guarantee from Jubilant Generics Inc (merged with Cadista Holdings Inc.) guaranteeing all outstanding obligations of the borrower under the facility. Total guaranteed amount as 31 March 2015 is ₹ 1,552.94 million.

Balance amount of Facility B is repayable in four yearly installments from November 2015.

5.22 Term Loan of SGD 8.50 million (₹ 386.36 million) as on 31 March 2015 (Previous year SGD 50 million (₹ 2,379.27 million)) to Jubilant Life Sciences International Pte Limited from ICICI Bank Limited, Singapore is secured by way of first charge on its current assets and assignment of its advance payment and supply agreement with the parent company and first charge on debt service reserve amount.

Balance is repayable in two monthly installments from April, 2015.

5.23 Term Loan of Euro 30 million (₹ 2,015.70 million) (Previous year Nil) to Jubilant Life Sciences NV from Deutsche Bank, Singapore is secured by way of first charge on its current assets.

Balance amount is repayable in eleven monthly installments from April 2015.

5.24 Term Loan of Euro 23 million (₹ 1,901.64 million) to Jubilant Life Sciences NV from Deutsche Bank, Singapore outstanding at the end of previous year have been fully repaid during the current year.

5.25 Unsecured Term Loan of ₹ 4.06 million to Jubilant First Trust Healthcare Ltd. outstanding at the end of previous year have been fully repaid during the current year.

5.26 Finance Lease obligations are secured by hypothecation of specific assets taken under such lease. The same are repayable within two to five years.

5.27 The Indian rupee term loans carry interest rate ranging from 9.50% to 13.25% and term loans denominated in currency other than Indian rupee carry interest rate of benchmark interest rate (Libor, CAD dealer offered rate, Euro libor and swap offer rates) plus spread ranging from 250 to 550 basis points. The benchmark rates are reset at periodic intervals as per the terms of the loan.

The composition of assets/fixed assets and current assets as mentioned above are defined in detail in the respective financing/credit arrangements.

(₹ in million)

	As at 31 March 2015	As at 31 March 2014
6. OTHER LONG TERM LIABILITIES		
Stock settled debt instrument	312.64	–
Income received in advance/unearned revenue	82.10	104.06
Other liabilities	3.27	10.66
	398.01	**114.72**

(₹ in million)

	As at 31 March 2015	As at 31 March 2014
7. LONG-TERM PROVISIONS		
Provision for employee benefits (Refer note 50)	670.40	499.86
Mark-to-market losses on derivative contracts [Refer note 47, 49(i) and 49(ii)]	–	1,695.44
	670.40	**2,195.30**

Notes to the consolidated financial statements for the year ended 31 March 2015 (Continued)

(₹ in million)

	As at 31 March 2015	As at 31 March 2014
8. SHORT-TERM BORROWINGS		
Loans repayable on demand		
– From Banks		
– Secured	2,326.69	5,071.76
– Unsecured	1,689.84	4,930.85
– From Others		
– Secured	750.00	898.65
Other working capital loans		
From Banks		
– Secured	405.19	977.03
	5,171.72	**11,878.29**
The above amount includes		
Secured borrowings	3,481.88	6,947.44
Unsecured borrowings	1,689.84	4,930.85
	5,171.72	**11,878.29**

8. Nature of security of short term borrowings and other terms of repayment

8.1 Working capital facilities (including cash credit) sanctioned by consortium of banks and notified financial institutions comprising of ICICI Bank Limited, Corporation Bank, Punjab National Bank, State Bank of India, The Hongkong and Shanghai Banking Corporation Limited, ING Vysya Bank Limited, Central Bank of India, Yes Bank Limited, DBS Bank Limited and Export Import Bank of India to parent company are secured by a first charge by way of hypothecation, ranking pari passu inter-se banks, of the entire book debts and receivables and inventories both present and future, of the Company wherever the same may be or be held. During the previous year, the working capital sanctioned limits also included commercial paper programme of ₹ 3,000.00 million as sublimit carved out from the funded limits, against which the balance outstanding as at end of previous year was ₹ Nil. Maximum balance of commercial paper outstanding at any time during the previous year was ₹ Nil. Other working capital loans are repayable as per terms of agreement within one year.

8.2 Working capital facilities (including cash credit) sanctioned by consortium of banks and notified financial institutions comprising of ICICI Bank Limited, ING Vysya Bank, Yes Bank Limited, Axis Bank Limited, Ratnakar Bank Limited and Export Import Bank of India to Jubilant Generics Limited are secured by a first charge by way of hypothecation, ranking pari passu, of the entire book debts and receivables and inventories, both present and future, of the Company wherever the same may be or be held.

8.3 Working capital facilities granted to Jubilant Chemsys Limited by ING Vysya Bank are secured by way of First Charge by way of hypothecation of entire current assets of Jubilant Chemsys Limited.

8.4 Working capital facilities granted to Jubilant Clinsys Limited by ING Vysya Bank are secured by way of First Charge by way of hypothecation of entire current assets of Jubilant Clinsys Limited.

8.5 Revolving Credit Facility of CAD 8.27 million (₹ 405.19 million) as on 31 March 2015 (Previous year CAD 15.02 million (₹ 815.19 million)) under Facility D1 to Jubilant HollisterStier Inc. from ICICI Bank, Canada as the arranger and the agent is secured by way of:

i) Irrevocable and unconditional corporate guarantee from Jubilant HollisterStier Inc. and its subsidiaries.

ii) Pledge over all the fully paid up equity shares (present and future) of Jubilant HollisterStier Inc. and Draxis Pharma LLC.

iii) First and exclusive charge over the fixed assets and current assets of Jubilant HollisterStier Inc. and its subsidiaries.

8.6 Revolving Credit Facility of CAD Nil as on 31 March 2015 (Previous year CAD 2.98 million (₹ 161.85 million)) under Facility D2 to Jubilant DraxImage Inc. from ICICI Bank, Canada as the arranger and the agent was secured by way of:

i) Irrevocable and unconditional corporate guarantee from Jubilant DraxImage Inc. and its subsidiaries.

ii) Pledge over the entire fully paid up equity shares (present and future) of Jubilant DraxImage Inc. (including its subsidiaries) and Draximage Limited, Cyprus (including its subsidiaries excluding Jubilant DraxImage Limited, India).

iii) First and exclusive charge over the assets of Jubilant DraxImage Inc (including its subsidiaries) and Draximage Limited, Cyprus (including its subsidiaries excluding Jubilant DraxImage Limited, India).

Notes to the consolidated financial statements for the year ended 31 March 2015 (Continued)

8.7 Indian rupee loans carry interest rate ranging from 9.50% to 14.00% and other currencies loans carry interest rate of benchmark interest rate (Libor and CAD Prime) plus spread ranging from 25 to 450 basis points. The benchmark interest rates are reset at periodic intervals as per the terms of the loan.

The composition of assets/fixed assets and current assets as mentioned above are defined in detail in the respective financing/credit arrangements.

(₹ in million)

	As at 31 March 2015	As at 31 March 2014
9. TRADE PAYABLES		
Trade payables	6,991.56	7,181.37
	6,991.56	**7,181.37**

(₹ in million)

	As at 31 March 2015	As at 31 March 2014
10. OTHER CURRENT LIABILITIES		
Current maturities of long term debt (Refer note 5.1 to 5.25)	5,833.89	14,893.37
Current maturities of finance lease obligations (Refer note 5.26)	12.71	12.33
Trade deposits and advances	191.25	192.08
Interest accrued but not due on borrowings	171.62	147.15
Income received in advance/unearned revenue	425.72	406.08
Unpaid dividends	34.68	28.18
Creditors for capital supplies and services	456.68	316.26
Statutory dues	195.39	208.81
Other payables*	965.38	1,107.75
	8,287.32	**17,312.01**

*(includes employee benefits, lease equalisation and provision for excise duty on closing stock, etc)

(₹ in million)

	As at 31 March 2015	As at 31 March 2014
11. SHORT-TERM PROVISIONS		
Provision for employee benefits (Refer note 50)	255.89	291.85
Dividends on equity shares (Including dividend distribution tax)	575.12	544.55
Income tax and wealth tax*	104.98	282.82
Mark-to-market losses on derivative contracts [Refer note 47, 49(i) and 49(ii)]	9.11	1,438.64
Other provisions	29.80	14.62
	974.90	**2,572.48**

*Net of advance tax of respective tax jurisdictions to the extent permissible.

Notes to the consolidated financial statements for the year ended 31 March 2015 (Continued)

12. TANGIBLE ASSETS

(₹ in million)

Description	GROSS BLOCK - COST / BOOK VALUE						DEPRECIATION / AMORTISATION / IMPAIRMENT						NET BLOCK	
	As at 31 March 2014	Deduction/ adjustments on account of sale of business (5)	Additions/ adjustments during the year	Deductions/ adjustments during the year (4)	Currency translation adjustment	As at 31 March 2015	As at 31 March 2014	Deduction/ adjustments on account of sale of business (5)	Provided during the year (1)	Deductions/ adjustments during the year (4)	Currency translation adjustment	As at 31 March 2015	As at 31 March 2015	As at 31 March 2014
Land														
(a) Freehold	635.45	–	1.92	–	(9.82)	627.55	–	–	–	–	–	–	627.55	635.45
(b) Leasehold	767.02	–	11.14	70.70	–	707.46	99.16	–	8.20	2.72	–	104.64	602.82	667.86
Buildings														
(a) Factory	6,929.56	–	135.42	–	5.27	7,070.25	1,861.49	–	215.77	–	(32.44)	2,044.82	5,025.43	5,068.07
(b) Others	2,202.10	–	87.60	–	–	2,289.70	203.47	–	153.53	–	–	357.00	1,932.70	1,998.63
Plant and equipment	35,860.37	–	1,291.07	1,282.35	(153.97)	35,715.12	14,028.01	–	1,588.93	640.38	(83.68)	14,892.88	20,822.24	21,832.36
Furniture and fixtures (3)	917.04	–	90.17	9.31	0.30	998.20	565.51	–	115.58	4.97	1.48	677.60	320.60	351.53
Vehicles-owned	73.73	–	6.85	9.26	(0.12)	71.20	46.85	–	7.11	8.79	(0.12)	45.05	26.15	26.88
Vehicles-leased	51.45	–	16.80	9.59	–	58.66	27.62	–	12.83	6.03	–	34.42	24.24	23.83
Office equipments	1,433.31	–	98.08	38.15	(13.61)	1,479.63	950.13	–	192.84	34.93	(13.34)	1,094.70	384.93	483.18
Railway sidings	159.38	–	–	–	–	159.38	39.87	–	11.08	–	–	50.95	108.43	119.51
TOTAL	**49,029.41**	**–**	**1,739.05**	**1,419.36**	**(171.95)**	**49,177.15**	**17,822.11**	**–**	**2,305.87**	**697.82**	**(128.10)**	**19,302.06**	**29,875.09**	**31,207.30**
Previous Year	46,574.58	285.87	1,965.59	107.92	883.03	49,029.41	15,286.07	47.35	2,284.75	43.25	341.89	17,822.11		
Capital work in progress (CWIP)													1,981.77	1,108.44
													31,856.86	**32,315.74**

Notes :

(1) Includes ₹ 159.65 million (Previous year ₹ Nil) debited to opening balance of retained earnings based on transitional provision provided in Note 7(b) of Schedule II of the Companies Act, 2013. (Refer note 36)

(2) Addition to fixed assets (including movement in CWIP) includes ₹ 98.54 million (Previous year ₹ 281.00 million) on account of exchange loss/(gain) (Refer note 48).

(3) Include leasehold improvements.

(4) Refer note 44

(5) During previous year the Group had exited its hospital business which was operated under two of its subsidiaries namely of Jubilant First Trust Healthcare Limited and Asia Healthcare Development Limited.

