



R. KANKARIA & UTTAM SINGHI
CHARTERED ACCOUNTANTS

6-3-1090/C-4,
RAJ BHAVAN ROAD,
ABOVE ANDHRA BANK,
HYDERABAD – 500 082.
☎. 040-23308988.

Independent Auditor's Report

**To the Members of
JC Biotech Private Limited**

Report on the Financial Statement

We have audited the accompanying financial statements of **JC Biotech Private Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2016, and the Statement of Profit and Loss and 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 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 preparation and presentation of these 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 Companies Act, 2013 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

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



An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of 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 a place an adequate financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the 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 31.03.2016 and its profit and its cash flows for the year ended on that date.

Report on Other Legal & Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure - 'A' a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.


2. As required by section 143(3) of the Act, we report that:

- a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- c) the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement, dealt with by this Report are in agreement with the books of account;
- d) in our opinion, the aforesaid financial statements comply with the Accounting Standards specified under section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014;
- e) on the basis of written representations received from the directors as on March 31, 2016, and 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 of the Companies Act, 2013



- f) With respect to the adequacy of Internal Financial Controls over Financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure - B" ; and
- g) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit & Auditors) Rule, 2014, in our opinion and to the best of our information & according to the explanations given to us:
- i. The Company does not have any pending litigations as at 31.03.2016 which would impact its financial position.
 - ii. The Company did not have any long term contracts including derivative contracts as at 31.03.2016 for which there were any material foreseeable losses.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For R Kankaria & Uttam Singhi
Chartered Accountants
Firm's Registration No. 000442S



Rajendra Kanakaria
Partner

Membership No.022051/ICAI



Place: Hyderabad
Date: 29.08.2016



ANNEXURE "A" TO THE AUDITOR'S REPORT

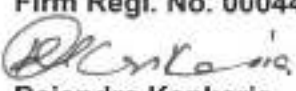
Referred to in paragraph 1 under the head "Report on other legal & regulatory requirements" of our report of even date.

- i) a The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- b. All the Fixed assets have been physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- c. As per the documents verified by us and explanation given to us, all the Title Deeds of immovable properties are held in the name of the company.
- ii). The inventory has been physically verified during the year by the management in our opinion, the frequency of verification is reasonable. No material discrepancies have been noticed on physical verification of stocks as compared to book records.
- iii). The company has not granted any loans secured or unsecured, to companies, firms, Limited Liability Partnership or other parties who are covered in the register maintained under section 189 of Companies Act, 2013, accordingly Clause (iii a), (iii b) and (iii c) of Paragraph 3 of the Order are not applicable.
- iv) According to the information and explanations given to us, the Company has not granted any loans, guarantees and security and made investments, as per section 185 & 186 of the Companies Act, 2013
- v) According to the information and explanations given to us, the Company has not accepted any deposits from the public as per the directives issued by the Reserve Bank of India and as per the provisions of section 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under. Company is having the balance outstanding of Rs. 5,94,05,000/- (Previous Year Rs. 6,33,30,630/-) (Including Share application money of Rs 30,00,000/- (Previous Year Rs. 1,50,80,630/-) from Companies, directors, members and their relatives & associates.
- vi) The Central Government has not prescribed for the maintenance of cost records under section 148(1) of the Companies Act, 2013.
- vii) (a) According to the information & explanations given to us, none of the undisputed statutory dues including Provident Fund, Employees State Insurance, Income Tax, Sales Tax, Service Tax, Custom Duty, Excise Duty, Value Added Tax, Cess and any other Statutory Dues were outstanding as at last day of the financial year concerned for a period of more than six months.



- (b) According to the information & explanations given to us, there is no dues in respect of disputed amount to be deposited in respect of Income Tax, Sales Tax, Service Tax, Custom Duty, Excise Duty, Value Added Tax as on 31st March, 2016.
- viii) According to the information and explanations given to us, the company has not defaulted in repayment of loans or borrowing to the financial institutions, bank, government or dues to debenture holders.
- ix) In our opinion, and according to the information and explanations given to us, the company has raised money by way of term loans and has applied for the purpose for which it was raised, company has not raised money by way of initial public offer or further public offer (including debt instruments) during the year.
- x) According to the information and explanations given to us, no fraud by the Company or any fraud on the company by its officers/employees has been noticed or reported during the course of our audit.
- xi) According to the information and explanations given to us, the Company has paid and provided managerial remuneration during the year as per the provisions of Section 197 read with Schedule V to the Companies Act.
- xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, Clause (xii) of Paragraph 3 of the Order is not applicable.
- xiii) According to the information and explanations given to us, all transactions with the related party are in compliance with section 177 & 188 of Companies Act, 2013 and the same has been disclosed in financial statements as required by the Accounting Standards.
- xiv) According to the information and explanations given to us, the company has not made preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- xv) According to the information and explanations given to us, the company has not entered into Non Cash Transactions with directors or persons connected with him during the year.
- xvi) According to the information and explanations given to us, company is not required to be registered under section 45-IA of Reserve Bank of India.

