



Directors' Report

Dear Members,

The Board of Directors (Board) presents the Annual Report of Atul Bioscience Ltd together with the audited statement of accounts for the year ended March 31, 2016.

01. Financial results

(₹ cr)

	2015-16	2014-15
Sales	54.75	47.37
Revenue from operations	55.25	49.44
Other income	1.05	0.10
Total revenue	56.30	49.54
Profit before tax	8.40	5.94
Provision for tax	2.82	1.91
Profit for the year	5.58	4.03
Profit available for appropriation	5.58	4.03
Balance brought forward	5.06	3.18
Disposable surplus	10.64	7.21
Appropriations		
General reserve	—	—
Proposed dividend	0.09	1.79
Dividend distribution tax	0.02	0.36
Balance carried forward	10.53	5.06

02. Performance

Sales increased by 16% from ₹ 47.37 cr to ₹ 54.75 cr. Sales in India increased by 7% from ₹ 46.42 cr to ₹ 49.55 cr. Sales outside India increased by 447% from ₹ 0.95 cr to ₹ 5.20 cr. PBT increased by 41%

from ₹ 5.94 cr to ₹ 8.40 cr. The Earnings per share increased from ₹ 4.80 to ₹ 5.92. While the operating profit before working capital changes increased by 12% from ₹ 11.11 cr to ₹ 12.49 cr, the net cash flow from operating

activities increased by 1073% from ₹ 0.86 cr to ₹ 10.09 cr, mainly on account of decrease in inventory and control on trade payables.

The Company decreased its borrowings (including current maturities of long-term borrowings) by 29% from ₹ 20.68 cr to ₹ 14.68 cr to reduce Finance cost.

03. Dividend

The Board recommend payment of dividend of ₹ 9,00,877/- on cumulative redeemable preference shares which were redeemed on October 23, 2015 and dividend thereon remains unpaid from April 01,2015 to October 22, 2015.

04. Conservation of energy, technology absorption, foreign exchange earnings and outgo

Information required under Section 134(3) (m) of the Companies Act, 2013, read with Rule 8(3) of the Companies (Accounts) Rules, 2014, as amended from time to time, form a part of this Report which is given at page no. 10.

05. Insurance

The Company has taken adequate insurance to cover the risks to its people, plants and machineries, buildings and other assets, profit and third parties.

06. Risk Management

The Company has developed and implemented a comprehensive Risk Management system to ensure that risks to the continued existence of the Company as a going concern and

to its growth are identified and remedied on a timely basis. The Board periodically reviews the Risk Management framework.

07. Internal financial controls

The Company ensured adequate internal financial controls commensurate with the size of its operations.

08. Fixed deposits

During 2015-16, the Company did not accept any fixed deposits.

09. Loans, guarantees, investments and security

Particulars of loans, guarantees, investments and security are given in the Notes to the Accounts.

10. Related Party Transactions

Particulars of contracts or arrangements with related parties are given in the Notes to the Accounts given at page no. 61.

11. Corporate Social Responsibility

Composition of the Corporate Social Responsibility (CSR) Committee, the CSR policy and the CSR report are given at page no. 11.

12. Extract of the Annual Return

This is given at page no. 13.

13. Auditors

Dalal & Shah Chartered Accountants LLP, the Statutory Auditors of the Company, will retire at the conclusion of the ensuing Annual



General Meeting (AGM). They have given their consent to continue to act as the Auditors for 2016-17, if reappointed. The relevant notes forming a part of the accounts are self-explanatory and give full information and explanation in respect of the observations made by the Auditors in their report.

14. Directors' responsibility statement

Pursuant to Section 134(5) of the Companies Act, 2013, the Directors confirm that, to the best of their knowledge and belief:

- 14.1 The applicable Accounting Standards were followed along with proper explanations relating to material departures in the preparation of the annual accounts.
- 14.2 The Accounting Policies were selected and applied consistently and judgements and estimates were made that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period.
- 14.3 Proper and sufficient care was taken for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- 14.4 The attached annual accounts for the year ended March 31, 2016 were prepared on a going concern basis.

14.5 Adequate internal financial controls to be followed by the Company were laid down and the same were adequate and operating effectively.

14.6 Proper systems were devised to ensure compliance with the provisions of all applicable laws and the same were adequate and operating effectively.

15. Directors

15.1 Appointments | Cessations

According to Article 153 of the Article of Association of the Company,

Mr T R Gopi Kannan retires by rotation and being eligible, offers himself for reappointment at the forthcoming AGM scheduled on May 24, 2016.

15.2 Remuneration of the Non-executive Independent Directors

- i) Sitting fees: ₹ 20,000 for attending a meeting of the Board and ₹ 10,000 for any of its Committees.
- ii) Commission: up to 1% of net profit as may be decided by the Board based on the following factors:

- a) Membership of Committee(s)
- b) Profit
- c) Attendance

15.3 Remuneration of the Executive Directors

This is given at page no. 16.

16. Key Managerial Personnel and other Employees

16.1 Appointments and cessations of the Key Managerial Personnel

During 2015-16, Mr M G Bhave ceased to be the Company Secretary effective May 30, 2015 and Mr A R Jain was appointed as the Company Secretary effective May 30, 2015. Mr A R Jain ceased to be the Chief Financial Officer effective October 23, 2015 and Mr D U Sahu was appointed as the Chief Financial Officer effective October 23, 2015.

17. Management Discussion and Analysis

The Management Discussion and Analysis Report covering performance is given at page no. 18.

18. Corporate Governance

18.1 Statement of declaration given by the Independent Directors

The Independent Directors have given declarations under Section 149(6) of the Companies Act, 2013.

18.2 Report

The Corporate Governance Report is given at page no. 20. Details about the number of meetings of the Board held during 2015-16 are given at page no. 24.

The composition of the Audit Committee is given at page no. 31. All the recommendations given by the Audit Committee were accepted by the Board.

19. Acknowledgements

The Board expresses its sincere thanks to all the employees, customers, suppliers, investors, lenders, regulatory and Government authorities for their continuing support.

For and on behalf of
the Board of Directors

Mumbai

April 15, 2016

(Sunil Siddharth Lalbhai)

Chairman



Annexure to the Directors' Report

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1. Conservation of energy, technology absorption and foreign exchange earnings and outgo

1.1 Conservation of energy

1.1.01 Measures taken

- i) Lowering reaction temperature by 5 °C.
- ii) Optimum use of blower during reaction
- iii) Optimum running of chilled water pump during reaction

1.1.02 Additional Investments being made and proposal being implemented N.A.

1.1.03 Impact of 1.1.01 on conservation of energy and its impact on finished products. Consumption of energy has been contained significantly thereby reducing cost of goods sold and increasing competitive advantage.

1.2 Technology absorption

1.2.01 Research and Development

- i) Specific areas in which Research and Development (R&D) was carried out by the Company:

The Company focused its R&D efforts on process improvement of its existing products, recovery of products from pollutants and process development of new products and formulations. The R&D departments also helped in trouble-shooting in manufacturing departments.

- ii) Benefits derived from R&D:

The Company was able to increase yields, decrease consumption of other raw materials and solvents, recover products from pollutants and introduce new products and formulations.

1.2.02 Technology absorption, adaptation and innovation

- i) Efforts, in brief, made towards technology absorption, adaptation and innovation:

The Company upgraded many of its processes and operations imbibing new technology using more efficient equipment and incorporating automation.

- ii) Benefits derived as a result of the above efforts, for example, product improvement, cost reduction, product development, import substitution:

The above efforts have resulted in quality improvement, enhanced yields, high throughput, and reduction in manpower.



1.3 Foreign exchange earnings and outgo

Particulars	(₹lacs)	
	2015-16	2014-15
Earned from exports		
FOB value	489.18	95.12
Used for		
Import of raw materials and capital goods	802.06	854.00
Payment of commission	0.73	0.93

2 Corporate Social Responsibility

2.1 Policy, programs and scope

2.1.01 Policy

Company will help enhance the quality of life of the people belonging to the marginalised sections of the society and volunteer its resources to the extent it can reasonably afford to Atul Foundation (Trust) and (or) other entities under its umbrella. The Foundation will particularly undertake projects in and around the locations where the Company operates.

2.1.02 Programs and scope

Atul Foundation will take up projects and | or carry out activities under 3 broad programs: i) Education and Empowerment, ii) Health and Relief and iii) Conservation and Infrastructure with varied scope of work.