Notes to the consolidated financial statements for the year ended 31 March 2015 (Continued)

13. INTANGIBLE ASSETS

(₹ in million)

Description	GROSS BLOCK - COST / BOOK VALUE						DEPRECIATION / AMORTISATION / IMPAIRMENT							NET BLOCK	
	As at 31 March 2014	Deduction/ adjustments on account of sale of business	Additions/ adjustments during the year	Deductions/ adjustments during the year	Currency translation adjustment	As at 31 March 2015	As at 31 March 2014	Deduction/ adjustments on account of sale of business	Provided during the year	Deductions/ adjustments during the year	Impairment	Currency translation adjustment	As at 31 March 2015	As at 31 March 2015	As at 31 March 2014
Goodwill	19,692.85	–	244.18	–	(560.79)	19,376.24	1,912.71	–	–	–	51.25	87.60	2,051.56	17,324.68	17,780.14
Intangibles															
a) Internally generated															
– Product Registration/Market Authorisation	2,346.78	–	539.89	–	(6.46)	2,880.21	1,272.96	–	380.56	0.58	–	(13.84)	1,639.10	1,241.11	1,073.82
b) Acquired patents	462.35	–	–	–	(51.20)	411.15	110.04	–	104.21	–	–	(25.87)	188.38	222.77	352.31
c) Other															
– Rights	218.42	–	–	–	(6.91)	211.51	105.95	–	12.99	–	–	(6.92)	112.02	99.49	112.47
– Software	1,556.52	–	47.67	–	(39.47)	1,564.72	1,094.76	–	163.96	(0.58)	–	(44.78)	1,214.52	350.20	461.76
TOTAL	**24,276.92**	**–**	**831.74**	**–**	**(664.83)**	**24,443.83**	**4,496.42**	**–**	**661.72**	**–**	**51.25**	**(3.81)**	**5,205.58**	**19,238.25**	**19,780.50**
Previous Year	22,126.91	4.27	905.62	126.07	1,374.73	24,276.92	3,740.81	1.87	526.93	58.33	35.06	253.82	4,496.42		
Intangible assets under development (including R&D expenditure in the nature of intangibles) [CWIP]														3,984.22	3,615.50
														23,222.47	**23,396.00**

Notes to the consolidated financial statements for the year ended 31 March 2015 (Continued)

(₹ in million)

			As at 31 March 2015		As at 31 March 2014	
14. NON-CURRENT INVESTMENTS (at cost)						
Number	**Face value per unit**	**All unquoted unless otherwise specified**				
		Other Investments				
		Investment in equity instruments (fully paid up equity shares)				
5,308,334 (5,308,334)	₹ 10	Forum I Aviation Limited		47.61		47.61
50,000 (242,806)	₹ 10	Jubilant Industries Limited (quoted) (Previous year includes 192,806, equity shares Issued to Jubilant Employee Welfare Trust in accordance with the Scheme of Amalgamation and Demerger- Refer note 39 and 40)		0.41		0.41
510,771 (510,771)	USD 0.01	Safe Foods Corporation USA-Common Stock Less: Provision for diminution in value	312.51 (176.66)		299.56 (169.34)	
				135.85		130.22
		Investment in preference shares				
239,044 (220,135)	USD 0.001	Putney Inc.(USA)-Convertible Preferred Stock Less: Provision for diminution in value	77.34 (28.75)		69.39 (27.56)	
				48.59		41.83
		Investment in debentures/bonds				
		Muroplex Therapeutics, Inc. - Convertible Note & Warrants Less: Provision for diminution in value	16.79 (16.79)		16.09 (16.09)	
				–		–
		Others				
		Healthcare Ventures IX, L.P. -Investment (2) Less: Provision for diminution in value	185.94 (23.44)		142.29 (22.47)	
				162.50		119.82
		Total non-current investments		**394.96**		**339.89**
		Aggregate amount of quoted investments:				
		– Cost		**0.41**		**0.41**
		– Market Value		**4.07**		**12.18**
		Aggregate amount of unquoted investments		**640.19**		**574.94**
		Aggregate provision for diminution in value of investments		**245.64**		**235.46**

Notes:

(1) Figures in ( ) are in respect of previous year.

(2) Represents 10% of total capital of the fund.

Notes to the consolidated financial statements for the year ended 31 March 2015 (Continued)

(₹ in million)

	As at 31 March 2015	As at 31 March 2014
15. LONG-TERM LOANS AND ADVANCES		
(Unsecured and considered good)		
Capital advances	178.77	74.95
Security deposits	115.32	112.67
Loans to related parties [Refer note 51(18)]	410.39	–
Advances recoverable in cash or kind		
– From related parties (Refer note 51(21))	–	25.00
– Loans and advances to employees	14.57	19.71
– Prepaid expenses	290.76	16.19
– Others	2.26	7.37
MAT credit entitlement	1,960.60	2,250.24
Advance payment of income tax*	589.83	794.22
	3,562.50	**3,300.35**

*Net of provision for tax of respective tax jurisdictions to the extent permissible.

(₹ in million)

	As at 31 March 2015	As at 31 March 2014
16. OTHER NON-CURRENT ASSETS		
(Unsecured and considered good)		
Other bank balances		
– Deposits with original maturity of more than 12 months	4.06	4.70
– Margin money deposit	2.01	1.16
	(1) 6.07	**(1) 5.86**

(1) ₹ 6.07 million (Previous year ₹ 5.66 million) has restricted use.

(₹ in million)

	As at 31 March 2015	As at 31 March 2014
17. INVENTORIES		
(Valued at the lower of cost and net realisable value)		
Raw materials [(including goods-in-transit ₹ 1,269.18 million (Previous year ₹ 453.77 million)]	5,490.25	5,420.85
Work-in-progress	1,900.63	2,688.10
Finished goods [(including goods-in-transit ₹ 6.37 million (Previous year ₹ Nil)]	2,707.58	3,530.14
Stock-in-trade [(including goods-in-transit ₹ 1.37 million (Previous year ₹ Nil)]	647.84	433.25
Stores and spares [(including goods-in-transit ₹ 49.91 million (Previous year ₹ 48.92 million)]	953.14	856.53
Packing material [(including goods-in-transit ₹ 1.16 million (Previous year ₹ 2.46 million)]	112.19	122.55
Others-process chemicals and fuels [(including goods-in-transit ₹ 31.54 million (Previous year ₹ 45.24 million)]	541.62	362.75
	12,353.25	**13,414.17**

Notes to the consolidated financial statements for the year ended 31 March 2015 (Continued)

(₹ in million)

		As at 31 March 2015		As at 31 March 2014
18. TRADE RECEIVABLES				
(Unsecured)				
Outstanding for a period exceeding six months from the date they become due for payment				
Considered good		69.94		279.54
Considered doubtful		196.01		165.82
		265.95		**445.36**
Provision for doubtful receivables		196.01		165.82
(A)		**69.94**		**279.54**
Other receivables				
Considered good		8,093.96		7,779.19
Considered doubtful		16.64		0.70
		8,110.60		**7,779.89**
Provision for doubtful receivables		16.64		0.70
(B)		**8,093.96**		**7,779.19**
Total (A + B)	**(1)**	**8,163.90**	**(1)**	**8,058.73**

(1) [Refer note 32(C)(i)]

(₹ in million)

		As at 31 March 2015		As at 31 March 2014
19. CASH AND BANK BALANCES				
Cash and cash equivalents				
Balances with banks:				
– On current accounts		3,667.20		4,546.12
– On dividend accounts		34.68		28.18
– On deposits accounts with original maturity upto three months		120.90		104.95
Cash on hand		1.95		2.29
Cheques/Drafts on hand		74.24		0.23
Others				
– Funds in transit		15.85		51.43
– Imprest		1.51		1.71
		3,916.33		**4,734.91**
Other bank balances:				
– Deposits with original maturity of more than three months upto twelve months		6.76		25.31
– As margin money		20.34		35.10
	(1)	**3,943.43**	**(1)**	**4,795.32**

(1) ₹ 77.01 million (Previous year ₹ 192.37 million) has restricted use.

Notes to the consolidated financial statements for the year ended 31 March 2015 (Continued)

(₹ in million)

	As at 31 March 2015	As at 31 March 2014
20. SHORT-TERM LOANS AND ADVANCES		
(Unsecured and considered good)		
Deposits	66.49	57.63
Deposits/ Balances with excise/ sales tax authorities	726.12	866.62
Advance payment of income tax	144.46	–
MAT credit entitlement	236.71	–
Advance recoverable in cash or kind		
– From related parties (Refer note 51(21))*	16.14	128.34
– Loans and advances to employees	29.31	28.08
– Advance for supply of goods and services	168.23	215.59
– Prepaid expenses	408.75	347.35
– Claims recoverable	288.86	436.79
– Others	58.19	64.16
	2,143.26	**2,144.56**

* Includes due by directors and private companies having common director aggregating to ₹ 0.25 million (Previous year ₹ 106.09 million)

(₹ in million)

	As at 31 March 2015	As at 31 March 2014
21. OTHER CURRENT ASSETS		
Other current assets**	675.45	867.52
	675.45	**867.52**

** Including mark-to-market recoverable ₹ Nil (Previous year ₹ 4.62 million) and note receivable ₹ 408.51 million (Previous year ₹ 686.81 million)

[Refer note 44 and 49(iii)]

(₹ in million)

	For the year ended 31 March 2015	For the year ended 31 March 2014
22. REVENUE FROM OPERATIONS		
Sales of products		
– Finished goods	51,769.63	47,766.31
– Traded goods	2,413.14	2,289.28
Sales of services	5,159.47	8,527.75
Other operating revenues (Refer note 35)	501.09	817.50
Revenue from operations (gross)	**59,843.33**	**59,400.84**
Less: excise duty	(1,580.86)	(1,367.21)
Revenue from operations (net)	**58,262.47**	**58,033.63**

(₹ in million)

	For the year ended 31 March 2015	For the year ended 31 March 2014
23. OTHER INCOME		
Interest Income	62.40	52.20
Dividend on non-trade current investments	7.01	–
Net gain on sale/disposal/discard of fixed assets	221.04	24.82
Other non-operating income	134.08	113.58
	424.53	**190.60**

Notes to the consolidated financial statements for the year ended 31 March 2015 (Continued)

(₹ in million)

	For the year ended 31 March 2015	For the year ended 31 March 2014
24. COST OF MATERIALS CONSUMED		
Raw and process materials consumed	22,360.09	21,920.89
	22,360.09	**21,920.89**

(₹ in million)

	For the year ended 31 March 2015	For the year ended 31 March 2014
25. PURCHASE OF STOCK-IN-TRADE		
Purchase of stock-in-trade	2,940.54	3,489.19
	2,940.54	**3,489.19**

(₹ in million)

	For the year ended 31 March 2015	For the year ended 31 March 2014
26. CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE		
Stock at close -Work-in-progress	1,900.63	2,688.10
Stock at close -Finished goods	2,707.58	3,530.14
Stock at close -Stock-in-trade	647.84	433.25
	5,256.05	**6,651.49**
Stock at commencement -Work-in-progress	2,688.10	2,129.75
Stock at commencement -Finished goods	3,530.14	3,222.98
Stock at commencement -Stock-in-trade	433.25	217.28
	6,651.49	**5,570.01**
Decrease/ (increase) in stocks	1,395.44	(1,081.48)
Foreign currency translation impact on movement in finished goods, work-in-progress and stock-in-trade	(79.00)	92.01
	1,316.44	**(989.47)**

(₹ in million)

	For the year ended 31 March 2015	For the year ended 31 March 2014
27. EMPLOYEE BENEFITS EXPENSE		
Salaries, wages, bonus, gratuity and allowances (Refer note 50)	9,173.32	9,286.61
Contribution to provident, superannuation fund and other funds (Refer note 50)	765.25	805.31
Staff welfare expenses	964.19	959.76
	10,902.76	**11,051.68**

(₹ in million)

	For the year ended 31 March 2015	For the year ended 31 March 2014
28. FINANCE COSTS*		
Interest expense	3,269.68	3,064.17
Other borrowing cost	166.82	53.83
Exchange difference to the extent considered as an adjustment to borrowing cost	116.90	119.23
	3,553.40	**3,237.23**

*(Refer note 42)

Notes to the consolidated financial statements for the year ended 31 March 2015 (Continued)

(₹ in million)

