

A Tribute
Shri Uttam N. Bhuta
06.12.1939 - 13.06.2013



Annual Report
2012-2013

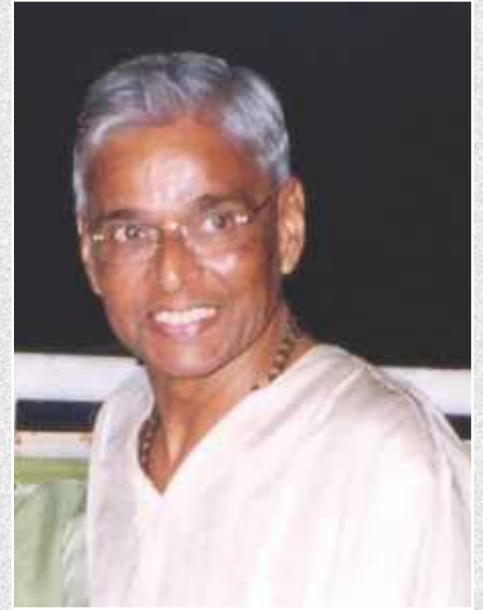
 **JENBURKT**
Delivering Excellence in Life Sciences



***“It is in our
darkest hour
that we must focus,
to find the light.”***



The great philosopher, Aristotle, could not have defined this moment better. Words that, we believe, would have also reflected in the approach of our honourable founder - Shri Uttam N Bhuta. His sudden demise is indeed a dark moment for us, at Jenburkt. However, he would have wanted us to go on and let the light burn bright. This is the way he led us. And this is the legacy he left for us.



Very few men can impress you with their charisma. Fewer still, can humble you with their simplicity. Shri Uttambhai, as fondly known, was a blend of both. Born in 1939 to Smt. Jamnaben and Shri Nandlal Mulji Bhuta in Sihor, he came to Mumbai with his family and was forced to sacrifice his studies to pursue his family business. He started his first business venture - Arun Traders - a textile company. He later went on to expand his business with interests in Iron & Steel, Chemicals, Grain, and Spices, under N. M. Bhuta & Sons, M/s M. Bhuta & Co., Shree Shakti Travels, Shree Shakti Textiles and so on. Bhuta Holdings Pvt. Ltd. and Jenburkt Pharmaceuticals Ltd. heralded his entry into the big league.

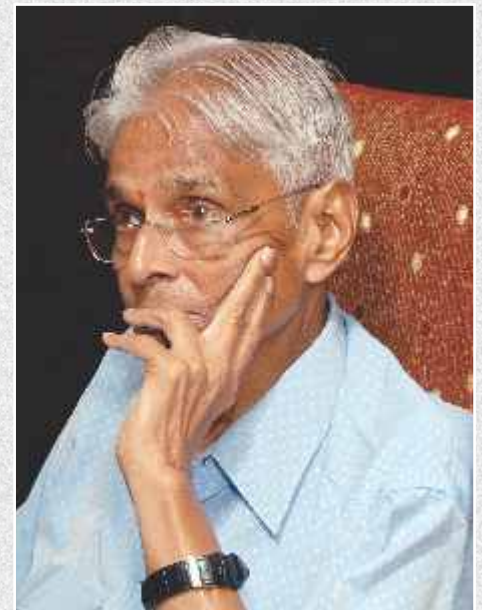


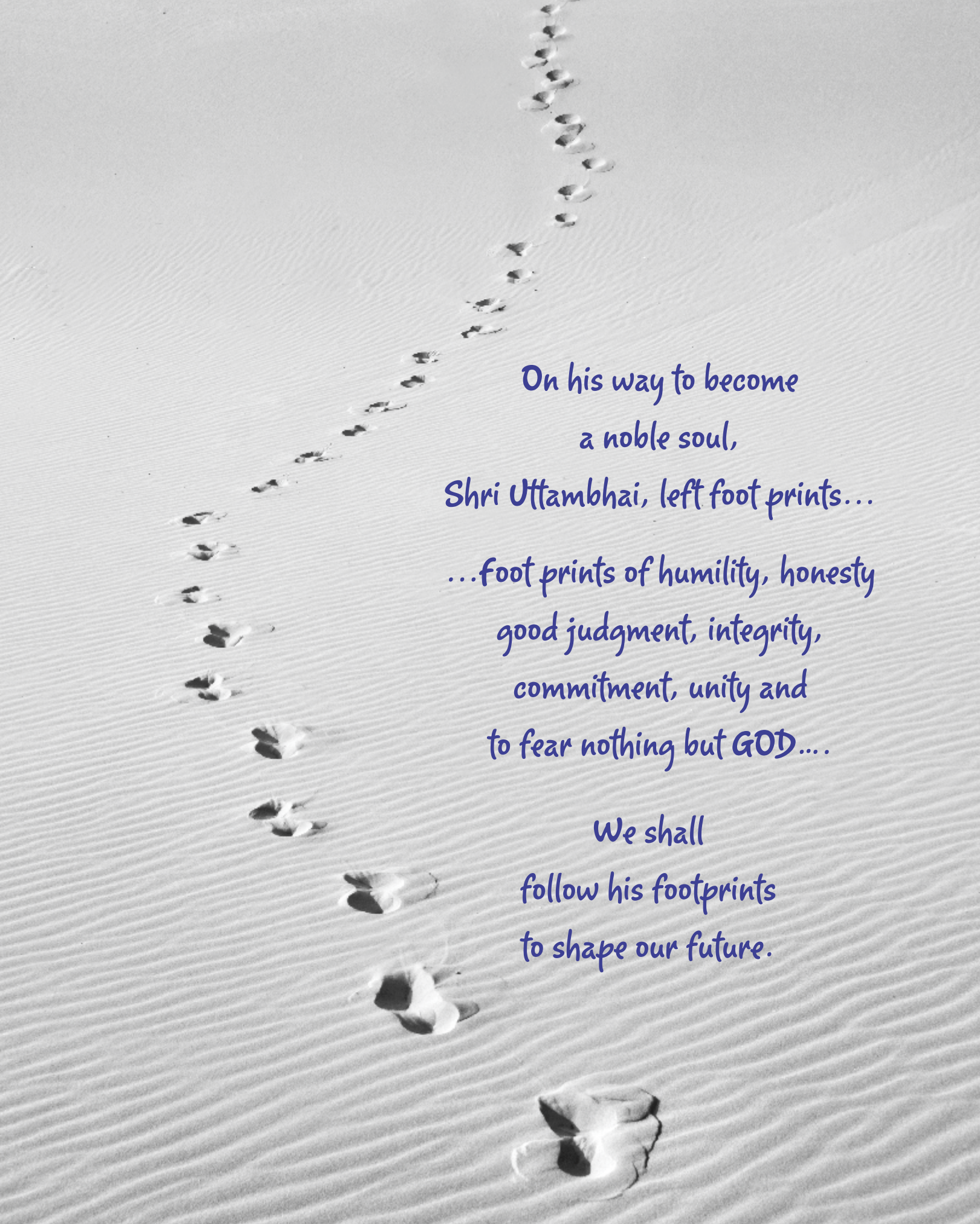
For many decades, his father Shri Nandlalbhai had been revered in the town of Sihor. 75 years ago, he even started a clinic to help the town's people. Following in his father's footsteps, Shri Uttambhai and his brothers, presented the people of Sihor with a hospital, apart from the Shri Nandlal Bhuta High School, N. M. Bhuta College of Commerce & Management, and Jamnaben Bhuta Arts College. All of them emerged as leading institutions in Sihor. Being an ardent devotee of **Ambe Maa**, he even built a temple in Her honour, besides donating towards various temple projects. It is indeed poignant to note that it was while he was in the city of his birth on a plant visit, he breathed his last.

