



30th Annual Report

2014-2015





Corporate Information**BOARD OF DIRECTORS**

Bhaskar G. Sandu (DIN:02816792)
 Dilip R. Salgaocar (DIN:00044240)
 Dr. Krishna B. Deshpande (DIN:06557518)
 Dr. Madan L. Kapre (DIN:03113515)
 K. Vinay Kumar (DIN:02322747)
 Shashank B. Sandu (DIN:00678098)
 Dr. Shubhada P. Sandu (DIN:07148834)
 Umesh B. Sandu (DIN:01132141)

BOARD COMMITTEES**Audit Committee**

K. Vinay Kumar
 Dilip Salgaocar
 Dr Madan L. Kapre
 Umesh B. Sandu

Nomination and Remuneration Committee

Dr. Madan L. Kapre
 Dilip Salgaocar
 K. Vinay Kumar
 Bhaskar G. Sandu

Stakeholders Relationship Committee

Bhaskar G. Sandu
 Dr. Madan L. Kapre
 Umesh B. Sandu

COMPANY SECRETARY

Pratika V. Shenvi Desai (w.e.f 01.04.2015)

CHIEF FINANCIAL OFFICER

Nikesh Shah (w.e.f. 02.03.2015)
 Prasanna Bhatkar (upto 30.05.2014)

AUDITORS**STATUTORY AUDITOR**

M/s Joshi Joshi & Co
 Chartered Accountants
 Fort, Mumbai 400 001

SECRETARIAL AUDITOR

Kritika Satardekar
 C1F2,Preidential Paradise,
 Peddem, Mapusa, Goa 403507

INTERNAL AUDITORS

M/s N. J. Prabhudesai & Associates-Panaji Goa
 M/s Lalit Gawde & Associates-Mumbai

BANKERS

Dena Bank
 Chembur Branch,Mani Bhavan,
 SionTrombay Road,
 Chembur, Mumbai 400071

30TH ANNUAL GENERAL MEETING

Date : Wednesday, 30th September 2015
 Time : 9.00 am
 Venue : Plot No 25, 26, 29 & 30,
 Pilerne Industrial Estate, Marra
 Bardez, Goa 403511

Registrar and Share Transfer Agent

M/s Sharex Dynamic (India) Pvt. Ltd.
 Unit 1, Luthra Industrial Premises
 Andheri (East), Mumbai-400 072
 Tel: 022-2851560
 E-mail:sharexindia@vsnl.com

ADDRESS

Registered Office
 Plot No.25, 26, 29 & 30
 Pilerne Industrial Estate,
 Marra, Bardez, Goa- 403 511

Corporate Office

Sandu Nagar, D.K. Sandu Marg
 Chembur, Mumbai 400 071

CIN

L24233GA1985PLC001587

ISNI

INE: 751D01014(DEMAT)

WEBSITE: www.sandu.in

INVESTOR E-MAIL ID: corp.sec@sandu.in

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NOTICE is hereby given that the **30TH ANNUAL GENERAL MEETING** of **SANDU PHARMACEUTICALS LIMITED (CIN: L24233GA1985PLC001587)** will be held on Wednesday, 30th September, 2015 at 9:00 a.m. at Registered Office of the Company to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31st March, 2015 and the Reports of the Board of Directors and the Auditors thereon.
2. To re-appoint a Director in place of Shri. Bhaskar G. Sandu having Director Identification Number 02816792 who retires by rotation and being eligible, offers himself for re-appointment.

3. Re appointment of Statutory Auditors

To consider and, if thought fit, to pass with or without modification(s), the following Resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 (the Act) and the Companies (Audit and Auditors) Rules, 2014, (the Rules), (including any statutory modification(s) or re-enactment(s) thereof for the time being in force M/s Joshi Joshi & Co, Chartered Accountants, Mumbai having CA Firm Registration No.104393W, who have offered themselves for re-appointment and have confirmed their eligibility to be appointed as Auditors, in terms of provisions of Section 141 of the Act, and Rule 4 of the Rules, be and are hereby re-appointed as Statutory Auditors of the Company, to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company.”

“RESOLVED FURTHER THAT the Board of Directors of the Company (including its Committee thereof), be and is hereby authorised to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this Resolution”.

SPECIAL BUSINESS

4. To appoint Dr. Mrs. Shubhada P. Sandu (holding DIN: 07148834) as a Director at this Annual General Meeting and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 152 and 161 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) Dr. Mrs. Shubhada P. Sandu (holding DIN: 07148834) who was appointed as an Additional Director up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing from a member proposing her candidature for the office of Non Executive Director, be and is hereby appointed as a Non Executive Director liable to retire by rotation.”

“RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this Resolution”.

5. To consider and, if thought fit, to pass the following resolution as a **Special Resolution**:

“RESOLVED THAT pursuant to provisions of the Section 14 and all other applicable provisions of Companies Act, 2013 read with the Companies (Incorporation) Rules, 2014 (including any statutory modification(s) or amendment thereto or re-enactment(s) thereof for the time being in force), the draft regulations contained in the Articles of Association submitted to this meeting be and are hereby approved and adopted in substitution, and to the entire exclusion, of the regulations contained in the existing Articles of Association of the Company;

“RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorized to take all such steps and actions and give such directions as may be in its absolute discretion deem necessary and to settle any question that may arise in this regard, without being required to seek any further consent or approval of the Members or otherwise to the end and intent that the members shall be deemed to have given their approval thereto expressly by the authority of this resolution;”

“RESOLVED FURTHER THAT the Board be and is also hereby authorized to delegate all or any of the power herein conferred to any committee of Directors or any other Officer(s)/Authorised Representative(s) of the Company to give effect to the aforesaid resolution.”

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

“RESOLVED THAT pursuant to provisions of Section 188 and the revised clause 49 (VII) (e) of the Listing Agreement entered into with the Stock Exchange and other applicable provisions, if any, of the Companies Act, 2013 read with applicable Rules under Companies (Meetings of Board and its Powers) Rules, 2014 and in terms of applicable provisions of Listing Agreement executed with the Stock Exchanges (including any amendment, modification or re-enactment thereof), consent of the members of the Company be and is hereby accorded for entering into the following proposed Related Party Transactions with respect to purchase of goods and services with effect from April 1, 2015 and every year thereafter, up to the maximum per annum amounts as appended in table below:

Sr No	Name of Related Party	Relation-ship	Maximum Value of Transactions per annum with effect from 01st April 2015. (Rs. in crores)	Duration of Contract
1.	Sandu Brothers Private Limited	Relatives of Directors are member	Rs. 50 crores	1.04.2014 TO 1.03.2019

* Expected maximum annual value of transaction over the next three to four years

“RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

By order of Board of Directors

**Sd/-
Pratika V. Shenvi Dessai
Company Secretary**

Dated: 13th August 2015.

Place: Mumbai

Registered Office:

Sandu Pharmaceuticals Limited
Plot No.25, 26, 29 & 30
Pilerne Industrial Estate, Marra
Bardez, Goa- 403 511
CIN: L24233GA1985PLC001587
Email: corp.sec@sandu.in

NOTES:

1. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 relating to Special Business to be transacted at the meeting, is annexed hereto.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ALSO ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER.** Pursuant to the provisions of Section 105 of the Companies Act, 2013, a person can act as a proxy on behalf of not more than fifty members and holding in aggregate not more than ten percent of the total Share Capital of the Company. Members holding more than ten percent of the total Share Capital of the Company may appoint a single person as proxy, who shall not act as a proxy for any other Member. The instrument appointing Proxy as per the format included in the Annual Report should be returned to the Registered Office of the Company not less than FORTY-EIGHT HOURS before the time for holding the Meeting.
3. Corporate Members intending to send their authorized representatives to attend the Meeting pursuant to Section 113 of the Companies Act, 2013 are requested to send to the Company, a certified copy of the relevant Board Resolution together with their respective specimen signatures authorizing their representative(s) to attend and vote on their behalf at the Meeting.
4. In case of joint holder attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
5. Relevant documents referred to in the accompanying Notice are open for inspection by the members at the Registered Office of the Company on the date of the AGM.
6. As required under Clause 49 of the Listing Agreement of the Stock Exchange the relevant details of Directors seeking Appointment/Re-appointment at the ensuing Annual General Meeting are given in the notice of the Annual General Meeting
7. Shareholders can register their complaints, if any, on an exclusive e-mail id corp.sec@sandu.in which has been designated for the said purpose.
8. The shareholders are expected to send their queries on annual report to the Company Secretary, atleast 7 days before the date of

meeting, so that the requisite information/ explanations can be provided in time.

9. The Register of Members and Share Transfer Books will remain closed from Thursday, 24th September 2015 to Wednesday, 30th September 2015 (both days inclusive).
10. Members holding shares in electronic form are requested to intimate immediately any change in their address or bank mandates to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to advise any change in their address or bank mandates immediately to the Company or its Registrars and Transfer Agents,
M/s Sharex Dynamic (India) Pvt Ltd
Unit 1, Luthra Industrial Premises,
Andheri (East), Mumbai- 400 072.
Tel No: 022-28515606
E-mail:sharexindia@vsnl.com
11. As per the provisions of Section 72 of the Act and Rule 19(1) of the Companies (Share Capital and Debentures) Rules, 2014, Members holding shares in physical form may file nomination in the prescribed form SH-13 with the Company's Registrar and Share Transfer Agent. In respect of shares held in demat form, the nomination form may be filed with the respective DP.
12. The Securities Exchange Board of India (SEBI) vide its earlier circulars have made the Permanent Account Number (PAN) as the sole identification number for all participants transacting in the securities market, irrespective of the amount of the transaction. Members are requested to submit the PAN details to their Depository Participant (DP) in case of holding in dematerialized form or the Company's Registrar and Share Transfer Agents in case of holdings in physical form, mentioning the correct folio number.
13. Pursuant to Section 101 and Section 136 of the Companies Act, 2013 read with relevant Rules made there under, Companies can serve Annual Reports and other communications through electronic mode to those Members who have registered their e-mail address either with the Company or with the Depository. Members who have not registered their e-mail addresses so far are requested to register their e-mail address so that they can receive the Annual Report and other communication from the Company electronically. Members holding shares in demat form are requested to register their e-mail

address with their Depository Participant(s) only. Members of the Company, who have registered their e-mail address, are entitled to receive such communication in physical form upon request.

14. The Annual Report of the Company circulated to the Members of the Company, will be made available on the Company's website at www.sandu.in and also on website of the respective Stock Exchanges. The Notice of AGM, Annual Report and Attendance Slip are being sent in electronic mode to Members whose e-mail IDs are registered with the Company or the Depository Participant(s) unless the Members have registered their request for a hard copy of the same. Physical copy of the Notice of AGM, Annual Report and Attendance Slip are being sent to those Members who have not registered their e-mail IDs with the Company or Depository Participant(s). Members who have received the Notice of AGM, Annual Report and Attendance Slip in electronic mode are requested to print the Attendance Slip and submit a duly filled in Attendance Slip at the registration counter to attend the AGM.
15. As an austerity measure, copies of the Annual Report will not be distributed at the Annual General Meeting. Members are requested to bring their copy of Annual Report to the Meeting.
16. Members / Proxies attending the Meeting are requested to complete the enclosed attendance slip and deliver the same at the entrance of the meeting hall.
17. The Register of Directors' and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, the Register of contracts or arrangements in which the Directors are interested under Section 189 of the Companies Act, 2013 will be available for inspection at the AGM.
18. Remote Evoting

Voting Options:-

I. VOTING THROUGH ELECTRONIC MEANS
Pursuant to Section 108 and the corresponding Rules of Companies Act, 2013, the Company has provided e-voting facility to the members using the Central Depository Services Ltd. (CDSL) platform. All business to be transacted at the Annual General Meeting can be transacted through the electronic voting system.

The instructions for shareholders voting electronically are as under:

During the e-voting period, members of the Company, holding shares either in physical form

or dematerialized form, as on the Cut-Off Date of 23rd September 2015 may cast their vote electronically. The voting period begins on Sunday, 27th September 2015 at 10.00 a.m. and ends on Tuesday, 29th September, 2015 at 5.00 p.m. (both days inclusive) During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form can cast their vote.

The remote e-voting will not be allowed beyond the aforesaid date and time and the e-voting module shall be disabled upon expiry of aforesaid period..

- i. The shareholders should log on to the e-voting website www.evotingindia.com.
- ii. Click on Shareholders.
- iii. Now Enter your User ID
 - For CDSL: 16 digits beneficiary ID,
 - For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - Members holding shares in Physical Form should enter Folio Number registered with the Company
 - Next enter the Image Verification as displayed and Click on Login
- iv. If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- v. If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical form
PAN	Enter your 10 digit alpha-numeric *PAN issued by income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> • Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. • In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
DOB	Enter the Date of the Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.

Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. <ul style="list-style-type: none"> • Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id/ folio number in the Dividend Bank Details field as mentioned in instruction (iv)
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- vi. After entering these details appropriately, click on "SUBMIT" tab.
- vii. Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- viii. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- ix. Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- x. On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- xi. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- xii. After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- xiii. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- xiv. You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- xv. If Demat account holder has forgotten the same password then Enter the User ID and the image

verification code and click on Forgot Password & enter the details as prompted by the system.

xvi. Note for Non – Individual Shareholders and Custodians

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
- The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

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

II. VOTING THROUGH BALLOT :-

For the benefit of Members who do not have access to e-voting facility as per clause 35B of the Listing Agreement, a Ballot Form is being sent along with the Notice of the AGM, to enable them to send their assent or dissent by post. Members may send the duly completed Ballot Forms so as to reach the Scrutinizer at the Registrar’s Office of the Company not later than 28th September 2015 by 5.00 p.m. Ballot Forms received after this date will be treated as invalid.

III. VOTING AT AGM :-

The members who have not casted their votes either electronically or through Ballot Form, can exercise their voting rights at the AGM through Poll paper.

Other Instructions

1. A Member can opt for only one mode of voting, i.e. either by e-voting or through Ballot. In case of Member(s) who cast their votes by both modes, then voting done through e-voting shall prevail and the Ballot Form of that Member shall be treated as invalid.
2. The Company has appointed Mrs Kritika Satardekar, Practicing Company Secretary, to act as the Scrutinizer. The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the Meeting unblock the votes in presence of atleast two witnesses (not in the employment of the Company) and make a Scrutinizer’s Report of the votes cast in favour or against, if any, forthwith to the Managing Director.
3. The Results shall be declared after the Annual General Meeting of the Company. The results declared along with the Scrutinizer’s Report shall be placed on the company’s website www.sandu.in and on the website of CDSL www.evotingindia.com within two (2) days of passing of the resolution at the Annual General Meeting of the Company and the same shall also be communicated to BSE Limited and Ahmedabad Stock Exchange where the shares of the Company are listed.
4. Subjected to receipt of requisite number of votes, the Resolution shall be deemed to be passed on the date of Annual General Meeting i.e 30th September 2015.

By order of Board of Directors

**Sd/-
Pratika V. Shenvi Dessai
Company Secretary**

Dated:13th August 2015.
Place: Mumbai
Registered Office:
Sandu Pharmaceuticals Limited
Plot No.25, 26, 29 & 30
Pilerne Industrial Estate, Marra
Bardez, Goa- 403 511
CIN: L24233GA1985PLC001587

EXPLANATORY STATEMENT

(Pursuant to Section 102 of the Companies Act, 2013)

Resolution No 4.

The Board of Directors (based on the recommendation of Nomination and Remuneration Committee) had appointed Dr. Mrs. Shubhada P. Sandu as an Additional Director with effect from 01st April 2015.

Dr. Mrs. Shubhada P. Sandu (DIN: 07148834), is a Practicing Doctor and has obtained B.A.M.S degree. She has vast and rich experience in Ayurvedic Practice, Ayurvedic formulation and manufacturing. The other details of Dr. Mrs. Shubhada P. Sandu in terms of Clause 49 of the Listing Agreement, is annexed to this Notice. In terms of Section 161(1) of the Companies Act, 2013 read with Articles of Association of the Company, Dr. Mrs. Shubhada P. Sandu holds office as Additional Director only up to the date of the forthcoming Annual General Meeting. The Company has received a notice pursuant to Section 160 of the Companies Act, 2013 along with the amount of requisite deposit from one of the members signifying his intention to propose the appointment of Dr. Mrs. Shubhada P. Sandu as a Director.

The Board of Directors is of the opinion that her vast knowledge and varied experience will be of great value to the Company and hence recommends the Resolution at Item No. 4 of this Notice for your approval. Notice received under Section 160 of the Companies Act, 2013 is available for inspection by the members at the Registered Office of the Company during the business hours on any working day up to the date of the Annual General Meeting.

None of the Directors, Key Managerial Personnel and relatives thereof other than Dr. Mrs. Shubhada P. Sandu is concerned or interested in the Resolution at Item No. 4 of the Notice.

Resolution No 5.

The existing Articles of Association ("AOA") of the Company are based on the provisions of the Companies Act, 1956 and several regulations in the Articles of Association contained references to the provisions of the Companies Act, 1956.

The existing regulations contained in the Articles of Association require substantial alteration/modification or deletion to be in consonance with the provisions of the Companies Act, 2013 & Rules made thereunder. Hence, it is proposed to adopt a new set of Articles by replacing the existing AOA.

The proposed new draft AOA shall be available on the website of the Company for the perusal of the shareholders.

The resolution as above is placed before the shareholders for approval.

None of the Directors or Key Managerial Personnel (KMP) or relatives of directors and KMP are concerned or interested in the resolution set out at Item No. 5. The Board recommends the resolution set forth in Item no. 5 for the approval of the members.

Resolution No 6.

Section 188 of the Companies Act, 2013 read with rules 15 and 16 of Companies (Meetings of Board and its Powers) Rules, 2014 prescribe certain procedure for approval of related party transactions. The revised Clause 49 (VII) (e) of the Listing Agreement which has come into operation with effect from October 1, 2014 has also prescribed seeking of shareholders' approval for material related party transactions. The proviso to section 188 also states that nothing in section 188(1) will apply to any transaction entered into by the company in its ordinary course of business and at arm's length basis.