Place: Hyderabad
Date : 29-08-2016

For R. Kankaria & Uttam Singhi
Chartered Accountants
Firm Regi. No. 000442S

Rajendra Kankaria
Partner
Membership No. 022051/ICAI.



Report on Internal Financial Controls Over Financial Reporting

Annexure "B" to the Independent Auditor's Report of even date on the Financial Statements of JC Biotech Private Limited

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

We have audited the internal financial controls over financial reporting of **JC Biotech Private 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

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". These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. 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.

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 judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with 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

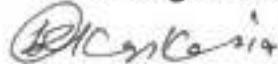
Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal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



Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 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 R Kankaria & Uttam Singhi
Chartered Accountants
Firm's Registration No. 000442S



Rajendra Kanakaria
Partner

Membership No.022051/ICAI



Place: Hyderabad

Date: 29.08.2016

JC BIOTECH PRIVATE LIMITED

BALANCE SHEET AS AT 31 ST MARCH ' 2016

PARTICULARS	NOTE NO.	AS AT 31-03-2016	AS AT 31-03-2015
<u>EQUITY AND LIABILITIES</u>			
Shareholder's Funds			
Share Capital	1	204412000	204412000
Reserves and Surplus	2	27224658	2687702
Share Application Money		3000000	15080630
Non-Current Liabilities			
Long-Term Borrowings	3	159739509	63090258
Deferred Tax Liabilities (Net)	4	9636955	5123232
Current Liabilities			
Short-Term Borrowings	5	2502466	67325650
Trade Payables	6	67684423	49320635
Other Current Liabilities	7	31895219	101573265
Short-Term Provisions	8	5454236	2811455
Total		511549466	511424827
<u>ASSETS</u>			
Non-Current Assets			
<i>Fixed Assets</i>	9		
Tangible Assets		384228035	382576608
Long Term Loans and Advances	10	21728067	8799698
Current Assets			
Inventories	11	71414666	91042169
Trade Receivables	12	29465978	19675371
Cash And Cash Equivalents	13	2037981	1775379
Short-Term Loans And Advances	14	2397345	7386226
Other Current Assets	15	277394	169376
Total		511549466	511424827
Accounting Policies & Notes To Accounts	23		

As per our report of even date attached.

For R. Kankaria & Uttam Singhi

Chartered Accountants

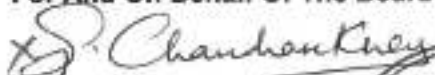
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Rajendra Kankaria
 Partner
 Membership No. :022051/ICAI

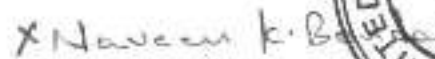
Place : Hyderabad

Date : 29-08-2016

For And On Behalf Of The Board



S.Chandra Sekhar
 Managing Director
 DIN NO. 00159543



B.Naveen Krishna
 Executive Director
 DIN NO. 07137132



JC BIOTECH PRIVATE LIMITED

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31-03-2016

PARTICULARS	NOTE NO.	FOR THE YEAR ENDED 31.03.2016	FOR THE YEAR ENDED 31.03.2015
CONTINUING OPERATIONS			
Revenue from operations			
Sales Revenue (Gross)	16	441666017	422952459
Less: Duties & Taxes		<u>52809867</u>	<u>50318096</u>
		388856150	372634363
Other Income	17	596294	235069
Total Revenue		389452444	372869432
Expenses:			
Cost Of Materials Consumed	18	153553613	167672947
Changes In Inventories	19	22651202	28687627
Employee Benefit Expenses	20	33443929	34214637
Financial Costs	21	25109176	31672341
Depreciation Expenses	9	20530560	19824321
Other Expenses	22	104802628	76728728
Total Expenses		360091108	358800601
Profit Before Tax		29361336	14068831
Tax Expense:			
Current Tax		5986439	2830275
Previous Year Tax		310857	0
MAT Credit Entitlement		-5986439	-2830275
Deferred Tax		<u>4513723</u>	<u>2863025</u>
		4824380	2863025
Profit/(Loss) For The Period		24536956	11205806
XVI. Earning Per Equity Share:		1.20	0.55
(1) Basic			
(2) Diluted			
Accounting Policies & Notes To Accounts	23		

As per our report of even date attached.