		For the year ended 31 March 2015		For the year ended 31 March 2014
29.	OTHER EXPENSES			
	Power and fuel	3,930.35		3,897.40
	Stores, spares, chemicals and packing materials consumed	2,554.35		2,485.38
	Processing charges	238.79		201.42
	Excise duty related to increase/decrease in inventory of finished goods	13.14		(36.01)
	Rent (Refer note 41)	210.71		229.28
	Rates and taxes	489.42		463.17
	Insurance	184.21		186.27
	Advertisement, publicity and sales promotion	168.67		196.56
	Travelling and other incidental expenses	512.17		410.22
	Repairs			
	– Building	254.77		251.31
	– Machinery	1,044.65		887.32
	– Others	188.51		188.63
	Office expenses	274.16		262.33
	Vehicle running and maintenance	42.96		37.37
	Printing and stationery	62.05		69.45
	Communication expenses	126.33		132.57
	Staff recruitment and training	137.87		140.10
	Donation (Refer note 38)	102.48		72.33
	Auditors Remuneration – As Auditors	5.77		3.57
	– For tax audit	1.12		0.95
	– For certification and other services	2.31	(1)	5.54
	– Out of pocket expenses	–	(1)	0.27
	Legal professional and consultancy charges	916.09		735.72
	Freight and forwarding (including ocean freight)	956.18		862.86
	Directors' sitting fees	4.83		2.81
	Subscription	95.76		97.07
	Miscellaneous expenses	51.88		19.13
	Bank charges	122.69		133.86
	Discounts and claims to customers and other selling expenses	756.08		409.77
	Commission on sales	158.85		131.21
	Loss on sale/disposal/discard of fixed assets (net)	11.10		16.19
	Provision/write off Bad debts/ Irrecoverable advances (net)	231.70		(8.79)
		13,849.95		**12,485.26**

(1) Includes ₹ 4.04 million in respect of erstwhile auditors

Notes to the consolidated financial statements for the year ended 31 March 2015 (Continued)

(₹ in million)

	For the year ended 31 March 2015	For the year ended 31 March 2014
30. EXCEPTIONAL ITEMS		
Amortisation of Foreign Currency Monetary Item Translation Difference Account (FCMITDA)	447.52	1,000.21
Mark-to-market (gain)/loss in respect of currency and interest rate swap contracts and forward covers outstanding (Refer note 49(ii))	(167.60)	718.85
Foreign exchange (gain)/ loss	(489.86)	444.02
Provision for impairment of goodwill (Refer note 45)*	51.25	35.06
Impairment of intangibles (Refer note 43)	–	33.74
Profit on sale of business	–	(142.72)
Loss on discard of assets (Refer note 44)	639.73	–
Others litigation expenses	–	55.78
	481.04	**2,144.94**

*Related to pharmaceuticals segment

31. Commitments to the extent not provided for:

a) **Capital Commitments:**

Estimated amount of contracts remaining to be executed on capital account (Net of advances) is ₹ 671.02 million (Previous year ₹ 528.97 million).

b) **Other Commitments:**

i) Exports obligation undertaken by the Group under EPCG scheme to be completed over a period of five/eight years on account of import of Capital Goods at concessional import duty and remaining outstanding is ₹ 77.34 million (Previous year ₹ Nil). Similarly, export obligation under Advance License Scheme/DFIA scheme on duty free import of specific raw materials, remaining outstanding is ₹ 6,027.45 million (Previous year ₹ 6,125.53 million).

ii) Uncalled liability on investments in Healthcare Ventures IX, L.P. amounting to ₹ 126.56 million (Previous year ₹ 157.26 million).

iii) For lease commitments refer note 41.

32. Contingent liabilities to the extent not provided for:

A. Guarantees:

Outstanding guarantees furnished by Banks on behalf of the Group is ₹ 452.62 million (Previous year ₹ 538.17 million).

B. Claims against Group, disputed by the Group, not acknowledged as debt:

(₹ in million)

Particulars	As at 31 March 2015	As at 31 March 2014
Central Excise	1,143.30	1,093.17
Customs	19.44	11.49
Sales Tax	56.47	51.59
Income Tax	592.97	611.47
Service Tax	461.02	315.10
Others	348.69	43.09

Excluding claims in respect of business transferred in earlier year to Jubilant Industries Limited in accordance with the demerger scheme approved by the Hon'ble Allahabad High Court, though the litigations may be continuing in the name of the Parent Company.

Future cash outflows in respect of the above matters as well as for matters listed under 32(C) below are determinable only on receipt of judgments/decisions pending at various stages/forums.

Notes to the consolidated financial statements for the year ended 31 March 2015 (Continued)

C. Other contingent liabilities as at 31 March 2015:

i. Liability in respect of bills discounted with banks ₹ 447.01 million (Previous year ₹ 699.85 million).

ii. The Parent Company's writ petition against the levy of transport fee by the State of Maharashtra on consumption of rectified spirit and molasses within Nira factory has been allowed by the Hon'ble Bombay High Court with consequential refund. The Parent Company has filed a refund claim for an amount of ₹ 2.51 million (Previous year ₹ 2.51 million) deposited during the period when the dispute was pending before the High Court. The total amount of disputed transport fee is ₹ 209.13 million (Previous year ₹ 193.06 million). The State of Maharashtra has filed a special leave petition in the Supreme Court and has sought a stay on the operation of the High Court order.

iii. The Parent Company has challenged before the Hon'ble Allahabad High Court, the increase in denaturing fee by the State of Uttar Pradesh w.e.f 1 April 2004 on denaturing of rectified spirit in the Gajraula factory and the writ petition has been admitted by the Court. The Parent Company has deposited ₹ 25.55 million (Previous year ₹ 24.45 million) under protest which is shown as deposits.

iv. Zila Panchayat at J.P. Nagar (in respect of the Parent Company's Gajraula plant) served a notice demanding a compensation of ₹ 277.40 million (Previous year ₹ 277.40 million) allegedly for, percolation of poisonous water stored in lagoons and flowing through the land of Zila Panchayat resulting in loss of crops and cattle of the farmers and for putting poisonous fly ash on national highway which caused loss to the health and damages to eyes and skin of people.

District Magistrate issued a recovery certificate along with 10% collection charges inflating the demand to ₹ 305.14 million (Previous year ₹ 305.14 million). In the opinion of the Parent Company, the Zila Panchayat has no jurisdiction in raising this demand. The demand was challenged in Hon'ble Allahabad High Court and the court stayed the demand till further orders.

v. The Parent Company has challenged before the Hon'ble Allahabad High Court, the levy of license fees of ₹ 2.87 million (Previous year ₹ 2.87 million) by State of Uttar Pradesh, for grant of PD-2 license for manufacture of ethyl alcohol for industrial use. The writ petition has been admitted and is being listed for final hearing. Though the amount has been deposited and shown as such, no provision against this has been made as the issue is covered by the earlier favorable judgment of the Hon'ble Supreme Court of India.

vi. The State of Uttar Pradesh (UP) has imposed levy on import of denatured spirit into the State of Uttar Pradesh (UP). The Parent Company has imported denatured spirit into the State of Uttar Pradesh and has challenged levy amounting to ₹ 90.00 million (Previous year ₹ 90.00 million) before Hon'ble Allahabad High Court. The writ petition has been allowed by the High Court in favour of the Parent Company. The State of Uttar Pradesh filed a Special Leave Petition (SLP) with Hon'ble Supreme Court. The SLP has been admitted but the Hon'ble Supreme Court has declined the request of the State of Uttar Pradesh (UP) to stay the operation of High Court Order.

vii. The Hon'ble Supreme Court has quashed the levy of license fee by State of Uttar Pradesh on captive consumption of denatured spirit in the Gajraula factory, and has ordered the refund of the fee paid during the period of dispute subject to condition that the amount has not been collected from the Parent Company's customers. Further the Court has directed the State to investigate whether the Parent Company has collected the disputed fee from its customers to the extent bank guarantees were furnished.

The Parent Company is entitled to a refund of ₹ 84.06 million (Previous year ₹ 84.06 million) as the amount paid during the period of dispute or secured by bank guarantees was not collected from its customers. Accordingly the Parent Company has approached the State of Uttar Pradesh for the refund of the said amount. The amount paid has been shown as deposit.

viii. A group of villagers from Nira in Pune District, State of Maharashtra, had filled a Public Interest Litigation against the Parent Company on account of ground water contamination against which National Green Tribunal (NGT), Pune Bench passed an order on 16 May 2014. In this order, NGT has instructed the Parent Company to comply with the recommendations of National Environmental Engineering Research Institute (NEERI), Maharashtra Pollution Control Board (MPCB) and Central Ground Water Board (CGWB) to ensure zero discharge and remediation to contaminated ground water. NGT in its order has also instructed the district authority to form a committee to conduct an enquiry around 2 Km radius of Nira unit to ascertain extent of loss and recommend the loss if any, caused to agriculturist due to effluent discharge to Nira river and asked Parent Company to deposit adhoc amount of ₹ 2.50 million (Previous year ₹ 2.50 million) with the Collector of Pune. During current year Parent Company deposited the above amount with the Collector of Pune. The report of the nominated committee is awaited.

ix. Additionally, the Group is involved in other disputes, lawsuits, claims, governmental and/ or regulatory inspections, inquiries, investigations and proceedings, including commercial matters that arise from time to time in the ordinary course of business. The Group believes that none of these matters, either individually or in aggregate, are expected to have any material adverse effect on its consolidated financial statements.

Notes to the consolidated financial statements for the year ended 31 March 2015 (Continued)

33. During the year, the Parent Company completed the Pharma consolidation under its wholly owned subsidiary Jubilant Pharma Limited Singapore (JPL). Under Pharma consolidation:

(i) the Parent Company has transferred, with effect from 1 July 2014, its Active Pharmaceutical Ingredients and Dosage Forms business to Jubilant Generics Limited (JGL), a wholly owned Subsidiary of JPL, by way of a slump sale on going concern basis for a lump sum consideration of ₹ 9,293.00 million (net of debts of ₹ 3,923.00 million).

(ii) the Parent company has transferred shares held by it in Jubilant Pharma Holdings Inc, USA and Jubilant Pharma NV, Belgium to JGL, for a consideration of ₹ 2,158.00 million (Net of debts of ₹ 1,897.00 million) on 29 May 2014.

Other than tax effect thereon, there is no impact of the transaction on consolidated financial statements.

34. During the current year, Jubilant Generics Inc. (JGI) a wholly owned step down subsidiary of the Parent Company, acquired through tender offer process 17,018,378 equity shares held by the minority (representing approximately 82% of the minority shares not held by the Group) in Cadista Holdings Inc. (CHI) for US $ 1.60 per share. JGI also completed a short form merger with and into CHI and as result of the merger the remaining 3,735,228 shares belonging to minority were cancelled and converted into right to receive US $ 1.60 per share in cash without interest, subject to appraisal law under the Delaware Law. The consideration for this transaction is US $ 33,205,770 (₹ 2,030.53 million). This transaction has been accounted by following the purchase method of accounting which resulted in goodwill of US $ 3,946,045 (₹ 244.18 million). As a result of the above transaction, CHI has become a step down wholly owned subsidiary of the Company with effect from 23 December 2014 and a notice of termination of registration under section 12(g) of the Security Exchange Act has also been filled with Security Exchange Commission, USA.

35. Other operating income is in the nature of export incentive, contract termination fees, scrap sales and liabilities write in etc.

36. During the current year, pursuant to the Companies Act, 2013 ('the Act') being effective from 1 April 2014, the Group has revised depreciation rates on fixed assets for Indian entities as per the useful life specified in Part 'C' of Schedule II of the Act. As a result of this change, the depreciation charge for the year ended 31 March 2015 is lower by ₹ 188.63 million. Further, based on the transitional provision provided in Note 7(b) of the Schedule II an amount of ₹ 104.58 million (after adjustment for related tax impact of ₹ 55.07 million) has been debited to opening balance of retained earnings in respect of the fixed assets where life has expired as per the said Schedule as on 31 March 2014.

37. Finance costs include charge on loan of US $ 60 million from International Finance Corporation (IFC). On the basis of assessment of probable return to IFC as per the terms of the agreement, the Group has recognized an expense amounting to ₹ 306.81 million towards expected charge on this loan based on probabilities of occurrence of PE investment and a Qualifying IPO.

38. Donation includes ₹ Nil (Previous year ₹ 38.80 million) to Satya Electoral Trust during the year.

39. Employee Stock Option Scheme

The Parent Company has two stock option plans in place namely:

- Jubilant Employees Stock Option Plan, 2005 ("Plan 2005")
- JLL Employees Stock Option Plan, 2011 ("Plan 2011")

The Nomination, Remuneration and Compensation Committee ('Committee') of the Board of Directors which comprises a majority of Independent Directors is responsible for administration and supervision of the Stock Option Plans.