- i) Education and Empowerment
 - a) Establish and | or support schools
 - b) Establish and | or support colleges
 - c) Establish and | or support vocational institutes
 - d) Encourage sports
 - e) Promote integrated development of tribal areas
- ii) Health and Relief
 - a) Enhance rural hygiene and sanitation
 - b) Establish mobile medical care facilities
 - c) Organise medical camps
 - d) Establish medicare centres
 - e) Assist during natural calamities

- iii) Conservation and Infrastructure
 - a) Protect environment
 - b) Develop and | or maintain rural utilities
 - c) Develop and | or maintain rural amenities
 - d) Restore sites of historical importance
 - e) Promote use of renewable resources

2.2 Committee

- » P H Lele (Chairman)
- » T R Gopi Kannan
- » S R Tripathi

2.3 Expenditure: determination and actual spent

(₹lacs)

Particulars	
Average net profit of the Company of the last three financial years	444
Prescribed CSR expenditure, at 2% of above	9
Total amount spent for the financial year	9
Amount unspent by the Company	Nil

2.4 Manner in which spent

(₹lacs)

No.	Program	Project Activity Location	Location Village, District (State)	Outlay		Cummulative expenditure upto reporting period	Implem enting agency
				Budget	Spent		
1	Education	Promoting education among tribal students by providing hostel facilities in Girls school	Chaundha, Navsari (Gujarat)	4	4	4	ARDF
2	Health	Providing medical help to lonely senior citizens and other needy patients by contributing to 'Helping Hand'	Pardi, Valsad (Gujarat)	5	5	5	ARDF
Total Expenditure				9	9	9	

ARDF: Atul Rural Development Fund



2.5 Implementing agency

2.5.01 Atul Rural Development Fund

Established in 1978, ARDF plans and implements programs for upliftment of the marginalised section of the communities.

2.6 Confirmation of Compliance

The CSR Committee confirms that the implementation and monitoring of the CSR Policy is in compliance with its objectives and policy of the company.

Managing Director	Chairman CSR Committee
Dr P Chebbiyam	P H Lele

3. Extract of the Annual Return in Form number MGT – 9

Form number MGT – 9

Extract of the Annual Return as on March 31, 2016

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

3.1 Registration and other details

- » CIN: U24230GJ1997PLC032369
- » Registration date: May 21, 1997
- » Name of the company: Atul Bioscience Ltd
- » Category | Sub-category of the company: Company limited by shares
- » Address of the registered office and contact details: D-1, Riverside Colony 2, Atul 396020, Gujarat, India, Telephone: (+91 2632) 230000
- » Whether listed company: Unlisted Company
- » Name, address and contact details of Registrar and Transfer Agent, if any: Not applicable

3.2 Principal business activities of the Company

All the business activities contributing 10% or more of the total revenue of the Company will be stated:

No.	Name and description of main products services	National Industrial Classification code of the product service	% to total turnover of the Company
1	Pharmaceutical Intermediates	3041	100%

3.3 Particulars of the holding, the subsidiary and the associate companies

No.	Name and address of the Company	Corporate Identification Number	Holding Subsidiary Associate	% of shares held	Applicable Section
1	Atul Ltd Atul 396020, Gujarat, India	L99999GJ1975PLC002859	Holding	100%	2(46)

3.4 Shareholding pattern (Equity share capital break-up as percentage of total Equity)

3.4.01 Category-wise shareholding

Category code	Category of the Shareholders	Number of shares held at the beginning of the year (as at April 01, 2015)				Number of shares held at the end of the year (as at March 31, 2016)				% change during the year
		Physical	Demat	Total	% of total shares	Physical	Demat	Total	% of total shares	
A.	Shareholding of the promoter and the promoter group									
1	Indian									
	Bodies corporate	79,90,050	–	79,90,050	100.00	108,40,050	–	108,40,050	100.00	35.67
	Total	79,90,050	–	79,90,050	100.00	108,40,050	–	108,40,050	100.00	35.67

3.4.02 Shareholding of the promoters

Name of the Shareholder	Shareholding as at April 01, 2015			Shareholding as at March 31, 2016			% change in shareholding during the year
	Number of shares held	% of total shares of the Company	% of shares pledged encumbered to total number of shares	Number of shares held	% of total shares of the Company	% of shares pledged encumbered to total number of shares	
1 Atul Ltd	79,90,050	100.00	–	108,40,050	100.00	–	35.67

3.4.03 Change in the promoters' shareholding

No.	Particulars	Reason of change	Shareholding as at April 01, 2015		Cumulative shareholding during 2015-16	
			Number of shares	% of total shares of the Company	Number of shares	% of total shares of the Company
A.	Companies					
	At the beginning of the year		79,90,050	100%	79,90,050	100%
	Increase Decrease during the year		28,50,000	100%	28,50,000	100%
	At the end of the year		108,40,050	100%	108,40,050	100%

3.5 Indebtedness

Indebtedness of the Company including interest outstanding | accrued, but not due for payment

(₹lacs)

Particulars	Secured loans excluding deposits	Unsecured loans	Deposits	Total indebtedness
Indebtedness at the beginning of the financial year	–	–	–	–
i) Principal amount	487.50	1580.00	–	2067.50
ii) Interest due, but not paid	–	–	–	–
iii) Interest accrued, but not due	5.37	–	–	5.37
Total i)+ii)+iii)	492.87	1580.00	–	2072.87



Change in indebtedness during the financial year

Addition	–	150.00	–	150.00
Reduction	(156.00)	(600.00)	–	(756.00)
Net change	(156.00)	450.00	–	606.00

Indebtedness at the end of the financial year

i) Principal amount	337.50	1,130.00		1,467.50
ii) Interest due, but not paid	–	–		–
iii) Interest accrued, but not due	3.56	–		3.56
Total i)+ii)+iii)	341.06	1,130.00		14,71.06

3.6 Remuneration of the Directors and the Key Managerial Personnel

(₹lacs)

No.	Particulars	P Chebiyyam	Total amount
1	Gross salary	35.16	35.16
	Salary as per provisions under Section 17(1) of the Income-tax Act, 1961	–	–
	Value of perquisites under Section 17(2) of the Income-tax Act, 1961	–	–
	Profits in lieu of salary under Section 17(3) of the Income-tax Act, 1961	–	–
2	Stock option	–	–
3	Sweat Equity	–	–
4	Commission for 2014-15	–	–
5	Others	–	–
6	Total A	35.16	35.16
7	Ceiling as per the Act		44.20



3.6.02 Remuneration to the other Directors

(₹lacs)

No.	Particulars	P H Lele	R R Iyer	A V Dangi	Total amount
1	Non-executive Independent Directors				
	a) Fee for attending the Board the Committee meetings	1.30	0.90	1.20	3.40
	b) Commission	1.00	1.00	1.00	3.00
	Total managerial remuneration	2.30	1.90	2.20	6.40
	Overall ceiling as per the Act				8.84

3.6.03 Remuneration to the Key Managerial Personnel other than the Managing Director | the Manager | the Whole-time Director

(₹lacs)

No.	Particulars	Key Managerial Personnel		
		CS	CFO	Total
		A R Jain	D Sahu*	
1	Gross salary			
	Salary as per provisions contained under Section 17(1) of the Income-tax Act, 1961	10.87	17.36	28.23
	Value of perquisites under Section 17(2) of the Income-tax Act, 1961	–	1.28	1.28
	Profits in lieu of salary under Section 17(3) of the Income-tax Act, 1961	–	–	–
2	Stock option	–	–	–
3	Sweat Equity	–	–	–
4	Commission	–	–	–
5	Others	–	–	–
	Total	10.87	18.64	29.51

* Effective September 14, 2015

3.6 Penalties | Punishment | Compounding of offences

There were no penalties | punishment | compounding of offences for the year ending March 31, 2016.

Dalal & Shah Chartered Accountants LLP

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF ATUL BIOSCIENCE LIMITED

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

3. Our responsibility is to express an opinion on these financial statements based on our audit.
4. We have taken into account the provisions of the Act and the Rules made thereunder including the accounting standards and matters which are required to be included in the audit report.
5. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances. An audit

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Dalal & Shah (a Partnership Firm) converted into Dalal & Shah Chartered Accountants LLP (a Limited Liability Partnership with LLP identity no: LLPIN AAC-5906) with effect from August 14, 2014. Post its conversion to Dalal & Shah Chartered Accountants LLP, its ICAI registration number is 102020W/W-100040 (ICAI registration number before conversion was 102020W)



Dalal & Shah Chartered Accountants LLP

also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

Opinion

8. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the 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 March 31, 2016, and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

9. As required by 'the Companies (Auditor's Report) Order, 2015', issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act (hereinafter referred to as the "Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure B a statement on the matters specified in paragraphs 3 and 4 of the Order.
10. As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (d) On the basis of the written representations received from the directors as on March 31, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (e) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure A.