For R. Kankaria & Uttam Singhi

Chartered Accountants

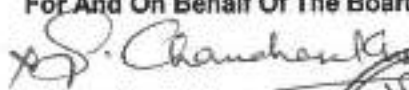
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Rajendra Kankaria
 Partner
 Membership No. :022051/ICAI

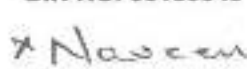
Place : Hyderabad

Date : 29-08-2016

For And On Behalf Of The Board


S.Chandra Sekhar

Managing Director
DIN NO. 00159543


B.Naveen Krishna

Executive Director
DIN NO. 07137132



JC BIOTECH PRIVATE LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2016		
PARTICULARS	FOR THE YEAR ENDED 2016	FOR THE YEAR ENDED 2015
	(RS.)	(RS.)
A CASH FLOW FROM OPERATIONS		
Net Profit Before Tax	29361336	14068831
<u>Adjustments for:</u>		
Depreciation	20530560	19824321
Interest Expenses	23724007	31186357
Interest Income	-308216	-188196
Dividend Income	0	-46500
Operating Profit Before Working Capital Changes	73307687	64844813
<u>Adjustments for:</u>		
Sundry Debtors	-9790607	-9414132
Inventories	19627503	37566503
Loans and Advances	-8047506	-3344837
Trade Payables & Provisions	-45327819	48066500
	-43538429	72874034
Cash Generated From Operations	29769258	137718847
Income Tax Paid	-3654315	-716310
Net Cash Flow From Operating Activities	26114943	137002537
B CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	-22181987	-12478504
Interest Received	308216	188196
Dividend Income	0	46500
Net Cash Used in Investing Activities	-21873771	-12243808
C CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Long Term Borrowings	96649251	-91709947
Proceeds from Bank Borrowings for Working Capital	-64823184	434159
Proceeds from Issue of Share Capital	0	2000000
Proceeds from Share Application Money	-12080630	-8344416
Interest paid	-23724007	-31186357
Net Cash Used in Financing Activities	-3978570	-126806561
Net Increase in Cash and Cash Equivalents	262602	-2047832
Cash and Cash equivalents at the beginning of the period	1775378	3823210
Cash and Cash equivalents at the end of the period	2037980	1775378

As per our report of even date attached.

For R. Kankaria & Uttam Singhi

Chartered Accountants

Firm Regi. No.: 000442S

Rajendra Kankaria

Partner

Membership No. :022051/ICAI

Place : Hyderabad

Date : 29-08-2016

For And On Behalf Of The Board

S.Chandra Sekhar

Managing Director

DIN NO. 00159543

B.Naveen Krishna

Executive Director

DIN NO. 07137132



JC BIOTECH PRIVATE LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENT

NOTES : 1 SHARE CAPITAL

PARTICULARS	AS AT 31/03/2016	AS AT 31/03/2015
AUTHORIZED CAPITAL		
21,000,000 Equity Shares of Rs. 10/- each with voting rights.	210000000	210000000
ISSUED , SUBSCRIBED & FULLY PAID UP CAPITAL		
20,441,200 (Previous Year 20,241,200) Equity Shares of Rs. 10/- each, Fully Paid up with voting rights	204412000	204412000
Total	204,412,000	204,412,000

1.1 RECONCILIATION OF NUMBER OF SHARES:

PARTICULARS	AS AT 31/03/2016	AS AT 31/03/2015
Number of Equity Shares at the beginning	20441200	20241200
Add: Number of Shares Issued		
Shares issued during the year	0	200000
Number of Equity Shares at the end	20441200	20441200

1.2 DETAILS OF SHARES HELD BY EACH SHAREHOLDERS HOLDING MORE THAN 5% SHARES

CLASS OF SHARES / NAME OF SHAREHOLDERS	NUMBER OF SHARES HELD 31/03/2016	% OF HOLDING IN THAT CLASS OF SHARES	NUMBER OF SHARES HELD 31/03/2015	% OF HOLDING IN THAT CLASS OF SHARES
Equity Shares with Voting Right				
S.Chandra Sekhar	5617200	27.48%	5617200	27.48%
Greenpath Energy Pvt. Ltd.	2850000	13.94%	2850000	13.94%
Pasura Farm Tek Pvt. Ltd.	1290000	6.31%	1290000	6.31%

NOTES : 2 RESERVES & SURPLUS

PARTICULARS	AS AT 31/03/2016	AS AT 31/03/2015
Surplus -Profit & Loss Account		
Opening Balance	2687702	-8518104
Add: Profit for the year	24536956	11205806
Closing Balance	27224658	2687702
Total	27224658	2687702



For JC BIOTECH PVT. LTD.

S. Chandra Sekhar
S. CHANDRA SEKHAR
Managing Director

For JC BIOTECH PRIVATE LIMITED

Naveen K. Boudelapati
B. NAVEEN KRISHNA
Executive Director

JC BIOTECH PRIVATE LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENT

NOTES : 3 LONG TERM BORROWINGS

PARTICULARS	AS AT 31/03/2016	AS AT 31/03/2015
Secured Asset Backed Loan from		
State Bank of India	80544981	0
Secured Loan from		
Biotechnology Industry Research Assistance Council (SIBIRI/BIRAC - DBT)	22240000	14600000
Interest accrued on Term Loan - SIBIRI DBT	549528	240258
Unsecured Loan		
Inter Corporate Deposits	44525000	40500000
From Directors & their Relatives	11880000	7750000
	56405000	48250000
Total	159739509	63090258

3.1 The Asset Backed Loan from State Bank of India is secured by way of equitable mortgage of Factory Land & Building admeasuring 30 Acres at Growth Center - Ongole, Gundlapalli Village Maddipadu Mandal, Prakasham Dist. and first charge on Plant & Machinery and on all current assets of the company.