Under Plan 2005, as amended, and under Plan 2011, upto 1,100,000 Stock Options and upto 5,352,000 Stock Options, respectively, can be issued to eligible directors (other than promoter directors) and other specified categories of employees of the Company/ subsidiaries. Options are to be granted at market price. As per the SEBI guidelines, the market price is taken as the closing price on the day preceding the date of grant of options, on the stock exchange where the trading volume is the highest. Under Plan 2005, each option, upon vesting, shall entitle the holder to acquire five equity shares of ₹ 1 each. Options granted upto 28 August 2009 will vest entirely within two years from the grant date, with certain lock-in provisions. Options granted after 28 August 2009 will vest gradually over a period of 5 years from the grant date, without any lock-in provisions.

Under Plan 2011, each option, upon vesting, shall entitle the holder to acquire one equity share of ₹ 1 each. Options granted will vest gradually over a period of 3 years from the grant date. Vesting of Options is a function of achievement of performance criteria or any other criteria, as specified by the Committee and communicated in the grant letter.

Notes to the consolidated financial statements for the year ended 31 March 2015 (Continued)

Summary of vesting and lock-in provisions are given below:

Sr. No	PLAN 2005						PLAN 2011		
	Vesting schedule (With lock in) Applicable for grants made upto 28 August 2009			Vesting Schedule (Without lock in) Applicable for grants made after 28 August 2009			Vesting schedule		
	% of options scheduled to vest	Vesting date	Lock-in period	% of options scheduled to vest	Vesting date	Lock-in period	% of options scheduled to vest	Vesting date	Lock-in period
1.	10	1 year from grant date	Nil	10	1 year from grant date	Nil	20	1 year from grant date	Nil
2.	15	2 years from grant date	Nil	15	2 years from grant date	Nil	30	2 years from grant date	Nil
3.	20	2 years from grant date	1 year from vesting date	20	3 years from grant date	Nil	50	3 years from grant date	Nil
4.	25	2 years from grant date	2 years from vesting date	25	4 years from grant date	Nil			
5.	30	2 years from grant date	3 years from vesting date	30	5 years from grant date	Nil			

In 2008-09, members approved constitution of Jubilant Employees Welfare Trust ('Trust') for the purpose of acquisition of equity shares of the Company from the Secondary market or subscription of shares from the Company, to hold the shares and to allocate/transfer these shares to eligible employees of the Company/subsidiaries from time to time on the terms and conditions specified under respective Plans. The members authorised grant of loan(s) from time to time to the Trust in one or more tranches, upto ₹ 1,000 million either free of interest or at interest agreed between the Board and the Trust. The outstanding loan to the Trust as at 31 March 2015 is ₹ 410.39 million (Previous year ₹ 424.89 million). Also refer note 40.

Upto 31 March 2014, the Trust has purchased 6,363,506 equity shares of the Company from the open market, out of interest free loan provided by the Group, of which 1,530,010 shares were transferred to the employees on exercise of Options. The Trust has also been issued 192,086 equity shares of Jubilant Industries Limited in accordance with the Scheme of Amalgamation and Demerger amongst the Company, Jubilant Industries Limited and others. There is no movement in these numbers during the year ended 31 March 2015.

The movement in the stock options under both the Plans, during the year, is set out below:

Under Plan 2005

Particulars	For the year ended 31 March 2015		For the year ended 31 March 2014	
	Number of options	Weighted average exercise price (₹)	Number of options	Weighted average exercise price (₹)
Outstanding at the beginning of the year	132,684	223.90	145,443	227.05
Forfeited during the year	(27,189)	228.46	(12,759)	259.78
Outstanding at the end of the year	105,495	222.73	132,684	223.90
Exercisable at the end of the year	105,495	222.73	127,966	223.98

** The Board has decided that no further grants will be made under Plan 2005.*

Notes to the consolidated financial statements for the year ended 31 March 2015 (Continued)

Under Plan 2011

Particulars	For the year ended 31 March 2015		For the year ended 31 March 2014	
	Number of options	Weighted average exercise price (₹)	Number of options	Weighted average exercise price (₹)
Outstanding at the beginning of the year	1,428,939	210.49	1,585,055	210.47
Granted during the year	–	–	12,187	176.00
Forfeited during the year	(316,633)	209.38	(168,303)	207.81
Outstanding at the end of the year	1,112,306	210.80	1,428,939	210.49
Exercisable at the end of the year	771,930	207.07	403,811	206.58

The Group has opted for intrinsic value method of accounting for Employee Stock Options. As market price of the options is equal to the exercise price on the date of grant, intrinsic value is ₹ Nil. Hence, there is no cost charged to the Consolidated Statement of Profit and Loss on account of options granted to employees under the Employee Stock Option Plans of the Group.

If the Group had considered "fair value" of the options on the date of grant instead of the "intrinsic value", the effect on earnings per share would be as under:

Particulars		For the year ended 31 March 2015	For the year ended 31 March 2014
(Loss)/Profit for the year as reported in the Consolidated Statement of Profit and Loss	(₹ in million)	(577.64)	1,090.40
Add: Employee stock compensation expense included in reported net (loss)/profit	(₹ in million)	–	–
Less: Employee stock compensation expense determined under fair value method	(₹ in million)	11.46	22.36
Pro forma net (loss)/profit	(₹ in million)	(589.10)	1,068.04
Basic and diluted earnings per share - as reported	(Rupees)	(3.63)	6.85
Basic and diluted earnings per share - adjusted pro forma	(Rupees)	(3.70)	6.71

Stock compensation expense under the Fair Value Method has been determined based on fair value of the stock options. The fair value of stock options was determined using the Black Scholes option pricing model with the following assumptions:

Particulars	Plan 2005	Plan 2011
Expected volatility	29.73% - 41.76%	38.36% - 45.95%
Risk free interest rate	7.52% - 9.44%	7.74% - 8.81%
Exercise price (₹)	198.55 - 359.25	170.20 - 220.90
Expected dividend yield	0.51% - 0.90%	0.63% - 1.10%
Life of options (years)	4.25	3.65
Weighted average fair value of options as at the grant date (₹)	94.18	84.90

40. During the previous year, the Parent Company had changed its policy with respect to treatment of shares issued to Jubilant Employee Welfare trust ('Trust'). The Trust primarily holds equity shares of the Parent Company which are to be transferred to employees of the Group upon exercise of their stock options under various Employee Stock Option Plans (ESOP) in force. As per an opinion of the Expert Advisory Committee ('EAC') of The Institute of Chartered Accountants of India (ICAI), as on the reporting date, the shares held by the trust but yet to be allotted to employees be shown as a deduction, from the Share Capital to the extent of face value of the shares and Securities Premium to the extent of amount exceeding face value of shares, with a corresponding adjustment to the, loan receivable from Trust, Capital Reserve (for the amount of profit on sale of shares) and Surplus (to the extent of dividend received net of operating expenses). Consequently, the face value of 4,833,496 equity shares held by trust as at 31 March 2014 amounting to ₹ 4.84 million was reduced from the share capital and the excess of net worth (after elimination of inter-company loans) of ₹ 420.00 million was adjusted from securities premium ₹ 577.59 million, capital reserve (₹ 104.77 million) and surplus (₹ 52.82 million).

Notes to the consolidated financial statements for the year ended 31 March 2015 (Continued)

During the current year, SEBI vide notification no. LAD-NRO/GN/2014-15/16/1729 dated 28 October 2014, has issued Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 ('new guidelines') repealing Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999. According to the new guidelines, any company implementing any of the share based schemes shall follow the requirements of the 'Guidance Note on Accounting for employee share-based Payments' (Guidance Note) or Accounting Standards as may be prescribed by the ICAI from time to time, including the disclosure requirements prescribed therein. As a consequence, since shares held by the Trust are purchased from market instead of direct issuance by the Parent Company, the consolidation thereof as prescribed above, in these consolidated financial statements, has been discontinued and consequential adjustments have been made in the consolidated financial statements.

41. Leases:

a) The Group's significant operating lease arrangements are in respect of premises (residential, offices, godown etc.). These leasing arrangements, which are cancellable, range between 11 months and 10 years generally and are usually renewable by mutual agreeable terms. The aggregate lease rentals payable are charged as expenses. Rental payments under such leases are ₹ 136.58 million (Previous year ₹ 163.43 million).

b) The Group has significant operating lease arrangements which are non-cancellable for a period upto 5 years. The lease rental is subject to escalation whereby the Lessor is entitled to increase the lease rental by 10% of the average lease rental of preceding three years blocked period.

The schedule of future minimum lease rental payments in respect of non-cancellable operating leases is set out below:

(₹ in million)

Particulars	Minimum lease payments	
	As at 31 March 2015	As at 31 March 2014
Not later than one year	27.24	50.32
Later than one year but not later than five years	4.40	28.41
Later than five years	–	–

Rental expenses recognised under such leases during the year are ₹ 74.13 million (Previous year ₹ 65.85 million).

c) Assets acquired under finance lease:

The Group has taken vehicles under finance lease. Future minimum lease payments and their present values under finance leases are as follows:

(₹ in million)

Particulars	Minimum lease payments		Present value of minimum lease payments		Future interest	
	As at 31 March 2015	As at 31 March 2014	As at 31 March 2015	As at 31 March 2014	As at 31 March 2015	As at 31 March 2014
Not later than one year	15.56	15.13	12.71	12.33	2.85	2.80
Later than one year but not later than five years	16.92	16.94	14.51	15.00	2.41	1.94
Later than five years	–	–	–	–	–	–

There is no element of contingent rent or sub lease payments. The Group has option to purchase the assets at the end of the lease term. There are no restrictions imposed by these lease arrangements regarding dividend, additional debt and further leasing.

42. In line with the applicable Accounting Standards, during the year, finance costs amounting to ₹ 171.50 million (Previous year ₹ 81.45 million) has been capitalised.

43. The carrying value of internally generated intangible asset-product development and other intangibles including intangibles under progress has been reviewed and based on technical and financial assessment, carrying value of certain internally generated intangible assets/other intangibles under development of ₹ 71.60 million (Previous year ₹ 33.74 million) have been charged and reported under depreciation in the Consolidated Statement of Profit and Loss.

44. During the current year, the Group has identified and written off idle assets of net book value (adjusted for net realizable value) amounting to ₹ 639.73 million on usability assessment, and the same has been reported under exceptional items. The realisable value of the same has been included under other current assets.

Notes to the consolidated financial statements for the year ended 31 March 2015 (Continued)

45. The Group has written off goodwill on Consolidation of the subsidiary Jubilant Biosys Ltd (Biosys) amounting to ₹ 51.25 million on impairment testing conducted as at 31 March 2015. The write off on impairment is triggered by challenging business environment leading to sharp decline in the profitability of Biosys. The recoverable value of goodwill and other assets was determined to be the Value-In-Use ("VIU"). The key assumptions considered in the VIU calculation are as follows:-

a) Revenue projections are based on the approved budgets for the fiscal year ending 31 March 2016 and management projections thereafter.

b) The net cash flows have been discounted based on a post-tax discounting tax rate of 15%.

46. a) **Deferred Tax Assets and Liabilities are attributable to the following items:**

(₹ in million)

Particulars	As at 31 March 2015	As at 31 March 2014
Deferred Tax Assets		
Provision for compensated absences and gratuity	269.99	244.12
Expenditure allowed on actual payment basis	88.95	150.20
Tax losses carried forward	2,490.02	2,707.36
Others (d)	1,029.99	675.28
	3,878.95	**3,776.96**
Deferred Tax Liabilities		
Depreciation, amortisation and difference in value of CWIP/Intangibles	4,953.35	5,066.07
Others	50.67	8.36
	5,004.02	**5,074.43**
Less: Deferred tax assets(net) not recognised in absence of virtual certainty of realisation	1,255.15	1,073.18
Deferred Tax Liabilities (Net)	**2,380.22**	**2,370.65**

b) In view of accumulated tax losses and absence of virtual certainty, deferred tax assets have been recognised only to the extent of deferred tax liabilities. Deferred tax assets (net) not recognised amount to ₹ 1,255.15 million and ₹ 1,073.18 million as at 31 March 2015 and 31 March 2014 respectively.

c) Consequent to re-evaluation of certain tax provisions relating to earlier years, true up of current tax amounting to ₹ (271.34) million (Previous year ₹ 230.37 million) and deferred tax benefit of ₹ 23.45 million (Previous year ₹ (338.43) million) have been recognised in the current year.

d) Net of ₹ Nil (Previous year ₹ (4.95) million) representing deferred tax on hedging reserve balance.

e) In respect of intercompany transaction involving profit on sale of business/ investment and write-off of loans, though the related profit and loss has been eliminated, the resultant tax expenses/(credit) thereof has been accounted in these consolidated financial statements for the year ended 31 March 2015.