Dalal & Shah Chartered Accountants LLP

- (f) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our knowledge and belief and according to the information and explanations given to us:
- i) The Company has disclosed the impact, if any, of pending litigations as at March 31, 2016, on its financial position in its financial statements – Refer Note 26 (a).
 - ii) The Company did not have any long-term contracts including derivative contracts as at March 31, 2016.
 - iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2016.

For Dalal & Shah Chartered Accountants LLP
Firm Registration Number: 102020W/W100040



S Venkatesh
Partner
Membership Number: 037942

Mumbai
April 15, 2016

Dalal & Shah Chartered Accountants LLP

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls over financial reporting of Atul Bioscience Limited ("the Company") as of March 31, 2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing deemed to be prescribed under Section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.



Dalal & Shah Chartered Accountants LLP

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

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

For Dalal & Shah Chartered Accountants LLP
Firm Registration Number: 102020W/W100040



S Venkatesh
Partner

Membership Number: 037942

Mumbai
April 15, 2016

Annexure B to Independent Auditors' Report

Referred to in paragraph 9 of the Independent Auditors' Report of even date to the members of Atul Bioscience Limited on the financial statements as of and for the year ended March 31, 2016

Dalal & Shah Chartered Accountants LLP

- i. (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of fixed assets.
- (b) The fixed assets of the Company have been physically verified by the Management during the year and no material discrepancies have been noticed on such verification. In our opinion, the frequency of verification is reasonable.
- (c) The Company owns only self-constructed immovable property (buildings) and therefore, the provisions of Clause 3(i)(c) of the said Order are not applicable to the Company.
- ii. The inventory physical verification has been conducted at reasonable intervals by the Management during the year. The discrepancies noticed on physical verification of inventory as compared to book records were not material.
- iii. The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act. Therefore, the provisions of Clause 3(iii), (iii)(a), (iii)(b) and (iii)(c) of the said Order are not applicable to the Company.
- iv. In our opinion, and according to the information and explanations given to us, the Company has not granted any loans or provided any guarantees or security and therefore compliance of the provisions of Sections 185 and 186 are not applicable. In respect of Investments made by the Company, the provisions of Section 186 of the Companies Act, 2013 has been complied with.
- v. The Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.
- vi. Pursuant to the rules made by the Central Government of India, the Company is required to maintain cost records as specified under Section 148(1) of the Act in respect of its products. We have broadly reviewed the same, and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.
- vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing the undisputed statutory dues, including provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, other material statutory dues, cess, as applicable, with the appropriate authorities.
- (b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of sales-tax, service-tax, duty of customs, duty of excise, value added tax which have not been deposited on account of any dispute. The particulars of dues of income tax as at March 31, 2016 which have not been deposited on account of a dispute, are as follows:

Name of the statute	Nature of dues	Amount (Rs.)	Period to which the amount relates	Forum where the dispute is pending
Income Tax Act, 1961	Income Tax	278,920	2012-13	Income Tax Appellate Tribunal

- viii. According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of loans or borrowings to any financial institution or bank or Government or dues to debenture holders as at the balance sheet date.



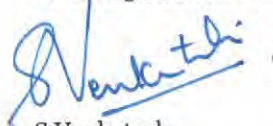
Annexure B to Independent Auditors' Report

Referred to in paragraph 9 of the Independent Auditors' Report of even date to the members of Atul Bioscience Limited on the financial statements for the year ended March 31, 2016
Page 2 of 2

Dalal & Shah Chartered Accountants LLP

- ix. The Company has not raised any moneys by way of initial public offer, further public offer (including debt instruments) and term loans. Accordingly, the provisions of Clause 3(ix) of the Order are not applicable to the Company.
- x. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.
- xi. The Company has paid / provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the provisions of Clause 3(xii) of the Order are not applicable to the Company.
- xiii. The Company has entered into transactions with related parties in compliance with the provisions of Section 177 of the Act. The Company does not have any transactions with related parties under the provisions of Section 188 of the Act. The details of the related party transactions have been disclosed in the financial statements as required under Accounting Standard (AS) 18, Related Party Disclosures specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- xiv. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of Clause 3(xiv) of the Order are not applicable to the Company.
- xv. The Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.
- xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

For Dalal & Shah Chartered Accountants LLP
Firm Registration Number: 102020W/W100040



S Venkatesh
Partner
Membership Number: 037942

Mumbai
April 15, 2016

Atul Bioscience Limited

Balance Sheet as at March 31, 2016

Particulars	Note	As at March 31, 2016	As at March 31, 2015
I EQUITY AND LIABILITIES			
1 Shareholders' funds			
a) Share capital	2	108,400,500	103,940,500
b) Reserves and surplus	3	122,426,032	50,643,129
		230,826,532	154,583,629
2 Non-current liabilities			
a) Long-term borrowings	4	61,750,000	76,750,000
b) Deferred tax liabilities (net)	5	9,334,153	8,806,330
c) Long-term provisions	6	880,142	544,273
		71,964,295	86,100,603
3 Current liabilities			
a) Short-term borrowings	7	70,000,000	115,000,000
b) Trade payables	8		
Total outstanding dues of micro and small enterprises and		424,508	-
Total outstanding dues of creditors other than micro and small enterprises		95,272,383	60,355,731
		95,696,891	60,355,731
c) Other current liabilities	9	21,901,217	24,721,717
d) Short-term provisions	10	3,539,258	25,099,195
		191,137,366	225,176,643
		493,928,193	465,860,875
II ASSETS			
1 Non-current assets			
a) Fixed assets	11		
i) Tangible assets		187,428,134	208,028,737
ii) Capital work-in-progress		7,204,521	2,617,637
		194,632,655	210,646,374
b) Non-current investments	12	69,919	69,919
c) Long-term loans and advances	13	48,250	159,226
d) Other non-current assets	14	397,305	26,000
		195,148,129	210,901,519
2 Current assets			
a) Inventories	15	68,533,631	106,772,756
b) Trade receivables	16	175,660,966	120,047,555
c) Cash and bank balances	17	34,602,979	18,411,384
d) Short-term loans and advances	18	19,982,488	9,727,661
		298,780,064	254,959,356
		493,928,193	465,860,875
Significant Accounting Policies	1		

The accompanying notes are an integral part of these Financial Statements.


As per our attached report of even date

For Dalal & Shah Chartered Accountants LLP
Firm Registration Number: 102020W | W-100040



S Venkatesh
Partner
Membership Number: 037942
Mumbai
April 15, 2016


D Sahu
Chief Financial Officer


A R Jain
Company Secretary


For and on behalf of the Board of Directors


T R Gopi Kannan

P H Lele
R R Iyer

A V Dang
S R Tripathi
Directors


S S Laibhai
Chairman


P Chebiyyam
Managing Director

Mumbai
April 15, 2016

Atul Bioscience Limited

Statement of Profit and Loss for the year ended March 31, 2016

(₹)

Particulars	Note	Year ended	
		March 31, 2016	March 31, 2015
REVENUE			
Revenue from operations (gross)	19	619,523,892	550,664,459
Less: Excise duty		66,977,782	56,283,579
Revenue from operations (net)		552,546,110	494,380,880
Other income	20	10,469,533	1,012,516
Total revenue		563,015,643	495,393,396
EXPENSES			
Cost of materials consumed	21	318,149,049	302,016,985
Changes in inventories of finished goods, work-in-progress and stock-in-trade	22	21,290,258	(4,475,490)
Employee benefits expense	23	19,725,596	18,994,799
Finance costs	24	19,104,374	22,747,215
Depreciation	11	24,167,992	28,702,333
Other expenses	25	76,598,678	68,018,563
Total expenses		479,035,947	436,004,405
Profit before tax		83,979,696	59,388,991
Tax expense			
Current tax		26,913,060	19,507,580
Deferred tax		527,823	(764,350)
Tax adjustments for earlier years		706,550	352,333
Profit for the year		55,832,263	40,293,428
Basic and diluted earning per equity share (Nominal value per share ₹ 10)	27.4	5.92	4.80
Significant Accounting Policies	1		

The accompanying notes are an integral part of these Financial Statements.