Jenburkt owes more than its foundation to Shri Uttambhai. It was he who set the goals and philosophy for the company, making it a force to reckon with. As Chairman and Managing Director, he guided us to achieve many milestones, turning Jenburkt from a small family firm to a professionally - managed Company with international presence. The real greatness of the man lies in his humility. He would treat everyone alike, caring for each and every employee.

With each passing day, we know we will miss him even more. But he lives on with us - through his vision, through his accomplishments, and most importantly, through his legacy.

May his great soul rest in peace.





On his way to become
a noble soul,
Shri Uttambhai, left foot prints...

...foot prints of humility, honesty
good judgment, integrity,
commitment, unity and
to fear nothing but GOD....

We shall
follow his footprints
to shape our future.

Board of Directors

Uttam N. Bhuta
Bharat V. Bhate
Rameshchandra J. Vora
Arun R. Raskapurwala
Ashish U. Bhuta

Dilip H. Bhuta

Chairman and Managing Director (up to 13.06.2013)
Director
Director
Director
Chairman and Managing Director (from 16.07.2013)
Whole Time Director (up to 15.07.2013)
Whole Time Director (from 16.07.2013)

Company Secretary

Ashish R. Shah

Registrars & Transfer Agents

Bigshare Services Pvt. Ltd.
Website: www.bigshareonline.com

Auditors

D. L. Arora & Co.
Chartered Accountants, Mumbai

Bankers

Bank of Baroda

Registered Office

Nirmala Apartments,
93, Jayprakash Road, Andheri (W),
Mumbai - 400 058.
Tel. No.: +91-22-67603603
Fax. No.: +91-22-66943127
E-mail: investor@jenburkt.com
Website: www.jenburkt.com

Plant

11-12, GIDC, Phase - I,
Bhavnagar Road, Sihor, Gujarat - 364240.

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NOTICE is hereby given that the 28th Annual General Meeting of the Members of JENBURKT PHARMACEUTICALS LIMITED will be held on Tuesday, 24th September, 2013 at 3.30 p.m. at the ISKCON Auditorium, Hare Krishna Land, Juhu, Mumbai 400 049 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited statement of Profit and Loss for the year ended 31st March, 2013 and the Balance Sheet as on that date, together with the Directors' and Auditors' Reports.
2. To declare dividend.
3. To appoint a Director in place of Shri Rameshchandra J. Vora, who retires by rotation and being eligible, offers himself for reappointment.
4. To appoint a Director in place of Shri Arun R. Raskapurwala, who retires by rotation and being eligible, offers himself for reappointment.
5. To appoint Statutory Auditors and authorise the Board of Directors to fix their remuneration.

SPECIAL BUSINESS:

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 Sections 198, 269, 309, Schedule XIII and all other applicable provisions of the Companies Act, 1956, including any statutory alterations, modifications or re-enactments thereof for the time being in force, in terms of recommendations of the Remuneration Committee and the Board of Directors, subject to the approval of the Central Government and all such other approvals as may be required, the consent of the Members of the Company be and is hereby granted for the appointment of Shri Ashish U. Bhuta, as the Chairman and Managing Director of the Company for a period commencing from 16th July, 2013 to 31st March, 2016, whose term of office shall not be liable to retire by rotation and at a remuneration payable as under:

Remuneration:

- A. **Salary:** Maximum salary up to Rs.10,00,000/- (Rupees ten lac only) per month effective from 16th July, 2013 to 31st March, 2016, with an annual increment effective from the 1st of April every year, at the discretion of the Board of Directors and/or the Remuneration Committee of the Company.
- B. **Commission:** Maximum commission up to 3% per annum of the net profit of the Company recorded in the immediately preceding financial year, payable from the date of appointment. The Board of Directors and/or the Remuneration Committee of the Company shall have the power to decide and approve the commission, within the above-stated limit.
- C. **Perquisites and Allowances:** In addition to salary and commission, the Chairman and Managing Director shall be entitled to the following perquisites and allowances: (i) House Rent Allowance at 30% of the basic salary (ii) Utilisation of gas and electricity at residences (iii) Telephones at residence and mobile phone for official use (iv) Furnishing and repairs at residences (v) Medical reimbursement for self and family (vi) Cars with services of drivers for official use (vii) Leave travel allowance (viii) Club fees (ix) Medical insurance for self and family (x) Contribution to P.F. and Superannuation Fund (xi) Gratuity (xii) Reimbursement of expenses and (xiii) All such other perquisites, benefits and allowances under the schemes / rules as applicable to the other employees of the Company, the total remuneration being within the ceiling prescribed by the provisions of the Companies Act, 1956 and/or as may be approved by the Central Government.

The following perquisites/allowances, however, shall not be included in the computation of the ceiling on his remuneration:

- a) Contribution to Provident Fund, Superannuation Fund or Annuity Fund to the extent that these either singly or put together are not taxable under the Income Tax Act, 1961.

- b) Gratuity payable at a rate calculated as per the existing rules/norms and
- c) Encashment of leave.

RESOLVED FURTHER THAT the Board of Directors and/or the Remuneration Committee thereof be and is hereby authorised and empowered in its absolute discretion to change, alter or modify the terms and conditions of his appointment and of the payment of remuneration mentioned herein and/or in the agreement with his consent, subject to the provisions of Sections 310, 311, Schedule XIII and any other applicable provision of the Companies Act, 1956 (including any alterations/modifications, if any, thereof for the time being in force) or as may be approved by the Central Government.

RESOLVED FURTHER THAT in the event of a loss or inadequacy of the profit of the Company in any financial year during his tenure, the aforesaid remuneration shall be paid to Shri Ashish U. Bhuta as a minimum remuneration for the period of his appointment, subject to Schedule XIII and any other applicable provisions of the Companies Act, 1956 (including any alterations/modifications, if any, thereof for the time being in force), or as may be approved by the Central Government.

RESOLVED FURTHER THAT the Board of Directors and/or the Remuneration Committee be and are hereby authorized to do all such acts, deeds, things, as they may in their absolute discretion deem necessary, to give effect to this resolution.”

7. 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 provision of Section 257 and all other applicable provisions of the Companies Act, 1956, Shri Dilip H. Bhuta, who was appointed as an Additional Director of the Company, whose terms of appointment expires at the ensuing Annual General Meeting and for whose appointment

a notice in writing, has been received by the Company, proposing his candidature for the office of the Director, be and is hereby appointed as a Director of the Company, liable to retire by rotation.”

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

“RESOLVED THAT pursuant to Sections 198, 269, 309, Schedule XIII and all other applicable provisions of the Companies Act, 1956, including any statutory alterations /modifications or re-enactments thereof for the time being in force, in terms of recommendations of the Remuneration Committee and the Board of Directors, subject to the approval of the Central Government and all such other approvals as may be required, the consent of the Members of the Company be and is hereby granted for the appointment of Shri Dilip H. Bhuta, as the Whole Time Director of the Company for a period commencing from 16th July, 2013 to 31st March, 2016, whose term of office shall be liable to retire by rotation and at a remuneration payable as under:

Remuneration:

Salary, perquisites and allowances: Maximum payable Rs.2,00,000/- (Rupees two lac only) per month, for a period commencing from 16th July, 2013 to 31st March, 2016. Expenses incurred for and on behalf of the Company will be reimbursed at actuals. All such other perquisites, benefits and allowances under the schemes / rules as applicable to the other employees of the Company shall be payable to him subject to the ceiling prescribed by the provisions of the Companies Act, 1956 and/or as may be approved by the Central Government.