47. Disclosure required by Accounting Standard 29 (AS-29) "Provisions, contingent liabilities and contingent assets"

Movement in Provisions:

(₹ in million)

Sr. No.	Particulars of disclosure	Provision for MTM Losses
1.	Balance at the commencement of year	3,134.08 (2,127.34)
2.	Additional provision during the year	251.22 (1,202.11)
3.	Provision used during the year	3,350.10 (134.35)
4.	Provision reversed during the year	27.01 (72.15)
5.	Currency translation adjustment	0.92 (11.13)
6.	Balance at the end of the year	9.11 (3,134.08)

Figures in ( ) are in respect of previous year.

Notes to the consolidated financial statements for the year ended 31 March 2015 (Continued)

48. The Group has opted for accounting the exchange difference arising on reporting of long term foreign currency monetary items in line with Para 46A of Accounting Standard 11 (AS-11) – "The Effects of Changes in Foreign Exchange Rates" notified by the Ministry of Corporate Affairs on 29 December 2011. Accordingly during the year ended 31 March 2015, the Group has capitalised exchange difference amounting to ₹ 98.54 million (Previous year ₹ 281.00 million) to the cost of fixed assets and ₹ 117.11 million (Previous year ₹ 805.49 million) to foreign currency monetary item translation difference account (FCMITDA). During the year ₹ 447.52 million (Previous year ₹ 1,000.21 million) has been amortised to Consolidated Statement of Profit and Loss in terms of the said notification and balance of ₹ 150.32 million (Previous year ₹ 480.73 million) is carried in Consolidated Balance Sheet as on 31 March 2015.

49. Hedging and Derivatives:

(i) The Group uses various derivative instruments such as foreign exchange forward contracts, interest rate swaps and currency swaps to selectively hedge its exposures to movement in foreign exchange rates and interest rates. These derivatives are not used for speculative or trading purposes.

The following are the outstanding derivative contracts entered into by the group:

Category	Currency	Cross Currency	Amount (In million)	Buy/Sell
As at 31 March 2015:				
Forward Contracts	USD	INR	USD 51.00	Sell
Forward Contracts	EUR	USD	EUR 3.69	Sell
Forward Contracts	SGD	USD	USD 8.50	Buy
Interest rate swap	USD		USD 16.22	
As at 31 March 2014:				
Forward Contracts	USD	INR	USD 70.00	Sell
Forward Contracts	SGD	USD	USD 50.00	Buy
Currency and Interest Swap	INR	USD	USD 188.57	
Interest rate swap	USD		USD 17.10	

Refer note (iii) below

(ii) Mark-to-market gains amounting to ₹ 167.60 million (Previous year loss amounting to ₹ 718.85 million) in respect of currency and interest rate swaps contracts have been credited/ charged to the Consolidated Statement of Profit and Loss. The accumulated mark-to-market losses on currency swaps (including currency and interest rate swaps) as at 31 March 2015 is ₹ 9.11 million (Previous year ₹ 3,134.08 million).

(iii) During the current year, the Group discontinued hedge accounting applied in respect of certain foreign currency transactions including forward contracts under Accounting Standard (AS) 30 "Financial Instruments: Recognition and Measurement" and the consequent financial impact is insignificant on the profit for the year had the Group continued to follow hedge accounting.

50. Employee Benefits in respect of The Group have been calculated as under:

(A) Defined Contribution Plans

Parent Company including Indian Subsidiaries

a. Provident Fund*

b. Superannuation Fund

During the year the Group has contributed following amounts to:

(₹ in million)

Particulars	For the year ended 31 March 2015	For the year ended 31 March 2014
Employers contribution to provident fund	25.41	29.58
Employers contribution to employee's pension scheme 1995	46.82	30.05
Employers contribution to superannuation fund	8.79	11.99

*For certain employees where Provident Fund is deposited with Government authority e.g. Regional Provident Fund Commissioner.

Notes to the consolidated financial statements for the year ended 31 March 2015 (Continued)

c. State Plans

During the year the Group has contributed following amounts to:

(₹ in million)

Particulars	For the year ended 31 March 2015	For the year ended 31 March 2014
Employers contribution to employee state insurance	3.27	7.52

Foreign Subsidiaries

a. The Group's entities located in United States of America have a 401(k) Plan, where in the regular, full-time and part-time employees are eligible to participate in the defined contribution plan after completion of one month of continuous service. Participants may voluntarily contribute eligible pre-tax and post-tax compensation in 1% increments of up to 90% of their annual compensation in accordance with the annual limits as determined by the Internal Revenue Service. Eligible employees receive a 50% match of their contributions up to 6% of their eligible compensation. Employees above the age of 50 years may choose to contribute "catch-up" contributions in accordance with the Internal Revenue Service limits and are matched the same up to the maximum Group contribution of 3% of eligible compensation. The Group's matching contributions vest 100% after three years of service. The Group has contributed ₹ 67.48 million (Previous year ₹ 71.42 million) to 401(k) for the year.

b. The entities of the Group located in Canada contribute to a Registered Retirement Savings Plan (RRSP), a trust registered with Canada Revenue Agency (CRA) and to Quebec pension plan (QPP).

Under RRSP plan, the Group contributes equivalent to the contribution made by the employee, up to a maximum of 5% of the employees' base salary. Under QPP plan, the Group contributes equivalent to the contribution made by the employees at the rate of 5.25% and 5.175% of the employees' base salary for the year ended 31 March 2015 and 2014 respectively.

During the year the Group has contributed following amounts to:

(₹ in million)

Plan under which Contributions made	For the year ended 31 March 2015	For the year ended 31 March 2014
Registered retirement savings plan (RRSP)	64.42	67.58
Quebec pension plan (QPP)	65.99	75.82

c. Further, the entities of the Group located in Belgium contribute to social security fund named as Rijks Sociale Zekerheid (RSZ).Under these plan employees have to contribute 13% of their compensation and the Group makes a contribution of 33.33% of the employee's annual compensation. The Group has contributed ₹ 18.48 million (Previous year ₹ 17.29 million) to RSZ for the year.

(B) Defined Benefit Plans

i. Gratuity

In accordance with Accounting Standard 15(AS 15)-"Employee Benefits (Revised 2005)", an actuarial valuation has been carried out in respect of gratuity. The discount rate assumed is 7.74% p.a. (Previous year 9.40% p.a.) which is determined by reference to market yield at the Balance Sheet date on Government bonds. The retirement age has been considered at 58 years and mortality table is as per IALM (2006-08) (Previous year IALM (2006-08)).

The estimates of future salary increases, considered in actuarial valuation is 10% p.a. for first three years and 6% p.a. thereafter (Previous year 10% p.a. for first three years and 6% p.a. thereafter), taking into account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

The plans assets are maintained with Life Insurance Corporation of India in respect of gratuity scheme for certain employees of two units of the Parent Company. The details of investments maintained by Life Insurance Corporation are not available with the Parent Company, hence not disclosed. The expected rate of return assumed on plan assets is 9.00% p.a. (Previous year 9.00% p.a.).

Notes to the consolidated financial statements for the year ended 31 March 2015 (Continued)

Reconciliation of opening and closing balances of the present value of the defined benefit obligation:

(₹ in million)

Particulars	31 March 2015	31 March 2014
Present value of obligation at the beginning of the year	440.28	354.29
Transferred under Business Transfer Agreement	–	(1.96)
Current service cost	58.25	50.55
Interest cost	43.61	28.34
Actuarial loss	39.47	56.41
Benefits paid	(58.74)	(47.35)
Present value of obligation at the end of the year	522.87	440.28

Reconciliation of the present value of defined benefit obligation and the fair value of the plan assets:

(₹ in million)

Particulars	31 March 2015	31 March 2014
Present value of obligation at the end of the year	522.87	440.28
Fair value of plan assets at the end of the year	(23.19)	(21.66)
Net liabilities recognised in the Balance Sheet	(499.68)	(418.62)

Cost recognised for the period (included under salaries, wages, allowances, bonus and gratuity):

(₹ in million)

Particulars	31 March 2015	31 March 2014
Current service cost	58.25	50.55
Interest cost	43.61	28.34
Actuarial loss	38.77	56.41
Expected return on plan assets	(2.00)	(1.61)
Net cost recognised during the year	138.63	133.69

Fair Value of Plan Assets:**

(₹ in million)

Particulars	31 March 2015	31 March 2014
Plan assets at the beginning of the year	21.66	17.91
Expected return on plan assets	2.00	1.61
Contribution by employer	1.22	5.85
Actual benefits paid	(2.39)	(3.65)
Actuarial gain/ (loss)	0.70	(0.06)
Plan assets at the end of the year	23.19	21.66

** In respect of certain employees of Nanjangud and Ambernath manufacturing units of the Group.

Group's best estimate of contribution during next year is ₹ 135.51 million (Previous year ₹ 117.14 million)

Experience adjustment:

(₹ in million)

Particulars	31 March 2015	31 March 2014	31 March 2013	31 March 2012	31 March 2011
Defined benefit obligation	522.87	440.28	354.29	302.66	267.74
Plan assets	23.19	21.66	17.91	12.64	9.96
Surplus/(Deficit)	(499.68)	(418.62)	(336.38)	(290.02)	(257.78)
Experience adjustment of plan liabilities-(loss)/ gain	(12.06)	(13.25)	(29.98)	(15.90)	34.01
Experience adjustment on plan assets-(loss)/ gain	0.70	(0.08)	(0.85)	(0.90)	0.17

Notes to the consolidated financial statements for the year ended 31 March 2015 (Continued)

ii. **Provident Fund:**

The guidance on implementation of AS 15, Employee Benefits (Revised 2005) issued by Accounting Standard Board (ASB) states that benefits involving provident funds, which require interest shortfall to be compensated, are to be considered as defined benefit plans. The actuary has worked out a liability of ₹ Nil (Previous year ₹ Nil) likely to arise towards interest guarantee. The trust is managing common corpus of some of the group companies. The total liability of ₹ Nil (Previous year ₹ Nil) as worked out by the actuary has been allocated to each entity based on the corpus value of each entity as on 31 March 2015. Accordingly, liability of ₹ Nil (Previous year ₹ Nil) has been allocated to Group and ₹ Nil (Previous year ₹ Nil) has been charged to Consolidated Statement of Profit and Loss during the year. The Group has contributed ₹ 109.82 million to Provident Fund (Previous year ₹ 115.64 million) for the year.

(C) Other long term benefits:

(₹ in million)

Particulars	31 March 2015	31 March 2014
Present value of obligation at the end of the year	426.61	371.93

51. Related Party Disclosures

1. Related parties with whom transactions have taken place during the year.

a) Enterprise over which certain key management personnel have significant influence:

Jubilant Enpro Private Limited, Jubilant Oil & Gas Private Limited, Jubilant FoodWorks Limited, Tower Promoters Private Limited, B&M Hot Breads Private Limited, Jubilant Industries Limited, Jubilant Agri and Consumer Products Limited, Sankur Chalets Private Limited, Jubilant Motors Private Limited, Jubilant Aeronautics Private Limited, Jubilant Fresh Private Limited

b) Key management personnel:

Mr. Shyam S. Bhartia (upto 25 March 2015), Mr. Hari S. Bhartia, Mr. R. Sankaraiah, Mr. Shyamsundar Bang, Mr. Rajiv Shah (w.e.f. 16 February 2015), Mr. Lalit Jain (upto 31 January 2015).

c) Others:

Vam Employees Provident Fund Trust, Jubilant Employee Welfare Trust*, Jubilant Bhartia Foundation, Vam Officers Superannuation Fund.