As per our attached report of even date


For Dalal & Shah Chartered Accountants LLP
Firm Registration Number: 102020W | W-100040



S Venkatesh
Partner
Membership Number: 037942
Mumbai
April 15, 2016

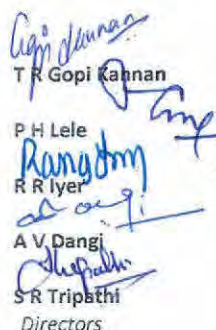


D Sahu
Chief Financial Officer



A R Jain
Company Secretary

For and on behalf of the Board of Directors



T R Gopi Kannan
P H Lele
R R Iyer
A V Dangi
S R Tripathi
Directors



S S Lalbhai
Chairman



P Chebiyyam
Managing Director

Mumbai
April 15, 2016

Atul Bioscience Limited

Cash Flow statement for the year ended March 31, 2016

(₹)

	Year ended	
	March 31, 2016	March 31, 2015
(A) CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	83,979,696	59,388,991
Adjustments for:		
Add:		
Depreciation	24,167,992	28,702,333
Finance costs	19,104,374	22,747,215
Unrealised exchange rate difference (net)	(169,373)	400,578
Loss on assets sold or discard	-	869,914
	43,102,993	52,720,040
	127,082,689	112,109,031
Less:		
Interest received	155,648	175,487
Provision no longer required	1,999,340	820,670
	2,154,988	996,157
Operating profit before working capital changes	124,927,701	111,112,874
(Increase) decrease in operating assets :		
Inventories	38,239,125	(16,860,522)
Trade receivables	(55,438,149)	(49,750,874)
Short-term loans and advances	(12,587,010)	12,562,886
Other current assets	(113,156)	(695,999)
Increase (decrease) in operating liabilities :		
Trade payables	35,335,271	(33,521,282)
Other current liabilities	(5,336,159)	(2,108,805)
Short-term provisions	843,671	2,057,084
Long-term provisions	335,869	177,677
	1,279,462	(88,139,835)
Cash generated from operations	126,207,163	22,973,040
Less:		
Direct taxes paid (net of refunds)	25,287,427	14,370,930
Net cash flow from operating activities	A 100,919,736	8,602,110
(B) CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of fixed assets	(5,628,838)	(2,241,657)
Sale of fixed assets	281,858	2,197,676
Interest received	155,648	175,487
Net cash used in investing activities	B (5,191,332)	131,506



Atul Bioscience Limited

Cash Flow statement for the year ended March 31, 2016

(₹)

	Year ended	
	March 31, 2016	March 31, 2015
(C) CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from issue of new equity shares	45,600,000	-
Redemption of 10 % cumulative preference shares	(4,040,000)	-
Redemption of 6 % cumulative preference shares	(20,000,000)	-
Dividend paid on preference shares	(17,907,984)	-
Dividend distribution tax paid	(3,645,644)	-
(Repayment) Disbursements from long-term borrowings	(15,000,000)	26,750,000
(Repayment) Disbursements from short-term borrowings	(45,000,000)	4,080,223
Interest paid	(19,285,032)	(23,152,688)
Net cash used in financing activities	C (79,278,660)	7,677,535
Net change in cash and cash equivalents (A+B+C)	16,449,744	16,411,151
Opening balance - cash and cash equivalents	16,842,559	431,408
Closing balance - cash and cash equivalents	33,292,303	16,842,559
	16,449,744	16,411,151
Cash and cash equivalents comprise of :		
Balances with banks	33,292,303	16,842,559
Total	33,292,303	16,842,559

Notes to the cash flow statement:

- The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard - 3 'Cash Flow Statements' notified under Section 211 (3C) [Companies (Accounting Standards) Rules, 2006, as amended] of the Companies Act, 1956 and other relevant provisions of the Companies Act, 2013.
- Cash flow from operating activities include ₹ 900,000 being expenditure towards corporate social responsibility.
- Previous year figures have been regrouped and rearranged wherever necessary, to confirm to the current year's classification.

As per our attached report of even date

For and on behalf of the Board of Directors

For Dalal & Shah Chartered Accountants LLP
Firm Registration Number: 102020W | W-100040



S Venkatesh
Partner

Membership Number: 037942
Mumbai
April 15, 2016



D Sahu
Chief Financial Officer

Ajay Jain
A R Jain
Company Secretary



T R Gopi Kannan



P H Lele



R R Iyer



A V Dangi



S R Tripathi
Directors



S S Lalbhai
Chairman



P Chebiyyam

Managing Director

Mumbai
April 15, 2016

Atul Bioscience Limited

Notes to the Financial Statements

NOTE 1 SIGNIFICANT ACCOUNTING POLICIES

1.1 (a) Background of the Company:

The Business of Atul Bioscience Ltd mainly comprises API intermediates. The products are used by customers belonging to Pharmaceutical industry, under five broad therapeutic categories; namely, cardiovascular, anti-depressant, antidiabetic, anti-infective and anti-retroviral. The Business comprises about 10 products, relatively new in the product portfolio of the Company.

(b) Basis of preparation:

These financial statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention on accrual basis, pursuant to Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014, till the standards of accounting or any addendum thereto are prescribed by Central Government in consultation and recommendation of the National Financial Reporting Authority, the existing Accounting Standards notified under the Companies Act, 1956 shall continue to apply.

Consequently, these financial statements have been prepared to comply in all material aspects with the accounting standards notified under Section 211(3C) [Companies (Accounting Standards) Rules, 2006, as amended] and other relevant provisions of the Companies Act, 2013.

The Ministry of Corporate Affairs(MCA) has notified the Companies (Accounting Standards) Amendment Rules, 2016 vide its notification dated 30 March 2016. The said notification read with Rule 3(2) of the Companies (Accounting Standards) Rules, 2006 is applicable to accounting period commencing on or after the date of notification i.e. 1 April 2016

All assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in Schedule III to the Companies Act, 2013. Based on the nature of products and the time 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.

1.2 Use of estimates:

The preparation of financial statements in conformity with generally accepted accounting principles requires Management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statement and the results of operations during the reporting period. These estimates are based on the Management evaluation of the relevant facts and circumstances as of the date of the financial statements, which may differ from future revisions and actual results in subsequent period. Differences are adjusted in subsequent periods as they occur.

1.3 Tangible assets:

Tangible assets are carried at cost of acquisition less accumulated depreciation and accumulated impairment losses. Subsequent expenditures related to an item of fixed assets are added to its book value only if they increase the future benefits of the existing assets beyond its previously assessed standard of performance.

Items of fixed assets that have been retired from active use and are held for disposal are stated at lower of their net book value and net realisable value and are shown separately in the financial statements. Any expected loss is recognised immediately in the Statement of Profit and Loss.

Losses arising from the retirement of, and gains or losses arising from disposal of fixed assets which are carried at cost are recognised in the Statement of Profit and Loss.

1.4 Depreciation:

Depreciation on tangible assets is provided on the straight-line method over the useful lives of assets estimated by the Management/ independent technical evaluation by external valuers. Depreciation for assets purchased / sold during a period is proportionately charged. Intangible assets are amortized over their respective individual estimated useful lives on a straight-line basis, commencing from the date the asset is available to the Company for its use. The useful lives for fixed assets as follows:

Asset category	Useful life
Building	30 years
*Plant and Machinery	10 12 years
Office equipment	05 years
Computer equipment	03 years
Furniture and fixtures	10 years

*For these class of assets, based on internal assessment and independent technical evaluation carried out by external valuers the management believes that the useful lives as given above best represents the period over which management expects to use these assets. Hence the useful lives for these assets is different from the useful lives as prescribed under Part C of Schedule II to the Companies Act 2013.

Depreciation and amortization methods, useful lives and residual values are reviewed periodically at each financial year end.



Atul Bioscience Limited

Notes to the Financial Statements

1.5 Investments:

Investments that are intended to be held for more than a year, from the date of acquisition, are classified as long-term investments and are carried at cost. However, provision for diminution is made to recognise a decline, other than temporary, in the value of long-term investments. Current investments are carried at cost or fair value, whichever is lower.