All the proposed transactions put up for approval are in ordinary course of business and at arm's length. Pursuant to the provisions of revised Clause 49 (VII) (e) of the Equity Listing Agreement, the following contracts / arrangements / transactions are material in nature and require the approval of the unrelated shareholders of the Company by a Special resolution:

Sr. No.	Name of the Related Party	Maximum Value of Transactions per annum with effect from 01st April 2015. (Rs. in crore)	Nature and Material Terms/ Particulars of the contract or arrangement
1.	Sandu Brothers Private Limited	50 Cores	Purchase of Finished Ayurvedic Medicine for Marketing

* Expected maximum annual value of transaction over the next three to four years

The other related information as envisaged under Companies (Meetings of Board and its Powers) Rules, 2014 and amendments thereto, and the Company's Related Party Transaction Policy are furnished hereunder:

Name of the Related Party	Sandu Brothers Private Limited
Name of the Director or key managerial personnel who is related, if any	Shri. Bhaskar G. sandu Shri. Shashank B. Sandu Shri. Umesh B. Sandu Dr. Mrs. Shubhada P. Sandu
Nature of Relationship	Relative of Directors are members
The nature, material terms, monetary value and particulars of the contract or arrangement	Purchase of Finished Ayurvedic medicines at Arms length.
Any other information relevant or important for the members to take a decision on the proposed resolution	Sandu Brothers Pvt Ltd. are pioneer in manufacturing of Ayurvedic medicines and one of the oldest manufacturing, this arrangement will help Sandu Pharmaceutical Ltd to get products exclusively manufactured at the best possible cost.

The above contracts / arrangements / transactions were approved by the Audit Committee at its meeting held on 30th May 2014 and recommended by the Board of Directors to the unrelated shareholders of the Company for their approval.

As per Clause 49(VII)(E) of the Listing Agreement, all entities / persons that are directly / indirectly related parties of the Company shall abstain from voting on resolution(s) wherein approval of material Related Party Transactions is sought from the shareholders. Accordingly, all related parties will not vote on this resolution.

None of the Directors or any of the Key Managerial Personnel of the Company or their relatives except Shri Bhaskar G Sandu, Shri Shashank B Sandu, Shri Umesh B Sandu, Dr Shubhada P Sandu, to the extent of shares held in M/s Sandu Brothers Private Limited by themselves/relatives in any way, concerned or interested, financially or otherwise, in the Special Resolution set out at Item No. 6 of the Notice

By order of Board of Directors

**Sd/-
Pratika V. Shenvi Dessai
Company Secretary**

Dated: 13th August 2015

Place: Mumbai

ANNEXURE TO ITEMS 2, & 4 OF THE NOTICE

Details of Directors seeking appointment and re-appointment at the forthcoming Annual
General Meeting
(in pursuance of Clause 49 of the Listing Agreement)

As on 31st March, 2015		
Name of the Director	Shri. Bhaskar G. Sandu	Dr. Mrs. Shubhada P. Sandu
Date of Birth	01st August 1936	21st September 1945
Nationality	Indian	Indian
Date of appointment on the Board	10th September 1993	01st April 2015.
Qualifications	B. Com	B.A.M.S
Expertise in specific functional area	Shri. Bhaskar G. Sandu (DIN: 02816792) has vast experience in Ayurvedic Extraction, formulations, Manufacturing and Finance. He possesses more than 50 years of working experience in the Ayurvedic industry.	Dr. Mrs. Shubhada P. Sandu (DIN: 07148834), is the Practicing Ayurvedic Doctor and has obtained B.A.M.S degree from the University of Mumbai. She has vast and rich experience in Ayurvedic Practice, Ayurvedic formulation and manufacturing.
Number of shares held in the company	7,37,000	10,000
List of the directorship held in other companies	NIL	NIL
Chairman/Member in the Committee of the Boards of Companies in which he is Director	NIL	NIL

DIRECTOR'S REPORT

TO THE MEMBERS,

The Directors have pleasure in presenting before you the THIRTIETH Annual Report together with Audited Balance Sheet and Statement of Profit & Loss for the financial year ended 31st March, 2015.

1. FINANCIAL RESULTS:-

The Company's financial performance, for the year ended March 31, 2015 is summarised below:

(in Rs)

Particulars	2014-15	2013-14
Revenue from Operation (Gross)	447,343,026	406,095,249
Less Excise Duty	5,127,185	3,962,805
Less Trade Discount	48,013,846	42,672,472
Add Insurance claim received	1,814,304	147,559
Revenue from operations (net)	396,016,299	359,607,531
Other Income	1,368,834	3,268,247
Total revenue	397,385,132	362,875,778
Total Expenses	391,097,712	354,643,705
Profit Before Tax	6,287,420	8,232,073
Less: Current Tax	1,250,000	2,400,000
Deferred Tax	900,793	870,217
Profit after Tax	4,136,627	4,961,856
Earnings per share (of Rs 10/- each)		
(a) Basic		
(i) Continuing operations	0.58	0.70
(ii) Total operations	0.58	0.70

2. REVIEW OF OPERATIONS:

In the financial year 2014-15, the company achieved an Income from operations of **Rs. 447,343,026** as compared to **Rs. 406,095,249** in the previous year.

Profit before tax was **Rs. 6,287,420** for the year ending 31st March, 2015 as compared to Profit of **Rs. 8,232,073** in the previous year.

Profit after tax was **Rs. 4,136,627** for the year ended 31st March, 2015 as compared to a Profit of **Rs. 4,961,856** in the previous year.

There were no material changes and commitments affecting the financial position of the Company from the end of the financial year till the date of the Directors' Report.

3. DIVIDEND:

Keeping the Company's in insufficient profit in mind, your Directors have decided not to recommend dividend for the year.

4. RISK MANAGEMENT:

The Board has laid down a clear Risk Management Policy to identify potential business risks and install effective mitigation processes to protect Company's assets and business risks. Risk Assessment and minimization plan are reviewed by the Board on a periodic basis.

5. INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY:

The Company has adequate Internal Financial Control Systems, commensurate with the size, scale and complexity of its operations. The Management evaluates the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies of the Company on an ongoing basis.

6. VIGIL MECHANISM / WHISTLE BLOWER POLICY:

The Company has established a vigil mechanism for Directors and employees to report genuine concern about unethical behaviour, actual or suspected fraud or violation of code of conduct which provides for adequate safeguards against victimization of director (s)/ employee (s) and also provides for direct access to the Chairman of the Audit committee in exceptional cases. The Audit Committee and the Board of Directors have approved the Whistle Blower Policy and the details of this policy are available on the website of the Company under the weblink www.sandu.in. The provisions of the Policy are in accordance with the provisions of Section 179 of the Act and amended Clause 49 of the Listing Agreement.

7. DIRECTORS AND KEY MANAGERIAL PERSONNEL:

On recommendation of the Nomination and Remuneration Committee the Board of Directors had appointed Dr. Mrs Shubhada P Sandu (DIN: 07148834) as Additional Director of the Company with effect from 01st April 2015 subject to the approval of the Shareholders in the Annual General Meeting.

Shri. Bhaskar G Sandu (Non Executive Director) retires by rotation and, being eligible, offers himself for re appointment.

All independent directors have given declarations that they meet the criteria of independence as laid down under section 149(6) of the Companies Act, 2013 and clause 49 of the Listing Agreement.

7.1 BOARD EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Board has carried out an

annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of its Audit, Nomination & Remuneration and Stakeholders Relationship Committee. The manner in which the evaluation has been carried out has been given in the Corporate Governance Report. The Weblink of familiarization programme undertaken for Independent Director will be available on www.sandu.in.

The Nomination and Remuneration Committee has defined the evaluation criteria and procedure for the Performance Evaluation process for the Board, its Committees and Directors. The criteria for Board Evaluation include inter alia, Board structure and composition, establishment and delineation of responsibilities to various Committees, qualification, positive attribute, independence of a director, effectiveness of Board processes, information and functioning.

Criteria for evaluation of individual Directors include aspects such as attendance and contribution at Board/ Committee Meetings and guidance/ support to the management outside Board/ Committee Meetings. In addition, the Chairman was also evaluated on key aspects of his role, including setting the strategic agenda of the Board, encouraging active engagement by all Board members and motivating and providing guidance to the Managing Director/Executive Director.

Criteria for evaluation of the Committees of the Board include degree of fulfillment of key responsibilities, adequacy of Committee composition and effectiveness of meetings.

7.2 NOMINATION AND REMUNERATION POLICY

The Board has, on the recommendation of the Nomination & Remuneration Committee framed a policy for selection and appointment of Directors, Senior Management and their remuneration. The Remuneration Policy is stated in the Corporate Governance Report

7.3 MEETINGS

During the year Six Board Meetings and four Audit Committee Meetings were convened and held. The details of which are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013

7.4 AUDIT COMMITTEE

The details of the composition of the Audit Committee are given in the corporate Governance Report. During the year all the recommendations of the Audit Committee were accepted by the Board.

8. DIRECTORS RESPONSIBILITY STATEMENT:

In accordance with the provisions of section 134(5) of the Companies Act 2013, your Directors confirm that:

- (a) In the preparation of annual accounts, for the year ended 31st March, 2015, the applicable accounting standards read with the requirements set out under Schedule III to the Act, have been followed and there are no material departures from the same;
- (b) Appropriate accounting policies have been selected and applied consistently and judgements and estimates made are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as on 31st March, 2015 and of the profit of the Company for the year ended on that date;
- (c) Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- (d) The annual accounts have been prepared on a 'going concern basis'.
- (e) Internal financial controls to be followed by the Company have been laid down and that such internal financial controls are adequate and are operating effectively; and
- (f) Proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

9. CORPORATE SOCIAL RESPONSIBILITY POLICY:

Since your Company does not have the net worth of Rs. 500 crore or more, or turnover of Rs. 1000 crore or more, or a net profit of Rs. 5 crore or more during the financial year, section 135 of the Companies Act, 2013 relating to Corporate Social Responsibility is not applicable and hence the Company need not adopt any Corporate Social Responsibility Policy.

10. AMOUNT WHICH IS PROPOSED TO BE CARRIED TO ANY RESERVES :

The company has not transferred amount to any reserves and hence it is Nil.

11. RELATED PARTY TRANSACTIONS:

All Related Party Transactions that were entered into during the financial year were on arm’s length basis and were in the ordinary course of business. There are no materially significant Related Party Transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the company at large.

All Related Party Transactions entered into during the financial year 2014-15 were ratified by Audit Committee and Board of Directors from time to time. The Company has developed a Related Party Transactions policy for the purpose of identification and monitoring of such transaction.

12. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

There were no significant material orders passed by the Regulators/Courts which could impact the going concern status of the Company and its future operations.

13. AUDITORS

11.1 STATUTORY AUDITORS

The Auditors M/s Joshi Joshi & Co, retires at the conclusion of the ensuing Annual General Meeting and being eligible offer themselves for re-appointment.

11.2 SECRETARIAL AUDITOR:

Pursuant to provisions of section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 the company has appointed Mrs Kritika P Satardekar, Company Secretary in practice to undertake the Secretarial Audit of the Company. The Secretarial Audit report is annexed herewith as “ANNEXURE B”.

14. INTERNAL COMPLAINTS COMMITTEE

As per provisions of Section 4 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, your Company has constituted an Internal Complaints Committee for Redressal of complaints against sexual harassment and there were no complaints received during the financial year.

15. DISCLOSURE REQUIREMENTS

Your Company has complied with all the mandatory requirements of Clause 49 of the Listing Agreement. Management Discussion and Analysis is annexed as “ANNEXURE A” to the report & Secretarial Audit Report as “ANNEXURE B”. As per Clause 49 of the Listing Agreement with the Stock Exchanges, a separate section on the corporate

governance is annexed as “Annexure - C”, Auditors Certificate on Corporate Governance as “Annexure D”, Certification by Chief Financial Officer as “Annexure E”, Declaration of Managing Director as “Annexure F”

16. CONSERVATION OF ENERGY, RESEARCH AND DEVELOPMENT, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:

A) CONSERVATION OF ENERGY

- a) Company ensures that the manufacturing operations are conducted in the manner whereby optimum utilization and maximum possible savings of energy is achieved.
- b) No specific investment has been made in reduction in energy consumption.
- c) As the impact of measures taken for conservation and optimum utilization of energy are not quantitative, its impact on cost cannot be stated accurately.
- d) The required data with regard to conservation of energy as applicable to our company is furnished below:

Particulars	For the year ended 31.03.2015	For the year ended 31.03.2014
1. ELECTRICITY		
• Purchased (units)	257556	221452
• Total Amount Rs	1377274	1,114,856
• Rate/Units in Rs	5.34	5.03
2. FUEL CONSUMED		
• Quantity	9410.63	67100
• Total Amount	544150	3501697
• Rate per litre	57.825	52.19

B) TECHNOLOGY ABSORPTION

Company’s products are manufactured by using in-house know how and no outside technology is being used for manufacturing activities. Therefore no technology absorption is required. The Company constantly strives for maintenance and improvement in quality of its products and entire Research & Development activities are directed to achieve the aforesaid goal.

C) FOREIGN EXCHANGE EARNINGS AND OUT-GO :

During the period under review there was no foreign exchange earnings or out flow.

17. EXTRACT OF ANNUAL RETURN:

As provided under section 92 (3) of the Act, the extract of the Annual Return in form MGT- 9 is annexed herewith as “Annexure G” which forms part of this report.

18. STATEMENT OF PARTICULARS OF APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL:

The information required under section 197 of the Act read with Rule 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company and Directors is annexed as "Annexure - H" to this report.

19. FIXED DEPOSITS:

Your Company has not accepted any deposits within the meaning of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules 2014 during the financial year 2014-15.

20. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

The Company has not given any loans or guarantees covered under the provisions of section 186 of the Companies Act, 2013. The details of the Investments made by the Company is given in the notes to the financial statements.

21. PARTICULARS OF CONTRACT OR ARRANGEMENTS WITH RELATED PARTY:

The particulars of contracts or arrangements with related parties referred to in section 188(1) of the companies act 2013 for the financial year 2014-15 in the prescribed format, AOC-2 has been enclosed with the report in "ANNEXURE I".

22. CODE OF CONDUCT :

The Board of Directors has approved a Code of Conduct which is applicable to the Members of the Board and all employees in the course of day to day business operations of the company. The Company believes in "Zero Tolerance" against bribery, corruption and unethical dealings / behaviour's of any form. The Code has been posted on the Company's website www.sandu.in.

The Code lays down the standard procedure of business conduct which is expected to be followed by the Directors and the designated employees in their business dealings and in particular on matters relating to integrity in the work place, in business practices and in dealing with stakeholders.

All the designated employees and personnel have confirmed compliance with the Code.

23. PREVENTION OF INSIDER TRADING:

The Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and Designated employees of the Company. The Code requires pre-clearance for dealing in the

Company's shares and prohibits the purchase or sale of Company shares by the Directors and the Designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed. The Board is responsible for implementation of the Code.

All Board Directors and the designated employees have confirmed compliance with the Code.

24. PARTICULARS OF EMPLOYEES:

The information required pursuant to Section 197 read with rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company, will be provided upon request. In terms of Section 136 of the Act, the reports and accounts are being sent to the members and others entitled thereto, excluding the information on employees' particulars which is available for inspection by the members at the Registered office of the company during business hours on working days of the company up to the date of ensuing Annual General Meeting. If any member is interested in inspecting the same, such member may write to the company secretary in advance.

25. EXPLANATION TO AUDITOR'S REMARKS

As required under section 204 (1) of the Companies Act, 2013 the Company has obtained a secretarial audit report.

Certain observations made in the report with regard to non filing of some forms/non compliance to some provisions were mainly due to ambiguity and uncertainty of the applicability of the same for the relevant period. However, the company would ensure in future that all the provisions are complied to the fullest extent.

26. ACKNOWLEDGEMENTS:

Your Company and its Directors wish to extend their sincerest thanks to the Members of the Company, Bankers, State Government, Local Bodies, Customers, Suppliers, Executives, Staff and workers at all levels for their continuous cooperation and assistance.

For and on behalf of Board of Directors

Sd/- Bhaskar G Sandu Director DIN: 02816792	Sd/- Shashank B Sandu Director DIN: 00678098	Sd/- Umesh B. Sandu Managing Director DIN: 01132141
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Dated:13/08/2015

Place:Mumbai

**MANAGEMENT DISCUSSION AND ANALYSIS: -
ANNEXURE-A**

Pursuant to clause 49 VIII (D) of the Listing Agreement, your Directors wish to report as follows:-

(i) Industry Structure & Development :

The Ayurvedic medicines industry has remained a highly fragmented industry with many cottage industry players. A large part of the medicine manufacture process has been passed on through traditions. The propagation of the industry has been without any significant governmental support for a long time.

The economic policies of the Government and political situation in the country are quite favorable to the present business of your Company. The launch of the National Ayush Mission in the current year can be expected to boost awareness and usage of Ayurvedic medicines in the country.

As one of the first companies to have instituted scientific methods to establish large scale manufacturing practices, Sandu Pharmaceuticals is well poised to take advantage of these developments.

There is also a gradual shift towards Ayurveda and more and more people are opting for Ayurvedic medicines. This is expected to benefit your Company in the long run.

(ii) Opportunities and Threats :

There are opportunities in the Ayurvedic Industry to develop new products through proper research and development and there is no doubt that the industry will thrive. At Sandu Pharmaceuticals, we have been at the forefront of establishing scientific product development, resulting in superior product quality and efficacy.

Your Company also has good opportunities in the export markets. Your Company has been making concerted efforts to reach out to the export markets through active participation in Expos. The results of these efforts are now beginning to bear fruit, and we expect more success in the coming years.

The industry continues to be plagued by low quality, unorganised players who continue to sell their medicines without quality standards. The lack of minimum quality standards has affected the perception of Ayurveda as a viable healthcare product.