His annual increments will be effective from the 1st of April each year. The Board of Directors and/or the Remuneration Committee thereof have the power, at their discretion, to increase, decrease and decide the remuneration payable within the above-stated limit.

RESOLVED FURTHER THAT the Board of Directors and/or the Remuneration Committee thereof be and is hereby authorised and empowered in its absolute discretion to change, alter or modify the terms and conditions of his appointment and of the payment of remuneration mentioned herein and / or in the agreement, with his consent, subject to the provisions of Sections 310, 311, Schedule XIII and any other applicable provision of the Companies Act, 1956 (including any alterations /modifications, if any, thereof for the time being in force) or as may be approved by the Central Government, if required.

RESOLVED FURTHER THAT in the event of a loss or inadequacy of the profit of the Company in any financial year during his tenure, the aforesaid remuneration shall be paid to Shri Dilip H. Bhuta as a minimum remuneration for the period of his appointment, subject to Schedule XIII and any other applicable provisions of the Companies Act, 1956 (including any alterations /modifications, if any, thereof for the time being in force), or as may be approved by the Central Government.

RESOLVED FURTHER THAT the Board of Directors and/or the Remuneration Committee be and are hereby authorized to do all such acts, deeds,

things, as they may in their absolute discretion deem necessary, to give effect to this resolution.”

By order of the Board of Directors
Sd/-

Ashish R. Shah
Company Secretary

Mumbai
16th July, 2013

NOTES:

1. A Member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member of the Company.
2. Members / proxies should bring the filled-in attendance slips to attend the meeting. Duly completed proxies, in order to be effective, must be received at the registered office of the Company, not less than 48 hours before the scheduled time of the meeting.
3. Members / proxies are requested to bring their copies of the Annual Reports to the meeting.
4. Shareholders, who wish to seek any information on the financial accounts, are requested to write to the secretarial department of the Company at its registered office. This should reach the registered office at least one week before the date of the Annual General Meeting so as to enable the management to keep the information ready. Shareholders may note that information /clarification shall be provided only at the Annual General Meeting.
5. Members who have not yet provided their bank account details, etc., are requested to note the following instructions carefully and to provide the required information/details to your Depository Participant (for holders in electronic mode) or to Bigshare Services Pvt. Ltd., (RTA) (for holders in physical mode), as the case may be:

	For member holding shares in physical mode (Share Certificate holder)	For member holding shares in electronic mode (Dematerialised Shares)
i	To enable the Company to remit the dividend directly into your bank account by NECS/NEFT, etc., kindly provide your bank account details, in the attached form and submit to Bigshare Services Pvt. Ltd. or to the Company. Please ensure that your bank account number is the new number allotted by your bank, after implementing the CBS system.	To enable the Company to remit the dividend directly into your bank account by NECS/NEFT, etc., kindly provide your bank account details to your Depository Participant (DP). Please ensure that your bank account number is the new number allotted by your bank, after implementing the CBS system.
ii	SEBI, vide its circular No. CIR/ MRD/DP/ 10/2013 dated 21.03.2013 has made it mandatory to issue physical instruments (dividend warrants) for making dividend payments to those shareholders who have not provided their NECS/NEFT, etc., and to print the bank account details of the shareholders on the payment instruments. Hence, details of your bank account MUST be provided to Bigshare Services Pvt. Ltd. or to the Company.	SEBI, vide its circular No. CIR/ MRD/DP/ 10/2013 dated 21.03.2013 has directed that the Company has to make use of RBI approved electronic mode of payment, such as NECS/ NEFT, etc., for distribution of its dividend. Hence, details of your bank account MUST be provided to your Depository Participant.

	For member holding shares in physical mode (Share Certificate holder)	For member holding shares in electronic mode (Dematerialised Shares)
iii	To provide your e-mail address (ID) to Bigshare Services Pvt. Ltd. or to the Company for your benefit, in order to receive corporate communications like annual report, financial results, notice of the general meeting, dividend payment notice, etc. MCA and SEBI, have vide their circulars, initiated a drive towards green environment in order to reduce the usage of paper. Be a part of the drive by providing your e-mail address (ID).	To provide your e-mail address (ID) to your DP for your benefit, in order to receive corporate communications like annual report, financial results, notice of the general meeting, dividend payment notice, etc. MCA and SEBI, have vide their circulars, initiated a drive towards green environment in order to reduce the usage of paper. Be a part of the drive by providing your e-mail address (ID).
iv	You are requested to act upon the above requests and ensure that your information/ details reach Bigshare Services Pvt. Ltd. (RTA) or the Company at the earliest, in order to get the benefit of receipt of all your dividends directly into your bank account or getting your bank details printed on the dividend warrant in order to safeguard your interest and also to receive the Company's communication by e-mail.	You are requested to act upon the above requests and ensure that your information/ details reach your DP at the earliest, in order to get the benefit of receipt of all your dividends directly into your bank account and also to receive the Company's communication by e-mail.
v	Kindly verify your above-stated details with Bigshare Services Pvt. Ltd., if submitted earlier, for its correctness. You may also submit your request any time in future to change or update, if required.	Kindly verify your above-stated details with your DP, if submitted earlier, for its correctness. You may also submit your request any time in future to change or update, if required.

6. The Register of Members and the Share Transfer books of the Company will remain closed from Friday, 20th September, 2013 to Tuesday, 24th September, 2013 (both days inclusive).
7. The Board of Directors, at their meeting held on 30.05.2013 had approved holding the Annual General Meeting on 31st July, 2013 and book closure date from 26th July, to 31st July, 2013 (both days inclusive). Subsequently, due to the sad demise of Shri Uttam N. Bhuta, Chairman and Managing Director, the Board held a meeting again on 29.06.2013 and has decided to reschedule the Annual General Meeting on 24.09.2013 and book closure from 20.09.2013 to 24.09.2013 (both days inclusive) by intimating the appropriate authorities.
8. The dividend on equity shares as recommended by the Board, if declared at the Annual General Meeting, will be paid by NECS/NEFT or dividend warrants will be despatched on or after 10th October, 2013.
9. Corporate members intending to send their authorized representatives to attend the meeting are requested to send in advance to the Company, a certified copy of the Board resolution, authorizing the representatives to attend and vote on their behalf at the meeting.
10. Non Resident Indian (NRI) members are requested to inform the Registrars regarding (a) Change in their residential status and (b) Particulars of their bank accounts with complete details, viz. name of the bank, branch address with pin code, account type, account number, MICR, NEFT details, etc.
11. Pursuant to Sections 205A (5) and 205C of the Companies Act, 1956, as amended, any money transferred to the unpaid dividend account of the Company which remains unpaid or unclaimed for a period of seven years from the date of such transfer to the unpaid dividend account, shall be transferred by the Company to the Investors' Education and Protection Fund of the Central Government. The shareholders will then, not be able to claim any unpaid dividend from the said Fund or from the Company thereafter. The Company has already transferred the unpaid or unclaimed dividends for and up to the Financial Year 2004-05 to the above Fund.
12. The Company will be transferring the unpaid or unclaimed amount of dividend pertaining to Financial Year 2005-06, to the Investors'

Education and Protection Fund of the Central Government during the year. Shareholders, who have not yet claimed their dividend for the Financial Year 2005-06 and thereafter, are requested to do so at the earliest.

13. Shareholders are requested to take part in the "Green Initiative" taken up by the Central Government of India and SEBI by providing their e-mail address, thus enabling the Company to send certain documents through the electronic mode to them.
14. Brief profile of the Directors proposed to be appointed/re-appointed:

a) Shri Rameshchandra J. Vora:

Shri Rameshchandra J. Vora is a businessman, engaged in manufacturing various tobacco products and also has a successful construction business. Having a vast experience in these fields and with good business contacts, he has benefited the Company immensely in its business and in the modernisation and expansion activities of the Sihor Plant.