1.6 Inventories:

- i) Raw materials, Packing Material, Work-in-progress, Finished Goods and Stores, Spares, etc. are valued at Cost or Net Realisable value, whichever is lower.
- ii) 'Cost' comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventory to their present location and condition. Cost is arrived at on moving weighted average method basis.
- iii) Goods in transit are stated at cost to date.
- iv) Due allowances are made for obsolete inventory based on technical estimates made by the Company.

1.7 Employee benefits:

i) Defined contribution plan:

Contribution paid | payable by the Company during the period to Provident Fund, Employees' Deposit Link Insurance Scheme, Officer Superannuation Fund, Employees' State Insurance Corporation, and Labour Welfare Fund where the Company has no further obligations, are recognised in the Statement of Profit and Loss.

ii) Defined benefit plan:

Gratuity:

Gratuity liability, a defined benefit obligation is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year. The liability so provided is represented by creation of separate funds and is used to meet the liability as and when it accrues for payment in future. Actuarial gains | losses are immediately recognised to the Statement of Profit and Loss.

Long term leave entitlement:

Long term leave entitlement are provided for on the basis of an actuarial valuation carried out at the end of the year on the project unit credit method. Actuarial gains | losses are immediately recognised to the Statement of Profit and Loss.

iii) Short-term employee benefits:

Short term leave entitlement are provided at undiscounted amount during the accounting period based on service rendered by employee.

1.8 Current and deferred tax:

Income-tax expense comprises current tax and deferred tax charge or credit. Provision for current tax is made on the basis of the assessable income at the tax rate applicable to the relevant assessment year.

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 within the specified period.

Deferred tax asset and deferred tax liability are calculated by applying tax rate and tax laws that have been enacted or substantively enacted by Balance Sheet date. Deferred tax assets on account of timing differences are recognised, only to the extent there is a reasonable certainty of its realisation. Deferred tax assets are reviewed at each Balance Sheet date to reassure realisation.

Deferred tax assets, representing unabsorbed depreciation or carried forward losses, are recognised, if and only if there is virtual certainty that there would be adequate future taxable income against which such deferred tax assets can be realised.

1.9 Impairment of assets:

The carrying amount of assets are reviewed at each Balance Sheet date if there is any indication of impairment based on internal | external factors. An asset is impaired when the carrying amount of an asset exceeds the recoverable amount. The recoverable amount is greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to the present value by using weighted average cost of capital. An impairment loss is reversed to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined if no impairment loss had previously been recognised.

1.10 Borrowing costs:

Borrowing costs include interest, other costs incurred in connection with borrowing and exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to the interest cost. Borrowing costs in relation to acquisition and construction of qualifying assets are capitalized as part of cost of such assets up to the date when such assets are ready for intended use. Other borrowing costs are charged as expense in the year in which these are incurred.



Atul Bioscience Limited

Notes to the Financial Statements

1.11 Revenue recognition:

Revenue from sales are recognised when all significant risks and rewards of ownership have been transferred to the buyer and no significant uncertainty exists regarding the amount of the consideration that will be derived from the sale of goods.

a) Sale of Goods and Services:

- i) Domestic sales are accounted for on dispatch from the point of sale, where property in goods are transferred to the buyer.
- ii) Export sales are accounted on the basis of dates of on Board Bill of Lading and | or Air Way Bill.
- iii) Service income is recognised, net of service tax, when the related services are rendered.

b) Other Revenue:

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

1.12 Foreign currency transactions:

i) Initial recognition:

Transactions denominated in foreign currencies are recorded at the rate prevailing on the date of the transaction.

ii) Conversion:

At the year-end, monetary items denominated in foreign currencies remaining unsettled are converted into rupee equivalents at the year-end exchange rates. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

iii) Exchange differences:

All exchange differences arising on settlement and conversion of foreign currency transactions are included in the Statement of Profit and Loss.

1.13 Lease:

Operating lease payments are recognised as an expense in the Statement of Profit and Loss on straight line basis over the lease term.

1.14 Provisions, contingent liabilities And contingent assets:

Provisions involving a substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Provision is not discounted to its present value and is determined based on the best estimate required to settle an obligation at the year end. These are reviewed every year end and adjusted to reflect the best current estimate. Contingent liabilities are not recognised but are disclosed In The Financial Statements. Contingent assets are neither recognised nor disclosed in The Financial Statements.

1.15 Earnings per share:

Earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Earnings considered in ascertaining the Company's earnings per share is the net profit for the period after deducting preference dividends and any attributable tax thereto for the period.

1.16 Cash and cash equivalents:

In the cash flow statement, cash and cash equivalents include cash in hand, demand deposits with banks, other short-term highly liquid investments with original maturities of three months or less.



Atul Bioscience Limited

Notes to the Financial Statements

(₹)

NOTE 2 SHARE CAPITAL	As at March 31, 2016	As at March 31, 2015
Authorised		
17,000,000 (March 31, 2015: 17,000,000) equity shares of ₹ 10 each	170,000,000	170,000,000
300,000 (March 31, 2015: 300,000) cumulative redeemable preference shares of ₹ 100 each	30,000,000	30,000,000
	200,000,000	200,000,000
Issued		
10,840,050 (March 31, 2015: 7,990,050) equity shares of ₹ 10 each	108,400,500	79,900,500
Nil (March 31, 2015: 40,400) 10% cumulative redeemable preference shares of ₹ 100 each.	-	4,040,000
Nil (March 31, 2015: 200,000) 6% cumulative redeemable preference shares of ₹ 100 each.	-	20,000,000
	108,400,500	103,940,500
Subscribed and paid up		
10,840,050 (March 31, 2015: 7,990,050) equity shares of ₹ 10 each	108,400,500	79,900,500
Nil (March 31, 2015: 40,400) 10% cumulative redeemable preference shares of ₹ 100 each.	-	4,040,000
Nil (March 31, 2015: 200,000) 6% cumulative redeemable preference shares of ₹ 100 each.	-	20,000,000
	108,400,500	103,940,500

i) Reconciliation of number of shares

Equity shares	As at March 31, 2016		As at March 31, 2015	
	Number of shares	₹	Number of shares	₹
Balances at the beginning of the year	7,990,050	79,900,500	7,990,050	79,900,500
Issued during the year	2,850,000	28,500,000	-	-
Balance at the end of the year	10,840,050	108,400,500	7,990,050	79,900,500

Preference shares	As at March 31, 2016		As at March 31, 2015	
	Number of shares	₹	Number of shares	₹
Balances at the beginning of the year	240,400	24,040,000	240,400	24,040,000
Redeemed during the year	240,400	24,040,000	-	-
Balance at the end of the year	-	-	240,400	24,040,000

Rights, preferences and restrictions:

ii) Equity shares: The Company has one class of equity shares having a par value of ₹ 10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the Shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation of the Company, the holders of the Equity share will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts in proportion to their shareholding. The distribution will be in proportion to the number of Equity Shares held by the Shareholders.

iii) Preference shares:

40,400 - 10% Cumulative Redeemable Preference Shares were originally to be redeemed on or before November 24, 2005, then extended for another period of 72 months, to be redeemed on or before November 24, 2011. It was further extended through Extra Ordinary General Meeting by passing special resolution for another period of 96 months to be redeemed on or before November 21, 2019. During the year the Company has redeemed all these shares as per the resolution passed in the Annual General meeting dated 29th July 2015.



Atul Bioscience Limited

Notes to the Financial Statements

200,000 - 6% Cumulative Redeemable Preference Shares were originally to be redeemed on or before April 26, 2010, unless the put or call option which is exercisable after 12 months of the allotment and thereafter at the end of every 3 months, has been exercised. The redemption date was extended for a period of 3 years, to be redeemed on or before April 26, 2013. It was further extended through Extra Ordinary General Meeting dated April 16, 2013 by passing special resolution for further period of 3 years to be redeemed on or before April 26, 2016. During the year the Company has redeemed all these shares as per the resolution passed in the Annual General meeting dated 29th July 2015.

iv) During the year, the Company has issued 2,850,000 fresh equity shares having face value of ₹ 10 per share at a premium of ₹ 6 as per the resolution passed in Annual general meeting held dated 29th July, 2015.

v) Details of shares held by the Holding company, the Ultimate Holding company, their subsidiaries and Associates, including shareholder's holding more than 5% shares of the company.