Another challenge is the continuous increase in the raw material input costs which increases the pressure on the profitability of your Company. As a result, we are forced to increase price of our products although the price increases are not as high as the cost increases, resulting in greater pressures for process efficiency on your Company.

(iii) Segment wise performance :

Segment wise analysis of performance is not

applicable to your Company under Accounting Standards 17 because there is only one segment i.e. Pharmaceutical.

(iv) Outlook :

The outlook for the industry and consequently for your Company during the current financial year is reasonably good subject however to the effects of government policies, inflationary pressure and general global slowdown which is bound to affect your company.

(v) Risk and concerns :

Domestic and international market conditions would be the only risk which may be faced by your Company apart from input costs which are causing adverse impact on your Company's profitability. Other risks and concerns related to finance, production, stocks, insurance etc. are being managed adequately and efficiently by your Company.

(vi) Internal Control Systems and their adequacy :

Your Company has put effective internal control systems into operation and is having adequate Internal Audit mechanism to monitor and review the same under the overall control and supervision of the Internal Auditor and the Audit Committee of the Independent Directors. Continuous improvements as suggested by our Internal Auditors are being implemented.

(vii) Discussion of Financial performance with respect to operational Performance :

The financial performance with respect to the operational performance during the year under review was satisfactory. Your Company was successful in maintaining the profit level only because of the higher volumes and higher sales realization in spite of increased raw material prices.

(viii) Material Development in Human Resource / Industrial Relations :

Your Company is constantly endeavoring to introduce Human Resource Development activities for overall improvement of its team and induction of professional manpower. Your Company has good industrial relations. Your Company has continued to maintain good relationship with all employees at all the levels which also resulted to achieve higher production and sales.

(ix) Material Financial and Commercial Transaction :

There are no material significant financial and commercial transactions with related parties viz. Promoters, Directors or the Management, their companies / firms or relatives conflicting with the interest of your Company. The promoters and the Directors are not dealing in the shares of your Company.

ANNEXURE – B
SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2015

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

To,
The Members,
Sandu Pharmaceuticals Limited,
Pilerne Indl. Estate, Marra,
Bardez, Goa - 403 511,

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

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31st March, 2015 (hereinafter referred to as the "Audit Period") complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2015 according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made there under;
- ii. The Securities Contracts (Regulation) Act, 1956 and the rules made there under;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment (provisions of external commercial borrowing and Overseas Direct Investment **not applicable to the Company during the Audit Period**);

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

- a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
- c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 **(Not applicable to the Company during the audit period)**;
- d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 **(Not applicable to the Company during the audit period)**;
- e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 **(Not applicable to the Company during the audit period)**;
- f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 **(Not applicable to the Company during the audit period)**; and
- h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 **(Not applicable to the Company during the audit period)**.

vi. The following laws and Regulations applicable specifically to the Company (as per the representation made by the company) viz.,

- (i) Drugs & Cosmetics Act, 1940
- (ii) Drugs and Magic Remedies (Objectionable Advertisement) Act, 1954
- (iii) The Medicinal & Toilet Preparations (Excise Duties) Act, 1955
- (iv) Biological Diversity Act, 2002
- (v) The Indian Copyright Act, 1957
- (vi) The Environment (Protection) Act, 1986;
- (vii) The Water (Prevention and Control of Pollution) Act, 1974;

- (viii) The Air (Prevention and Control of Pollution) Act, 1981;
- (ix) The Electricity Act, 2003; and
- (x) The Legal Metrology Act, 2009 & Rules

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

- i. Secretarial Standards issued by The Institute of Company Secretaries of India **(During the Audit Period, not notified under the Act and hence not applicable).**
- ii. The Listing Agreements entered into by the Company with Stock Exchange.

During the period under review the Company generally has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to following observation:-

- The Board resolution pertaining to the approval of Board Report of FY 2013-14 yet to be filed with the Registrar of Companies (ROC) in accordance with section 179 of Companies Act, 2013 ("the Act").
- Compliance under section 203 of the Act:-
 - a) Company had a Managing Director throughout the audit period, who was appointment under the provision of the Companies Act 1956. However the e-form not filed under section 203 of the Act.
 - b) Chief Financial officer has been appointed with effect from 2nd March 2015
 - c) Company Secretary has been appointed with effect from 1st April 2015
- Disclosure of independence was obtained from independent director but details pertaining to the opinion of the Board and condition of the appointment under section 149(6) were not disclosed in the Notice of the 29th Annual General Meeting.
- An advance was paid during the previous year to a Private Limited Company in which director is interested. However, the same was repaid during the period of audit.
- The Company took the benefit under General Circular no. 20/2014 Dt. 17th June 2014 and didn't provide e-voting facility to the Members at the 29th Annual General Meeting.
- The Nomination and Remuneration committee was reconstituted to comply with the new provisions of section 178(1) of the Act w.e.f 30th May 2015.

- The Company Secretary was designated as compliance officer under clause 47 (a) of listing Agreement w.e.f April 1, 2015. However, during the period of audit, the company secretary was not designated as compliance office.
- The intimation of trading window closure to stock exchange was not sent during the financial year 2014-15 as required under the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulation, 1992, however, during the period under review, there was no dealing in shares of company by directors, officers and Designated Employees as represented by the management.
- The annual accounts for Financial year 2013-14 was authorized to be signed by one Director on behalf of the Board instead of two directors and manager or secretary ,if any, hence section 215 of the companies act, 1956 was not complied with.

I further report that -

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors as prescribed. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act except as mentioned above.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and/or recorded as part of the minutes during the audit period.

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

Sd/-
Kritika Satardekar
Practicing Company Secretary
ACS No. 25448 & CP No. 13645

Place : Mapusa, Goa
Date : August 13, 2015

This Report is to be read with our letter of even date which is annexed as **Annexure A** and Forms an integral part of this report.

'ANNEXURE A'

(My report of even date is to be read along with this Annexure.)

1. Maintenance of Secretarial record is the responsibility of the management of the company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Wherever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
6. The secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

Sd/-

Kritika Satardekar
Practicing Company Secretary
ACS No. 25448 & CP No. 13645

Place : Mapusa, Goa

Date : August 13, 2015

ANNEXURE-C**CORPORATE GOVERNANCE REPORT**

In accordance with Clause 49 of the Listing Agreement with BSE Limited (BSE) and Ahmedabad Stock Exchange Limited (ASEL) the report containing the details of Corporate Governance systems and processes at Sandu Pharmaceuticals Limited is as follows:

1. Company's Philosophy on Corporate Governance:

Your Company believes in adopting best Corporate Governance practices and envisages the attainment of the highest levels of transparency, accountability and ethics, in all facets of its operations. Company recognizes the rights and interests of its stakeholders and is committed to protect the same. Company considers that all operations and actions must serve the underlying goal of increasing employee and customer satisfaction and enhancing overall shareholder value together with fair treatment to its stakeholders.

2. Board of Directors**A. Composition and Category of Directors (UPTO DATE OF AGM)**

The present Board comprises of 8 Members consisting of 1 Executive Director and 7 Non Executive Directors out of which 4 are Independent Directors. The name and category of each Director is given below.

Name of the Director	Category
Shri. Bhaskar G. Sandu	Non Executive Director
Shri. Dilip R. Salgaocar	Independent Director
Dr. Krishna B. Deshpande	Independent Director
Dr. Madan L. Kapre	Independent Director
Shri. K. Vinay Kumar	Independent Director
Shri. Shashank B. Sandu	Non Executive Director
Dr. Shubhada P. Sandu	Additional Non Executive Director */ Woman Director
Shri. Umesh B. Sandu	Executive Director

*Appointed Additional/Woman Director with effect from 01st April 2015.

B. Board Training and Induction

At the time of appointment of an Independent Director, a formal letter of appointment is given to him, which inter alia explains the role, function, duties and responsibilities expected of him as a Director of the Company. The Director is also explained in detail the compliances required from him under the Companies Act, 2013, Clause 49 of the Listing Agreement and other relevant regulations and his affirmation taken with respect to the same.

C. BOARD MEETINGS, BOARD COMMITTEE MEETINGS AND PROCEDURE

The Board of Directors is the apex body constituted by shareholders for overseeing the Company's overall functioning. The Board provides and evaluates the Company's strategic direction, management policies and their effectiveness, and ensures that shareholder's long term interest are being served.

The Board has Constituted three Committees, namely Audit Committee, Nomination and Remuneration Committee and Stakeholder's Relationship Committee.

(a) Board Agenda

The Board meetings are scheduled well in advance and the Board members are given a notice of at least 7 days prior to the meeting date. All major items are backed by in-depth background information and analysis, wherever possible, to enable the Board members to take informed decisions.

(b) Scheduling and selection of agenda items for Board Meeting

Minimum four Board Meetings are held annually. Additional Board meetings are convened by giving appropriate notice to address the Company's specific needs.

The meetings are usually held at Company's Corporate office at Sandu Nagar, D.K. Marg, Chembur, Mumbai -400 071

During the year ended on 31st March, 2015, the Board of Directors had 6 meetings. These were held on 30th May, 2014, 14th August, 2014, 3rd November, 2014, 15th November, 2014, 14th February, 2015 and 30th March, 2015. The last Annual General Meeting (AGM) was held on 30th September, 2014. The attendance record of the Directors at the Board Meetings during the year ended on 31st March, 2015, and at the last AGM is as under:-

Attendance of Directors at Board Meetings, last Annual General Meeting (AGM) and Number of other Directorship and Chairmanships/Memberships of Committees of each Director in various Companies (upto 31st March 2015):

Name of the Director	Attendance at the meetings during 2014-15		Shareholding of Directors in the Company	No. of other Directorship as on 31-03-2015	No. of Membership(s)/ Chairmanship(s) of Board Committees in other Companies as on 31-03-2015.
	Board	AGM			
Shri. Bhaskar G. Sandu	4	Yes	737000	Nil	Nil
Shri. Dilip R. Salgaocar	6	Yes	NIL	2	Member of Audit Committee of M/s Geno Pharmaceuticals Limited
Dr. Krishna B. Deshpande	4	No	NIL	Nil	Nil
Dr. Madan L. Kapre	6	Yes	NIL	1	Nil
Shri. K. Vinay Kumar	6	Yes	NIL	3	Nil
Shri. Shashank B. Sandu	6	Yes	657900	9	Nil
Shri. Umesh B. Sandu	6	Yes	677100	9	Nil
Dr Mrs Shubhada Sandu	Appointed with effect from 01st April 2015 holding 10000 Equity Shares				

- The Directorship held by Directors as mentioned above, do not include directorships in foreign Companies.
- In accordance with clause 49 of the Listing Agreement, Membership/Chairmanships of only Audit Committees and Stakeholders Relationship Committees in all public Companies have been considered

(d) Number of Board Meeting held with dates

Six Board Meetings were held during the year, as against the minimum requirement of four meetings.

The details of Board meetings are given below:

Date	Board Strength	No. of Directors Present
30th May 2014	7	7
14th August 2014	7	7
03rd November 2014	7	7
15th November 2014	7	5
14th February 2014	7	5
30th March 2015	7	7

Independent Directors

(i) INDEPENDENT DIRECTORS MEETING:

During the year under review, the Independent Directors met on 27th November 2014, inter alia, to discuss:

1. Evaluation of the performance of Non Independent Directors and the Board of Directors as a Whole;
2. Evaluation of the performance of the Chairman of the Company, taking into account the views of the Executive and Non Executive Directors.
3. Evaluation of the quality, content and timeliness of flow of information between the management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

All the independent Directors except Dr. Krishna B. Deshpande, attended the Meeting. The performance evaluation was carried out by circulation of questionnaire wherein Directors other than Directors being evaluated, carried out performance evaluation of other Directors.

(ii) BOARD AND DIRECTOR EVALUATION AND CRITERIA FOR EVALUATION

The Board has carried out an annual evaluation of its own performance, performance of the Directors, as well as the evaluation of the working of its Committees for the FY 2014-15.

The Nomination and Remuneration Committee has defined the evaluation criteria and procedure for the Performance Evaluation process for the Board, its Committees and Directors. The criteria for Board Evaluation include inter alia, Board structure and composition, establishment and delineation of responsibilities to various Committees, qualification, positive attributes, independence of Director, effectiveness of Board processes, information and functioning.

Criteria for evaluation of individual Directors include aspects such as attendance and contribution at Board/ Committee Meetings and guidance/ support to the management outside Board/ Committee Meetings. In addition, the Chairman was also evaluated on key aspects of his role, including setting the strategic agenda of the Board, encouraging active engagement by all Board members and motivating and providing guidance to the Managing Director/Executive Director.

Criteria for evaluation of the Committees of the Board include degree of fulfillment of key responsibilities, adequacy of Committee composition and effectiveness of meetings.

(iii) Selection of Independent Director

Considering the requirement of skill sets on the Board, eminent people having independent standing in their respective field/profession, and who can effectively contribute to the company's business and policy decisions are considered by Nomination and Remuneration Committee for appointment, as Independent Directors on the Board. The Committee, inter alia, consider qualification, positive attributes, area of expertise and number of Directorships and Memberships held in various committees of other companies by such persons in accordance with the Company's Policy for selection of Directors and determining Directors Independence. The Board considers the Committee's recommendation, and takes appropriate decision.

Every Independent Director, at the first meeting of the Board in which he participates as Director and thereafter at the first meeting of the Board in every financial year, gives a declaration that he meets the criteria of independence as provided under the law.

(iv) Independent Directors' Familiarization Programme

Clause 49 (II) (B) (7) of the Listing Agreement (effective from October 1, 2014) with the Stock Exchanges stipulates that:

The Company shall familiarize the Independent Directors with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company, etc., through various programmes. The Company has adopted the familiarization programme for Independent Directors and the details of which are uploaded on the website of the company www.sandu.in.

(E) BOARD COMMITTEES

Details of Board Committees and other related information are provided hereunder

(a) Composition of Board Committee**Composition of Board Committees****Audit Committee**

1. Shri K Vinay Kumar - Chairman
2. Dr. Madan L Kapre - Member
3. Shri Dilip R Salgaocar- Member
4. Shri Umesh B. Sandu -Member

Stakeholders Relationship Committee

1. Shri Bhaskar Sandu - Chairman
2. Dr. Madan L Kapre - Member
3. Shri Umesh B. Sandu - Member

Nomination and Remuneration Committee

1. Dr Madan L Kapre-Chairman
2. Shri Dilip R. Salgaocar -Member
2. Shri K Vinay Kumar- Member
3. Shri Bhaskar G Sandu -Member

*Nomination and Remuneration Committee was Reconstituted on 30th May 2015.

(b) Meetings of Board Committees held during the year and Directors attendance

Board Committees	Audit Committee	Nomination and Remuneration Committee	Stakeholders Relationship Committee
Meeting held	4	3	4
Directors attendance			
Shri Bhaskar G Sandu	NA	3	4
Shri Dilip R Salgaocar	4	3	NA
Shri Madan L Kapre	4	NA	4
Shri Vinay Kumar	4	3	NA
Shri. Krishna B Deshpande	NA	NA	NA
Shri Shashank B Sandu	NA	NA	NA
Shri Umesh B Sandu	4	3	4

NA-Not Member of the Committee

(c) Terms of Reference and other details of Board Committees**1. Audit Committee**

Composition of the Committee

1. Shri K. Vinay Kumar - Chairman, Independent Director
2. Dr. Madan L Kapre - Independent Director
3. Shri Dilip R. Salgaocar - Independent Director
4. Shri. Umesh B. Sandu - Managing Director

The Committee's composition meets with requirements of Section 177 of the Companies Act, 2013 and clause 49 of the Listing Agreement. Members of the Audit Committee possess financial / accounting expertise/exposure.

Terms of reference as per the companies Act 2013

1. The recommendation for appointment, remuneration and terms of appointment of auditors of the company.
2. Review and monitor the auditor's independence and performance , and effectiveness of audit process.
3. Examination of financial statement and auditor's report thereon.
4. Approval or any subsequent modification of transactions of the company with related parties.
5. Scrutiny of inter-corporate loans and investments.
6. Valuation of undertakings or assets of the company, wherever it is necessary.
7. Evaluation of internal financial controls and risk management systems.
8. Monitoring the end use of funds raised through public offers and related matters.

Terms of reference as per clause 49 of the Listing Agreement

(a) Powers of the Audit Committee

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

(b) Role of the Audit Committee, inter alia, includes the following:

1. Oversee the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommending the appointment, remuneration and terms of appointment of statutory auditors including cost auditors of the Company.
3. Approving payment to statutory auditors, including Internal Auditor and Secretarial Auditor, for any other services rendered by them.
4. Reviewing with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
 - Matters required to be included in the Directors' Responsibility Statement to be included in the Board's Report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013;
 - Changes, if any, in accounting policies and practices and reasons for the same;
 - Major accounting entries involving estimates based on the exercise of judgement by the management; Significant adjustments made in financial statements arising out of audit findings;
 - Compliance with listing and other legal requirements relating to financial statements;
 - Disclosure of any related party transactions; and
 - Qualifications in draft audit report.
5. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval
6. Monitoring and reviewing with the management, the statement of uses/ application of funds raised through an issue (public issue, rights issue, preferential issue, etc.),the statement of funds utilised for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter

7. Reviewing and monitoring the auditors independence and performance, and effectiveness of audit process
8. Approval or any subsequent modification of transactions of the Company with related parties
9. Scrutiny of inter-corporate loans and investments
10. Valuation of undertakings or assets of the Company, wherever it is necessary
11. Evaluation of internal financial controls and risk management system
12. Reviewing, with the management, the performance of statutory auditors and internal auditors, adequacy of internal control systems
13. Formulating the scope, functioning, periodicity and methodology for conducting the internal audit
14. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit
15. Discussion with internal auditors of any significant findings and follow-up thereon
16. To look into the reasons for substantial defaults, if any, in the payment to depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
17. To review the functioning of the Vigil Mechanism and Whistle Blower mechanism
18. Approval of appointment of the CFO (i.e. the whole time Finance Director or any other person heading the finance function or discharging that function) after assessing qualifications, experience and background, etc. of the candidate
19. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
20. Reviewing financial statements, in particular the investments made by the Company's unlisted subsidiaries

(c) Review of information by Audit Committee

The Audit Committee shall mandatorily review the following information

- The Management Discussion and Analysis of financial condition and results of operations;
- Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
- Management letters/letters of internal control weaknesses issued by the statutory auditors;
- Internal audit reports relating to internal control weaknesses; and
- Reviewing the appointment, removal and terms of remuneration of the Chief internal auditor / internal auditor(s).