Shri Rameshchandra J. Vora was also involved in managing a charitable hospital and is also a Trustee of various Charitable Education Trusts.

Shri Rameshchandra J. Vora is the Chairman of the Remuneration Committee, a Member of the Audit Committee and of the Share Transfer and Shareholders'/Investors' Grievance Committee appointed by the Board of the Company. He does not hold any other Directorship in any other Public Limited Company.

Shri Rameshchandra J. Vora is not related to any of the Directors on the Board of the Company. He holds 500 equity shares of the Company as on 31.03.2013.

b) Shri Arun R. Raskapurwala:

Shri Arun R. Raskapurwala is a Bachelor of Commerce degree holder from the Bombay University. He is a businessman having a rich experience of almost 52 years in the business of textiles and packaging and the electrical business. He has a good background of administration and financial skills. His experience and rich relationship skills are beneficial to the Company.

He does not hold any other Directorship in any other Public Limited Company.

Shri Arun R. Raskapurwala is the Chairman of the Accounts and Finance Committee and a Member of the Audit Committee and the Remuneration Committee appointed by the Board of the Company.

Shri Arun R. Raskapurwala is not related to any of the Directors on the Board of the Company. He holds 100 equity shares of the Company as on 31.03.2013.

- c) **Shri Ashish U. Bhuta:** Kindly refer to Item no.6 of the

explanatory statement appearing hereafter.

- d) **Shri Dilip H. Bhuta:** Kindly refer to Item no.8 of the explanatory statement appearing hereafter.

By Order of the Board of Directors
Sd/-

Ashish R. Shah
Company Secretary

Mumbai
16th July, 2013

Annexure to the Notice

EXPLANATORY STATEMENT

As required under Section 173(2) of the Companies Act, 1956.

Item No.6 of the Notice:

Due to the untimely demise of Shri Uttam N. Bhuta, Chairman and Managing Director of the Company on 13.06.2013, the Board of Directors, at their meeting held on 16.07.2013 unanimously appointed Shri Ashish U. Bhuta as the Chairman and Managing Director of the Company, not liable to retire by rotation.

Shri Ashish U. Bhuta's previous appointment was that of a Whole Time Director of the Company by a recommendation of the Remuneration Committee and by a resolution passed by the Board of Directors of the Company at their meetings held on 14th February, 2013 for a period from 1st April, 2013 to 31st March, 2016. Consent of the Members in this regard, was accorded by a Special Resolution passed by postal ballot, the result of which was announced on 20.03.2013. A request for its approval was filed with the Central Government.

Shri Ashish U. Bhuta's terms of appointment as the Chairman and Managing Director for a period from 16.07.2013 to 31.03.2016 along with the terms of his remuneration is pursuant to Sections 198, 269, 309 and Schedule XIII of the Companies Act, 1956 and all other applicable provisions of the said Act as mentioned in the proposed agreement and are also subject to the consent of the Members and the approval of the Central Government.

Shri Ashish U. Bhuta, was also appointed as a member of the Share Transfer and Shareholders'/Investors' Grievance Committee of the Board of Directors of the Company with effect from 16.07.2013.

The Board accordingly recommends the resolution for the approval of the members of the Company.

The Company has not made any default in repayment of any of its debt (including public deposits) or debentures in the past one year.

Shri Ashish U. Bhuta is not related to any of the Directors on the Board of the Company.

The terms and conditions of the appointment of Shri Ashish U. Bhuta, as set out in the resolution may also be treated as an abstract of the terms of the draft agreement between Shri Ashish U. Bhuta and the Company under Section 302 of the Companies Act, 1956.

Except Shri Ashish U. Bhuta, none of the Directors are to be considered concerned or interested in the proposed resolution. Shri Ashish U Bhuta's profile is as under:

STATEMENT OF INFORMATION AS REQUIRED UNDER SCHEDULE XIII, PART II, SECTION II (C) (IV)

I: General Information:

- Nature of Industry:** The Company is the manufacturer of pharmaceutical formulations.
- Date of Commencement of Commercial Production:** The Company was incorporated on 10.06.1985.
- Financial Performance based on given Indicators:** The financial data as per the last audited Balance Sheet as on 31st March, 2013 is as under:

(₹ in Lacs)

PARTICULARS	For the Year ended 31-3-2013
Income from Operation	6934.26
Other Income	111.95
Total Income	7046.21
Net Profit before Depreciation and Tax	1030.67
Depreciation	148.29
Net Profit before Tax	882.38
Provision for Income Tax	260.85
Net Profit after Tax	621.53

- Export Performance and Net Foreign Exchange Collaborations:**

For the Financial Year 2012-13: Rs.899.40 lac

For the Financial Year 2011-12: Rs.570.82 lac

5. Foreign Investments or Collaborators: N.A.

II: Information about the Appointee:

1. **Brief Profile of Appointee:** Shri Ashish U. Bhuta, is a Bachelor of Commerce degree holder. He has done his masters degree in Finance Management and a postgraduate diploma in Patent Law & Practice. He joined the Company on 01.06.1994 and since then, has worked at several levels and across various departments of the Company. He was elevated as Vice President on 01.04.1997, as Senior Vice President on 01.04.2006 and as a Whole Time Director on 02.06.2007. He has gained immense experience in various operations of the Company, viz. purchase, manufacturing, marketing, finance, human resource, etc. by working across all sectors and departments of the Company since 1994. Shri Ashish U. Bhuta has many achievements to his credit, like obtaining ISO 9002 and WHO GMP Certification of the Plant, setting up an R&D unit, an International Business Department, etc. He also shoulders responsibilities of overall supervision of operations of the Company and of overseeing the working of the departments of purchase, manufacturing, marketing, finance and human resource developments along with developing various plans, strategies and their implementation. He has co-ordinated commissioning and modernising of the Sihor Plant and the formulation development centre at Sihor. He has also established the batch costing system, precise MIS system, budgeting system, etc. in the Company and is responsible for computerization of the organization, including setting up of the ERP system. He is a part of the team who decide new products, expansion of territories in India and abroad, appointment of distributors / agents in India and abroad and select talent for the Company. He created and is still very active in the development of the cross functional team - QUEST Team. He is also instrumental in setting up the best practices in Cost Accounting Systems, as a result of which the Company received the prestigious National Award, ranked "FIRST" from ICWAI, New Delhi under the category of small industries, for two consecutive years, viz. F.Y. 2008- 09 and F.Y.2009-10.
Shri Ashish U. Bhuta holds 2,30,838 equity shares of the Company as on 31.03.2013.

2. **Past Remuneration:** For F.Y. 2012-13, Rs.55.95 lac per annum as the Whole Time Director of the Company.
3. **Recognition and Award received in the past:** Shri Ashish U. Bhuta has co-ordinated the commissioning and modernization of the Sihor Plant, led the team to achieve ISO 9002, WHO GMP Certification, set up the ERP system and procured the Central Government's approval of the R&D unit. He is instrumental in the Company winning two National Awards, ranked "FIRST" from ICWAI, was awarded the best mooter and also achieved the moot court team award at the moot court competition in Patent Law held by IIPS.
4. **Job Profile and Suitability:** Shri Ashish U. Bhuta would exercise substantial executive power under the control and direction of the Board of Directors of the Company. He is responsible for the overall operation and working affairs of the Company. He is managing, under his direct control, the core departments of the Company, viz. production, marketing, accounts, finance, information technology, human resource development and purchase. Considering his experience and ability, as exhibited in the past, to skillfully co-ordinate with all the departments for the growth of the Company, he is best suited for the responsibility assigned to him by the Board, as the Chairman and Managing Director of the Company.
5. **Comparative Remuneration in the Industry:** Remuneration as proposed to Shri Ashish U. Bhuta as provided herein above is the most competitive in quantum. He is drawing a salary which is within the limits, as approved by the Ministry of Corporate Affairs. However, considering the nature / size of the industry and the speciality of services rendered by Shri Ashish U. Bhuta and also considering the complex role performed by him, no comparative remuneration of the industry is available for information.
6. **Remuneration proposed:** An identical remuneration was proposed for him in 2010 as the Whole Time Director of the Company, except for the commission portion introduced in the proposal, i.e. a salary of maximum of Rs.10 lac per month with effect from 16.07.2013 to 31.03.2016 and a maximum commission of up to 3% of the net profit of the Company, subject to the terms of agreement and discretion of the Board of Directors and/or the

Remuneration Committee with an annual increment effective from the 1st of April every year. The perquisites, benefits and allowance, in addition to the salary will be determined by the Board and/or the Remuneration Committee, within the above limit.