*Refer note 40

2. Transactions with related parties during the year:

(₹ in million)

Sr. No.	Particulars	Enterprise over which certain key management personnel have significant influence	Key management personnel and relatives	Others
1.	Sales of goods and services	133.57 (201.32)		
2.	Rental and other income	79.43 (78.37)		
3.	Purchase of goods and services	221.85 (662.13)		
4.	Recovery of expenses	23.50 (24.52)		
5.	Reimbursement of expenses	0.82 (–)		
6.	Remuneration and related expenses (2)		48.41 (42.27)	
7.	Professional fees for services paid		261.00 (–)	
8.	Payment of retiral dues on resignation		20.11 (–)	

Notes to the consolidated financial statements for the year ended 31 March 2015 (Continued)

(₹ in million)

Sr. No.	Particulars	Enterprise over which certain key management personnel have significant influence	Key management personnel and relatives	Others
9.	Company's contribution to PF Trust.			109.82 (115.64)
10.	Company's contribution to superannuation fund.			8.79 (11.99)
11.	Rent expenses	7.81 (57.49)		
12.	Donation			24.48 (17.20)
13.	Sale of tangible/intangible assets	302.87 (–)		
14.	Purchase of tangible/Intangible assets	1.46 (9.18)		
15.	Loans received back			14.50 (–)
16.	Advance from customer against goods/assets	– (60.57)		
Balance as at 31 March 2015				
17.	Trade and other payables	12.68 (181.48)		23.79 (18.54)
18.	Loans recoverable			410.39 (–)
19.	Trade Receivables	8.46 (37.19)		
20.	Deposits recoverable	22.27 (21.00)		
21.	Other recoverable	16.14 (24.27)	– (129.07)	
22.	Advance from customer	– (60.57)		

Notes:

(1) Figures in ( ) indicates in respect of previous year.

(2) Excludes provision for gratuity and compensated absences, as these are determined on the basis of actuarial valuation for the Company as a whole.

3. **Disclosure in respect of related party transactions during the year:**

1. Sales of goods and services to Jubilant Agri and Consumer Products Limited ₹ 133.57 million (Previous year ₹ 201.32 million).

2. Rental and other income from Jubilant Enpro Private Limited ₹ 9.18 million (Previous year ₹ 7.64 million), Jubilant Oil & Gas Private Limited ₹ 9.70 million (Previous year ₹ 5.28 million), Jubilant FoodWorks Limited ₹ 13.44 million (Previous year ₹ 13.51 million), Jubilant Industries Limited ₹ 0.18 million (Previous year ₹ 0.18 million), Jubilant Agri and Consumer Products Limited ₹ 46.21 million (Previous year ₹ 51.08 million), B&M Hot Breads Private Limited ₹ 0.71 million (Previous year ₹ 0.29 million), Jubilant Aeronautics Private Limited ₹ Nil (Previous year ₹ 0.30 million) and Jubilant Fresh Private Limited ₹ 0.01 million (Previous year ₹ 0.09 million).

3. Purchases of goods and services from Jubilant Agri and Consumer Products Limited ₹ 221.85 million (Previous year ₹ 662.13 million).

4. Recovery of expenses from Jubilant Enpro Private Limited ₹ 0.09 million (Previous year ₹ Nil), Jubilant Oil & Gas Private Limited ₹ 1.32 million (Previous year ₹ 0.18 million), Jubilant Industries Limited ₹ Nil (Previous

Notes to the consolidated financial statements for the year ended 31 March 2015 (Continued)

year ₹ 1.14 million) and Jubilant Agri and Consumer Products Limited ₹ 22.09 million (Previous year ₹ 23.20 million).

5. Reimbursement of expenses to Jubilant Enpro Private Limited ₹ 0.82 million (Previous year ₹ Nil).
6. Remuneration and related expenses to Mr. R. Sankaraiah ₹ 39.95 million (Previous year ₹ 36.05 million), Mr. Lalit Jain ₹ 7.87 million (Previous year ₹ 6.22 million) and Mr. Rajiv Shah ₹ 0.59 million (Previous year ₹ Nil).
7. Professional fees for services paid to Mr. Shyam S. Bhartia ₹ 102.00 million (Previous year ₹ Nil), Mr. Hari S. Bhartia ₹ 102.00 million (Previous year ₹ Nil), Mr. Shyamsundar Bang ₹ 57.00 million (Previous year ₹ Nil).
8. Payment of retiral dues (accrued over the years on the basis of actuarial valuation for the Company as a whole) on resignation made to Mr. Shyam S. Bhartia ₹ 20.11 million (Previous year ₹ Nil).
9. Company's contribution to PF Trust to Vam Employee Provident Fund Trust ₹ 109.82 million (Previous year ₹ 115.64 million).
10. Company's contribution to superannuation fund to Vam Officers Superannuation Fund ₹ 8.79 million (Previous year ₹ 11.99 million).
11. Rent expenses to Jubilant Enpro Private Limited ₹ 7.81 million (Previous year ₹ 4.09 million), Tower Promoters Private Limited ₹ Nil (Previous year ₹ 52.00 million) and Sankur Chalets Private Limited ₹ Nil (Previous year ₹ 1.40 million).
12. Donation to Jubilant Bhartia Foundation ₹ 24.48 million (Previous year ₹ 17.20 million).
13. Sale of tangible/intangible assets to Jubilant FoodWorks Limited ₹ 302.87 million (Previous year ₹ Nil).
14. Purchase of tangible/Intangible assets from Jubilant Motors Private Limited ₹ Nil (Previous year ₹ 5.32 million) and Jubilant Oil & Gas Private Limited ₹ 1.46 million (Previous year ₹ 3.86 million).
15. Loan received back from Jubilant Employee Welfare Trust ₹ 14.50 million (Previous year ₹ Nil).
16. Advance from customer against goods/assets Jubilant FoodWorks Limited ₹ Nil (Previous year ₹ 60.57 million).
17. Trade and other payables to Jubilant Industries Limited ₹ 0.83 million (Previous year ₹ 0.97 million), Jubilant Oil & Gas Private Limited ₹ 1.44 million (Previous year ₹ Nil), B&M Hot Breads Private Limited ₹ 0.32 million (Previous year ₹ Nil), Jubilant Agri and Consumer Products Limited ₹ 10.09 million (Previous year ₹ 180.51 million), Vam Employee Provident Fund Trust ₹ 22.98 million (Previous year ₹ 17.58 million) and Vam Officers Superannuation Fund ₹ 0.81 million (Previous year ₹ 0.96 million).
18. Loan recoverable from Jubilant Employee Welfare Trust ₹ 410.39 million (Previous year ₹ Nil).
19. Trade receivables from Jubilant Agri and Consumer Products Limited ₹ 8.46 million (Previous year ₹ 37.19 million).
20. Deposit recoverable from Tower Promoters Private Limited ₹ 21.00 million (Previous year ₹ 21.00 million) and Jubilant Enpro Private Limited ₹ 1.27 million (Previous year ₹ Nil).
21. Other recoverable from Jubilant Oil & Gas Private Limited ₹ Nil (Previous year ₹ 1.96 million), Jubilant Agri and Consumer Products Limited ₹ 13.92 million (Previous year ₹ 13.32 million), Mr. R. Sankaraiah ₹ Nil (Previous year ₹ 25.00 million), B&M Hot Breads Private Limited ₹ 0.16 million (Previous year ₹ 0.06 million), Jubilant FoodWorks Limited ₹ 1.97 million (Previous year ₹ 8.93 million), Jubilant Enpro Private Limited ₹ 0.09 million (Previous year ₹ Nil) and remuneration recoverable from Mr. Shyam S. Bhartia ₹ Nil (Previous year ₹ 40.06 million), Mr. Hari S. Bhartia ₹ Nil (Previous year ₹ 40.05 million), Mr. Shyamsundar Bang ₹ Nil (Previous year ₹ 23.96 million).
22. Advance from customer against goods/assets Jubilant FoodWorks Limited ₹ Nil (Previous year ₹ 60.57 million).
23. The Group is in the process of updating the documentation for the specified transactions entered into with the specified persons and associated enterprises during the financial year. The management is of the opinion that its specified transactions are at arm's length and will not have any impact on the consolidated financial statements, particularly on the amount of tax expense and that of provision for taxation.

Notes to the consolidated financial statements for the year ended 31 March 2015 (Continued)

52. Segment Reporting:

i) **Based on the guiding principles given in Accounting Standard 17 (AS-17) on " Segment Reporting", the Group's Primary Business Segments were organised around customers on industry and product lines as under:**

a. **Pharmaceuticals:** i) Generics comprising Active Pharmaceuticals Ingredients (APIs) and Solid Dosage Formulations ii) Specialty Pharmaceuticals (sterile products) comprising Radiopharmaceuticals, Allergy Therapy Products, CMO of Sterile Injectables iii) Drug Discovery and Development Solutions (DDDS) iv) Indian Branded Pharmaceuticals.

b. **Life Sciences Ingredients:** i) Advance Intermediates and Specialty Ingredients ii) Life Science Chemicals iii) Nutritional Products.

ii) **In respect of secondary segment information, the Group has identified its geographical segments as:**

(i) Within India (ii) Outside India.

iii) **Inter segment transfer pricing**

Inter segment transfer prices are based on market prices.

iv) **The financial information about the primary business segments is presented in the table given below:**

(₹ in million)

	Particulars	Pharmaceuticals		Life Sciences Ingredients		Total	
		31 March 2015	31 March 2014	31 March 2015	31 March 2014	31 March 2015	31 March 2014
1)	**Segment revenue**	26,882.79	27,365.46	33,015.42	32,071.04	59,898.21	59,436.50
	Less: Inter segment revenue	–	–	54.88	35.66	54.88	35.66
	Less: Excise duty on sales	62.43	88.97	1,518.43	1,278.24	1,580.86	1,367.21
	Revenue from operations (net)	**26,820.36**	**27,276.49**	**31,442.11**	**30,757.14**	**58,262.47**	**58,033.63**
2)	**Segment results**	2,513.82	4,432.74	2,339.33	3,740.25	4,853.15	8,172.99
	Less : Interest (finance cost)					3,553.40	3,237.23
	Exceptional items and un-allocable expenditure (net of un-allocable income)					896.51	2,862.93
	Total profit before tax	**2,513.82**	**4,432.74**	**2,339.33**	**3,740.25**	**403.24**	**2,072.83**
3)	**Capital Employed**						
	(Segment assets - Segment liabilities)						
	Segment assets	54,374.67	53,626.93	25,351.18	28,377.70	79,725.85	82,004.63
	Add: Unallocated assets					6,596.30	6,633.51
	Total assets	**54,374.67**	**53,626.93**	**25,351.18**	**28,377.70**	**86,322.15**	**88,638.14**
	Segment liabilities	4,683.22	3,816.32	5,851.43	6,095.81	10,534.65	9,912.13
	Add: Unallocated liabilities*					940.94	4,558.05
	Total liabilities	**4,683.22**	**3,816.32**	**5,851.43**	**6,095.81**	**11,475.59**	**14,470.18**
	Segment capital employed	49,691.45	49,810.61	19,499.75	22,281.89	69,191.20	72,092.50
	Add: Unallocated capital employed					5,655.36	2,075.46
	Total capital employed	**49,691.45**	**49,810.61**	**19,499.75**	**22,281.89**	**74,846.56**	**74,167.96**
4)	**Segment capital expenditure**	2,736.64	2,285.13	864.69	693.82	3,601.33	2,978.95
	Add: Unallocated capital expenditure					93.13	94.61
	Total capital expenditure	**2,736.64**	**2,285.13**	**864.69**	**693.82**	**3,694.46**	**3,073.56**
5)	**Depreciation and amortisation(net)**	1,933.40	1,669.32	880.99	1,091.71	2,814.39	2,761.03
	Add: Unallocated depreciation					65.15	50.65
	Total depreciation and amortisation (Refer note 36)	**1,933.40**	**1,669.32**	**880.99**	**1,091.71**	**2,879.54**	**2,811.68**

* Excluding long-term borrowings (including current maturities), short-term borrowings and deferred tax liabilities (net).

Notes to the consolidated financial statements for the year ended 31 March 2015 (Continued)

v) **Secondary segments (Geographical segments):**

(₹ in million)

Particulars		31 March 2015	31 March 2014
a)	**Revenue from operations by geographical location of customers (Net of excise duty)**		
	Within India	16,895.30	15,022.40
	Outside India	41,367.17	43,011.23
	Total	**58,262.47**	**58,033.63**
b)	**Carrying amount of segment assets (by geographic location of assets)**		
	Within India	36,898.82	39,056.61
	Outside India	49,423.33	49,581.53
	Total	**86,322.15**	**88,638.14**
c)	**Capital expenditure**		
	Within India	2,160.79	1,833.82
	Outside India	1,533.67	1,239.74
	Total	**3,694.46**	**3,073.56**
d)	**Revenue from operations by geographical markets**		
	India	16,895.30	15,022.40
	Americas and Europe	33,628.22	33,433.01
	China	3,506.09	4,979.76
	Others	4,232.86	4,598.46
	Total	**58,262.47**	**58,033.63**

Notes:

1) The Group has disclosed Business Segment as the Primary Segment.
2) Segments have been identified and reported taking into account the nature of products and services, the differing risk and returns, the organisation structure and the internal financial reporting systems.
3) The Segment revenue, results, assets and liabilities include the respective amounts identifiable to each of the segments and amounts allocated on a reasonable basis.