	As at March 31, 2016		As at March 31, 2015	
	Holding %	Number of shares	Holding %	Number of Shares
Atul Limited, Holding Company and its nominees				
Equity Shares	100%	10,840,050	100%	7,990,050
10% Cumulative Redeemable Preference shares	-	-	100%	40,400
6% Cumulative Redeemable Preference shares	-	-	100%	200,000

(₹)

	As at March 31, 2016	As at March 31, 2015
NOTE 3 RESERVE AND SURPLUS		
(a) Revaluation reserve:		
Balance as at the beginning of the year	-	65,717,627
Less: Reversed during the year	-	65,717,627
Balance as at the end of the year	-	-
(b) Securities premium account:		
Balance as at the beginning of the year	-	-
Add: Addition during the year	17,100,000	-
Balance as at the end of the year	17,100,000	-
(c) Surplus in the Statement of Profit and Loss:		
Balance as at the beginning of the year	50,643,129	31,838,243
Add: Profit for the year	55,832,263	40,293,428
	106,475,392	72,131,671
Less: Appropriations		
i) Proposed dividend on Preference shares	900,877	17,907,984
ii) Dividend distribution tax on proposed dividend (Including for the previous year ₹. 65,086)	248,483	3,580,558
	1,149,360	21,488,542
	105,326,032	50,643,129
	122,426,032	50,643,129



Atul Bioscience Limited

Notes to the Financial Statements

(₹)

NOTE 4 LONG-TERM BORROWINGS	Non-current		Current maturities	
	As at March 31, 2016	As at March 31, 2015	As at March 31, 2016	As at March 31, 2015
Secured				
(i) Rupee term loans from banks	18,750,000	33,750,000	15,000,000	15,000,000
Unsecured				
(ii) Loans from related parties	43,000,000	43,000,000	-	-
	61,750,000	76,750,000	15,000,000	15,000,000

Terms of loan Nature of security	Nature of Security	Terms of Repayment
Term Loan from bank- Secured	Term loan balance as on March 31, 2016 of ₹ 33,750,000 (March 31, 2015 : ₹ 48,750,000) secured by exclusive charge on the fixed assets of the Company as a whole, both present and future.	Repayable in 60 equal monthly installments from the August, 2013 along with interest of Base Rate plus 2.50% per annum.
Loan from related party	-	Repayable after two years on March 31, 2018

(₹)

NOTE 5 DEFERRED TAX LIABILITIES (NET)	As at March 31, 2016	Charge (Credit) during the year	As at March 31, 2015
Deferred tax liabilities:			
On account of timing difference in depreciation	9,774,447	646,863	9,127,584
	9,774,447	646,863	9,127,584
Deferred tax assets:			
On account of timing difference in provision for leave encashment & gratuity	440,294	(119,040)	321,254
	440,294	(119,040)	321,254
Net deferred tax liabilities	9,334,153	527,823	8,806,330

(₹)

NOTE 6 LONG-TERM PROVISIONS	As at March 31, 2016	As at March 31, 2015
Provision for leave entitlement (refer Note 27.8)	775,453	544,273
Provision for gratuity (refer Note 27.8)	104,689	-
	880,142	544,273

(₹)

NOTE 7 SHORT-TERM BORROWINGS	As at March 31, 2016	As at March 31, 2015
a) Secured *		
Working capital loans repayable on demand from Bank	-	-
Unsecured		
Loans from related parties**	70,000,000	90,000,000
Loan from unrelated party	-	25,000,000
	70,000,000	115,000,000

*Security details:

Cash credit from Axis Bank has been secured by hypothecation of tangible current assets, namely raw materials, finished and semi-finished goods, inventories and book-debts of the Company as a whole and also secured by extension of charge on immovable and movable assets of the Company.

**Loans from related parties - Unsecured repayable in 180 days



Atul Bioscience Limited

Notes to the Financial Statements

	(₹)	
NOTE 8 TRADE PAYABLES	As at March 31, 2016	As at March 31, 2015
Total outstanding dues to micro and small enterprises (refer Note 29)	424,508	-
Total outstanding dues of creditors other than micro and small enterprises		
Other trade payables	36,782,360	28,664,203
Due to holding Company	58,490,023	31,691,528
	95,696,891	60,355,731

	(₹)	
NOTE 9 OTHER CURRENT LIABILITIES	As at March 31, 2016	As at March 31, 2015
Current maturities of long term debts (refer Note 4)	15,000,000	15,000,000
Interest accrued but not due on borrowings	356,301	536,959
Employee benefit payable	415,405	583,421
Statutory dues	3,433,194	8,601,337
Creditors for fixed assets	2,696,317	-
	21,901,217	24,721,717

	(₹)	
NOTE 10 SHORT-TERM PROVISIONS	As at March 31, 2016	As at March 31, 2015
(a) Provisions:		
Gratuity (refer Note 27.8)	399,360	386,778
Leave entitlement (refer Note 27.8)	155,624	445,875
Other employee payables	1,900,000	2,778,000
(b) Others:		
Proposed dividend on Preference shares	900,877	17,907,984
Dividend distribution tax on proposed dividend	183,397	3,580,558
	3,539,258	25,099,195



Atul Bioscience Limited

Notes to the Financial Statements

(₹)

NOTE 11 FIXED ASSETS

	Buildings*	Plant and machinery	Furniture & fixtures	Office equipment	Total
Gross block (at cost)					
Balance as at April 1, 2014	80,207,423	298,391,628	520,860	2,592,293	381,712,204
Additions during the year	-	-	-	40,425	40,425
Deductions and adjustments	(39,521,375)	(52,848,639)	-	-	(92,370,014)
Balance as at April 1, 2015	40,686,048	245,542,989	520,860	2,632,718	289,382,615
Additions during the year	-	3,396,784	278,038	174,425	3,849,247
Deductions and adjustments	-	(1,519,588)	-	-	(1,519,588)
Balance as at March 31, 2016	40,686,048	247,420,185	798,898	2,807,143	291,712,274
Depreciation					
Balance up to March 31, 2014	7,969,301	67,453,545	385,947	1,248,219	77,057,012
For the year	1,312,232	26,270,234	115,685	1,004,182	28,702,333
Deductions and adjustments	(3,935,486)	(20,469,981)	-	-	(24,405,467)
Balance up to March 31, 2015	5,346,047	73,253,798	501,632	2,252,401	81,353,878
For the year	1,312,232	22,542,424	137,440	175,896	24,167,992
Deductions and adjustments	-	(1,237,730)	-	-	(1,237,730)
Balance up to March 31, 2016	6,658,279	94,558,492	639,072	2,428,297	104,284,140
Net block					
Balance as at March 31, 2015	35,340,001	172,289,191	19,228	380,317	208,028,737
Balance as at March 31, 2016	34,027,769	152,861,693	159,826	378,846	187,428,134

Note:

*The manufacturing plant of the company is constructed on Land leased by the holding company, Atul Ltd.



Atul Bioscience Limited

Notes to the Financial Statements

			(₹)	
NOTE 12 NON-CURRENT INVESTMENTS			As at March 31, 2016	As at March 31, 2015
Trade investment, unquoted	Face Value	No of Shares		
Equity shares of Atul Brasil Quimicos Ltda	R\$ 1	1,800	69,919	69,919
			69,919	69,919

			(₹)	
NOTE 13 LONG-TERM LOANS AND ADVANCES			As at March 31, 2016	As at March 31, 2015
Unsecured, considered good :				
Capital advances			48,250	159,226
			48,250	159,226

			(₹)	
NOTE 14 OTHER NON-CURRENT ASSETS			As at March 31, 2016	As at March 31, 2015
Balance with bank in fixed deposits, with maturity beyond 12 months*			397,305	26,000
			397,305	26,000

*Endorsed in favour of Government departments

			(₹)	
NOTE 15 INVENTORIES			As at March 31, 2016	As at March 31, 2015
(a)	Raw materials and packing materials		30,692,016	45,418,042
(b)	Work-in-progress		4,702,057	8,955,984
(c)	Finished goods		28,238,365	49,141,160
(d)	Stores,spares and fuel		4,901,193	3,257,570
			68,533,631	106,772,756

			(₹)	
NOTE 16 TRADE RECEIVABLES			As at March 31, 2016	As at March 31, 2015
Unsecured, considered good from:				
Trade receivables outstanding for more than six months from the date they became due for payment			-	-
Others			175,660,966	120,047,555
			175,660,966	120,047,555

			(₹)	
NOTE 17 CASH AND BANK BALANCES			As at March 31, 2016	As at March 31, 2015
(a)	Cash and cash equivalents			
	Balances with banks			
	In current accounts		33,292,303	16,842,559
			33,292,303	16,842,559
(b)	Other bank balances			
	Deposits with maturity more than 3 months but less than 12 months		1,310,676	1,568,825
			34,602,979	18,411,384