Meeting Details

Four Meetings dated 30/05/2014, 14/08/2014, 15/11/2014 & 14/02/2015 of the Audit Committee were held during the year. The details of meetings and attendance are given on page no. 21 of this Report.

2. Nomination and Remuneration Committee

The existing Remuneration Committee has been renamed as Nomination and Remuneration Committee as required under section 178 of the Companies Act, 2013 read with Rule 6 of the Companies (Meetings of Board and its Powers) Rules, 2014 and amended Clause 49 of the Listing Agreement

Composition of the Committee

1. Dr Madan L. Kapre - Chairman Independent Director
2. Shri Dilip R. Salgaocar - Independent Director
3. Shri Bhaskar G. Sandu - Non Executive Director
4. Shri K Vinay Kumar - Independent Director

1. Terms of Reference

The Nomination and Remuneration Committee was formed with the responsibility for determining the remuneration for all executive directors and KMP's, including any compensation payments, such as retirement benefits or stock options and also to determine principles, criteria and the basis of remuneration policy of the company and shall also recommend and monitor the level and structure of pay for senior management i.e one level below the Board.

2. Nomination and Remuneration Committee shall perform the following role

- (a) Formulation of the criteria for determining qualification, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, Key managerial personnel other employees.
- (b) Formulation of criteria for evaluation of independent Directors and the Board.
- (c) Devising a policy on Board Diversity
- (d) Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.

Meeting details

Three meetings dated 13/08/2014, 13/02/2015 and 30/03/2015 of the Nomination and Remuneration Committee were held during the year. The Details of meeting and attendance are given on page no 21 of this Report.

The details relating to remuneration of Directors, as required under clause 49 of listing agreement have been given under a separate section viz "Directors Remuneration in this report."

Nomination and Remuneration Policy

- a) The Company has formulated the Nomination and Remuneration Policy to lay down criteria & terms & conditions with regards to identifying persons who are qualified to become Directors and persons who are qualified to be appointed in Senior Management & Key Managerial Positions & to determine their remuneration.
- b) To carry out evaluation of the performance of Director as well as Key Managerial & Senior Managerial Personnel

3. Stakeholders Relationship Committee

Composition of the Committee

1. Shri Bhaskar G. Sandu
2. Dr. Madan L Kapre
3. Shri Umesh B. Sandu

The Stakeholders Relationship Committee was constituted by the Board on 14th August 2014 consequent to the dissolution of the Shareholders/Investors Grievance Committee. The Stakeholders Relationship Committee is primarily responsible to review all matters connected with the company's transfer of securities and redressal of shareholders/Investors/security holders' complaints. The Committee also monitors the implementation and compliance with company's Code of Conduct for prohibition of insider trading.

The Stakeholder Relationship Committee's Composition and the terms of reference meet with the requirements of clause 49 of the Listing Agreement and Provisions of the Companies Act 2013.

Terms of Reference of the Committee, inter alia, includes the following:

- Oversee and review all matters connected with the transfer of the Company's securities
- Approve issue of the Company's duplicate share / debenture certificates

- Consider, resolve and monitor redressal of investors'/ shareholders' / security holders' grievances related to transfer of securities, non-receipt of Annual Report, non-receipt of declared dividend if any, etc.
- Oversee the performance of the Company's Registrars and Transfer Agents
- Recommend methods to upgrade the standard of services to investors
- Monitor implementation and compliance with the Company's Code of Conduct for Prohibition of Insider Trading
- Carry out any other function as is referred by the Board from time to time and / or enforced by any statutory notification / amendment or modification as may be applicable
- Perform such other functions as may be necessary or appropriate for the performance of its duties

Meeting Details

Four meetings dated 30/05/2014, 13/08/2014, 14/11/2014 and 14/02/2015 of the Committee were held during the year. The details of meetings and attendance are given on page no. 21 of this Report.

F. Code of Conduct

The Company has adopted a 'Code of Conduct' for the Directors and Senior Management of the Company. Clause (II) (E) (3) of the revised Clause 49 of the Listing Agreement requires that the duties of Independent Directors as laid down under Schedule IV of the Companies Act, 2013 should be included in the Code of Conduct to Directors. Hence duties of Independent Directors were included in Sandu Pharmaceuticals Code of Conduct. The Code of Conduct has been uploaded on the website of the Company. The code promotes conducting business in an ethical efficient and transparent manner so as to meet its obligations to its shareholders and all other stakeholders

G. Prevention of Insider Trading Code:

As per SEBI (Prevention of Insider Trading) Regulation, 1992, the Company has adopted a Code of Conduct for Prevention of Insider Trading. All the Directors, employees at Senior Management and other employees who could have access to the unpublished price sensitive information of the Company are governed by this code. The trading window is closed during the time of declaration of results and occurrence of any material events as per the code. The Company had appointed Shri Vijay Kajarekar as Compliance Officer till 31.03.2015, who was responsible for setting forth procedures and implementation of the code for trading in Company's securities w.e.f. 1st April 2015 Miss Pratika S Desai has appointed as the Company Secretary and compliance officer and her name has been intimated to the ROC as well as stock Exchanges.

H. Board Diversity Policy

The Company in compliance with Clause 49 (IV) of Listing Agreement with the Stock Exchanges has formulated a policy on Board diversity which sets out the framework to promote diversity on Company's Board of Directors. The policy was recommended by Nomination and Remuneration Committee and approved by the Board.

I. Performance Evaluation Policy

The Company in compliance with Section 134 (3) (p) of the Companies Act, 2013 and Clause 49 (IV) of the Listing Agreement with the Stock Exchanges has formulated a Performance Evaluation Policy which sets out the framework in which the Board of Directors shall conduct formal annual evaluation of its own performance and that of the Committees and individual Directors. The policy was recommended by Nomination and Remuneration Committee and approved by the Board.

During the year the Annual performance evaluation has been carried out of all the Directors, the Board, Chairman of the Board and the working of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee. The performance evaluation policy of the Board of Directors was carried out based on the detailed questionnaire

J. Means of Communication

Quarterly results: The Company's quarterly results are published in Times of India (English) and Goadoot (Regional Newspaper) and are displayed on its website www.sandu.in.

Website: The Company's website www.sandu.in contains a separate dedicated section 'Investor Relations' where shareholders' information is available. The Company's Annual Report is also available in a user-friendly and downloadable form.

Annual Report: The Annual Report containing, inter alia, Audited Financial Statement, Consolidated Financial Statements, Directors' Report, Auditors' Report and other important information is circulated to members and others entitled thereto. The Management's Discussion and Analysis (MD&A) Report forms part of the Annual Report and is displayed on the Company's website www.sandu.in.

K. General Shareholders Information.**(a) Location and time, where last 3 AGM, were held :**

Location	Date	Time
Plot Nos. 25, 26, 29 & 30, Pilerne Indl Estate, Marra, Bardez ,Goa 403511	Saturday, 29th Sept 2012	9.00 a.m.
	Monday, 30th Sept 2013	9.00 a.m.
	Tuesday, 30th Sept 2014	9.00 a.m.

(b) Special Resolution passed

Whether Special Resolution passed at the last Annual General Meeting held on 29th September 2012	No
Whether Special Resolution passed at the last Annual General Meeting held on 30th September 2013 Re-appointment of Shri Umesh B. Sandu as Managing Director for the term of 5 Years within the limit prescribed under schedule XIII of the Companies Act 1956	Yes
Whether Special Resolution passed at the last Annual General Meeting held on 30th September 2014	No

(c) Postal Ballot:

For the year ended March 31, 2015 there have been no ordinary or special resolutions passed by the Company's Shareholders through postal ballot.

(d) Investor Grievance Redressal

The number of complaints received and resolved to the satisfaction of investors during the year under review and their break-up are as under from company and RTA:

Type of Complaints	Number of Complaints
Non receipt of Shares (Public Issue)	2
Non receipt of Annual Report	2
Non Receipt of Certificates	Nil
Total	4
Resolved	4
Pending	0

L. Means of Communication

Quarterly results	Published in Newspaper
Newspaper in which normally published	Times of India (English) & Goa Doot (Marathi)
Any website ,where displayed	www.sandu.in
Whether it also displays official news releases	No
The presentations made to institution investors or to the analysts	N.A

M. General Shareholders Information.**(1) Annual General Meeting**

Date	30th September 2015
Time	9.00 a.m.
Venue	Plot No 25, 26, 29 & 30, Pilerne Industrial Estate, Marra, Bardez Goa-403511

(2) Financial Calendar (tentative) Results for the quarter ending

June 30, 2015 – Second week of August, 2015
 September 30, 2015 - Second week of November, 2015
 December 31, 2015 - Second week of February, 2016
 March 31, 2016 – Second week of May, 2016

(3) Date of Book closure

Thursday, 24th September 2015 to Wednesday, 30th September 2015 (both days inclusive).

(4) Listing on Stock Exchange (Equity Shares)

Bombay Stock Exchange
 Phiroze Jeejeebhoy Towers,
 Dalal Street, Mumbai 400 001
 Scrip Code: 51721

Ahmedabad Stock Exchange
 Kamdhenu Complex,
 Opp Sahajanand College,
 Panjara Pole, Ambawadi,
 Ahmedabad- 380 015

(a) Payment of Listing Fees

Annual listing fee for the year 2015-16 has been paid by the Company to BSE and ASEL, well before the due date.

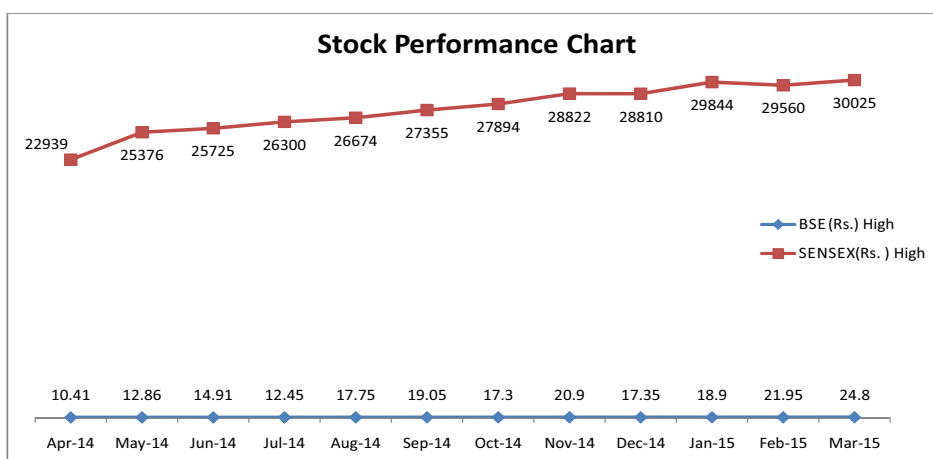
(b) Payment of Depository Fees

Annual Custody/Issuer fee for the year 2015-16 will be paid by the Company to NSDL and CDSL on receipt of the invoices, well before the due dates.

(5) Stock Market Price Data

Month	Bombay Stock Exchange			SENSEX	
	High	Low	Volume	High	Low
April 2014	10.41	8.50	17885	22939.31	22197.51
May 2014	12.86	8.37	32147	25375.63	22277.04
June 2014	14.91	10.90	33311	25725.12	24270.2
July 2014	12.45	10.62	26762	26300.17	24892
August 2014	17.75	11.25	65841	26674.38	25232.82
September 2014	19.05	14.61	100153	27354.99	26220.49
October 2014	17.30	15.00	32028	27894.32	25910.77
November 2014	20.90	15.05	99312	28822.37	27739.56
December 2014	17.35	14.65	42344	28809.64	26469.42
January 2015	18.90	14.05	41744	29844.16	26776.12
February 2015	21.95	13.05	91814	29560.32	28044.49
March 2015	24.80	17.20	234153	30024.74	27248.45

[Source: This information is compiled from the data available from the websites of BSE]



(6) Distribution of Shareholding as on 31st March 2015.

Size of Holdings	No. of Shareholders	Percentage %	No. of Shares	Percentage %
Up to To Rs 100	7739	72.92	744555	10.51
101 To 200	886	8.35	172184	2.43
201 To 500	1017	9.58	417842	5.90
501 To 1000	450	4.24	386838	5.46
1001 To 5000	461	4.34	1035434	14.62
5001 To 10000	29	.27	210638	2.97
10001 To 100000	23	.22	691153	9.76
100001 To Above	8	.08	3422356	48.33
Total	10613	100.00	7081000	100.00

(7) Registrars and Transfer Agents

M/s. Sharex Dynamic (India) Private Limited
Unit 1, Luthra Industrial Premises,
Andheri (East), Mumbai-400 072
Email- sharexindia@vsnl.com

(8) Compliance Officer

Miss Pratika Shenvi Dessai is the Company Secretary and Compliance Officer of the Company w.e.f. 1st April, 2015.

(9) Shares held in physical and dematerialized form:

60,20,650 of shares amounting to 85.03% of the total paid up capital were held in dematerialized form and the rest in physical form as on March 31, 2015 .

(10) Share Transfer System

Share transfers are processed and share certificates duly endorsed are delivered within a period of 15 days from the date of receipt, subject to documents being valid and complete in all respects. The Board has delegated the authority for approving transfer, transmission, etc. of the Company's securities to the Managing Director/authorized Representative. A summary of transfer/transmission of securities of the Company so approved by the Managing Director/Company Secretary is placed at every Board meeting. The Company obtains from a Company Secretary in Practice half-yearly certificate of compliance with the share transfer formalities as required under Clause 47(c) of the Listing Agreement and files a copy of the said certificate with Stock Exchanges.

(11) SEBI Complaints Redressal System (SCORES)

The investor complaints are processed in a centralised web-based complaints redressal system. The salient features of this system are: centralised database of all complaints, online upload of Action Taken Reports (ATRs) by concerned companies and online viewing by investors of actions taken on the complaint and its current status.

(12) General Shareholder Information

Distribution of Shareholding as on March 31, 2015

Category code	Category of Shareholder	Number of Shareholders	Total number of Shares	As a percentage of (A+B+C)
(A)	Shareholding of Promoter and Promoter Group	10	3185690	44.989
(1)	Indian	0	0	0
(2)	Foreign	0	0	0
	Total Shareholding of Promoter and Promoters Group	10	3185690	44.989
(B)	Public Shareholding			
(1)	Institution	1	500	0.007
(2)	Non Institution	10602	3894810	55.004
	Total Public Shareholding	10603	3895310	55.011
(C)	Shares held by Custodian and against which Depository Receipt have been issued	0	0	0
(1)	Promoter and Promoters Group	0	0	0
(2)	Public	0	0	0
	Total(A)+(B)+(C)	10613	7081000	100

13) Global depository receipts (GDR) or any Convertible instruments, conversion dates and likely impact on Equity

N.A

14) Dematerialization of Shares and Liquidity

The total number of shares in dematerialized form as on 31st March, 2015 is 60,20,650 representing 85.03% of the total number of shares of the Company. The equity shares of the Company are actively traded on BSE and not traded on ASEL.

15) Plant Location

Plot No 25, 26, 29 & 30, Pilerne Indl Estate, Marra, Bardez, Goa 403511

16) Address for correspondence

<p>The Company Secretary Plot No 25,26,29 & 30 Pilerne Inl Estate, Marra, Bardez, Goa 403511 Email:-corp.sec@sandu.in Contact no:08326715017</p>	<p>M/s Sharex Dynamic (India) Pvt Ltd Unit 1,Luthra Industrial Premises, Andheri (East), Mumbai- 400 072 Tel No 022- 28515606 Email:sharexindia@vsnl.com</p>
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DISCLOSURES

(a) Related Party Transactions

All transactions entered into with Related Parties as defined under the Companies Act, 2013 and Clause 49 of the Listing Agreement during the financial year were in the ordinary course of business. There were no materially significant transactions with related parties during the financial year which were in conflict with the interest of the Company. Suitable disclosure as required by the Accounting Standards (AS18) has been made in the notes to the Financial Statements.

The Board has approved Related Party Transaction policy which has been uploaded on the website of the Company at www.sandu.in.

(b) Strictures and Penalties

No strictures or penalties have been imposed on the Company by the Stock Exchanges or by the Securities and Exchange Board of India (SEBI) or by any statutory authority on any matters related to capital markets during the last three years.

(c) The Company has adopted a Whistle Blower Policy and has established the necessary vigil mechanism for employees and directors to report concerns about unethical behaviour. No person has been denied access to the chairman of the Audit Committee.

For and on behalf of Board of Directors

<p>Sd/- Bhaskar G Sandu Director DIN: 02816792</p>	<p>Sd/- Shashank B Sandu Director DIN: 00678098</p>	<p>Sd/- Umesh B Sandu Managing Director DIN: 01132141</p>
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Dated:13th August 2015

Place: Mumbai

ANNEXURE - D
AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE TO, THE, MEMBER
SANDU PHARMACEUTICAL LIMITED

To
the Members,
Sandu Pharmaceuticals Limited

We have examined the compliance of conditions of Corporate Governance by Sandu Pharmaceuticals Limited, for the year ended on 31st March 2015, as stipulated in Clause 49 of the Listing Agreement of the said Company with stock exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination has been limited to a review of the procedures and implementation thereof adopted by the Company for ensuring compliance with the conditions of the Corporate Governance as stipulated in the said Clause. It is neither an Neither audit nor an expression of opinion on the financial statements of the Company.