3.2 Asset Backed Loan facility is further secured by the personal guarantee of three directors of the company namely Mr. S Chandra Sekhar, Mr. P Prasanth Kumar and A Arvind Kumar.

3.3 Term Loan from Biotechnology Industry Research Assistance Council (BIRAC/SBIRI) is secured by way of Hypothecation of Assets acquired for the project sanctioned by BIRAC/SBIRI

3.4 Balances of Unsecured Loan are subject to confirmation and reconciliation if any.

NOTES : 4 DEFERRED TAX LIABILITIES (NET)

PARTICULARS	AS AT 31/03/2016	AS AT 31/03/2015
Deferred Tax Assets/(Liabilities)	5123232	2260207
Add: Current Year	4513723	2863025
	9636955	5123232
Total	9636955	5123232

NOTES : 5 SHORT TERM BORROWINGS

PARTICULARS	AS AT 31/03/2016	AS AT 31/03/2015
Secured Working Capital Loan From		
- State Bank of India - Cash Credit A/C	0	63686798
Unsecured, Bill Discounting From		
SBI Global Factors Ltd.	2078376	2037602
Unsecured Loan		
From Others	424090	1601250
Total	2502466	67325650

5.1 Balances of Unsecured Loan are subject to confirmation and reconciliation if any.



For JC BIOTECH PVT. LTD.

S. Chandra Sekhar
S. CHANDRA SEKHAR
 Managing Director

For JC BIOTECH PRIVATE LIMITED

Naveen K. Bandula
B. NAVEEN KRISHNA
 Executive Director

JC BIOTECH PRIVATE LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENT

NOTES : 6 TRADE PAYABLES

PARTICULARS	AS AT 31/03/2016	AS AT 31/03/2015
Trade Payables - Raw Materials & Packing Material	50617819	37843011
Trade Payables - Consumables	2732961	1049387
Trade Payables -Stores & Spares	2228703	1119577
Trade Payables - Expenses & Others	12104940	9308660
Total	67684423	49320635

6.1 The company is in the process of obtaining information from suppliers regarding their status under Micro, Small & Medium Enterprises Act, 2006 and hence disclosures, if any, relating to amounts unpaid as at the year end together with interest paid/ payable as required under the said Act have not been given.

6.2 Balances in Trade Payables are subject to confirmation and reconciliation if any, however in the opinion of the management there would not be any material impact on the financial statements.

NOTES : 7 OTHER CURRENT LIABILITIES

PARTICULARS	AS AT 31/03/2016	AS AT 31/03/2015
Current Maturities of Long Term Debts - Secured		
- State Bank of India - Term Loan	0	86000000
- State Bank of India - Asset Backed Loan	16980000	0
Sundry Creditors - Capital Goods	4534307	10958704
Trade Payables - Statutory Payments	5102357	1488679
Interest accrued on Term Loan - SBI	0	1104439
Interest accrued on ABL Loan - SBI	915326	0
Advance from Customers	4363229	2021443
Total	31895219	101573265

7.1 Balances in Sundry Creditors are subject to confirmation and reconciliation if any, however in the opinion of the management there would not be any material impact on the financial statements.

NOTES : 8 SHORT TERM PROVISIONS

PARTICULARS	AS AT 31/03/2016	AS AT 31/03/2015
Provisions for Income Tax		
Provision For Income Tax	5986439	2830275
Less: Income Tax Paid	532203	18820
	5454236	2811455
Total	5454236	2811455



For JC BIOTECH PVT. LTD.
S. Chandra Sekhar
S. CHANDRA SEKHAR
 Managing Director

For JC BIOTECH PRIVATE LIMITED
Naveen K. Bondalapati
B. NAVEEN KRISHNA
 Executive Director

JC BIOTECH PRIVATE LIMITED

NOTES : 9 FIXED ASSETS

PARTICULARS	GROSS BLOCK			ACCUMULATED DEPRECIATION				NET BLOCK																															
	BALANCE AS AT 01.04.2015	ADDITIONS DURING THE YEAR	DISPOSAL/ ADJUSTMENT DURING THE YEAR	BALANCE AS AT 31.03.2016	BALANCE AS AT 01.04.2015	FOR THE YEAR	ELEMENTED ON DISPOSAL OF ASSETS	BALANCE AS AT 31.03.2016	BALANCE AS AT 31.03.2015																														
Tangible Assets	20355065	0	0	20355065	0	0	0	20355065	20355065																														
Land (Freehold)	92832128	2813393	0	95745521	12062057	3522668	0	80160796	80870071																														
Factory Building	320317301	14066640	0	334383941	52071701	14473627	0	267838613	268245600																														
Plant and Equipment	2604139	4428187	0	7032328	274948	360807	0	6396571	2329191																														
Laboratory Equipments - R&D	10956819	122906	0	11079725	2775581	1224688	0	7079456	8181238																														
Electrical Installations & Equipments	208379	38795	0	247174	60028	22930	0	164216	148351																														
Furniture & Fixtures	2995725	0	0	2995725	1237751	381194	0	1376780	1757974																														
Motor Vehicles	1337086	0	0	1337086	675341	498843	0	162902	661745																														
Office Equipment	135794	712066	0	847860	108422	45803	0	693835	27372	Computers										Total	451842437	22181987	0	474024424	69265828	20530560	0	89796398	382576608	Previous Year's Figures	382202393	56486617	0	451842437	18613273	19824321	0	59265828	356095715
Computers																																							
Total	451842437	22181987	0	474024424	69265828	20530560	0	89796398	382576608																														
Previous Year's Figures	382202393	56486617	0	451842437	18613273	19824321	0	59265828	356095715																														