Atul Bioscience Limited

Notes to the Financial Statements

(₹)		
NOTE 18 SHORT-TERM LOANS AND ADVANCES	As at March 31, 2016	As at March 31, 2015
Unsecured, considered good, unless otherwise specified		
Advances recoverable in cash or kind	486,967	24,770
Balances with statutory authorities	11,973,614	4,071,045
Prepaid expenses	821,753	1,827,948
Tax paid in advance [net of provisions ₹ 55,309,517 (March 31, 2015: ₹ 27,984,249)]	1,471,715	3,509,556
MAT credit entitlement	-	294,342
Other receivables	5,228,439	-
	19,982,488	9,727,661

(₹)		
NOTE 19 REVENUE FROM OPERATIONS	Year ended	
	March 31, 2016	March 31, 2015
Sale of products	614,455,817	529,961,521
Sale of services	2,999,841	18,969,500
Other operating revenue:		
Scrap sales	2,068,234	1,733,438
	619,523,892	550,664,459
Less: Excise duty	66,977,782	56,283,579
	552,546,110	494,380,880

(₹)		
NOTE 20 OTHER INCOME	Year ended	
	March 31, 2016	March 31, 2015
Interest received	155,648	175,487
Provision no longer required	1,999,340	820,670
Foreign exchange fluctuation gain	24,777	-
Miscellaneous income	8,289,768	16,359
	10,469,533	1,012,516

(₹)		
NOTE 21 COST OF MATERIALS CONSUMED	Year ended	
	March 31, 2016	March 31, 2015
Raw materials	312,773,048	297,324,210
Packing materials	5,376,001	4,692,775
	318,149,049	302,016,985

DETAILS OF MATERIALS CONSUMED

(₹)		
(a) Materials consumed:	Year ended	
Category	March 31, 2016	March 31, 2015
Chloro ethyl chloroformate	75,948,000	103,862,400
L-Valine	66,090,644	89,496,597
Iso propyl alcohol	10,620,353	16,569,903
NN diethyl aniline	4,156,407	8,726,854
Benzyl chloroformate	45,030,145	37,404,025
Toluene	5,454,296	7,877,664
4-Methoxy phenyl aceto nitrile	37,368,289	25,262,686
Others	73,480,915	12,816,855
	318,149,049	302,016,985



Atul Bioscience Limited

Notes to the Financial Statements

b) Imported and indigenous raw materials and packing materials consumption:

Category	Year ended March 31, 2016		Year ended March 31, 2015	
	₹	%	₹	%
Imported	87,799,107	28%	78,853,616	26%
Indigenous	230,349,942	72%	223,163,369	74%
	318,149,049	100%	302,016,985	100%

(₹)

NOTE 22 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS	Year ended	
	March 31, 2016	March 31, 2015
Stocks at close		
Finished goods	28,238,365	49,141,160
Work-in-progress	4,702,057	8,955,984
	32,940,422	58,097,144
Less: Stocks at commencement		
Finished goods	49,141,160	54,422,948
Work-in-progress	8,955,984	-
	58,097,144	54,422,948
	25,156,722	(3,674,196)
Excise duty variation on opening closing finished goods	(3,866,464)	(801,294)
(Increase) decrease in inventories	21,290,258	(4,475,490)

(₹)

NOTE 23 EMPLOYEE BENEFITS EXPENSE	Year ended	
	March 31, 2016	March 31, 2015
Salaries, wages and bonus	17,777,675	17,054,712
Gratuity (refer Note 27.8)	220,716	456,503
Contribution to provident and other funds (refer Note 27.8)	403,332	331,916
Staff welfare	1,323,873	1,151,668
	19,725,596	18,994,799

(₹)

NOTE 24 FINANCE COSTS	Year ended	
	March 31, 2016	March 31, 2015
Interest on long term borrowings	9,340,596	11,640,485
Interest on others	9,252,805	11,106,730
Other finance cost	246,539	-
Interest on income tax	264,434	-
	19,104,374	22,747,215



Atul Bioscience Limited

Notes to the Financial Statements

(₹)

NOTE 25 OTHER EXPENSES	Year ended	
	March 31, 2016	March 31, 2015
Consumption of stores and spare parts	5,655,970	5,514,231
Power, Fuel and Water	35,609,361	31,165,757
Conversion and plant operation charges contract labour charges	6,285,824	5,162,635
ETP charges	2,284,340	2,767,385
Repairs to buildings	2,556,936	1,296,901
Repairs to machinery	4,441,732	2,053,344
Rent	3,935	3,935
Rates and taxes	55,970	55,970
Insurance	1,763,389	930,203
Legal and professional charges	2,336,426	1,106,306
Loss on sale of assets discarded	-	869,914
Commission	1,408,650	4,263,894
Charity and donations	-	500,000
Expenditure towards corporate social responsibility (refer Note No. 28)	900,000	-
Staff service charges	8,760,100	7,346,375
Travelling and conveyance	34,627	66,362
Directors' commission and fees	640,000	720,000
Payments to Statutory Auditors		
a) Audit fees	420,000	300,000
b) Other matters	57,500	50,000
Bank charges	1,148,734	1,784,874
Exchange loss (net)	-	400,578
Share issue expenses	28,500	-
Miscellaneous expenses	2,206,684	1,659,899
	76,598,678	68,018,563

(₹)

NOTE 26 A. CONTINGENT LIABILITIES	As at	As at
	March 31, 2016	March 31, 2015
Income tax matters (Matter under appeal) Note: Future cash outflow in respect of above will be determined only on receipt of judgement decision pending with tax authorities.	278,920	-

(₹)

NOTE 26 B. CAPITAL COMMITMENTS	As at	As at
	March 31, 2016	March 31, 2015
Estimated amount of contracts remaining to be executed on capital accounts and not provided for (net of advances)	20,317,519	-



Atul Bioscience Limited

Notes to the Financial Statements

(₹)

	Year ended	
	March 31, 2016	March 31, 2015
CIF VALUE OF IMPORT, EXPENDITURE, REMITTANCES AND EARNINGS IN FOREIGN CURRENCY		
NOTE 27.1 CIF value of imports:		
Raw materials	80,206,819	85,457,081
NOTE 27.2 Expenditure in foreign currency:		
Commission	73,419	93,547
NOTE 27.3 Earnings in foreign currency:		
FOB value of exports	51,977,495	9,512,601

NOTE 27.4 Earnings Per Share

Earning per Share (EPS) - The numerators and denominators used to calculate basic and diluted EPS:

Particulars		March 31, 2016	March 31, 2015
Profit for the year	(₹)	55,832,263	40,293,428
Less: Dividend on redeemable preference shares	(₹)	900,877	1,604,000
Less: Dividend distribution tax (Including for the previous year ₹ 65,086)	(₹)	248,483	328,339
Profit for the year attributable to the equity shareholders	(₹)	54,682,903	38,361,089
Basic/ weighted average number of equity shares outstanding during the year	Number	9,243,739	7,990,050
Nominal value of equity share	(₹)	10	10
Basic earning per share	(₹)	5.92	4.80

NOTE 27.5 Unhedged Foreign Currency Exposure:

Disclosure in accordance with announcement dated December 2, 2005 issued by the Council of the Institute of Chartered Accountants of India (ICAI) with respect to details of foreign currency exposure not hedged as at the Balance Sheet date is as follows:

Particulars	Foreign currency	March 31, 2016	March 31, 2015
Creditors	USD	229,088	150,000
Debtors	USD	270,750	111,000
Other payables	USD	432	1,500
Other receivables	USD	68,400	-

NOTE 27.6 SEGMENT REPORTING

As the Company's business activity falls within a single primary segment viz. 'Active Pharmaceuticals Intermediates' (API's), the disclosure requirement of Accounting Standard - 17 'Segment Reporting' notified under the Companies (Accounting Standards) Rules, 2006, is not applicable.

Further, since the revenue generated and the assets within India are greater than 90% of the total revenue and total assets respectively of the Company, the disclosure requirement of geographical segments as per the aforesaid Standard is not applicable.