1. The Nomination and Remuneration committee was reconstituted to comply with the new provisions of section 178(1) of the Act w.e.f 30th May 2015.
2. The Company Secretary was designated as compliance officer under clause 47 (a) of listing Agreement w.e.f April 1, 2015. However, during the period of audit, the company secretary was not designated as compliance office.

Subject to above remarks, in our opinion and to the best of our information and according to the explanations given to us and based on the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above-mentioned Listing Agreement.

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

For Joshi Joshi & Co
Chartered Accountant
FRN:104393W

Dated: 13th August 2015
Place : Mumbai

Sd/-
M. M. Joshi
Proprietor
M.No.42466 of 89

ANNEXURE - E
CERTIFICATION BY THE CHIEF FINANCIAL OFFICER (CFO) UNDER CLAUSE 49
II E (2) OF THE LISTING AGREEMENT

To,
The Board of Directors of
Sandu Pharmaceuticals Limited

1. We have reviewed financial statements and the cash flow statement of Sandu Pharmaceuticals Limited for the year ended 31st March, 2015 and to the best of our knowledge and belief
 - (i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (ii) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

2. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of Company's internal control systems pertaining to financial reporting. We have not come across any reportable deficiencies in the design or operation of such internal controls.
4. We have indicated to the Auditors and the Audit Committee:
 - (a) That there are no significant changes in internal control over financial reporting during the year;
 - (a) That there are no significant changes in accounting policies during the year; and
 - (b) That there are no instances of significant fraud of which we have become aware.

Date: 13th August 2015

Place: Mumbai

Sd/-
Nikesh Shah
Chief Financial Officer

ANNEXURE - F

DECLARATION OF MANAGING DIRECTOR

I, Umesh B. Sandu, Managing Director do hereby declare that all the Directors and Senior Management personnel have as on 31st March, 2015 affirmed compliance of their respective Code of Conduct adopted by the Company and confirmation to that effect has been given by each of them,

Date: 13th August 2015

Place: Mumbai

Sd/-
Umesh B. Sandu
Managing Director
DIN: 01132141

ANNEXURE - G**FORM NO. MGT-9 Extract of Annual Return**

As on the financial year ended on 31st March, 2015

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

I REGISTRATION AND OTHER DETAILS		
1.	CIN	L24233GA1985PLC001587
2.	Registration Date	15/11/1985
3.	Name of the Company	Sandu Pharmaceuticals Limited
4.	Category/Sub category of the Company	Public Company Limited by shares
5.	Whether listed Company(Yes/No)	Yes
6.	Address of the Registered office and contact details	Plot No 25, 26, 29 & 30, Pilerne Industrial Estate, Marra, Bardez Goa-403511
7.	Name Address and Contact details of Registrar and Transfer Agent	M/s Sharex Dynamic (India) Private Limited Unit 1,Luthra Industrial Premises, Andheri (East),Mumbai -400 072 Tel:022-28515606 E-mail :sharexindia@vsnl.com
II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY		
	All the business activities contributing 10% or more of the total turnover of the Company	As per Attachment A
III	PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES	As per Attachment B
IV	SHARE HOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY)	
	i)Category –wise Share Holding	As per Attachment C
	ii)Shareholding of Promoter	As per Attachment D
	iii) Change in promoter’s Shareholding	As per attachment E
	iv)Shareholding Pattern of top ten shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)	As per Attachment F
	v)Shareholding of Directors and Key Managerial Personnel	As per Attachment G
V	INDEBTEDNESS	
	Indebtedness of the Company including interest outstanding/accrued but not due for payment	As per Attachment H
VI	REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL	
	A)Remuneration to Director ,WTD, and /or Manger	As per Attachment I
	B)Remuneration to other Directors	As per Attachment J
	C)Remuneration to Key Managerial Personnel other than MD/Managers/WTD	As per Attachment K
VII	PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES	As per Attachment L

ATTACHMENT A

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sr. No	Name and Description of main product/services	NIC Code of the Product	% to total turnover of the company
1.	Manufacture of Ayurvedic Medicine	3043	397,385,132

ATTACHMENT B

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE

Sr. No	Name and Address of the Company	CIN/GIN	Holding/Subsidiary of the Company	% of shares held	Applicable Section
	N.A	N.A	N.A	N.A	N.A

ATTACHMENT C

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

Category of Shareholders	No. of shares at the beginning of the year				No of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total shares	Demat	Physical	Total	% of Total shares	
A. PROMOTER'S									
(1) Indian									
(a) Individual/Huf	2228100	NIL	2228100	31.466	2228100	NIL	2228100	31.466	NIL
(b) Central Govt	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
(c) State Govt	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
(d) Bodies Corp.	957590	NIL	957590	13.523	957590	NIL	957590	13.523	NIL
(e) Bank/FI	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
(f) Any other	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Sub-Total (A) (1)	3185690	NIL	3185690	44.989	3185690	NIL	3185690	44.989	NIL
2. FOREIGN									
(a) NRI Individual	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
(b) Other Individual	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
(c) Body Corporate	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
(d) Bank/FI	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
(e) Any others specify	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Sub Total-A(2)	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Total Share Holder of Promoters (A)=(A)(1)+(A)(2)	3185690	NIL	3185690	44.989	3185690	NIL	3185690	44.989	NIL
(B)(1) Public Shareholding									

1 Institution									
(a) Mutual Funds	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
(b) Bank/FI	NIL	500	500	0.007	NIL	500	500	0.007	NIL
(c) Cent. Govt	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
(d) State Govt	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
(e) Venture Capital	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
(f) Insurance Co	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
(g) FIs	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
(h) Foreign Venture Capital	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
(i) others (specify)	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Sub Total (B) (1)	NIL	500	500	0.007	NIL	500	500	0.007	NIL
2. Non Institution									
(a) Body Corporate									
(i) Indian	128750	9000	137750	1.945	163546	9000	172546	2.437	0.492
(ii) Overseas	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
(b) Individual									
(i) Individual Shareholders holding nominal share capital upto Rs 1 lakh	1891117	1062550	2953667	41.713	1791961	1050850	2842811	40.147	-1.566
(ii) Individual Shareholders holding nominal share capital in excess of Rs 1 lakh	794951	NIL	794951	11.227	848819	NIL	848819	11.987	0.76
(c) other (specify)									
Non Resident Indians	7785	NIL	7785	0.11	7785	NIL	7785	0.11	NIL
Overseas Corporate Bodies	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Foreign National	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Clearing Members	657	NIL	657	0.009	22849	NIL	22849	0.323	0.314
Trusts	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Foreign Bodies- DR	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Sub total (B)(2)	2823260	1071550	3894810	55.004	2834960	1059850	3894810	55.004	NIL
Total (B)= (B)(1)+(B)(2)	2823260	1072050	3895310	55.011	2834960	1060350	3895310	55.011	0
C. Shares held by Custodian for GDRs & ADRs	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Grand Total (A)+(B)+(C)	6008950	1072050	7081000	100.00	6020650	1060350	7081000	100.00	0

Note: There is no change in the number of shares held by the promoter companies.

ATTACHMENT D

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

i. Shareholding Promoters:

Sr. No	Shareholder's name	Shareholding at the beginning of the financial year 01/04/2014			Shareholding at the end of financial year 31/03/2015			% change in shareholding during the year
		No of shares	% of total shares of the company	% of shares pledge/ encumbered to total shares	No of shares	% of total shares of the company	% of shares pledge/ encumbered to total shares	
1.	Noumura Realty and Construction Private Limited	219010	3.093	NIL	219010	3.093	NIL	NIL
2.	Phybrichem Engineers Private Limited	155963	2.203	NIL	155963	2.203	NIL	NIL
3.	Akshath Finvest and Properties Private Limited	38687	0.546	NIL	38687	0.546	NIL	NIL
4.	Sanmark Realty and Finance Private Limited	543930	7.682	NIL	543930	7.682	NIL	NIL
5.	Shubhada Prabhakar Sandu	10000	0.141	NIL	10000	0.141	NIL	NIL
6.	Umesh B Sandu	677100	9.562	NIL	677100	9.562	NIL	NIL
7.	Shashank Bhaskar Sandu	657900	9.291	NIL	657900	9.291	NIL	NIL
8.	Bhaskar Govind Sandu	737000	10.408	NIL	737000	10.408	NIL	NIL
9.	Minal Shashank Sandu	61100	0.863	NIL	61100	0.863	NIL	NIL
10.	Geeta U Sandu	85000	1.200	NIL	85000	1.200	NIL	NIL

ATTACHMENT E

V. SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of total Equity)

iii) Change in Promoter's Shareholdings (please specify if there is no change)

	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No of Shares	% of total shares of the Company	No of Shares	% of total shares of the Company
At the beginning of the year				
Date wise Increase/Decrease in promoters shareholding during the year specifying the reasons for increase/decrease (e.g allotment/transfer/bonus/sweat equity etc)	No change during the year			
At the end of the year				

ATTACHMENT F

V. SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of total Equity)

IV. Shareholding pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDR and ADRs)

Sr No	Name of the Shareholders	Shareholding at the Beginning of the year(01-04-2014)/end of the year (31-03-2015)		Date	Increase/ Decrease in shareholding	Reason	Cumulative shareholding during the period	
		No of Shares	% of Total Shares of the Company				No of Shares	% of Total Shares of the Company
1.	Jainam Share Consultant Pvt Ltd	20990	0.296	4/1/2014				
				5/02/2014	1407	Transfer	22397	0.316
				5/23/2014	900	Transfer	23297	0.329
				6/6/2014	-900	Transfer	22397	0.316
				7/18/2014	-231	Transfer	22166	0.313
				8/8/2014	299	Transfer	22465	0.317
				8/15/2014	100	Transfer	22565	0.319
				8/22/2014	-668	Transfer	21897	0.309
				8/29/2014	-2000	Transfer	19897	0.281
				9/5/2014	-647	Transfer	19250	0.272
				9/12/2014	-3898	Transfer	15352	0.217
				9/15/2014	25	Transfer	15377	0.217
				9/19/2014	1024	Transfer	16401	0.232
				9/30/2014	-1	Transfer	16400	0.232
				10/17/2014	199	Transfer	16599	0.234
				10/24/2014	-199	Transfer	16400	0.232
				11/14/2014	200	Transfer	16600	0.234
				11/21/2014	100	Transfer	16700	0.236
				11/28/2014	1100	Transfer	17800	0.251
				12/05/2014	85	Transfer	17885	0.253
				12/12/2014	-1000	Transfer	16885	0.238
				12/19/2014	-385	Transfer	16500	0.233
				12/31/2014	-100	Transfer	16400	0.232
				1/9/2015	3041	Transfer	19441	0.275
				1/16/2015	396	Transfer	19837	0.28
				1/23/2015	5950	Transfer	25787	0.364
				1/30/2015	-100	Transfer	25687	0.363
				2/20/2015	400	Transfer	26087	0.368
				3/6/2015	1600	Transfer	27687	0.391
				3/13/2015	2000	Transfer	29687	0.419
				3/27/2015	25	Transfer	29712	0.42
	Closing balance			3/31/2015			29712	0.42

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2.	Mahan Industries Ltd	28698	0.405	4/1/2014				
	-closing balance			3/31/2015			28698	0.405
3	Ravindra Vinayak Bhatavadekar	27734	0.392	4/1/2014				
	-closing balance			3/31/2015			27734	0.392
4.	Mukesh Raojibhai Patel	350470	4.949	4/1/2014				
				2/13/2015	-3089	Transfer	347381	4.906
				2/20/2015	-12448	Transfer	334933	4.73
				2/27/2015	-5629	Transfer	329304	4.651
	Closing bal			3/31/2015			329304	4.651
5.	Vanechand Panechand Jain	24900	0.352	4/1/2014				
	-Closing Balance			3/31/2015			24900	0.352
6.	Dilip Tukaram Bhaskarwar	4661	0.066	9/5/2014				
				9/12/2014	4924	Transfer	9585	0.135
				9/19/2014	6557	Transfer	16142	0.228
				9/30/2014	3000	Transfer	19142	0.27
				10/3/2014	4469	Transfer	23611	0.333
				10/17/2014	1045	Transfer	24656	0.348
	Closing balance			3/31/2015			24656	0.348
7.	Yatin Jaykrishna Desai	5690	0.08	10/10/2014				
				10/17/2014	2025	Transfer	7715	0.109
				10/24/2014	350	Transfer	8065	0.114
				10/31/2014	2475	Transfer	10540	0.149
				11/07/2014	3360	Transfer	13900	0.196
				11/14/2015	7569	Transfer	21469	0.303
				11/28/2014	542	Transfer	22011	0.311
				12/05/2014	2491	Transfer	24502	0.346
				12/12/2014	1652	Transfer	26154	0.369
				12/19/2014	5674	Transfer	31828	0.449
				12/31/2014	5212	Transfer	37040	0.523
	Closing balance			3/31/2015			37040	0.523
8.	Mita Dipak Shah	82000	1.158	04/1/2014				
				3/31/2015			82000	1.158
9.	Amit Dattatray Khandekar	67318	0.951	04/1/2014				
				3/31/2015			67318	0.951
10.	Hitesh Kuvelkar	95469	1.348	04/1/2014				
				4/25/2014	40	Transfer	95509	1.349
				5/02/2014	1000	Transfer	96509	1.363
				5/16/2014	1639	Transfer	98148	1.386
				5/23/2014	2620	Transfer	100768	1.423
				06/06/2014	150	Transfer	100918	1.425
				08/1/2014	530	Transfer	101448	1.433
				08/08/2014	651	Transfer	102099	1.442
				08/15/2014	50	Transfer	102149	1.443
	Closing bal			3/31/2015			102149	1.443

ATTACHMENT G

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

V. Shareholding of Directors and Key Managerial Personnel:

Sr. No.		Shareholding at the Beginning of the year		Shareholding at the end of the year	
		No of Shares	% of total shares of the Company	No of Shares	% of total shares of the Company
1.	Bhaskar G Sandu	737000	10.408	737000	10.408
2.	Shashank B Sandu	657900	9.291	657900	9.291
3.	Umesh B Sandu	677100	9.562	677100	9.562
4.	Shubhada P Sandu	10000	0.141	10000	0.141

ATTACHMENT H

VI. INDEBTEDNESS

Indebtedness of the company including interest outstanding/accrued but not due for payment.

Particulars	Secured Loans Excluding Deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year 01.04.2014				
1.Principal Amount	17,081,881	168,010	Nil	17,249,891
2.Interest due but not paid	Nil	Nil	Nil	Nil
3.interest accrued but not due	Nil	Nil	Nil	Nil
Total of (1+2+3)	17,081,881	168,010	NIL	17,249,891
Change in indebtedness during the financial year				
+Addition	Nil	Nil	Nil	Nil
-Reduction	5,135,945	168,010	Nil	5,303,955
Indebtedness at the end of the financial year 31.03.2015				
1.Principal Amount	11,945,936	Nil	Nil	11,945,936
2.Interest due but not paid	Nil	Nil	Nil	Nil
3.interest accrued but not due	Nil	Nil	Nil	Nil
Total of (1+2+3)	11,945,936	Nil	Nil	11,945,936

ATTACHMENT I

VI. REMUNERATION OF DIRECTOR AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole Time Director and/or Manager

(In lakhs)

Sr. No	Particulars of Remuneration	Shri Umesh Sandu Managing Director	Total Amount
1.	Gross Salary		
	(a) Salary as per provisions in section 17(1) of the income tax act	17.00	17.00
	(b) Value of perquisites u/s 17(2) income tax, 1961	Nil	Nil
	(c) Profit in lieu of salary under section 17(3) income tax act, 1961	Nil	Nil
2.	Stock option	Nil	Nil
3.	Sweat Equity	Nil	Nil
4.	Commission -As % of profit -Others, specify	Nil	Nil
5.	Others, please specify Provident Fund & other fund	Nil	Nil
	Total (A)	17.00	17.00
	Ceiling as per the Act	30.00	30.00

*The Managing Director was paid an amount less than the approved /authorized amount during the course of the financial year.

ATTACHMENT J

VI. REMUNERATION OF DIRECTOR AND KEY MANAGERIAL PERSONNEL

B. Remuneration of other directors:

I. Independent Directors:-

Particulars of Remuneration	Name of Directors				Total Amount (Rs in lacs)
	Dilip R. Salgaocar	Krishna B. Deshpande	Madan L. Kapre	K. Vinay Kumar	
Fees for attending board committee meetings	25000	10000	20000	25000	80000
Commission	NIL	NIL	NIL	NIL	NIL
Others	NIL	NIL	NIL	NIL	NIL
Total	25000	10000	20000	25000	80000

II. Other Non-Executive Directors:-

Other Non Executive Director	Bhaskar G Sandu	Shashank B Sandu	Total Amount (Rs in Lacs)
Fees for attending Board Committee Meetings	25000	25000	50000
Commission	NIL	NIL	NIL
Others	NIL	NIL	NIL
Total	25000	25000	50000

ATTACHMENT K

VI. REMUNERATION OF DIRECTOR AND KEY MANAGERIAL PERSONNEL

Remuneration to Key Managerial Personnel other than MD/Manager/WTD

Sr. No	Particulars of Remuneration	Key Managerial Personnel	Total Amount
1.	Gross Salary		
	(a) Salary as per provisions in section 17(1) of the income tax act		
	(b) Value of perquisites u/s 17(2) income tax, 1961		
	(c) Profit in lieu of salary under section 17(3) income tax act, 1961 * Shri. Prasanna Bhatkar was there during the audit period for 2 months, hence not mentioned		
2.	Stock option		
3.	Sweat Equity		
4.	Commission -As % of profit -Others, specify		
5.	Others, please specify contribution to PF Performance Bonus		
	Total (A)		

ATTACHMENT L

VII. Penalties /Punishment/Compounding of offences (under the companies act)

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

ANNEXURE - H**STATEMENT OF PARTICULARS REQUIRED UNDER SECTION 197 OF THE COMPANIES ACT, 2013 READ WITH RULE 5 OF COMPANIES (APPOINTMENT AND REMUNERATION OF AMNAGERIAL PERSONNEL) RULES, 2014.**

- I. The Ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year;
The Ratio of the Remuneration of Director to the median remuneration is 16.09:1
- II. The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer if any, in the Financial Year.