7. **Material Pecuniary Relationship:** Shri Ashish U. Bhuta does not have any direct or indirect pecuniary relationship with any of the Directors and the Company.

III: Other information:

1. **Reason for inadequate profit and measures taken for improvement:** The Company falls under the SME sector. The Company has still not reached its optimum production capacity. In addition to that, the cost of material, plant and product registration in various countries, expenditures on R&D activities and on modernization of the plant, constant increase in fuel price resulting in higher inputs, increase in excise duty and stiff competition have also put substantial pressure on the profit margin of the Company. The Company is taking every possible steps to increase the business volume and thereby profitability, but as a good corporate governance, the Company has a policy to put a cap on price increase. Few products of the Company are under DPCO, which has a ceiling on the maximum retail price and there are constant changes in the regulating framework for approval of new products in India. The Company has to increase more and more expenditures, in order to constantly be at par with international standards of manufacturing. Further, being in the knowledge industry, there is a constant need to match industry standards for employee compensation.
2. **Steps taken or proposed to be taken for improvement:** The Company has a WHO GMP compliant plant, which is also approved under Schedule-M. The Company is focusing on product developments through its own R&D unit and on exports vide its international business division and expects to register a sizable bottom line growth in years to come. The Company had launched certain novel drugs, which in many countries were introduced for the first time. The prudent usage of technology in manufacturing, IT, helped in reducing the requirement of manpower. Steps were taken to reduce transportation cost and supply chain related costs.

3. **Expected increase in profits in measurable terms:** Considering the proposed businesses and the projects of the Company, it is not possible to ascertain and quantify the expected increase in profits in measurable terms at this stage. However, the Company expects a fair growth in the total income and profitability in the next 3 years.

IV: Disclosures:

1. A draft resolution and detailed explanatory statement about the appointment and remuneration package of Shri Ashish U. Bhuta is presented under the Notice convening the ensuing Annual General Meeting.
2. The details regarding the remuneration package, etc. of all the other Directors, are produced in the Corporate Governance Report, annexed to the Director's Report.

Item No.7 of the Notice:

Shri Dilip H. Bhuta was appointed as an additional Director of the Company at the Board of Directors' meeting held on 16.07.2013. In accordance to Section 260 of the Companies Act, 1956, he holds his office till the ensuing Annual General Meeting.

A Notice u/s 257 of the Companies Act, 1956, with a deposit of Rs.500/-, has been received by the Company, from a Member of the Company, proposing his candidature and appointment as the Director of the Company who will be liable to vacate his office at the ensuing Annual General Meeting.

The Board accordingly recommends the resolution for the approval of the Members of the Company.

Except Shri Dilip H. Bhuta, none of the Directors are to be considered concerned or interested in the proposed resolution.

Item No.8 of the Notice:

Shri Dilip H. Bhuta was appointed as the Whole Time Director of the Company, by the Board of Directors of the Company, on the recommendation of the Remuneration Committee; vide their meetings held on 16.07.2013. His appointment is subject to the consent of the Members and approval of the Central Government, if required, in terms of Section 198, 269, 309, Schedule XIII and all other applicable provisions of the Companies Act, 1956. His appointment is from 16.07.2013 to 31.03.2016. All the terms and conditions of his appointment,

remuneration, etc. are as mentioned in the resolution and in accordance to his proposed agreement with the Company, subject to the consent/approvals as mentioned above.

The Board accordingly recommends the resolution for the approval of the Members of the Company.

The Company has not made any default in repayment of any of its debt (including public deposits) or debentures in the past one year.

The terms and conditions of the appointment of Shri Dilip H. Bhuta, as set out in the resolution may also be treated as an abstract of the terms of the draft agreement between Shri Dilip H. Bhuta and the Company under Section 302 of the Companies Act, 1956.

Shri Dilip H. Bhuta is not related to any of the Directors on the Board of the Company.

Except Shri Dilip H. Bhuta, none of the Directors is to be considered concerned or interested in the proposed resolution.

Shri Dilip H. Bhuta's profile is as under:

STATEMENT OF INFORMATION AS REQUIRED UNDER SCHEDULE XIII, PART II, SECTION II (B) (IV)

I: General Information:

- Nature of Industry:** The Company is the manufacturer of pharmaceutical formulations.
- Date of Commencement of Commercial Production:** The Company was incorporated on 10.06.1985.
- Financial Performance based on given Indicators:** The financial data as per the last audited Balance Sheet as on 31st March, 2013 is as under: (₹ in Lacs)

PARTICULARS	For the Year ended 31-3-2013
Income from Operation	6934.26
Other Income	111.95
Total Income	7046.21
Net Profit before Depreciation and Tax	1030.67
Depreciation	148.29
Net Profit before Tax	882.38
Provision for Income Tax	260.85
Net Profit after Tax	621.53

- Export Performance and Net Foreign Exchange Collaborations:** For the Financial Year 2012-13: Rs.899.40 lac
For the Financial Year 2011-12: Rs.570.82 lac

The Company has not entered into any foreign collaboration.

- Foreign Investments or Collaborators:** N.A.

II: Information about the Appointee:

- Brief profile of Appointee:** Shri Dilip H. Bhuta, 61 years old is an ex-banker. He is a Bachelor of Commerce degree holder, a certified Associate of Indian Institute of Bankers (CAIIB). He had joined Bank of Baroda on 09.06.1970 and retired on 31.01.2012. During his long tenure of 41 years and 8 months in the same Bank, viz. Bank of Baroda, he worked in various positions, viz. as a Clerk, an Officer, Branch Head, Deputy Regional Manager, Regional Manager (Kanpur Region, Baroda U.P. Grammin Bank, a subsidiary of BOB), Inspection Head, Managing Director of BOB Cards Ltd. (subsidiary of Bank of Baroda, engaged in credit cards, debit cards, merchant acquiring business). He has a vast experience in all aspects of finance.
- Past Income:** Rs.14.87 lac, for the Financial Year 2012-13.
- Recognition and Award received in the past:** Shri Dilip H. Bhuta, having worked in Bank of Baroda, from the post of a Clerk, with his brilliance and efforts, reached the post of the head of Rural Banking operations and the Managing Director of BOB Cards, in the respective subsidiaries of Bank of Baroda.
- Job Profile and Suitability:** Shri Dilip H. Bhuta will look after the overall operations of the Company. His experience in finance, banking, networking and overall administrative abilities will help the Company in co-ordinating with bankers and with internal as well as statutory auditors. He will assist the Company in introducing new methods in monitoring and managing the Company's cash flow and forex management, preparing MIS for the Board of Directors, formulating new long term business plans, research on factors influencing the present / future business performances and minimizing financial risk. He will also assist the Company in financial accounting, implementing and monitoring accurate reporting system, supervising staff, keeping abreast the Board about the financial regulations and legislations, arranging new and cheap sources for the Company's debt finance, preparation and managing budget, cost reduction plans, etc.
- Comparative Remuneration in the Industry:** Remuneration as proposed to Shri Dilip H. Bhuta as

provided herein above is lesser/most competitive in quantum. However, considering the nature and size of the industry and the speciality of services rendered by Shri Dilip H. Bhuta and also considering his complex role, no comparative remuneration in the industry is available for information.