Atul Bioscience Limited

Notes to the Financial Statements

NOTE 27.7 Related Party Disclosures

Related party information

A. Name of the related party and nature of relationship

No	Name of the related party	Description of relationship
	Party where control exists	
(a)	Atul Ltd.	Holding Company
	Other related parties	
(b)	1 Atul Finserve Ltd. 2 Atul China Ltd.	Fellow subsidiaries with whom transactions have taken place during the year
(c)	Aagam Holding Private Limited	Enterprise over which significant influence is exercised by key management personnel
(d)	Key Management Personnel: Mr. Sunil S Lalbhai* Dr Prabhakar Chebiyyam	Chairman Managing Director

* There are no transactions during the year.



Atul Bioscience Limited

Notes to the Financial Statements

NOTE 27.7 Related Party Disclosures

B. Transaction with related parties

No	Name of the related party	Key Management Personnel		Holding Company		Enterprise over which control exercised by Key Management Personnel		Fellow Subsidiaries	
		2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15
	Sales and income								
1	Sales								
	Atul Ltd.			708,131	6,968,511				
2	Sales of fixed assets			281,858					
	Atul Ltd.								
3	Conversion charges received			2,999,841	18,969,500				
	Atul Ltd.								
4	Reimbursements received			188,269	21,7273				
	Atul Ltd.								
	Purchases and expenses								
1	Purchase of raw material (net)			181,074,997	186,999,637				
	Atul Ltd.								
2	Purchase of power, fuel & water								
	Atul Ltd.			35,609,361	31,165,757				
3	ETP service charges			2,284,340	2,767,385				
	Atul Ltd.								
4	Staff service charges			5,762,079	5,244,000				
	Atul Ltd.								
	Dr C Prabhakar	3,516,100	2,102,375						
5	Expenses reimbursement paid								
	Atul Ltd.								
	Atul Finserve Ltd.				110,490			14,709	19,527



Atul Bioscience Limited

Notes to the Financial Statements

No	Name of the related party	Key Management Personnel		Holding Company		Enterprise over which control exercised by Key Management Personnel		Fellow Subsidiaries	
		2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15
6	Lease rent Atul Ltd.			3,935	3,935				
7	Interest paid payable Atul Ltd. Aagam Holdings Pvt Ltd.			4,249,446	5,131,085	8,271,774	6,177,876		
8	Commission Atul China Ltd.							73,419	93,547
	Others								
1	Dividend on Preference shares Atul Ltd.			18,808,861					
	Loan taken and repaid								
1	Issue of Equity shares Atul Ltd.			45,600,000					
2	Redemption of Preference shares Atul Ltd.			24,040,000					
3	Loan taken Aagam Holdings Pvt Ltd.					15,000,000	1,00,00,000		
4	Loan repaid Aagam Holdings Pvt Ltd.					35,000,000	1,00,00,000		
	Outstanding balances								
1	Unsecured Loan Atul Ltd. Aagam Holdings Pvt Ltd.			43,000,000	43,000,000	70,000,000	90,000,000		
2	Payables (Receivables) (net) Atul Ltd. Atul China Ltd. Atul Finserve Ltd.			59,390,900	31,691,528			28,800 7,690	93,547

- There are no provisions for doubtful debts or amounts written back in respect of debts due to or due from related parties.



Atul Bioscience Limited

Notes to the Financial Statements

NOTE 27.8 EMPLOYEE BENEFITS

Funded schemes

(a) Defined benefit plans:

Expenses recognised for the year ended on March 31, 2016 (included in Note 23)

(₹)

Particulars	2015-16 Gratuity	2014-15 Gratuity
1. Change in present value of obligation:		
(a) Present value of obligation at beginning of the year	995,787	296,324
(b) Current service cost	190,380	144,437
(c) Interest cost	93,106	27,706
(d) Actuarial loss (gain)	(51,952)	527,320
(e) Benefits paid	-	-
(f) Present value of obligation at the end of the year	1,227,321	995,787
2. Change in fair value of plan assets:		
(a) Fair value of plan assets at beginning of the year	609,009	517,898
(b) Expected return on plan assets	56,942	45,057
(c) Actuarial gain	(46,124)	54
(d) Contributions	103,445	46,000
(e) Benefits paid	-	-
(f) Fair value of plan assets at end of the year	723,272	609,009
3. Reconciliation of present value of the obligation and the fair value of plan assets and amounts recognized in the balance sheet:		
(a) Present value of the defined benefit obligation at the end of the year	1,227,321	995,787
(b) Fair value of plan assets at the end of the year	723,272	609,009
(c) Net liability recognised in the balance sheet	504,049	386,778
4. Gratuity cost recognised during the year:		
(a) Current service cost	190,380	144,437
(b) Interest cost	36,164	(17,351)
(c) Expected return on plan assets	-	-
(d) Actuarial loss	(5,828)	329,417
(e) Total expense	220,716	456,503
5. Actuarial Assumptions:		
(a) Discount rate	7.86%	7.92%
(b) Rate of return on plan assets	7.86%	7.92%
(c) Salary escalation rate	7.00%	7.00%
6. Net asset liability recognised in the balance sheet		
Defined Benefit Obligation	1,227,321	995,787
Plan assets	723,272	609,009
Deficit (Surplus)	504,049	386,778
Experience adjustments in plan liabilities	(55,897)	427,543
Experience adjustments in plan assets	(46,124)	54



Atul Bioscience Limited

Notes to the Financial Statements

NOTE 27.8 EMPLOYEE BENEFITS (contd)

(₹)

Experience adjustments					
Particulars	2015-16	2014-15	2013-14	2012-13	2011-12
Experience adjustments on:					
1 (Gain) loss on plan liabilities	(55,897)	(427,543)	(327,777)	(43,732)	-
2 (Gain) loss on plan assets	46,124	54	6,955	283,304	-

Disclosure of Experience adjustment is given to the extent of information available with the Company.

- (b) The liability for leave encashment and compensated absences as at the year end is ₹ 9,31,077 (Previous year ₹ 9,90,148).
- (c) **Defined contribution plan:**
Amount of ₹ 403,332 (Previous year : ₹ 331,916) is recognised as expense and included in the Note 23 'Contribution to Provident and Other Funds'.
- (d) Expected contribution to the funds in next year ₹ 399,360.
- (e) The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market. Mortality rates are obtained from the relevant data.

NOTE 28 CORPORATE SOCIAL RESPONSIBILITY EXPENDITURE

a) Gross amount required to be spent by the Company during the year : ₹ 893,932

b) Amount spent during the year on :

(₹)

	In cash	Yet to be paid in cash	Total
i) Construction / acquisition of any asset	-	-	-
ii) On purpose other than (i) above	900,000	-	900,000



Atul Bioscience Limited

Notes to the Financial Statements

(₹)

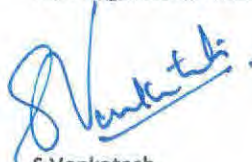
NOTE 29 DUES TO MICRO AND SMALL ENTERPRISES	Year ended	
	March 31, 2016	March 31, 2015
Total outstanding dues of Micro, Small and Medium Enterprises		
(a) (i) The principal amount remaining unpaid as at year end	424,508	-
(ii) Interest due thereon remaining unpaid as at year end	-	-
(b) The amount of interest paid by the buyer in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (MSME Act), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year:	-	-
(c) The amount of interest due and payable for the year 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 MSME Act	-	-
(d) The amount of interest accrued and remaining unpaid as at year end in respect of principal amount settled during the year	-	-
(e) The amount of further interest remaining due and payable even in the	-	-

The above information has been determined to the extent such parties have been identified by the Company, which has been relied upon by the auditors.

NOTE 30 Previous year's figures have been regrouped | rearranged wherever necessary to confirm to the current year's classification.

Notes form an integral part of these financial statements
As per our attached report of even date.

Dalal & Shah Chartered Accountants LLP
Firm Registration Number: 102020W/ W-100040

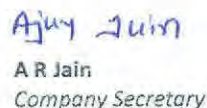


S Venkatesh
Partner

Membership Number: 037942
Mumbai
April 15, 2016

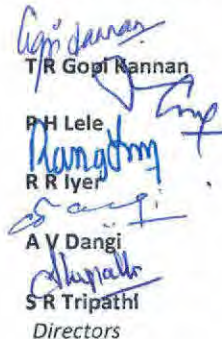


D Sahu
Chief Financial Officer



A R Jain
Company Secretary

For and on behalf of the Board of Directors



T R Gopi Rannan
P H Lele
R R Iyer
A V Dangi
S R Tripathi
Directors



S S Lalbhai
Chairman



P Chebiyyam
Managing Director

Mumbai
April 15, 2016