53. Additional Information, as required under Schedule III to the Companies Act, 2013, of enterprises consolidated as Subsidiary

Name of the Enterprise		Net Assets (Total assets–Total liabilities)		Share in profit or (loss)	
		As % of consolidated net assets	Amount (₹ in million)	As % of consolidated profit or (loss)	Amount (₹ in million)
Parent					
Jubilant Life Sciences Limited		79.27%	19,449.65	355.08%	2,051.10
Subsidiaries					
Indian					
1	Jubilant Clinsys Limited	1.20%	293.66	(0.00%)	(0.02)
2	Jubilant Chemsys Limited	1.93%	472.85	(8.61%)	(49.76)
3	Jubilant Biosys Limited	(4.51%)	(1,107.41)	(51.52%)	(297.58)
4	Jubilant Infrastructure Limited	5.35%	1,313.37	14.15%	81.75
5	Jubilant First Trust Healthcare Limited	3.01%	738.03	9.09%	52.48
6	Jubilant Generics Limited	13.44%	3,297.16	(142.10%)	(820.83)
7	Jubilant Innovation (India) Limited	0.01%	3.60	(0.02%)	(0.10)
8	Jubilant DraxImage Limited	(0.12%)	(29.95)	(0.66%)	(3.84)
9	First Trust Medicare Pvt. Limited	0.03%	6.30	(0.01%)	(0.04)
10	Vanthys Pharmaceutical Development Pvt. Limited	0.12%	30.56	0.31%	1.77

Notes to the consolidated financial statements for the year ended 31 March 2015 (Continued)

Name of the Enterprise		Net Assets (Total assets–Total liabilities)		Share in profit or (loss)	
		As % of consolidated net assets	Amount (₹ in million)	As % of consolidated profit or (loss)	Amount (₹ in million)
Foreign					
1	Jubilant Life Sciences (USA) Inc.	0.29%	70.02	(10.55%)	(60.96)
2	Jubilant Life Sciences (Shanghai) Limited	0.88%	216.52	(17.97%)	(103.79)
3	Jubilant Pharma NV	4.92%	1,207.62	(0.11%)	(0.64)
4	Jubilant Pharmaceuticals NV	(0.04%)	(9.64)	(4.88%)	(28.21)
5	PSI Supply NV	0.23%	55.61	4.54%	26.22
6	Jubilant Pharma Holdings Inc.	53.03%	13,009.99	(27.45%)	(158.58)
7	Jubilant Clinsys Inc.	1.54%	377.37	(7.27%)	(42.02)
8	HSL Holdings Inc.	35.25%	8,647.52	9.76%	56.36
9	Jubilant HollisterStier LLC	11.60%	2,847.00	(286.55%)	(1,655.25)
10	Jubilant Pharma Limited	78.96%	19,372.58	(51.04%)	(294.84)
11	Cadista Holdings Inc.	(0.34%)	(84.10)	(16.27%)	(94.00)
12	Jubilant Cadista Pharmaceuticals Inc.	32.15%	7,888.14	262.84%	1,518.26
13	Jubilant Biosys (BVI) Limited	0.35%	85.65	(0.05%)	(0.26)
14	Jubilant Biosys (Singapore) Pte. Limited	0.33%	81.07	(0.14%)	(0.81)
15	Jubilant Discovery Services Inc.	(0.04%)	(9.84)	1.18%	6.82
16	Jubilant Drug Development Pte. Limited	0.63%	154.50	(0.14%)	(0.81)
17	Jubilant Life Sciences (BVI) Limited	1.00%	246.32	(0.06%)	(0.36)
18	Jubilant Life Sciences International Pte. Limited	0.19%	47.38	(7.64%)	(44.14)
19	Jubilant Innovation (BVI) Limited	0.81%	199.60	(0.05%)	(0.26)
20	Jubilant Innovation Pte. Limited	0.14%	33.77	(0.17%)	(0.99)
21	Draximage Limited, Cyprus	0.76%	185.78	(0.77%)	(4.46)
22	Draximage Limited, Ireland	0.10%	25.21	(0.24%)	(1.37)
23	Draximage LLC	0.00%	0.96	(0.00%)	(0.01)
24	Jubilant Draximage (USA) Inc.	0.15%	36.45	7.35%	42.46
25	Deprenyl Inc., USA	0.77%	188.83	0.57%	3.27
26	Jubilant DraxImage Inc.	36.56%	8,968.83	364.70%	2,106.67
27	6963196 Canada Inc.	(0.00%)	(0.79)	(0.01%)	(0.05)
28	6981364 Canada Inc.	(0.00%)	(0.23)	(0.01%)	(0.05)
29	DAHI Animal Health (UK) Limited	(0.00%)	(0.20)	–	–
30	Draximage (UK) Limited	0.00%	0.00	–	–
31	Jubilant Innovation (USA) Inc.	0.55%	133.79	(0.48%)	(2.79)
32	Draxis Pharma LLC	0.06%	15.55	(0.00%)	(0.01)
33	Jubilant HollisterStier Inc.	1.85%	453.92	(22.21%)	(128.30)
34	Jubilant Life Sciences (Switzerland) AG, Schaffhausen	0.00%	0.81	(0.12%)	(0.68)
35	Jubilant Drug Discovery and Development Services Inc.	0.03%	7.07	0.21%	1.24
36	Drug Discovery and Development Solutions Limited	1.83%	448.32	(0.11%)	(0.64)
37	Jubilant Life Sciences NV	0.01%	1.77	4.88%	28.20
38	Jubilant Pharma Trading Inc.	0.12%	30.49	5.22%	30.17
Partnership controlled through subsidiaries		14.09%	3,456.13	(72.72%)	(420.03)
Minority Interests included in respective subsidiaries		–	–	(30.48%)	(176.04)
Total eliminations		(278.47%)	(68,322.43)	(379.46%)	(2,191.90)
Total		**100.00%**	**24,535.16**	**100.00%**	**(577.64)**

Notes to the consolidated financial statements for the year ended 31 March 2015 (Continued)

		For the year ended 31 March 2015	For the year ended 31 March 2014
54. Earnings per share (EPS)			
I. (Loss)/ profit for basic and diluted earnings per share of ₹ 1 each	₹ in million	(577.64)	1,090.40
II. Weighted average number of equity shares for earnings per share computation			
A) For basic earnings per share	Nos.	159,281,139	159,281,139
B) For diluted earnings per share:			
No. of shares for basic earning per share as per II (A)	Nos.	159,281,139	159,281,139
Add: weighted average outstanding options related to employee stock options.(Note1)	Nos.	Nil	Nil
No. of shares for diluted earnings per share	Nos.	159,281,139	159,281,139
III. Earnings per share (face value of ₹ 1 each)			
Basic	Rupees	(3.63)	6.85
Diluted	Rupees	(3.63)	6.85

Note :

1) The shares held by Jubilant Employee Welfare Trust are in excess of employee stock option granted and outstanding. Therefore, the effect of outstanding employee stock options is Nil on computation of diluted EPS. (Refer note 40)

As per our report of even date attached

For and on behalf of the Board of Directors of **Jubilant Life Sciences Limited**

For **B S R & Co. LLP**
Chartered Accountants
ICAI Firm registration number : 101248W/W-100022

Pravin Tulsyan
Partner
Membership No.: 108044

Shyam S. Bhartia
Chairman

Place : Noida
Date : 12 May 2015

Rajiv Shah
Company Secretary

R. Sankaraiah
Executive Director-Finance

Hari S. Bhartia
Co-Chairman and Managing Director

FORM AOC-1

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

Statement containing salient features of financial statements of subsidiary/ associates/ joint ventures

PART "A" : SUBSIDIARIES

(₹ in million)
Foreign Currencies in absolute terms

Sr. No.	Name of the subsidiary	Reporting currency	Share capital	Reserves & surplus	Total assets	Total liabilities	Investments (3)	Turnover / Total income	Profit before taxation	Provision for taxation	Profit after taxation	Proposed dividend	% of shareholding
1	Jubilant Clinsys Limited	INR	290.50	3.16	332.80	39.14	–	61.56	22.58	22.60	(0.02)	Nil	100.00%
2	Jubilant Chemsys Limited	INR	82.00	390.85	552.30	79.45	–	506.40	(47.28)	2.48	(49.76)	Nil	100.00%
3	Jubilant Biosys Limited	INR	4.41	(1,111.82)	895.47	2,002.88	–	582.43	(291.54)	6.04	(297.58)	Nil	66.98%
4	Jubilant Infrastructure Limited	INR	344.84	968.53	2,165.45	852.08	2.52	915.14	96.26	14.51	81.75	311.28	100.00%
5	Jubilant First Trust Healthcare Limited	INR	156.13	581.90	742.40	4.37	–	70.92	65.82	13.34	52.48	Nil	100.00%
6	Jubilant Generics Limited	INR	9.23	3,287.93	19,781.33	16,484.17	–	6,179.12	(820.83)	–	(820.83)	Nil	100.00%
7	Jubilant Life Sciences (USA) Inc.	USD	375,000	745,345	11,143,134	10,022,789	–	34,462,818	(835,605)	154,965	(990,570)	Nil	100.00%
		INR	17.11	52.91	696.45	626.43	–	2,097.84	(51.35)	9.61	(60.96)	Nil	
8	Jubilant Life Sciences (Shanghai) Limited	RMB	1,652,837	19,827,406	94,598,775	73,118,532	–	296,164,270	(12,352,245)	(2,209,387)	(10,142,858)	Nil	100.00%
		INR	8.80	207.72	953.56	737.04	–	2,905.53	(126.47)	(22.68)	(103.79)	Nil	
9	Jubilant Pharma NV	EUR	16,180,000	1,793,217	17,998,996	25,779	–	33	(8,216)	8	(8,224)	Nil	100.00%
		INR	894.14	313.48	1,209.36	1.74	–	0.00	(0.64)	0.00	(0.64)	Nil	
10	Jubilant Pharmaceuticals NV	EUR	1,050,300	(1,193,802)	2,452,162	2,595,664	–	806,611	(382,427)	153	(382,580)	Nil	100.00%
		INR	63.95	(73.59)	164.76	174.40	–	63.47	(28.20)	0.01	(28.21)	Nil	
11	PSI Supply NV	EUR	665,000	162,737	2,654,333	1,826,596	–	5,007,503	314,112	2,189	311,923	Nil	100.00%
		INR	43.37	12.24	178.34	122.73	–	390.35	26.46	0.24	26.22	Nil	
12	Jubilant Pharma Holdings Inc	USD	213,486,975	(5,327,266)	247,328,258	39,168,549	–	16,351	(3,192,554)	(589,776)	(2,602,778)	Nil	100.00%
		INR	9,466.12	3,543.87	15,458.03	2,448.04	–	1.00	(195.86)	(37.28)	(158.58)	Nil	
13	Jubilant Clinsys Inc.	USD	35,829,630	(29,791,851)	9,135,985	3,098,206	–	2,076,036	(566,546)	698	(567,244)	Nil	100.00%
		INR	1,865.50	(1,488.13)	571.00	193.63	–	125.91	(34.62)	7.40	(42.02)	Nil	
14	HSL Holdings Inc.	USD	16	138,360,283	251,234,319	112,874,020	–	2,738,759	1,414,192	493,188	921,004	Nil	100.00%
		INR	0.00	8,647.52	15,702.15	7,054.63	–	167.55	86.53	30.17	56.36	Nil	
15	Jubilant HollisterStier LLC	USD	21,521,278	24,030,662	162,250,643	116,698,703	–	71,255,888	(41,481,546)	(14,217,607)	(27,263,939)	Nil	100.00%
		INR	876.78	1,970.22	10,140.67	7,293.67	–	4,375.71	(2,518.37)	(863.12)	(1,655.25)	Nil	
16	Jubilant Pharma Limited	USD	326,758,994	(16,797,727)	477,620,423	167,659,156	2,871,770	6,571,742	(3,866,925)	936,319	(4,803,244)	Nil	100.00%
		INR	15,232.66	4,139.92	29,851.28	10,478.70	179.49	404.60	(237.21)	57.63	(294.84)	Nil	
17	Cadista Holdings Inc.	USD	117,797	(1,463,404)	34,692,888	36,038,496	–	38	(1,515,673)	–	(1,515,673)	Nil	100.00%
		INR	5.40	(89.50)	2,168.31	2,252.41	–	0.00	(94.00)	–	(94.00)	Nil	
18	Jubilant Cadista Pharmaceuticals Inc.	USD	1	126,210,281	178,048,385	51,838,103	–	113,922,583	32,199,008	7,435,182	24,763,826	Nil	100.00%
		INR	–	7,888.14	11,128.02	3,239.88	–	6,970.11	1,970.09	451.83	1,518.26	Nil	
19	Jubilant Biosys (BVI) Limited	USD	1,397,501	(27,134)	1,373,193	2,826	–	–	(4,257)	–	(4,257)	Nil	100.00%
		INR	69.85	15.80	85.83	0.18	–	–	(0.26)	–	(0.26)	Nil	
20	Jubilant Biosys (Singapore) Pte. Limited	USD	1,371,501	(74,344)	1,311,163	14,006	–	–	(13,169)	–	(13,169)	Nil	100.00%
		INR	68.56	12.51	81.95	0.88	–	–	(0.81)	–	(0.81)	Nil	
21	Jubilant Discovery Services Inc.	USD	2,485,000	(2,642,346)	1,906,613	2,063,959	–	3,818,309	123,841	9,433	114,408	Nil	100.00%
		INR	116.87	(126.71)	119.16	129.00	–	233.11	7.41	0.59	6.82	Nil	