Sr No	Name of the Director	Ratio of the Remuneration to the median remuneration of the Employees	Percentage increase in remuneration
1.	Shri Bhaskar G Sandu	NIL	NIL
2.	Shri Dilip Salgaocar	NIL	NIL
3.	Dr Krishna B Despande	NIL	NIL
4.	Dr Madan L Kapre	NIL	NIL
5.	Shri K Vinay Kumar	NIL	NIL
6.	Shri Shashank B Sandu	NIL	NIL
7.	Dr Mrs Shubhada Sandu*	NIL	NIL
8.	Shri Umesh B Sandu	17.00	0

*Appointed as an Additional Director on 30th March 2015 Board Meeting with effect from 01st April 2015. Ratio is not provided as she is appointed at the end of the year.

Notes:

All the Directors except Shri. Umesh B Sandu were paid sitting fees for attending Board Meeting for the financial Year 2014-15.

- III. The percentage increase in the median remuneration of employees in the financial year is 32%.
- IV. The number of permanent employees on the rolls of company as on 31st March, 2015 are 186 .
- V. The explanation on the relationship between average increase in remuneration and company performance. The increase in remuneration to all employees is in line with the performance of the Company. The Company's performance for the year 2014-15 with regards to the profitability compares favourably with the increase in remuneration.
- VI. Comparison of the remuneration of the Key Managerial Personnel against the performance of the Company.

Key Managerial Personnel	March 2014	March 2015	Increase/ Decrease	Performance of Company
Total Remuneration Paid to KMP	17,00	17.00	0	The Profit after tax for the year Ending 31st march 2015 was Rs 41.36 as against profit of Rs 49.61 for the year ending March 2014

- VII. Variation in the market capitalization of the company, price earning ratio as at the closing date of the current financial year and previous financial year and percentage increase over decrease in the market quotations of the shares of the company in comparison to the rate at which the company came out with the last public offer.

Sr No	Particulars		As at 31st March, 2015	As at 31st March, 2014
1.	Market Capitalisation	BSE	15,63,48,480	6,56,40,870
2.	Price Earning Ratio	BSE	38.07	13.24

*The Company shares are listed on Ahmedabad Stock Exchange(ASEL) but Shares are not Traded on ASEL Increase or decrease in the market quotations of shares is not provided since the company did not go for public Offer

As on 31st March 2015 the market quotation of the company share price (closing price) is as follows:

- BSE Limited Rs 22

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

IX. Comparison of each remuneration of the Key Managerial Personnel against the performance of the Company;

Key Managerial Personnel	Name	March 2014	March 2015	Increase	Performance of Company
Managing Director	Umesh B Sandu	17.00	17.00	Nil	The Profit after tax for the year Ending 31st March 2015 was Rs 41.36 as against profit of Rs 49.61 for the year ending March 2014

Note 1: Remuneration is not comparable since Chief Financial Officer & Company Secretary appointed on 03/03/2015 & 01/04/2015 Respectively

- X. The key parameters for any variable component of remuneration availed by the Directors;
There are no Variable payment is made to the Whole Time Director based on his/her performance during the year
- XI. The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year.
There are no employees, who are paid excess remuneration then of highest paid Director
- XII. Affirmation that the remuneration is as per the remuneration policy of the Company.
The Directors affirm that the remuneration is as per the remuneration policy of the Company.
- XIII. The statement containing particulars of employees as required under section 197(12) of the Act read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, is not provided since there were no employees who were drawing remuneration more than Rs.5 lakhs per month during whole or part of the year.

ANNEXURE - I
FORM NO. AOC- 2

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

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

1. Details of contracts or arrangements or transactions not at Arm's length basis.-

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	
b)	Nature of contracts/arrangements/transaction	
c)	Duration of the contracts/arrangements/transaction	
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	N.A.
e)	Justification for entering into such contracts or arrangements or transactions	
f)	Date of approval by the Board	
g)	Amount paid as advances, if any	
h)	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	

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

SL No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	Sandu Research Foundation Private Limited Shri Shashank B Sandu and Shri Umesh B Sandu are Directors
b)	Nature of contracts/arrangements/transaction	Advance given for R & D activity
c)	Duration of the contracts/arrangements/transaction	1 Year
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	Agreement between M/s Sandu Pharmaceuticals Limited and M/s Sandu Research Foundation Private Limited for providing research facility and research assistance in Pharmacy on arm length basis for Rs 50,00,000 (Rs Fifty Lakhs Only)
e)	Date of approval by the Board	15/02/2014
f)	Amount paid as advances, if any	37.74 Lakhs paid during December 2013 and January 2014.

For and on behalf of Board of Directors

Dated:13th August 2015

Place: Mumbai

Sd/-	Sd/-	Sd/-
Bhaskar G Sandu	Shashank B Sandu	Umesh B. Sandu
Director	Director	Managing Director
DIN: 02816792	DIN: 00678098	DIN: 01132141

Independent Auditor's Report

JOSHI JOSHI & CO.
CHARTERED ACCOUNTANTS

To the Members of
SANDU PHARMACEUTICALS LTD.

Report on the Standalone Financial Statements

We have audited the accompanying financial statements of SANDU PHARMACEUTICALS LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2015 and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory informations.

Management's Responsibility for the Standalone Financial Statements

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

Auditor's Responsibility

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

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the company's Directors, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2015, and its Profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.

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, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

- (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the Directors as on 31st March, 2015 taken on record by the Board of Directors, none of the Directors is disqualified as on 31st March, 2015 from being appointed as a director in terms of section 164(2) of the Act.
- (f) With respect to the other matters to be included in the Auditors Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- (i) We have been informed that the Company does not have any pending litigations which would impact its financial position.
 - (ii) We have been informed that the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - (iii) There has not been an occasion in case of the company during the year under report to transfer any sum to the Investors Education and Protection Fund.

For Joshi Joshi & Co.
Chartered Accountants
(Firms Registration No. 104393w)
Sd/-
M. M. Joshi
(Proprietor)
(Membership No. : 042466)

Place: Mumbai

Date: 30th May, 2015

Annexure to the Independent Auditor's Report

The Annexure referred to in our Independent Auditor's Report to the members of the Company on the standalone financial statements for the year ended 31st March, 2015, on the basis of such checks as we considered appropriate and according to the information and explanations given to us during the course of our audit, we report that:

- i. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner over a period of three years. In accordance with this programme, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
- ii. (a) Physical verification of inventory has been conducted at reasonable intervals by the management.
- (b) The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
- (c) The Company is maintaining proper records of inventory and no material discrepancies were noticed on physical verification.
- iii. The Company has not granted any loans, secured or unsecured, to/ from companies, firms or other parties covered in the register maintained under Section 189 of the Act.
- iv. In our opinion and according to the information and explanations given to us, there is adequate internal control system commensurate with the size of the Company and the nature of its business for the sale of goods. Further, on the basis of our examination of the books and records of the Company and according to the information and explanation given to us, no major weakness has not been noticed or reported.
- v. Company has not accepted any deposits from the public covered under Section 73 to 76 of the Companies act, 2013.
- vi. We have been informed that the Company is maintaining cost records as specified by the Central Government under sub-section (1) of Section 148 of the Act. payable.
- vii. (a) According to the information and explanations given to us and based on the records of the company examined by us, the Company is regular in depositing the undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty and other material

statutory dues, as applicable, with the appropriate authorities in India. As explained to us, the Company did not have any dues on account of the employees' state insurance and duty of excise.

- (b) According to the information and explanations given to us, no undisputed amount payable in respect of provident fund, income tax, sales tax, wealth tax, service tax, duty of customs, value added tax, cess and other material statutory dues were in arrears as at 31st March 2015 for a period of more than six months from the date they became payable.
- (c) According to the information and explanations given to us and based on the records of the Company examined by us, there are no material dues of Wealth Tax, Service Tax, Sales Tax, Customs Duty and Excise Duty which have not been deposited on account of any disputes. However according to information and explanations given to us, the following dues of income tax have not been deposited by the Company on account of disputes:

Name of the statute	Nature of the dues	Amount (Rs. in Lacs)	Financial Year to which the amount relates	Forum where the dispute is pending
Income-tax Act, 1961	Income-tax including applicable interest and penalty	30.21	2008-09	Income Tax Appellate Tribunal
Income-tax Act, 1961	Income-tax including applicable interest and penalty	283	2010-11	CIT Appeals

- (d) There has not been an occasion in case of the Company during the year under report to transfer any sums to the Investor Education and Protection Fund. The question of reporting delay in transferring such sums does not arise.

viii. The Company does not have any accumulated loss and has not incurred cash loss during the financial year covered by our audit and in the immediately preceding financial year.

- ix. According to the records of the Company examined by us and as per the information and explanations given to us, the company has not defaulted in repayment of dues to any financial institution or banks and the Company has not issued debentures.
- x. In our opinion, and according to the information and explanations given to us, the Company has not given any guarantee for loan taken by others from a bank or financial institution during the year.
- xi. In our opinion, and according to the information and explanations given to us, based on our audit procedures and on the information given by the management we report that the term loan taken by the company has been used for the purpose for which it is taken.
- xii. During the course of our examination of the books and records of the Company, carried in accordance with the auditing standards generally accepted in India, we have neither come across any instance of fraud on or by the Company noticed or reported during the course of our audit nor have we been informed of any such instance by the Management.

Chartered Accountants
(Firms Registration No. 104393w)

Sd/-
M. M. Joshi
(Proprietor)
(Membership No: 042466)

Place: Mumbai
Date: 30th May, 2015

Balance Sheet as at 31st March, 2015

Particulars		Note No.	As at 31 March, 2015 Amount (₹)	As at 31 March, 2014 Amount (₹)
A	EQUITY AND LIABILITIES			
1	Shareholders' funds			
	(a) Share capital	3	70,810,000	70,810,000
	(b) Reserves and surplus	4	110,647,587	111,290,343
			181,457,587	182,100,343
2	Non-current liabilities			
	(a) Long-term borrowings	5	11,945,936	17,249,891
	(b) Deferred tax liabilities (net)	6	10,016,238	9,115,445
			21,962,174	26,365,336
3	Current liabilities			
	(a) Short-term borrowings	7	106,818,410	76,036,507
	(b) Trade payables	8	62,433,358	44,625,650
	(c) Other current liabilities	9	21,550,792	19,955,431
	(d) Short-term provisions	10	20,916,386	19,593,709
			211,718,946	160,211,297
	TOTAL		415,138,707	368,676,976
B	ASSETS			
1	Non-current assets			
	(a) Fixed assets			
	(i) Tangible assets	11A	83,571,018	90,903,556
			83,571,018	90,903,556
	(b) Non-current investments	12	6,973,698	6,866,548
			90,544,716	97,770,104
2	Current assets			
	(a) Inventories	13	126,780,280	135,732,795
	(b) Trade receivables	14	65,590,915	58,994,025
	(c) Cash & Cash equivalents	15	41,332,455	14,629,424
	(d) Short-term loans and advances	16	90,890,341	61,550,628
			324,593,991	270,906,872
	TOTAL		415,138,707	368,676,976

See accompanying notes forming part of the financial statements

1 & 2

In terms of my report attached.

For JOSHI JOSHI & CO

Chartered Accountants

Firm Reg.No.104393W

Sd/-

M.M. JOSHI

Proprietor

M.No.:42466 of 89

Place : MUMBAI

Date : 30th May 2015

For and on behalf of the Board of Directors

Sd/-

BHASKAR G. SANDU

Director

Sd/-

UMESH B. SANDU

Managing Director

Place : MUMBAI

Date: 30th May 2015

Sd/-

SHASHANK B. SANDU

Director

Sd/-

Nikesh Shah

Chief Financial Officer

Sd/-

Pratika V. Shenvi Desai

Company Secretary

Statement of Profit and Loss for the Period ended 31st March 2015

	Particulars	Note No.	For the year ended 31 March, 2015 Amount (₹)	For the year ended 31 March, 2014 Amount (₹)
A	CONTINUING OPERATIONS			
1	Revenue from operations (gross)	17	447,343,026	406,095,249
	Less: Excise duty	17	5,127,185	3,962,805
	Less: Trade Discount	17	48,013,846	42,672,472
	Add: Insurance Claim Received	17	1,814,304	147,559
	Revenue from operations (net)		396,016,301	359,607,531
2	Other income	18	1,368,834	3,268,247
3	Total revenue (1+2)		397,385,135	362,875,778
4	Expenses			
	(a) Cost of materials consumed	19.a	67,618,878	71,952,406
	(b) Purchase of Stock-in-trade	19.b	138,238,168	182,130,695
	(c) Changes in inventories of finished goods, work-in-progress & Stock-in-trade	19.c	14,386,275	(42,037,909)
	(d) Employee benefits expense	20	36,898,828	33,475,506
	(e) Finance costs	21	13,702,573	10,555,177
	(f) Depreciation and amortisation expense	11	5,745,361	5,360,342
	(g) Other expenses	22	114,507,629	93,207,487
	Total expenses		391,097,712	354,643,704
5	Profit / (Loss) before exceptional and extraordinary items and tax (3 - 4)		6,287,423	8,232,074
6	Exceptional items		-	-
7	Profit / (Loss) before extraordinary items and tax (3 + 4)		6,287,423	8,232,074
8	Tax expense:			
	(a) Current tax expense for current year		1,250,000	2,400,000
	(b) (Less): MAT credit (where applicable)			
	(c) Current tax expense relating to prior years			
	(b) Net current tax expense		1,250,000	2,400,000
	(c) Deferred tax		900,793	870,217
			2,150,793	3,270,217
9	Profit / (Loss) for the year (7-8)		4,136,630	4,961,857
10	Earnings per share (of 10/- each):			
	(a) Basic	26	0.58	0.70
	(i) Continuing operations	26	0.58	0.70
	(ii) Total operations			
	See accompanying notes forming part of the financial statements	1 & 2		

In terms of my report attached.

For JOSHI JOSHI & CO
Chartered Accountants
Firm Reg.No.104393W
Sd/-
M.M. JOSHI
Proprietor
M.No.:42466 of 89
Place : MUMBAI
Date : 30th May 2015

For and on behalf of the Board of Directors
Sd/- Sd/-
BHASKAR G. SANDU SHASHANK B. SANDU
Director Director
Sd/- Sd/-
UMESH B. SANDU Nimesh Shah Sd/-
Managing Director Chief Financial Officer Pratika V. Shenvi Desai
Place: MUMBAI Company Secretary
Date: 30th May 2015

Cash Flow Statement for the year ended 31st March, 2015

Particulars	"For the year ended 31 March, 2015"		"For the year ended 31 March, 2014"	
	Amount (₹)	Amount (₹)	Amount (₹)	Amount (₹)
A. Cash flow from operating activities				
Net Profit / (Loss) before extraordinary items and tax		62.87		82.32
Adjustments for:				
Depreciation and amortisation				
Finance costs	105.24		53.60	
Interest income	137.02		105.55	
Dividend income	(7.92)		(7.01)	
Other non operating Income	(4.13)		(5.28)	
Prior period Income	(1.63)		(20.39)	
Net (gain) / loss on sale of investments	0.00		0.00	
	0.00		0.00	
Operating profit / (loss) before working capital changes		228.57		126.47
Changes in working capital:				
Adjustments for (increase) / decrease in operating assets:		291.44		208.79
Inventories				
Trade receivables				
Short-term loans and advances	89.53		(370.95)	
Adjustments for increase / (decrease) in operating liabilities:	(65.97)		(120.03)	
Trade payables	(329.03)		(16.41)	
Other current liabilities				
Short-term provisions	178.08		74.65	
	15.95		91.46	
Cash generated from operations	307.82		50.65	
Net income tax (paid) / refunds		196.38		(290.63)
Net cash flow from / (used in) operating activities (A)		487.81		(81.84)
		(12.50)		(24.00)
B. Cash flow from investing activities		475.31		(105.84)
Capital expenditure on fixed assets, including capital advances				
Current investments not considered as Cash and cash equivalents	(31.91)		(101.46)	
- Purchased				
- Proceeds from sale				
Interest received	0.00		0.00	
Dividend received	0.00		(1.41)	
Other Income	7.92		7.01	
	4.13		5.28	
Net cash flow from / (used in) investing activities (B)	1.63		20.39	
		(18.23)		(70.19)
		(18.23)		(70.19)
C. Cash flow from financing activities				
Proceeds from long-term borrowings	(53.04)		80.86	
Repayment of long-term borrowings	(137.03)		(105.55)	
Finance cost		(190.07)		(24.69)
Cash flow from extraordinary items				
Net cash flow from / (used in) financing activities (C)				
Net increase / (decrease) in Cash and cash equivalents (A+B+C)		(190.07)		(24.69)
Cash and cash equivalents at the beginning of the year		267.01		(200.72)
		146.30		347.02
Cash and cash equivalents at the end of the year		413.31		146.30

In terms of my report attached.