For JC BIOTECH PVT. LTD.
S. Chandrasekhar
S. CHANDRA SEKHAR
 Managing Director



For JC BIOTECH PRIVATE LIMITED
Navveen K. Bandalapati
B. NAVEEN KRISHNA
 Executive Director

JC BIOTECH PRIVATE LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENT

NOTES : 10 LONG TERM LOANS & ADVANCES

PARTICULARS	AS AT 31/03/2016	AS AT 31/03/2015
Unsecured considered good		
Capital Advances	3628730	1600000
Security Deposit	7941247	3026047
MAT Credit Entitlement	10160090	4173651
Total	21728067	8799698

10.1 Balances in advances are subject to confirmation and reconciliation if any, however in the opinion of the management there would not be any material impact on the financial statements.

NOTES : 11 INVENTORIES

PARTICULARS	AS AT 31/03/2016	AS AT 31/03/2015
Raw Material	8291355	5981390
Stock In Process	1316539	1783000
Finished Goods	59135508	81320249
Packing Materials	129159	224012
Stores & Spares	1853086	1335442
Fuel & Coal	689019	398076
Total	71414666	91042169

11.1 Mode Of Valuation Of Inventories - Cost or Net realisable value whichever is lower

NOTES : 12 TRADE RECEIVABLES

PARTICULARS	AS AT 31/03/2016	AS AT 31/03/2015
Unsecured, Considered Good :		
Outstanding For More Than Six Months	927020	359192
Outstanding For Less Than Six Months	28538958	19316179
Total	29465978	19675371

12.1 Balances in Receivables are subject to confirmation and reconciliation if any, however in the opinion of the management there would not be any material impact on the financial statements

NOTES : 13 CASH & CASH EQUIVALENT

PARTICULARS	AS AT 31/03/2016	AS AT 31/03/2015
Cash-In-Hand	1036628	513861
(Cash is certified by the management)		
Balances With Scheduled Banks		
In Current Account	1001353	1281518
Total	2037981	1775379



For JC BIOTECH PVT. LTD.

S. Chandra Sekhar
S. CHANDRA SEKHAR
Managing Director

For JC BIOTECH PRIVATE LIMITED

Naveen K. Bandelapati
B. NAVEEN KRISHNA
Executive Director

JC BIOTECH PRIVATE LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENT

NOTES : 14 SHORT TERM LOANS & ADVANCES

PARTICULARS	AS AT 31/03/2016	AS AT 31/03/2015
Unsecured, Considered Good :		
Advances towards Raw Materials ,Stores & Spares	193589	4800252
Prepaid Expenses	164339	497189
CST/Vat Receivable	11461	11461
Cenvat Credit Receivable	1057892	949408
Service Tax Receivable	527015	269992
Income tax paid (Net of provision)	12647	12647
Other Advances	430402	845277
Total	2397345	7386226

14.1 Balances in advances are subject to confirmation and reconciliation if any, however in the opinion of the management there would not be any material impact on the financial statements

NOTES : 15 OTHER CURRENT ASSETS

PARTICULARS	AS AT 31/03/2016	AS AT 31/03/2015
Accrued Interest	277394	169376
Total	277394	169376



For JC BIOTECH PVT. LTD.
S. Chandra Sekhar
S. CHANDRA SEKHAR
 Managing Director

For JC BIOTECH PRIVATE LIMITED
Naveen K. Bondalapati
B. NAVEEN KRISHNA
 Executive Director

JC BIOTECH PRIVATE LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENT

NOTES : 16 SALES REVENUE

PARTICULARS	FOR THE YEAR ENDED 31.03.2016	FOR THE YEAR ENDED 31.03.2015
Sales Revenue (Gross)	441686017	422952459
Less: Duties & Taxes	<u>52809867</u>	<u>50318096</u>
	388856150	372634363
Total	388856150	372634363

16.1.Sale Comprises Of

PARTICULARS	FOR THE YEAR ENDED 31.03.2016	FOR THE YEAR ENDED 31.03.2015
Manufactured Goods	376004300	351320313
Raw Material -Sales	<u>12851850</u>	<u>21314050</u>
	388856150	372634363
	<u>388856150</u>	<u>372634363</u>