FORM AOC-1 (Continued)

(₹ in million)
Foreign Currencies in absolute terms

Sr. No.	Name of the subsidiary	Reporting currency	Share capital	Reserves & surplus	Total assets	Total liabilities	Investments (3)	Turnover / Total income	Profit before taxation	Provision for taxation	Profit after taxation	Proposed dividend	% of shareholding
22	Jubilant Drug Development Pte. Limited	USD	2,547,001	(74,910)	2,484,958	12,867	–	–	(13,182)	–	(13,182)	Nil	100.00%
		INR	127.33	27.17	155.31	0.81	–	–	(0.81)	–	(0.81)	Nil	
23	Jubilant Life Sciences (BVI) Limited	USD	3,972,501	(31,375)	3,945,556	4,430	–	–	(5,870)	–	(5,870)	Nil	100.00%
		INR	198.79	47.53	246.60	0.28	–	–	(0.36)	–	(0.36)	Nil	
24	Jubilant Life Sciences International Pte. Limited	USD	437,503	320,499	21,688,649	20,930,647	79,223	47,229,794	(704,581)	24,340	(728,921)	Nil	100.00%
		INR	19.99	27.39	1,355.54	1,308.16	4.95	2,881.95	(42.68)	1.46	(44.14)	Nil	
25	Jubilant Innovation (BVI) Limited	USD	16,330,000	(13,136,406)	3,227,134	33,540	–	–	(4,249)	–	(4,249)	Nil	100.00%
		INR	781.00	(581.40)	201.70	2.10	–	–	(0.26)	–	(0.26)	Nil	
26	Jubilant Innovation Pte. Limited	USD	2,914,301	(2,373,930)	552,654	12,283	–	–	(16,039)	–	(16,039)	Nil	100.00%
		INR	137.58	(103.81)	34.54	0.77	–	–	(0.99)	–	(0.99)	Nil	
27	Draximage Limited, Cyprus	USD	3,400	2,968,982	2,983,043	10,661	–	23	(72,186)	–	(72,186)	Nil	100.00%
		INR	0.16	185.62	186.45	0.67	–	0.00	(4.46)	–	(4.46)	Nil	
28	Draximage Limited, Ireland	USD	725,004	(321,643)	411,823	8,462	–	41	(22,343)	–	(22,343)	Nil	100.00%
		INR	35.05	(9.84)	25.74	0.53	–	0.00	(1.37)	–	(1.37)	Nil	
29	Draximage LLC	USD	65,000	(49,678)	16,542	1,220	–	–	(171)	–	(171)	Nil	100.00%
		INR	3.05	(2.09)	1.04	0.08	–	–	(0.01)	–	(0.01)	Nil	
30	Jubilant Draximage (USA) Inc.	USD	9	583,202	1,419,411	836,200	–	3,000,033	793,703	98,825	694,878	Nil	100.00%
		INR	0.00	36.45	88.71	52.26	–	183.50	48.59	6.13	42.46	Nil	
31	Deprenyl Inc., USA	USD	15	3,021,274	3,762,581	741,292	–	132,808	132,808	78,255	54,553	Nil	100.00%
		INR	0.00	188.83	235.16	46.33	–	8.13	8.13	4.86	3.27	Nil	
32	Jubilant DraxImage Inc.	CAD	130,365,215	52,560,198	241,571,941	58,646,528	–	97,231,531	51,577,709	11,801,915	39,775,794	Nil	100.00%
		INR	5,689.88	3,278.95	11,844.28	2,875.45	–	5,191.09	2,734.51	627.86	2,106.66	Nil	
33	6963196 Canada Inc.	CAD	2,500	(18,753)	152	16,405	–	–	(924)	84	(1,008)	Nil	100.00%
		INR	0.11	(0.90)	0.01	0.80	–	–	(0.05)	0.00	(0.05)	Nil	
34	6981364 Canada Inc.	CAD	2,500	(7,206)	2,312	7,018	–	–	(968)	84	(1,052)	Nil	100.00%
		INR	0.11	(0.34)	0.11	0.34	–	–	(0.05)	0.00	(0.05)	Nil	
35	DAHI Animal Health (UK) Limited	GBP	1	(2,207)	–	2,206	–	–	–	–	–	Nil	100.00%
		INR	0.00	(0.20)	–	0.20	–	–	–	–	–	Nil	
36	Draximage (UK) Limited	GBP	1	–	1	–	–	–	–	–	–	Nil	100.00%
		INR	0.00	0.00	0.00	–	–	–	–	–	–	Nil	
37	Jubilant Innovation (USA) Inc.	USD	2,165,000	(24,438)	2,646,805	506,243	2,600,000	–	(67,887)	(22,826)	(45,061)	Nil	100.00%
		INR	107.70	26.09	165.43	31.64	162.50	–	(4.21)	(1.42)	(2.79)	Nil	
38	Jubilant Innovation (India) Limited	INR	0.50	3.10	3.67	0.07	–	–	(0.10)	–	(0.10)	Nil	100.00%
39	Jubilant DraxImage Limited	INR	0.78	(30.73)	23.16	53.11	–	86.45	(3.84)	–	(3.84)	Nil	100.00%
40	Draxis Pharma LLC	USD	250,100	(1,246)	248,854	–	–	–	(751)	–	(751)	Nil	100.00%
		INR	11.64	3.91	15.55	–	–	–	(0.05)	–	(0.05)	Nil	
41	Jubilant HollisterStier Inc.	USD	26,825,600	(19,562,976)	109,778,189	102,515,565	–	–	(9,044,389)	(542)	(9,043,847)	Nil	100.00%
		INR	1,218.22	(764.30)	6,861.14	6,407.22	–	–	(548.30)	(0.03)	(548.27)	Nil	
42	Jubilant Life Sciences (Switzerland) AG, Schaffhausen	CHF	100,000	(87,336)	29,711	17,047	–	2	(10,352)	–	(10,352)	Nil	100.00%
		INR	4.70	(3.89)	1.91	1.10	–	0.00	(0.68)	–	(0.68)	Nil	

FORM AOC-1 (Continued)

(₹ in million)
Foreign Currencies in absolute terms

Sr. No.	Name of the subsidiary	Reporting currency	Share capital	Reserves & surplus	Total assets	Total liabilities	Investments (3)	Turnover / Total income	Profit before taxation	Provision for taxation	Profit after taxation	Proposed dividend	% of shareholding
43	Jubilant Drug Discovery and Development Services Inc.	CAD	50,000	94,186	229,365	85,179	–	154,471	46,179	12,422	33,757	Nil	100.00%
		INR	2.45	4.62	11.25	4.18	–	7.78	1.87	0.63	1.24	Nil	
44	First Trust Medicare Pvt. Limited	INR	1.00	5.30	6.54	0.24	–	–	(0.04)	–	(0.04)	Nil	100.00%
45	Vanthys Pharmaceutical Development Pvt. Limited	INR	225.00	(194.44)	31.11	0.55	–	2.90	2.32	0.55	1.77	Nil	100.00%
46	Drug Discovery and Development Solutions Limited	USD	100,001	7,073,164	7,187,359	14,194	–	–	(10,366)	–	(10,366)	Nil	100.00%
		INR	6.20	442.12	449.21	0.89	–	–	(0.64)	–	(0.64)	Nil	
47	Jubilant Life Sciences NV	EUR	100,000	(73,598)	32,790,813	32,764,411	–	43,150,436	341,223	122	341,101	Nil	100.00%
		INR	7.81	(6.04)	2,203.21	2,201.44	–	3,341.08	28.85	0.65	28.20	Nil	
48	Jubilant Pharma Trading Inc.	USD	100	487,663	5,818,572	5,330,809	–	16,492,451	752,434	264,771	487,663	Nil	100.00%
		INR	0.01	30.48	363.66	333.17	–	1,018.99	46.55	16.38	30.17	Nil	

Notes:

1) Converted into Indian Rupees at the exchange rate as on 31.03.2015 : 1EUR = INR 67.19, 1USD = INR 62.50, 1GBP = INR 92.47, 1RMB = INR 10.08, 1CAD = INR 49.03, 1CHF = INR 64.26.
2) The above statement excludes inter company eliminations.
3) Excludes investment in subsidiaries.

Names of Subsidiaries which are yet to commence operations : Nil

Names of Subsidiaries which have been liquidated or sold during the year:

Sr. No.	Name of Subsidiary Company
1	Jubilant Generics Inc. (merged with and into Cadista Holdings Inc.-Refer note 34)

PART "B" : ASSOCIATES AND JOINT VENTURES

			Shares of Associate/Joint Ventures held by the company on the year end				Profit/Loss for the year			
Sr. No.	Name of Associates/ Joint Ventures	Latest audited Balance Sheet date	No.	Amount of Investment in Associates/ Joint Venture (₹ in million)	Extend of Holding %	Net worth attributable to shareholding as per latest audited Balance Sheet (₹ in million)	Considered in consolidation (₹ in million)	Not considered in consolidation	Description of how there is significant influence	Reason why the associate/ joint venture is not consolidated
Not applicable, as there are no Associates/Joint Ventures										

For and on behalf of the Board of Directors of **Jubilant Life Sciences Limited**

Shyam S. Bhartia
Chairman

Place : Noida
Date : 12 May 2015

Rajiv Shah
Company Secretary

R. Sankaraiah
Executive Director-Finance

Hari S. Bhartia
Co-Chairman and Managing Director

Corporate Information

Registered Office

Bhartiagram, Gajraula
Distt. Amroha 244 223
Uttar Pradesh, India
Tel.: +91-5924-252353-60
Fax: +91-5924-252352
CIN: L24116UP1978PLC004624

Corporate Office

1A, Sector 16A, Noida 201 301
Uttar Pradesh, India
Tel.: +91-120-4361000

Statutory Auditors

B S R & Co. LLP
Chartered Accountants
Building No. 10
8th Floor, Tower B
DLF Cyber City, Phase II
Gurgaon - 122 002
Haryana, India

Cost Auditors

J K Kabra & Co.
552/B, Arjun Street
Main Vishwas Road
Vishwas Nagar
Delhi - 110 032, India

Internal Auditors

Ernst & Young LLP
Golf View Corporate Tower B
Sector 42, Sector Road
Gurgaon - 122 002
Haryana, India

Company Secretary

Rajiv Shah

Registrars & Transfer Agents

Alankit Assignments Ltd
1E/13,Alankit Heights
Jhandewalan Extension
New Delhi - 110055
Tel.: +91-11-42541234 / 23541234

Bankers

Central Bank of India
Corporation Bank
DBS Bank Ltd.
Export Import Bank of India
ICICI Bank Ltd.
ING Vysya Bank Ltd.
Punjab National Bank
State Bank of India
The Hong Kong & Shanghai Bank Corporation Ltd.
Yes Bank Ltd.

For more information please visit our website www.jubl.com or email us at support@jubl.com

JUBILANT LIFESCIENCES

Jubilant Life Sciences Limited

Regd. Office: Bhartiagram, Gajraula, Distt. Amroha - 244 223, Uttar Pradesh, India

Corporate Office: 1A, Sector 16A, Noida - 201 301, Uttar Pradesh, India

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