For JOSHI JOSHI & CO
Chartered Accountants
Firm Reg.No.104393W
Sd/-
M.M. JOSHI
Proprietor
M.No.:42466 of 89
Place : MUMBAI
Date : 30th May 2015

For and on behalf of the Board of Directors

Sd/-
BHASKAR G. SANDU
Director
Sd/-
UMESH B. SANDU
Managing Director
Place: MUMBAI
Date: 30th May 2015

Sd/-
SHASHANK B. SANDU
Director
Sd/-
Nikesh Shah
Chief Financial Officer

Sd/-
Pratika V. Shenvi Desai
Company Secretary

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note	Particulars
1	Corporate information
	<p>Sandu Pharmaceuticals is an ISO 9001:2000 Certified Company. It was established in the year 1985. The company specializes in manufacture and marketing of Ayurvedic medicines. It has acquired a unique position and reputation as a leading enterprise in the field of Ayurved.</p>
2	Significant accounting policies
2.1	Basis of accounting and preparation of financial statements
	<p>The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 2013. The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.</p>
	<p>All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the 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 ascertain its operating cycle as 12 months for the purpose of current - non current classification of assets and liabilities.</p>
2.2	Use of estimates
	<p>The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.</p>
2.3	Inventories
	<p>The Stock of packing material, raw material valued at cost and finished goods have been valued at cost or net realisable value whichever is lower. The method adopted for valuation of finished goods & work-in-process is retail method of valuation envisaged in AS 2 issued by the ICAI. Under this method cost of the inventory is determined by reducing from the sales value of the inventory the appropriate percentage of gross margin. The Company has valued finished goods at percentage of sale price. Cost includes all charges in bringing the goods to the point of sale, including octroi and other levies, transit insurance and receiving charges.</p>
2.4	Cash and cash equivalents (for purposes of Cash Flow Statement)
	<p>Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.</p>
2.5	Cash flow statement
	<p>Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.</p>

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note	Particulars
2.6	<p>Depreciation and amortisation</p> <p>Depreciation on fixed assets has been provided on the Straight Line method as per the useful Life 'prescribed in Schedule II to the Companies Act, 2013. Assets Costing ₹ 5000/- or less charged off as Expense in the year of purchase During the year, pursuant to the notification of Schedule II to the Companies Act, 2013 with effect from April 1, 2014, the Company revised the estimated useful life of some of its assets to align with the useful life with those specified in Schedule II.</p> <p>Pursuant to the transition provisions prescribed in Schedule II to the Companies Act, 2013, the Company has fully depreciated the carrying value of assets, net of residual value, where the remaining useful life of the asset was determined to be nil as on April 1, 2014, and has adjusted an amount of 47.79 Lakhs in the Notes 4 for the Reserves & surplus</p>
2.7	<p>Revenue recognition</p> <p>Sale of goods</p> <p>Sales are recognised, net of returns, on transfer of significant risks and rewards of ownership to the buyer, which generally coincides with the delivery of goods to customers. Sales include excise duty but exclude sales tax and value added tax. Sale Discount has been disclosed separately by way of debit to Statement of Profit & Loss.</p>
2.8	<p>Other income</p> <p>Interest income is accounted on accrual basis. Dividend income is accounted for when the right to receive it is established.</p>
2.9	<p>Tangible and Intangible fixed assets</p> <p>"Fixed assets, except Leasehold Land are carried at cost less accumulated depreciation and impairment losses, if any. The cost of fixed assets includes interest on borrowings attributable to acquisition of qualifying fixed assets up to the date the asset is ready for its intended use and other incidental expenses incurred up to that date. Machinery spares which can be used only in connection with an item of fixed asset and whose use is expected to be irregular are capitalised and depreciated over the useful life of the principal item of the relevant assets. Subsequent expenditure relating to fixed assets is capitalised only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.</p> <p>Impairment</p> <p>Assessment is done at each Balance Sheet date as to whether there is any indication that an asset (tangible and intangible) may be impaired. For the purpose of assessing impairment the smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or group of assets, is considered as a cash generating unit. If any such indication exists, an estimate of the recoverable amount of the asset / cash generating unit is made. Assets whose carrying value exceeds their recoverable amount are written down to the recoverable amount. Recoverable amount is higher of an assets' or cash generating units' net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. Assessment is also done at each Balance Sheet date as to whether there is any indication that an impairment loss recognised for an asset in prior accounting periods may no longer exist or may have decreased.</p>
2.10	<p>Investments</p> <p>Non Current investments, are carried individually at cost less provision for diminution, other than temporary, in the value of such investments. Current investments are carried individually, at the lower of cost and fair value. Cost of investments include acquisition charges such as brokerage, fees and duties.</p>

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note	Particulars
2.11	<p>Employee benefits</p> <p>Employee benefits include provident fund, superannuation fund, gratuity fund, compensated absences, long service awards.</p> <p>Defined contribution plans</p> <p>The Company's contribution to provident fund and superannuation fund are considered as defined contribution plans and are charged as an expense as they fall due based on the amount of contribution required to be made.</p> <p>Defined benefit plans</p> <p>For defined benefit plans in the form of gratuity fund , the cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each Balance Sheet date. Actuarial gains and losses are recognised in the Statement of Profit and Loss in the period in which they occur. Past service cost is recognised immediately to the extent that the benefits are already vested and otherwise is amortised on a straight-line basis over the average period until the benefits become vested. The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost, as reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to past service cost, plus the present value of available refunds and reductions in future contributions to the schemes.</p> <p>Short-term employee benefits</p> <p>The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the service. These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service. The cost of such compensated absences is accounted as under :</p> <p>(a) in case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; and</p> <p>(b) in case of non-accumulating compensated absences, when the absences occur.</p> <p>Long-term employee benefits</p> <p>Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognised as a liability at the present value of the defined benefit obligation as at the Balance Sheet date less the fair value of the plan assets out of which the obligations are expected to be settled.</p>
2.12	<p>Segment reporting</p> <p>The Company identifies primary segments based on the dominant source, nature of risks and returns and the internal organisation and management structure. The Company is presently operating in single segment.</p>
2.13	<p>As regards to compliance of provision relating to the dues to the Small Scale Industries in terms to the companies(Amendment) Act, 1998, the Company has not received from any parties claim to be Small Scale Industries. Hence , the said information is not given.</p>
2.14	<p>Earnings per share</p> <p>Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) as adjusted for dividend by the weighted average number of equity shares outstanding during the year.</p>

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note	Particulars
2.15	<p>Taxes on income</p> <p>Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961.</p> <p>Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantially enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets in respect of unabsorbed depreciation and carry forward of losses are recognised only if there is virtual certainty that there will be sufficient future taxable income available to realise such assets. Deferred tax assets are recognised for timing differences of other items only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each Balance Sheet date for their realisability.</p> <p>Current and deferred tax relating to items directly recognised in equity are recognised in equity and not in the Statement of Profit and Loss.</p>
2.16	<p>Provisions and contingencies</p> <p>A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the Notes and not provided in the Balance Sheet.</p>

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note 3 Share capital

Particulars	As at 31 March, 2015		As at 31 March, 2014	
	Number of shares	Amount (₹)	Number of shares	Amount (₹)
(a) Authorised				
Equity shares of ₹ 10/- each with voting rights	10,000,000	100,000,000	10,000,000	100,000,000
(b) ISSUED, SUBSCRIBED & PAID-UP CAPITAL				
7081000 (PY: 7081000) Equity shares of ₹ 10/- each fully paid-up.	7,081,000	70,810,000	7,081,000	70,810,000
Total	7,081,000	70,810,000	7,081,000	70,810,000

Note 3 (a) Share capital

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

Particulars	As at 31 March, 2015		As at 31 March, 2014	
	Number of shares	Amount (₹)	Number of shares	Amount (₹)
Equity shares with voting rights				
Balance as at the beginning and end of the year	7,081,000	70,810,000	7,081,000	70,810,000

Note 3 (b) Share capital

Details of shares held by each shareholder holding more than 5% shares:

Class of shares / Name of shareholder	As at 31 March, 2015		As at 31 March, 2014	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Equity shares with voting rights				
BHASKAR GOVIND SANDU	737000	10.408%	737000	10.408%
SHASHANK BHASKAR SANDU	657900	9.291%	657900	9.291%
UMESH BHASKAR SANDU	677100	9.562%	677100	9.562%
SANMARK REALTY AND FINANCE PRIVATE LTD.	543930	7.682%	543930	7.682%

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note 4 Reserves and surplus

Particulars	As at 31 March, 2015 Amount (₹)	As at 31 March, 2014 Amount (₹)
(a) Capital reserve		
Opening balance	2,600,000	2,600,000
Closing balance	2,600,000	2,600,000
(b) General reserve		
Opening balance	97,207,750	96,711,564
Add: 10% Transferred from Surplus in Statement of Profit and Loss	-	496,186
Less: Adjustment of Depreciation (Refer Note 2.6)	4,779,381	
Closing balance	92,428,369	97,207,750
(c) Surplus / (Deficit) in Statement of Profit and Loss		
Opening balance	11,482,593	7,016,922
Add: Profit / (Loss) for the year	4,136,630	4,961,857
Less: Transferred to:		
General reserve	-	496,186
Closing balance	15,619,223	11,482,593
Total	110,647,591	111,290,343

Note 5 Long-term borrowings

Particulars	As at 31 March, 2015 Amount (₹)	As at 31 March, 2014 Amount (₹)
(a) Term loans		
Secured		
From banks		
Dena Bank	11,945,936	17,081,881
[Secured by hypothecation of Factory Land & Building, Plant & Machinery, Civil work and personal Guarantee of 3 directors to be payable in 72 monthly installments]		
Un-secured		
From Financial Institution	-	168,010
Tata Capital Ltd.		
[To be repaid in 60 monthly installments]		
	11,945,936	17,249,890
Total	11,945,936	17,249,890

NOTES FORMING PART OF THE FINANCIAL STATEMENTS
Note 6 Disclosures under Accounting Standards

Particulars	As at 31 March, 2015 Amount (₹)	As at 31 March, 2014 Amount (₹)
Deferred tax (liability) / (asset)		
Opening Balance	9,115,445	8,245,228
Tax effect of items constituting deferred tax assets		
On difference between book balance and tax balance of fixed assets	900,793	870,217
Net deferred tax (liability) / (asset)	10,016,238	9,115,445

Note 7 Short-term borrowings

Particulars	As at 31 March, 2015 Amount (₹)	As at 31 March, 2014 Amount (₹)
Loans repayable on demand		
From banks		
Secured against hypothecation of stocks & Book Debts	106,818,410	76,036,507
Total	106,818,410	76,036,507

Note 8 Trade payables

Particulars	As at 31 March, 2015 Amount (₹)	As at 31 March, 2014 Amount (₹)
Trade payables	62,433,358	44,625,650
(The Company has not received confirmation from any party regarding their status under MSMED, Act 2006)		
Total	62,433,358	44,625,650

Note 9 Other current liabilities

Particulars	As at 31 March, 2015 Amount (₹)	As at 31 March, 2014 Amount (₹)
Advance Received from Customers	1,376,742	1,263,734
Other payables		
(i) Statutory Dues	2,866,650	1,988,569
(ii) Trade / security deposits received	2,445,001	1,881,001
(iii) Current Maturities of Long Term Borrowings	5,777,244	6,314,234
(iv) Current Maturities of Vehicle Loan	168,010	268,484
(v) Provision for expenses	3,734,735	3,754,783
(vi) Outstanding Liabilities	4,280,923	3,544,899
(vii) Retention	901,487	939,727
Total	21,550,792	19,955,431

NOTES FORMING PART OF THE FINANCIAL STATEMENTS**Note 10 Short-term provisions**

Particulars	As at 31 March, 2015 Amount (₹)	As at 31 March, 2014 Amount (₹)
(a) Provision for employee benefits:		
(i) Provision for salaries	3,831,161	3,750,084
(ii) Provision for Gratuity	840,225	848,625
	4,671,386	4,598,709
(b) Provision - Others:		
(iii) Provision for tax	16,245,000	14,995,000
	16,245,000	14,995,000
Total	20,916,386	19,593,709

Note 11A Fixed assets

	Gross block				Accumulated depreciation and impairment				Net block		
	Balance as at 1 April, 2014	Additions	Disposals	Balance as at 31 March, 2015	Balance as at 1 April, 2014	Revision in ACC dep as per Sch II	Depreciation / amortisation expense for the period	Eliminated on disposal of assets	Balance as at 31 March, 2015	Balance as at 31 March, 2015	Balance as at 31 March, 2014
	Amount (₹)	Amount (₹)	Amount (₹)	Amount (₹)	Amount (₹)	Amount (₹)	Amount (₹)	Amount (₹)	Amount (₹)	Amount (₹)	Amount (₹)
Tangible Assets											
(a) Land Leasehold	5,619,529	-	-	5,619,529	-	-	-	-	-	5,619,529	5,619,529
(b) Buildings	78,603,905	1,184,345	-	79,788,250	23,211,917	-	1,081,892	-	24,293,809	55,494,441	55,391,988
(c) Plant and Equipment	34,963,301	882,472	-	35,845,773	18,247,680	3,765,765	1,512,417	-	23,525,862	12,319,911	16,715,620
(d) Furniture and Fixtures	4,761,904	-	-	4,761,904	1,194,617	-	434,225	-	1,628,842	3,133,062	3,567,287
(e) Vehicles	1,453,475	-	-	1,453,475	668,546	-	392,465	-	1,061,011	392,465	784,929
(f) Office equipment	10,201,608	1,124,382	-	11,325,990	4,276,274	394,169	2,059,982	-	6,730,425	4,595,565	5,925,334
(h) Electrical Installation	4,495,775	-	-	4,495,775	1,667,670	619,448	248,108	-	2,535,226	1,960,549	2,828,105
(i) Tools and Dyes	249,707	-	-	249,707	178,944	-	15,266	-	194,210	55,497	70,763
Total Tangible Assets	140,349,204	3,191,199	-	143,540,403	49,445,649	4,779,381	5,744,354	-	59,969,385	83,571,018	90,903,555
Intangible assets											
Software	54,000	-	-	54,000	54,000	-	-	-	54,000	-	-
Total Intangible Assets	54,000	-	-	54,000	54,000	-	-	-	54,000	-	-
Total	140,403,204	3,191,199	-	143,594,403	49,499,648	4,779,381	5,744,354	-	60,023,385	83,571,018	90,903,556
Previous year	105,077,707	35,325,497	-	140,403,204	44,139,306	-	5,360,342	-	49,499,648	90,903,556	60,938,401

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note 12 Non-current investments

Particulars	As at 31 March, 2015			As at 31 March, 2014		
	Quoted	Unquoted	Total	Quoted	Unquoted	Total
	Amount (₹)	Amount (₹)	Amount (₹)	Amount (₹)	Amount (₹)	Amount (₹)
(a) Other investments						
Investment in equity instruments	1,475,797	20,000	1,495,797	1,393,297	20,000	1,413,297
(b) Investment in mutual funds	5,477,901	-	5,477,901	5,453,251	-	5,453,251
Total - Other investments	6,953,698	20,000	6,973,698	6,846,548	20,000	6,866,548
Total			6,973,698			6,866,548

Investments:

Investments are valued at cost. The details are as follows:-

Purchase and sale/redemption of investments during the period:

Description	Market Value as on 31.03.2015	Face Value	Opening Balance as on 01.04.2014	Acquisition		Disposals		Closing Balance as on 31.03.2015		Closing Balance as on 31.03.2014	
		(₹)	Nos.	Amount (₹)	Nos.	Amount (₹)	Nos.	Amount (₹)	Nos.	Amount (₹)	Amount (₹)
Equity Shares: (Quoted)											
Kerala Ayurveda Ltd.		10	300	20,930	-	-	-	-	300	20,930	20,930
Powergrid Corporation of India Ltd.		10	1,715	167,814	-	-	-	-	1,715	167,814	167,814
Tata Chemicals Ltd.		10	500	162,189	-	-	-	-	500	162,189	162,189
The Indian Hotels Company Ltd.		1	3,943	324,276	-	-	-	-	3,943	324,276	324,276
The Indian Hotels Company Ltd. (Rights Issue)					1,500	82,500			1,500	82,500	-
NTPC Ltd.		10	300	52,737	-	-	-	-	300	52,737	52,737
PTC India Ltd.		10	500	40,805	-	-	-	-	500	40,805	40,805
Indraprastha Medical Corporation Ltd.		10	5,000	241,013	-	-	-	-	5,000	241,013	241,013
Kamat Hotels (India) Ltd.		10	1,580	191,954	-	-	-	-	1,580	191,954	191,954
NHPC Ltd.		10	5,000	178,424	-	-	-	-	5,000	178,424	178,424
Nagarjuna Fertilizers and Chemicals Ltd.		10	550	13,155	-	-	-	-	550	13,155	13,155
Nagarjuna Oil Refinery*		1	500	-	-	-	-	-	500	-	-
Total Investment in Equity Instruments			19,888	1,393,297		82,500			21,388	1,475,797	1,393,297
Units of Schemes of Various Funds: (Quoted)											
HDFC Top 200 Fund - Dividend, Option : Reinvest			20,074	895,468	-	-	-	-	20,074	895,468	895,468
Reliance Vision Fund -Retail Plan -Dividend Plan			15,716	675,000	-	-	-	-	15,716	675,000	675,000
Reliance Regular Savings Fund -Equity Plan-Dividend Plan			30,553	700,000	-	-	-	-	30,553	700,000	700,000
Sundaram Select Midcap - Dividend			36,556	650,208	-	-	-	-	36,556	650,208	650,208
DSP Black Rock India T.I.G.E.R.Fund-Regular Dividend Plan			34,870	649,649	-	24,650	-	-	34,870	674,299	649,649
IDFC Premier Equity Fund-Dividend Plan			14,837	375,000	-	-	-	-	14,837	375,000	375,000
Kotak Opportunities - Dividend			19,278	275,000	-	-	-	-	19,278	275,000	275,000
Kotak Opportunities - Growth			8,165	375,000	-	-	-	-	8,165	375,000	375,000
HDFC Equity Fund - Dividend , Option : Reinvest			18,877	857,926	-	-	-	-	18,877	857,926	857,926
Total of Investment in Mutual Funds			198,926	5,453,251		24,650			198,926	5,477,901	5,453,251
Equity Shares: (Unquoted)											
The Shamrao Vithal Co-op.Bank Ltd.		10	400	10,000	-	-	-	-	400	10,000	10,000
Unived Corporate Research Pvt.Ltd.		10	1,000	10,000	-	-	-	-	1,000	10,000	10,000
Total Unquoted Equity Shares			1,400	20,000					1,400	20,000	20,000
Total Investments			220,214	6,866,548		107,150			221,714	6,973,697.5	6,866,548