NOTES : 17 OTHER INCOME

PARTICULARS	FOR THE YEAR ENDED 31.03.2016	FOR THE YEAR ENDED 31.03.2015
Interest Income	308216	188196
Subsidy Received	273760	0
Interest Income on FD	13808	0
Misc. Income	510	373
Chits Dividend Income	0	46500
Total	596294	235069

NOTES : 18 COST OF MATERIAL CONSUMED

PARTICULARS	FOR THE YEAR ENDED 31.03.2016	FOR THE YEAR ENDED 31.03.2015
RAW MATERIAL CONSUMED		
Opening Stock	5981390	7306402
Add: Purchases	<u>154999587</u>	<u>164806248</u>
	160980977	172112650
Less: Closing Stock	<u>8291355</u>	<u>5981390</u>
	152689622	166131260
PACKING MATERIAL CONSUMED		
Opening Stock	224012	166184
Add: Purchases	<u>769138</u>	<u>1599515</u>
	993150	1765699
Less: Closing Stock	<u>129159</u>	<u>224012</u>
	863991	1541687
Total	153553613	167672947



For JC BIOTECH PVT. LTD.

S. Chandra Sekhar
S. CHANDRA SEKHAR
 Managing Director

For JC BIOTECH PRIVATE LIMITED

Naveen K. Bandalapati
B. NAVEEN KRISHNA
 Executive Director

JC BIOTECH PRIVATE LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENT

NOTES : 19 CHANGE IN INVENTORIES

PARTICULARS	FOR THE YEAR ENDED 31.03.2016	FOR THE YEAR ENDED 31.03.2015
Opening Stock		
Stock In Process	1783000	2977766
Finished goods	81320249	108813110
Closing Stock		
Stock In Process	1316539	1783000
Finished goods	59135508	81320249
Variance in Stocks	22651202	28687627

NOTES : 20 EMPLOYEES BENEFITS EXPENSES

PARTICULARS	FOR THE YEAR ENDED 31.03.2016	FOR THE YEAR ENDED 31.03.2015
Salaries & Wages	24788068	26277760
Directors Remuneration	3480000	3600000
Staff Welfare Expenses	288480	290040
Contribution to EPF	2042604	2088398
Canteen Maintenance Expenses	2844777	1960439
Total	33443929	34214637

NOTES : 21 FINANCIAL COSTS

PARTICULARS	FOR THE YEAR ENDED 31.03.2016	FOR THE YEAR ENDED 31.03.2015
Interest on Term Loan	8356334	15987572
Interest on BIRAC/SBIRI - DBT	309270	140053
Interest on Working Capital	8337249	9350059
Interest on ABL	1062912	0
Interest on Vehicle Loan	0	14760
Interest on LC Discounting	0	2181379
Interest on Bill Discounting	5471857	2610364
Bill Discounting Charges	105550	265088
Processing Fee	1014375	500000
Interest - Others	129372	137082
Bank Charges	130067	428889
Foreign Currency Fluctuation	192190	57095
Total	25109176	31672341



For JC BIOTECH PVT. LTD.
S. Chandra Sekhar
S. CHANDRA SEKHAR
 Managing Director

For JC BIOTECH PRIVATE LIMITED
Naveen K. Boudalapati
B. NAVEEN KRISHNA
 Executive Director

JC BIOTECH PRIVATE LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENT

NOTES : 22 OTHER EXPENSES

PARTICULARS	FOR THE YEAR ENDED 31.03.2016	FOR THE YEAR ENDED 31.03.2015
MANUFACTURING EXPENSES		
Consumption of :		
Stores, Spares & Consumables	15132899	19008679
Fuel & Coal	15525100	9313218
Electricity Charges(Power)	42872373	36348645
Repairs & Maintenance - Building	431201	0
Repairs & Maintenance - Plant & Machinery	1954443	842295
Repairs & Maintenance - Others	107174	12500
Effluent Treatment Charges	32192	284900
Analyses Charges	599820	1343130
Technical Charges	3180000	0
Factory Maintenance	3706369	0
Green Belt Maintenance	1121440	0
Generator Maintenance	1974916	0
Freight Inwards	630194	134282
	87268121	67287649
ADMINISTRATION ,SELLING AND OTHER EXPENSES		
Rent	732000	492000
Rates & Taxes	1864508	1025303
Travelling & Conveyance	308859	127982
Research & Development Expenses	5854538	3165808
Audit fees	275000	275000
Printing & Stationery	438959	174951
Postage, Internet & Telephone	299833	349824
Legal & Professional Charges	994171	1009877
Vehicle Maintenance	1001938	13436
Insurance	1037616	789457
Selling & Distribution Expenses	2085579	685704
Other Expenses	2641506	1331937
	17534507	9441079
Total	104802628	76728728

NOTE: 23 DISCLOSURE OF ACCOUNTING POLICIES & NOTES ON ACCOUNTS

1 DISCLOSURE OF ACCOUNTING POLICIES

The accounts are prepared in accordance with the accounting principles generally accepted in India & are in line with the guidelines prescribed by the Institute of Chartered Accountants of India .