6. **Remuneration proposed:** The proposed remuneration of Shri Dilip H. Bhuta consisting of salary, perquisites and allowances will be maximum of Rs.2.00 lac per month for a period from 16.07.2013 to 31.03.2016. Other benefits, perquisites and allowances will be as per the Company's human resource policy. His increment will be effective from the 1st of April every year. The salary, perquisites and allowances will be fixed and decided by the Board and/or the Remuneration Committee, within the above stated limit.
7. **Material Pecuniary Relationship:** Shri Dilip H. Bhuta does not have any direct or indirect pecuniary relationship with any of the Directors and the Company.

III: Other Information:

1. **Reason for inadequate profit and measures taken for improvement:** The Company falls under the SME sector. The Company has still not reached its optimum production capacity. In addition to that, the cost of material, plant and product registration in various countries, expenditures on R&D activities and on modernization of the plant, constant increase in fuel price resulting in higher inputs, increase in excise duty and stiff competition have also put substantial pressure on the profit margin of the Company. The Company is taking every possible steps to increase the business volume and thereby profitability, but as a good corporate governance, the Company has a policy to put a cap on price increase. Few products of the Company are under DPCO, which has a ceiling on the maximum retail price and there are constant changes in the regulating framework for approval of new products in India. The Company has to increase more and more expenditures, in order to constantly be at par with international standards of manufacturing. Further, being in the knowledge industry, there is a constant need to match industry standards for employee compensation.
2. **Steps taken or proposed to be taken for improvement:** The Company has a WHO GMP

compliant plant, which is also approved under Schedule-M. The Company is focusing on product developments through its own R&D unit and on exports vide its international business division and expects to register a sizable bottom line growth in years to come. The Company had launched certain novel drugs, which in many countries were introduced for the first time. The prudent usage of technology in manufacturing, IT, helped in reducing the requirement of manpower. Steps were taken to reduce transportation cost and supply chain related costs.

3. **Expected increase in profits in measurable terms:** Considering the proposed businesses and the projects of the Company, it is not possible to ascertain and quantify the expected increase in profits in measurable terms at this stage. However, the Company expects a fair growth in the total income and profitability in the next 3 years.

IV: Disclosures:

1. A draft resolution and detailed explanatory statement about the appointment and remuneration package of Shri Dilip H. Bhuta is presented under the Notice convening the ensuing Annual General Meeting.
2. The details regarding the remuneration package, etc. of all the other Directors, are produced in the Corporate Governance Report, annexed to the Director's Report.

By Order of the Board of Directors
For **JENBURKT PHARMACEUTICALS LTD.**

Sd/-
Ashish R. Shah
Company Secretary

Mumbai
16th July, 2013

The Directors of the Company take pleasure in presenting the 28th Annual Report along with the Audited Accounts for the Financial Year ended on 31st March, 2013.

1. FINANCIAL PERFORMANCE:

(₹ in Lacs)

PARTICULARS	31-3-2013	31-3-2012
Net sales and other operating income	6934.26	5981.82
Total expenditure	6165.12	5219.33
Profit before taxation	882.38	852.06
Net Profit after taxation	621.53	599.52
Dividend and dividend distribution tax	226.95	190.39
Transfer to General Reserves	62.15	59.95
Balance c/f to Balance Sheet	1540.61	1208.18

The total net income from the operations of the Company for the Financial Year 2012-13 is Rs.6934.26 lac, as compared to Rs.5981.82 lac registered during the previous Financial Year 2011-12, a rise of 15.92%. The profit before taxation stood at Rs.882.38 lac for the Financial Year under review, as compared to Rs.852.06 lac for the Financial Year 2011-12. The net profit after tax stood at Rs. 621.53 lac for the year under review while it was Rs.599.52 lac at the end of Financial Year 2011-12. The total expenditure registered during the Financial Year 2012-13 is Rs. 6071.32 lac as against Rs.5156.54 lac in the previous Financial Year 2011-12, an increase of 17.74%. The increase in excise duty, ever increasing prices of raw materials and packing materials and a constant hike in the fuel prices are the major contributors to such an increase in the total expenditure. The earnings per share of the Company rose to Rs.13.37 from 12.89 registered for the Financial Year 2011-12.

2. DIVIDEND:

Conforming to its liberal policy in rewarding its shareholders, the Board of Directors has recommended a dividend of Rs.4.20 (i.e. 42%) per equity share of Rs.10/- each, as against Rs.3.50 (i.e. 35%) paid during the Financial Year 2011-12, subject to the approval of the shareholders at the ensuing Annual General Meeting. Out of the net profits, an amount of Rs.226.95 lac will be utilized towards payment of dividend and dividend distribution tax.

3. MANAGEMENT DISCUSSION & ANALYSIS REPORT:

a Manufacturing Facility:

In accordance with continued adherence to stringent norms of quality system for

pharmaceutical products, Jenburkt has expanded and upgraded its quality assurance and quality control departments at its Sihor plant. These quality assurance and quality control departments have made immense contribution to the Company's goal of having world class manufacturing facilities, at par with any of the best formulation manufacturing plants in the world. Sihor manufacturing plant has received its 4th WHO audit approval during the year. The R&D unit is also progressing well in the desired direction.

b. Industry Structure and Development:

The healthcare industry in India has experienced a remarkable growth of about 12% per year during the last four years, mainly due to increase in life expectancy and in average income levels and also due to rising awareness of health insurance among consumers (Source: Investment Commission of India).

With its vast pool of trained pharma-scientists, doctors and researchers and its world class manufacturing facilities, India may take centre stage in the global pharma scene. Favourable taxations and healthcare policies and their implementation and favourable regulation of the pharmaceutical industry by the Government of India, will play a very crucial role in this regard and can have a huge impact on the growth of the industry in India. India's thriving economy is driving urbanisation and creating an expandable middle class, with more dispensable income to spend on sophisticated and quality healthcare. The industry is awaiting enormous potential to be unleashed even as India is involved in complex drug manufacturing, developing R&D and bringing latest technologies in the pharma industry. The Ministry of Commerce of India has targeted the Indian pharma sector's exports at US\$25 billion by 2014 at CAGR of 25%.

c. Business Performance, Opportunities & Outlook:

Competition in generics, contract manufacturing and R&D, purchase & supply management, high cost to derive new drugs, etc. are the challenges and threats to the global pharmaceutical industry including the Indian industry. India needs to look beyond these

threats and bring about some opportunities out of the above threats. Adopting innovation and technologies should certainly pull it out of an extremely competitive global market. Innovation and technologies are the two driving forces behind India's future landscape. By embracing these forces, the local but innovative pharma companies in India can play a major role in the international market and become great contributors in terms of providing employment and exports.