NOTES FORMING PART OF THE FINANCIAL STATEMENTS**Note 13 Inventories**

Particulars	As at 31 March, 2015 Amount (₹)	As at 31 March, 2014 Amount (₹)
(a) Raw materials	22,113,471	16,679,711
(b) Work-in-progress	30,399,955	18,477,633
(c) Finished goods	29,926,014	23,041,358
(d) Stock in Trade	44,340,841	77,534,093
Total	126,780,280	135,732,795

Note 14 Trade receivables

Particulars	As at 31 March, 2015 Amount (₹)	As at 31 March, 2014 Amount (₹)
Trade receivables outstanding for a period exceeding six months from the date they were due for payment		
Secured, considered good	5,491,269	6,932,976
Considered Doubtful	611,092	
Other Trade receivables	59,488,554	52,061,049
Secured, considered good		-
Total	65,590,915	58,994,025

Note 15 Cash and Bank Balances

Particulars	As at 31 March, 2015 Amount (₹)	As at 31 March, 2014 Amount (₹)
(a) Cash on hand	985,250	666,926
(b) Balances with banks		
(i) In current accounts	31,424,074	5,718,494
(ii) In deposit accounts	8,923,131	8,244,003
Total	41,332,455	14,629,424

Note 16 Short-term loans and advances

Particulars	As at 31 March, 2015 Amount (₹)	As at 31 March, 2014 Amount (₹)
(a) Security deposits		
Unsecured, considered good	464,860	464,860
(b) Loans and advances to employees		
Unsecured, considered good	117,111	84,180
(c) Prepaid expenses - Unsecured, considered good	374,170	179,014
(d) Balances with government authorities	36,042,051	31,788,064
(e) Loans and Advances to Companies		
Unsecured, considered good		1,965,173
(f) Advances paid to Suppliers	53,319,850	26,533,911
(g) Other Loans and Advances	572,299	535,426
Total	90,890,341	61,550,628

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note 17 Revenue from operations

	Particulars	As at 31 March, 2015 Amount (₹)	As at 31 March, 2014 Amount (₹)
(a)	Sale of Ayurvedic Products	447,343,026	406,095,249
(b)	Less:	5,127,185	3,962,805
(c)	Excise duty	48,013,846	42,672,472
	Trade Discount		
	Add: Insurance Claims Received	1,814,304	147,559
	Total	396,016,299	359,607,531
Note			
(i)	Sale of Ayurvedic Products comprises:		
	Manufactured goods	200,802,399	182,287,184
	Traded goods	246,540,627	223,808,065
	Exports	-	-
	Total - Sale of products	447,343,026	406,095,249

Note 18 Other income

	Particulars	As at 31 March, 2015 Amount (₹)	As at 31 March, 2014 Amount (₹)
(a)	Interest income (Refer Note (i) below)	792,426	700,951
(b)	Dividend income:		
	from Non current investments	413,496	527,826
(c)	Other non-operating income (net of expenses directly attributable to such income) (Refer Note (ii) below)	162,912	2,039,470
	Total	1,368,834	3,268,247

Note	Particulars	As at 31 March, 2015 Amount (₹)	As at 31 March, 2014 Amount (₹)
(i)	Interest income comprises:	792,426	700,951
	Interest from banks on:		
	deposits		
	Interest on loans and advances		
	Interest on overdue trade receivables		
	Interest income from current investments		
	subsidiaries		
	joint ventures		
	associates		
	others		
	Interest income from long term investments		
	subsidiaries		
	joint ventures		
	associates		
	others		
	Interest on income tax refund		
	Other interest		
	Total - Interest income	792,426	966,301
(ii)	Other non-operating income comprises:		
	Treatment Charges	152,975	208,347
	Miscellaneous Income	9,937	1,831,123
	Total - Other non-operating income	162,912	2,039,470

NOTES FORMING PART OF THE FINANCIAL STATEMENTS**Note 19.a Cost of materials consumed**

Particulars	For the period ended 31 December, 2015 Amount (₹)	For the year ended 31 March, 2014 Amount (₹)
Opening stock	16,679,711	21,623,087
Add: Purchases	73,052,638	67,009,030
	89,732,349	88,632,117
Less: Closing stock	22,113,471	16,679,711
Cost of material consumed	67,618,878	71,952,406

Note 19.b Purchase of traded goods

Particulars	For the year ended 31 March, 2015 Amount (₹)	For the year ended 31 March, 2014 Amount (₹)
Purchases of traded goods	138,238,168	182,130,695
Total	138,238,168	182,130,695

Note 19.c Changes in inventories of finished goods and work-in-progress

Particulars	For the year ended 31 March, 2015 Amount (₹)	For the year ended 31 March, 2014 Amount (₹)
Inventories at the end of the year:		
Finished goods	29,926,014	23,041,358
Work-in-progress	30,399,955	18,477,633
Stock in Trade	44,340,841	77,534,093
	104,666,809	119,053,084
Inventories at the beginning of the year:		
Finished goods	23,041,358	25,871,303
Work-in-progress	18,477,633	1,945,102
Stock in Trade	77,534,093	49,198,770
	119,053,084	77,015,175
Net (increase) / decrease	14,386,275	(42,037,909)

Note 20 Employee benefits expense

Particulars	For the year ended 31 March, 2015 Amount (₹)	For the year ended 31 March, 2014 Amount (₹)
Salaries and wages	33,887,341	30,824,579
Contributions to provident and other funds	2,237,454	1,956,215
Staff welfare expenses	774,033	694,712
Total	36,898,828	33,475,506

NOTES FORMING PART OF THE FINANCIAL STATEMENTS**Note 21 Finance costs**

Particulars	For the year ended 31 March, 2015 Amount (₹)	For the year ended 31 March, 2014 Amount (₹)
(a) Interest expense on:		
- Borrowings	13,046,738	9,982,252
- Security Deposits	174,451	126,793
(b) Bank Charges	481,384	446,132
Total	13,702,573	10,555,177

Note 22 Other expenses

Particulars	For the year ended 31 March, 2015 Amount (₹)	For the year ended 31 March, 2014 Amount (₹)
Power and fuel	5,068,287	5,544,890
Rent	1,785,002	1,510,618
Repairs and maintenance - Buildings	1,971,370	1,135,178
Repairs and maintenance - Machinery	2,985,499	1,962,365
Repairs and maintenance - Others	718,996	720,559
Rates and taxes	1,038,927	1,445,682
Travelling and conveyance	26,061,922	22,811,456
Printing and stationery	2,654,843	3,496,846
Freight and forwarding	26,697,951	21,764,221
Sales discount	14,366,731	14,293,125
Business promotion	17,751,303	5,620,229
Legal and professional	2,389,871	2,106,324
Payments to auditors (Refer Note (i) below)	123,596	179,776
Bad trade and other receivables, loans and advances written off	-	362,141
Prior period items (net) (Refer Note (ii) below)	(12,642)	668,963
Miscellaneous expenses	10,905,972	9,585,114
Total	114,507,629	93,207,488

Particulars	For the year ended 31 March, 2015 Amount (₹)	For the year ended 31 March, 2014 Amount (₹)
(i) Payments to the auditors comprises		
As auditors - statutory audit	110,000	70,000
For taxation matters	-	15,000
For other services	-	75,000
	110,000	160,000
Service Tax	13,596	19,776
Total	123,596	179,776

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Payments for

- taxation matters would include tax audit fees, certifications under the Income Tax Act, tax advisory services, etc.
- company law matters would include certifications (e.g. certificate for buy-back of shares, etc.), company law advisory services, etc.
- other services would include limited reviews, group reporting, other attest services and certifications under other laws, etc.

(ii) Details of Prior period items (net)		
Octroi	50,629.00	53,434.00
Incentive		113,762.00
Sales		485,780.00
P.F. Administrative		6,281.00
Services Charges	25,978.00	33,000.00
Interest on FDR		14,812.00
Telephone Expenses	40,827.00	1,421.00
Sales Tax Expenses		36,854.00
Cash Discount	1,284.00	
Interest	52,175.00	
Freight	129,905.00	-
	300,798.00	745,344.00
Less: Business Promotion	313,440.00	
Less: Dividend on Mutual Fund		76,381.00
Total	(12,642.00)	668,963.00

Note 23 Disclosures under Accounting Standards**Employee benefit plans****Defined contribution plans**

The Company makes Provident Fund contributions to defined contribution plans for qualifying employees. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognised Rs.13,39,352 (Year ended 31 March, 2014 Rs.10,55,499) for Provident Fund contributions in the Statement of Profit and Loss. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.

Defined benefit plans

The Company offers the following employee benefit schemes to its employees:

- i. Gratuity: On the basis of actuarial valuation the Company has recognised Gratuity Liability of Rs 129,646/- (P.Y.) and paid Rs. 129,308/- (C.Y.)

Particulars	For the year ended 31 March, 2015 Amount (₹)	For the year ended 31 March, 2014 Amount (₹)
Present Value of Past Service Benefit	1,339,352	1,327,652
Current Service Cost	129,308	129,646
Fair Value of balance in fund	645,544	479,027

NOTES FORMING PART OF THE FINANCIAL STATEMENTS**Note 24 Disclosures under Accounting Standards (contd.)**

Particulars	For the year ended 31 March, 2015 Amount (₹)	For the year ended 31 March, 2014 Amount (₹)
Details of borrowing costs: Borrowing costs are directly debited to Profit & Loss account	13,221,189	10,109,045
	13,221,189	10,109,045

Note 25 Disclosures under Accounting Standards

Particulars	
Related party transactions Details of related parties:	
Description of relationship	Names of related parties
Key Management Personnel (KMP) Relatives of KMP Companies in which KMP / Relatives of KMP can exercise significant influence	Mr.Umesh B.Sandu - Managing Director Mr B G. Sandu, Mr Shashank Sandu Akshath Finvest & Properties Pvt. Ltd. Neelamber Leasing And Finvest Pvt. Ltd Noumura Realty & Constructions Pvt. Ltd Phybrichem Engineers Pvt. Ltd Sandu Brothers Pvt Ltd Sanbert Packaging Pvt. Ltd Sanbro Marketing Services Pvt. Ltd Sandu Research Foundation Pvt. Ltd Sanfar Communication Pvt. Ltd Sanmark Realty And Finance Pvt. Ltd

Note: Related parties have been identified by the Management.

Details of related party transactions during the year ended 31 March, 2015

	KMP	Entities in which KMP / relatives of KMP have significant influence	Total
- Sandu Research Foundation Pvt.Ltd.			
Refund of Advace Paid		3,550,000	3,550,000
Other Services		224,000	224,000
		(3,774,000)	(3,774,000)
- Umesh B. Sandu	1,700,000	-	1,700,000
Remuneration Paid to Directors	(1,700,000)	-	(1,700,000)
-Sandu Brothers Pvt Ltd			
Purchase & Sales of goods		164,943,354	164,943,354
-Sandu Brothers Pvt Ltd			
Other Services (Rent Paid)		60,000	

Note: Figures in bracket relates to the previous year

NOTES FORMING PART OF THE FINANCIAL STATEMENTS**Note 26 Disclosures under Accounting Standards (contd.)**

Particulars	As at 31 March, 2015 Amount (₹)	As at 31 March, 2014 Amount (₹)
Earnings per share		
Basic		
Continuing operations		
Net profit / (loss) for the year from continuing operations	4,136,630	4,961,857
Less: Preference dividend and tax thereon		
Net profit / (loss) for the year from continuing operations attributable to the equity shareholders	4,136,630	4,961,857
Weighted average number of equity shares	7,081,000	7,081,000
Par value per share	10	10
Earnings per share from continuing operations - Basic	0.58	0.70
Total operations		
Net profit / (loss) for the year	4,136,630	4,961,857
Less: Preference dividend and tax thereon		
Net profit / (loss) for the year attributable to the equity shareholders	4,136,630	4,961,857
Weighted average number of equity shares	7,081,000	7,081,000
Par value per share	10	10
Earnings per share - Basic	0.58	0.70

Note 27 Previous year's figures

Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

Sandu Pharmaceuticals Limited

CIN: L24233GA1985PLC001587

Registered Office : Plot Nos. 25, 26, 29 & 30,

Pilerne Industrial Estate, Marra, Saligao, Bardez Goa - 403511

Ballot Form (In Lieu of e-voting)

1. Name and Registered Address of the Sole/first named Shareholder :
2. Name(s) of the Joint Shareholder(s) if any :
3. Registered Folio No./DPID No./Client ID No. :
4. No. of Equity Shares held :

I/we hereby exercise my/our vote in respect of the Resolution(s) to be passed for the business stated in the Notice of Annual General Meeting of the Company to be held on September 30, 2015 by conveying my/our assent or dissent to the said Resolution(s) by placing the tick () mark at the appropriate box below.

S r . No.	Resolutions	No of Equity Shares	I/we assent to the resolution (For)	I/we dissent to the resolution (Against)
	ORDINARY BUSINESS			
1	To consider and adopt Audited Financial Statement, Reports of the Board of Directors and Auditors.			
2	Re-appointment of Shri Bhaskar G. Sandu (DIN: 02816792), who retires by rotation and being, seeks Reappointment.			
3.	Reappointment of M/s Joshi Joshi & Co, Chartered Accountants Mumbai as Statutory Auditor.			
	SPECIAL BUSINESS			
4	Appointment of Dr. Mrs. Shubhada P. Sandu (DIN: 07148834) as Director of the company.			
5	Alteration of Article of Association of the Company.			
6	To consider and approve Related Party Transaction			

Place:

Date:

Signature of the Shareholder

ELECTRONIC VOTING PARTICULARS

Electronic Voting Event No.	Voter ID	Password

Note: Please read the instructions given under Note no.18 to the notice of the 30th Annual General Meeting before filling the form. Valid ballot forms received by the Scrutinizer by 5.00 P.M. on September 28th, 2015 shall only be considered.

The Voting period starts on Sunday, 27th September, 2015 at 10:00 am (IST) and ends on Tuesday 29th September, 2015 at 5:00 P.M. (IST).



SANDU PHARMACEUTICALS LIMITED

CIN: L24233GA 1985PLC001587

Registered Office : Plot Nos. 25, 26, 29 & 30, Pilerne Industrial Estate, Marra,
Saligao, Bardez Goa - 403511

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

Joint shareholders may obtain additional Slip at the venue of the meeting.

ATTENDANCE SLIP
30th Annual General Meeting

Sr. No.:

DP ID/Client ID/ Folio No.	
Name & Address of sole Member	
Name of Joint Holder(s), if any	
No. of Shares held	

I certify that I am a Member/ Proxy for the Member of the Company.

I hereby record my presence at the 30th Annual General Meeting of the Company held on Wednesday, September 30, 2015 at 9.00 a.m. at the Registered Office Plot Nos. 25, 26, 29 & 30, Pilerne Industrial Estate, Marra, Saligao, Bardez Goa - 403511.

Member's / Proxy's signature

* Applicable for investors holding shares in electronic form.

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ELECTRONIC VOTING PARTICULARS

EVSN (Electronic Voting Sequence)	User ID	PAN No. / Sequence Number
150829005		

Note : Please read the complete instructions given under the Note (Instructions for shareholders voting electronically) to the Notice of the Annual General Meeting. The voting time starts from Sunday 27th September, 2015 at 10.00 a.m. and ends on Tuesday 29th September, 2015 at 5.00 p.m. The voting module shall be disabled by CDSL for voting thereafter.

**FORM MGT-11
PROXY FORM**

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

**Sandu Pharmaceuticals Limited
CIN: L24233GA1985PLC001587**

Registered Office : Plot Nos. 25, 26, 29 & 30, Pilerne Industrial Estate, Marra, Saligao, Bardez Goa – 403511

Name of the member(s) :

e-mail Id:

Registered address:

Folio No. /*Client Id

*DP id:

I/ We being the member(s) of _____ shares of Sandu Pharmaceuticals Limited, hereby appoint:

1) _____ of _____ having e-mail id _____ or failing him

2) _____ of _____ having e-mail id _____ or failing him

3) _____ of _____ having e-mail id _____ or failing him

* Applicable for investors holding shares in electronic form.

and whose signature(s) are appended below as my / our proxy to attend and vote (on a poll) for me/ us and on my/ our behalf at the 30th Annual General Meeting of the Company, to be held on Wednesday, September 30, 2015 at 9.00 a.m. at the Registered Office Plot Nos. 25, 26, 29 & 30, Pilerne Industrial Estate, Marra, Saligao, Bardez, Goa – 403511 and at any adjournment thereof in respect of such resolutions as are indicated below:

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

Sr. No.	Resolutions	For	Against
	ORDINARY BUSINESS		
1	To consider and adopt Audited Financial Statement, Reports of the Board of Directors and Auditors.		
2	Re-appointment of Shri Bhaskar G. Sandu (DIN:02816792), who retires by rotation and being eligible, seeks Reappointment.		
3.	Re-appointment of M/s Joshi Joshi & Co, Chartered Accountants Mumbai as Statutory Auditor.		
	SPECIAL BUSINESS		
4	Appointment of Dr. Mrs. Shubhada P. Sandu (DIN:07148834) as Director of the company.		
5	Alteration of Article of Association of the Company.		
6	To consider and approve Related Party Transaction		

Signed this..... day of..... 2015

Signature of shareholder

Signature of first proxy holder

Signature of second proxy holder

Signature of third proxy holder

Notes:

1) This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.

2) A proxy need not be a member of the Company.

3) A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

**4) This is only optional. Please put a '✓' in the appropriate column against the resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.

5) Appointing a proxy does not prevent a member from attending the meeting in person if he so wishes.

6) In the case of joint holder, the signature of any one holder will be sufficient, but names of all the joint holders should be stated.

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Sandu Pharmaceuticals Limited AGM Route Map



Registered Office

Plot No.25, 26, 29 & 30
Pilerne Industrial Estate,
Marra, Bardez, Goa- 403 511



SANDU PHARMACEUTICALS LIMITED

Registered Office:

Plot No.25, 26, 29 & 30, Pilerne Industrial Estate

Marra, Bardez, Goa - 403 511