2 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements are prepared under historical cost convention, on the accrual basis of accounting in accordance with the Companies Act, 2013 and in accordance with the accounting principles generally accepted in India ('Indian GAAP') and comply with the Accounting Standards issued by the Institute of Chartered Accountants of India (ICAI) to the extent applicable.

3 REVENUE RECOGNITION

Revenues from the sale of goods are recognized upon passage of title to the customers which generally coincides with their delivery. Interest income is recognised using time proportion method. Dividend/Loss on chits is accounted on the basis of payment of installment.



For JC BIOTECH PVT. LTD.
S. Chandra Sekhar
S. CHANDRA SEKHAR
 Managing Director

For JC BIOTECH PRIVATE LIMITED
Naveen K. Bandelapati
B. NAVEEN KRISHNA
 Executive Director

JC BIOTECH PRIVATE LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENT

4 USE OF ESTIMATES

The preparation of financial statements in conformity with the generally accepted accounting principles requires the management to make estimates and assumptions that effect the reported amount of assets and liabilities and disclosure of contingent liabilities as at the date of financial statements and the reported amount of revenue & expenses for the year. The key estimates made by the company in preparing these financial statements comprise provision for expenses and provision for income taxes. Actual results could differ from those estimates.

5 FIXED ASSETS

Fixed assets are stated at cost of acquisition including any attributable cost for bringing asset to its working condition for its intended use, less VAT/CENVAT Credit availed and accumulated depreciation.

6 CAPITAL WORK IN PROGRESS

Assets under Capital work in progress are stated at cost (net of CENVAT & VAT) until the assets are ready for commercial use.

7 IMPAIRMENT OF ASSETS

Management periodically assesses using external & internal sources whether there is an indication that an asset is impaired. Impairment occurs where the carrying value exceeds the recoverable amount. The impairment loss which is excess of value carrying amount over the higher of assets net selling price or present value of future cash flows expected to arise from the continuing use of the assets and its eventual disposal is charged to the profit & loss account in the respective years.

8 DEPRECIATION

Depreciation on fixed assets has been provided on straight line method on the basis of useful life's as prescribed in Schedule II to the Companies Act 2013 on pro rata basis.

9 INVENTORIES

Inventories are valued at lower of cost and net realisable value. Cost is computed on weighted average method. Cost included purchase cost net of CENVAT credit availed and attributable expenses.

Finished Goods are valued at cost or net realisable value whichever is lower.

10 FOREIGN CURRENCY TRANSACTION

Foreign Currency Transactions are accounted at the exchange rates prevailing on the date of the transaction.

Gains and Losses resulting from realizations on account of exports and imports in foreign currency remaining unrealized/unpaid/unsettled at the year-end are recognized in the Profit & Loss Account.

11 RESEARCH & DEVELOPMENT

Research & Development costs (other than cost of fixed assets acquired) are charged as an expense in the year in which they are incurred and are reflected under the appropriate head of account.

12 BORROWING COST

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalised as part of cost of such assets. A qualifying asset is one that necessarily take substantial period of time to get ready for intended use. Interest on funds utilized is recognized as revenue expense in the year in which they are incurred. All other borrowing costs are charged to the revenue account based on their use.

13 PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

A Provision is made based on a reliable estimate when it is probable that an outflow of resources embodying economic benefits will be required to settle an obligation. Contingent liabilities, if any are disclosed in the notes to accounts and are determined on the management perception that these liabilities are not likely to materialize. Contingent assets are not recognised or disclosed in the financial statements.



For JC BIOTECH PVT. LTD.
S. Chandra Sekhar
S. CHANDRA SEKHAR
Managing Director

For JC BIOTECH PRIVATE LIMITED
Naveen K. Boudhalapati
B. NAVEEN KRISHNA
Executive Director

JC BIOTECH PRIVATE LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENT

14 TAXES ON INCOME

a. Current Tax Expense

The current charge for income tax is calculated in accordance with the tax regulation.

b. Deferred Tax Expense

Provision for current tax is made considering various allowances and benefits available to the Company under Income tax law. In accordance with Accounting Standard AS 22 "Accounting for Taxes on Income" issued by Institute of Chartered Accountants of India, Deferred Taxes resulting from timing differences between book profits and tax profits are accounted for at the current rate of tax to the extent the time differences are expected to be crystallized.

15 EMPLOYEE BENEFITS

Gratuity: Gratuity is a defined benefit retirement plan and being accounted for as and when incurred.

Leave Encashment: Liability for Leave Encashment is provided on cash basis.

16 EARNINGS PER SHARE:

The earnings considered in ascertaining the EPS comprises of the Net Profit after Tax. The number of shares used in computing EPS is the total number of shares comprised in the Paid up Share Capital of the company.