The Company is confident of achieving new highs in this challenging and competitive environment, where success can be met with innovations and the use of new technology in the ever growing Indian pharma industry.

d. Risks, Concerns & Threats :

Regulating policies, expenditure on modernization in accordance with the need of regulators and the market, ever increasing raw material and packing material prices are among the few concerns for the growth of the Company. As far as the pharmaceutical product's prices are concerned, the National Pharmaceuticals Pricing Authority (NPPA) regulates the Indian pharma industry. The NPPA regularly, vide notifications, declares the ceiling price of formulations, beyond which companies are restrained in fixing their product's maximum retail price (MRP). In a case of one of the Company's products, the NPPA has issued a demand of overcharging. After due and proper correspondence with the NPPA, the Company has filed a writ petition in the Honourable Mumbai High Court challenging their demand, as we understand from the legal opinions sought, that no such liability of overcharging, as alleged by the NPPA, can arise against the Company. The Company is hopeful that the profitability of the Company will not be affected. The rising dollar prices against the rupee could benefit the Company's exports but it will also turn out to be a matter of concern, as the Company keeps availing of foreign currency loan, in US dollars, from the bank, as and when available. This loan comes at a much cheaper rate compared to the bank's rupee loan. The Company has entered into transactions to partly hedge the risk of forex price fluctuations and the remaining part has the natural hedge against the

export earnings of the Company.

Introduction of new policies, notifications, etc. by the regulators can also be a hindrance to the Company's growth. Some parts of the new Drugs Prices Control Order (DPCO) 2013, are found to be ambiguous as to whether the Company's formulations will be covered under the price ceiling norms or not. If the new order is not practiced in a transparent manner, the industry as a whole will be impacted, and this will have a direct effect on the patients being deprived of certain medicines that they need.

Further, constant change in policies by the Drugs Controller General of India (DCGI) and its delays in approvals, has had an undesirable effect on the industry. Substantial reduction as a direct effect of this, in case of new drug introduction across the industry, is visible.

e. Internal Control and System:

Jenburkt believes that a sound and effective internal control system is an important part of a sound governance of the Company. The management is committed towards ensuring an effective and sound internal control system, which commensurates with its requirements, depending upon the size and complex business needs. Thus, security is ensured to Jenburkt's assets and to the efficiency of its operations.

Jenburkt always ensures compliance with all applicable rules, regulations, laws, etc. The internal auditors put forward their findings to the Audit Committee. The Quality Assurance & Quality Control Departments of the Company are at par with the best in the industry, ensuring that no compromise is made with the quality of the product.

f. Crisil Rating:

For the seventh year in a row, the Company has received the highest rating from CRISIL, viz. "SE1A" CRISIL rating, indicating "Highest Performance Capability and High Financial Strength."

g. Regulatory Approvals:

The Company has already applied for permission for certain newer fixed dose formulations to the Drug Controller General of India and is awaiting their clearance. During the current year, the Company has filed 36 product

dossiers for registering them in different countries for export.

h. Human Resources:

Jenburkt believes that in the quest for maintaining a high performance culture, a calibration of performance and merit is important. Jenburkt also believes that learning in totality is imperative to ignite the passion and inherent potential of human beings. Moving towards this goal, the Company conducts regular workshops across all levels of employees. "KARYASIDDHI" was conducted for the QUEST and QUEST-II Teams. Workshops on performance management and conflict management were conducted for senior level managers. Various training programmes were conducted for the sales force which enables them to take positive productive action and to create positive perception for long term change in order to strengthen the team work. Positive effects of the training were observed.

i. Sales and Marketing:

The Company extended their popular brands by introducing new products in the Nervijen, Triben and Zix range of products during the year. Medical camps across the country are carried out regularly, to educate masses about deficiencies in calcium. Topcal-O and Topcal-M are the popular brands of the Company in the calcium segment.

The Company aims at creating health care environment and providing complete and effective health care solutions for improving the quality of life of the masses, with quality products.

The focus on long term therapies in acute and chronic ailments, by moving up the value chain, is beneficial to the financial health of the Company and in customer relation management. As a result, a few of the Company's brands are the preferred choice in certain segments. They rank among the top five in those segments.

j. Formulation Development Centre :

The Research and Development (R&D) unit of the Company has successfully got a renewal of recognition of in-house R&D status for a further period of 3 years (2012-2015) from the

Department of Scientific and Industrial Research, Ministry of Science and Technology, Government of India. Drugs under various therapeutic segments are under development at the Research and Development (R&D) unit. Fixed dose combinations are to remain the focus area of work.

k. Information Systems :

The Company has successfully implemented and commissioned the LIMS (Laboratory Information Management System) software in the Quality Assurance and the Quality Control Departments at the Sihor plant. This will satisfy the requirement of safe and integrated data management for submission to global regulatory bodies.

The investment is yielding good results in terms of judicious use of resources, storage, retrieval of important information pertaining to assurance of quality of products and quality control functions. The Field Force Reporting System also has been successfully commissioned across India. The entire field force in now reporting through the new software that has been installed. The timely reporting through the software is enabling quick decision-making.

l. Segment-wise performance :

Jenburkt operates exclusively in one segment - pharmaceutical formulations.

4. DIRECTORS :

Shri Uttam N. Bhuta, one of the Promoters of Jenburkt, passed away on 13.06.2013. He was the Chairman and Managing Director of the Company. Though he has left us, his vision, guidance and spirit will always lead all the Jenburktians in the right direction. Thousands of Shareholders who have gained economically by his liberal dividend payout policy, have also gained, along with all the stakeholders, from his entrepreneurial skills and spirit. The Board of Directors, at their meeting held on 16.07.2013, appointed Shri Ashish U. Bhuta as the Chairman and Managing Director of the Company for the period from 16.07.2013 to 31.03.2016. His appointment and terms of payment of remuneration, is part of the agenda of the ensuing Annual General Meeting and is subject to the consent of the Members and approval of Central Government. Members are requested to refer to Item

No.6 of the agenda of the Notice and the explanatory statements thereof for reference of his appointment and terms of remuneration.

Prior to that, during the year, Shri Ashish U. Bhuta was appointed as the Whole Time Director by the Board of Directors of the Company on 14.02.2013. Consent was granted by the members of the Company by passing of a special resolution by postal ballot. A total of 99.74% votes were casted in favour of the special resolution, the result of which was announced on 20.03.2013. Consequent to Shri Uttam N. Bhuta's sad demise, his membership in the Share Transfer and Shareholders'/Investors' Grievance Committee was vacated. The Board of Directors appointed Shri Ashish U. Bhuta as the Member of this Committee with effect from 16.07.2013.

Shri Dilip H. Bhuta was appointed as an additional Director on the Board of the Company at the Board Meeting held on 16.07.2013. He shall hold office only till the next Annual General Meeting. He was subsequently appointed as the Whole Time Director, liable to retire by rotation, in the said Board of Directors' meeting. His appointment as the Whole Time Director and terms of remuneration are part of the agenda of the ensuing Annual General Meeting and is subject to the consent of the members. Members are requested to refer to Item Nos.7 and 8 of the agenda of the Notice and the explanatory statements thereof for reference of his appointment and terms of remuneration.

Shri Rameshchandra J. Vora and Shri Arun R. Raskapurwala retire by rotation at the ensuing Annual General Meeting. Being eligible, they have offered themselves for re-appointment. Their appointments are subject to the approval of the Members at the ensuing Annual General Meeting. Brief resumes of the Directors proposed to be appointed / re-appointed are set out in the Annual Report, as stipulated under Clause 49 of the Listing Agreement with the BSE Ltd.

5. STATUTORY AUDITORS:

M/s. D. L. Arora and Co., Chartered Accountants, Mumbai, Statutory Auditors of the Company, will retire at the conclusion of the ensuing Annual General Meeting and have offered themselves for re-appointment. The Auditors have furnished a certificate under Section 224(1B) of the Companies Act, 1956 for their eligibility for re-appointment.

The Board of Directors has recommended their re-appointment.