17 NOTES ON ACCOUNTS

i Estimated amounts of contract remaining to be executed on capital account and not provided for are valued at (Net of advances) Rs. 23,59,363/- (Previous Year Rs. 21,00,000/-)

iii Depreciation on Fixed Assets has been provided on Straight Line Method on the basis of useful life's as prescribed in Schedule II of Companies Act 2013 on prorata basis

iii The company has provided deferred tax liability of Rs. 45,13,723/- for the current year (Previous Year Rs.28,63,025/-) as per the Accounting Standard 22. Breakup of deferred tax assets/liabilities and reconciliation of current year deferred tax charge/income are given below

PARTICULARS	As At 31.03.2015	Current Year	As At 31.03.2016
Deferred tax assets/(liabilities) arising on account of timing difference			
Depreciation	-32314188	-5574363	-37888551
Unabsorbed Depreciation	27190957	1060183	28251140
Total	-5123231	-4514180	-9637411

iv Particulars of Remuneration to Directors:

PARTICULARS	YEAR ENDED 31.03.2016	YEAR ENDED 31.03.2015
Managerial Remuneration		
- Managing Director	2400000	2400000
- Executive Director	1080000	1200000
Total	3480000	3600000

v Particulars of Expenditure on Research & Development:

PARTICULARS	YEAR ENDED 31.03.2016	YEAR ENDED 31.03.2015
Capital	4428187	278308
Recurring	5854538	3165808
Total	10282725	3444116



For JC BIOTECH PVT. LTD.

S. Chandra Sekhar
S. CHANDRA SEKHAR
Managing Director

For JC BIOTECH PRIVATE LIMITED

Naveen K. Bonda,apati
B. NAVEEN KRISHNA
Executive Director

JC BIOTECH PRIVATE LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENT

vi Particulars of Remuneration to Auditors:

PARTICULARS	YEAR ENDED 31.03.2016	YEAR ENDED 31.03.2015
Audit Fees	225000	225000
Tax Audit Fees	50000	50000
Total	275000	275000

vii Consumption of Raw Material:

PARTICULARS	YEAR ENDED 31.03.2016		YEAR ENDED 31.03.2015	
	Rs.	%	Rs.	%
Imported	4230145	2.78%	13046776	7.78%
Indegenious	149323468	97.24%	154626171	92.22%
Total	153553613	100.00%	167672947	100%

viii Value of Import on CIF basis:

PARTICULARS	YEAR ENDED 31.03.2016	YEAR ENDED 31.03.2015
Raw Materials	4230145	13046776
Stores & Spares	3799694	64518

ix Expenditure in Foreign Currency:

PARTICULARS	YEAR ENDED 31.03.2016	YEAR ENDED 31.03.2015
R&D Expenses	38728	41144
R&D Equipment	2105676	0

x Earnings in Foreign Currency:

PARTICULARS	YEAR ENDED 31.03.2016	YEAR ENDED 31.03.2015
FOB value of Exports	154856	63313

xi Figures of the previous years have been regrouped / reclassified wherever considered necessary to confirm to current year classification and rounded off to the nearest rupee.

As per our report of even date attached.

For R. Kankaria & Uttam Singhi

Chartered Accountants

Firm Regi. No.: 0004428

Rajendra Kankaria

Partner

Membership No. :022051/ICAI

Place : Hyderabad

Date : 29-08-2016

For And On Behalf Of The Board

S. Chandra Sekhar

Managing Director

DIN NO. 00159543

B. Naveen Krishna

Executive Director

DIN NO. 07137132



JC BIOTECH PRIVATE LIMITED
Regd Office: 8-2-269/S/3/A, Plot No. 3, Sagar Society,
Road No. 2, Banjara Hills, Hyderabad 500 034.
PROXY FORM

Regd. Folio No.

I/We
of
being a member of JC Biotech Private Limited hereby appoint
of or failing him
of or failing him
of or failing him

of as my/our proxy to vote for me/us on my/our behalf
at the Twenty Fifth Annual General Meeting of the company to be held on Monday 26th day
of September 2016 at 3.00 P.M and at any adjournment thereof.

Signed this day of 2016.

Signed by the said

Note: This form duly completed should be deposited at the Registered Office of
the company before 3.00 PM of 26th September 2016.

Affix One
Rupee
Revenue
Stamp

-----TEAR HERE-----

JC BIOTECH PRIVATE LIMITED
Regd Office: 8-2-269/S/3/A, Plot No. 3, Sagar Society,
Road No. 2, Banjara Hills, Hyderabad 500 034.
ATTENDANCE SLIP

Please complete this attendance slip and hand it over at the entrance of the meeting hall.
Only members or their proxies are entitled to be present at the meeting.

Regd Folio No.

Name & Address.....

I hereby record my presence at the Twenty Fifth Annual General Meeting of the company
held at 8-2-269/S/3/A, Plot No.3,Sagar Society, Road No.2,Banjara Hills, Hyderabad 500
034 on Monday 26th day of September 2016 at 3.00 P.M

Signature of the Shareholder / Proxy

* Strike out whichever is not applicable