6. COST AUDITORS:

The Directors have re-appointed M/s. Jagdish R. Loliyani, Cost Accountants, Mumbai, as the Cost Auditors of the Company for the formulations for the Financial Year 2013-14, subject to the approval of the Central Government. They have furnished their certificate under Section 224 (1B) of the Companies Act, 1956 for their eligibility for re-appointment.

7. CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION:

As required under Section 217(1)(e) of the Companies Act, 1956 and by the Companies (Disclosure of particulars in the Report of the Board of Directors) Rules, 1988, the relevant data pertaining to conservation of energy, technology absorption and foreign exchange earnings and outgoings is given in Annexure – I, which forms a part of this Report.

8. PARTICULARS OF THE EMPLOYEES:

In terms of the provision of Section 217(2A) of the Companies Act, 1956 read with the Company (Particulars of Employees) Rules 1975, as amended, the names and other particulars of the employees of the Company are required to be disclosed as an Annexure to the Director's Report. However, according to the provision of Section 219(1)(b)(iv) of the Companies Act, 1956, the Annual Report, excluding the above information is being sent to all the Members of the Company including other entitled person/s. Any Member, who is interested in obtaining such particulars, may write to the Company Secretary at the registered office.

9. REPORT ON CORPORATE GOVERNANCE:

A brief report on the Corporate Governance and the relative Auditor's certificate thereto is attached to this Report.

10. DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to Section 217 (2AA) of the Companies Act, 1956, the Directors state that:

- a) in preparation of the annual accounts for the Financial Year 2012-13, the applicable accounting standards read with Schedule VI of the Companies Act, 1956 as amended, have been followed and no material departures have

- been made from the same.
- b) accounting policies have been selected and applied consistently and judgment and estimates that are reasonable and prudent have been made so as to give a true and fair view of the state of affairs of the Company at the end of the Financial Year 2012-13 and also of the profit of the Company for that period;
 - c) proper and sufficient care has been taken for the maintenance of adequate accounting records, in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities and
 - d) the Annual Accounts have been prepared on a "going concern" basis.

11. FIXED DEPOSIT:

The Company has never accepted any deposits from the public within the meaning of Section 58-A of the Companies Act, 1956.

12. GREEN INITIATIVE:

The Directors of the Company welcome the green initiative measures taken by the Ministry of Corporate Affairs and SEBI. With the active co-operation of all the shareholders, we shall be able to disseminate all the requisite documents and information electronically, i.e. through e-mails. Members are requested to register their e-mail IDs

with the registrar, Bigshare Services Pvt. Ltd., in order to be a part of the green initiative and to help in conserving trees for a greener India. A separate form is attached herewith, in this regard, which you need to fill in and submit with the RTA/Company or with the Depository Participant, as the case may be.

13. APPRECIATION:

The Directors of the Company express their gratitude for the support extended by all the stakeholders and place on record their sincere appreciation for the contribution of the independent Directors and the timeless and wholehearted efforts of the employees of the Company for the sustained satisfactory business performance during the year.

For and on behalf of the Board
Sd/-

Ashish U. Bhuta
Chairman and Managing Director

Mumbai
16th July, 2013

Annexure to the Directors' Report

Particulars pursuant to Section 217(1)(e) of the Companies Act, 1956 read with Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988 and forming part of the Director's Report.

A. CONSERVATION OF ENERGY:

(a) Measures undertaken:

The Company is striving continuously to work towards energy conservation by adopting innovative practices to curtail wastages and optimize energy usage.

(b) Additional investment and proposals, if any, being implemented for reduction in consumption of energy:

- (i) Reduction in power cost by maintaining power factor at the acceptable level as per Gujarat Electricity Board Guidelines.

- (ii) Energy savings through use of LED lights in the warehouse and quality departments. Plans are underway to replace existing CFL fittings by LED lights in the surrounding areas.

- (iii) Reduction in use of bio-diesel in generators for cost reduction and use of nature friendly alternative fuel.

- (c) Impact of the measures under (a) and (b) above have yielded reduction of energy requirements and resulted in savings on energy consumption and costs.

- (d) This has resulted in reduction of cost of production of goods.

- (e) The Company has set up an elaborate system of rain water harvesting to recharge ground water sources.

FORM A

Form for disclosure of particulars with respect to conservation of energy

A. Power and Fuel Consumption			31 st March, 2013	31 st March, 2012
1.		Electricity		
	a)	Purchased		
		Units	540870	535790
		Total Amount Rs.	3806974	3402415
		Rate / Unit Rs.	7.03	6.35
	b)	Own Generation		
	(i)	Through generator 160 KVA		
		Units	0	280
		Units per litre of diesel oil	0	0.96
		Cost / Unit Rs.	0	37.42
	(ii)	Through generator 250 KVA		
		Units	4328	4662
		Units per litre of diesel oil	2.55	0.55
		Cost / Unit Rs.	18.18	42.92
	(iii)	Through steam turbine /generator	Nil	Nil
2.		Coal	Nil	Nil
3.		Furnace Oil	Nil	Nil
4.		Others / internal generation	Nil	Nil

B. Consumption per Unit of production:

Electricity (Units)
Coal
Others

There is no specific standard followed by the Company for the current year as well as for the previous year, as per the records and books of the Company maintained in accordance with the Companies Act, 1956.

B. TECHNOLOGY ABSORPTION:

FORM B

Form for the disclosure of particulars of efforts made in technology absorption:

(I) Research and Development (R&D):

1. Specific area in which R&D is carried out by the company:

- i) Development of new innovative formulations was carried out in the area of nutrition for pediatrics and geriatric patients.
- ii) Reformulation of some of the existing products was undertaken to achieve greater product stability and cost saving.
- iii) Automation in product packaging extended to few more products.

2. Some of the major benefits derived as a result of R&D:-

- i) Successful commercial scale operations of a few formulations were undertaken at new locations of manufacturing associates.
- ii) Process of technology transfer of a few products was undertaken from loan manufacturer to in-house manufacturing.

3. Future plan of action:

The Company will continue to strive towards working with certain new novel formulations for the domestic and international markets in the area of nutrition and pain management.

4. Expenditure on R&D: (Rs. Lacs)

- i. Capital : Rs. Nil
- ii. Recurring : Rs.51.55 lac
- iii. Total : Rs. Rs.51.55 lac
- iv. Total as a percentage of turnover : 0.74

(II) Technology Absorption, Adoption and Innovation:

1. Efforts in brief, made towards technology absorption, adoption and innovation:

- i) Development of new drug delivery system
- ii) Development of new processes for manufacturing of finished pharmaceuticals.

2. Benefits derived as a result of above efforts:

- i) Improvement in Pollution Control System Management and Safety Standard.
- ii) Improvement in operations efficiency through increase in batch sizes, reduction in batch process hours and simplification of processes.
- iii) Meeting compliance of national and international regulatory bodies.
- iv) Development of products for import substitution.
- v) Maximum utilization of raw materials.

3. No technology has been imported by the Company during the last 6 years.

C. FOREIGN EXCHANGE EARNINGS AND OUTGOINGS:

(a) Activities relating to exports: Initiatives have been taken to increase exports and to develop new export markets for products. The Company is continuously exploring different markets for its products. The GMP certification as per WHO has provided a major boost in the area of export.

(b) The foreign exchange earnings by the Company: Rs.899.40 lac

The foreign exchange expenditure of the Company: Capital Goods - Rs.8.44 Lac

Other expenditures: Freight & Insurance - Rs.41.07 lac, Travelling - Rs.9.72 lac, Commission Rs.104.37 lac and dividend paid - 0.37 lac, aggregating to Rs. 155.53 lac.

For and on behalf of the Board

Sd/-

Ashish U. Bhuta
Chairman and Managing Director

Mumbai
16th July, 2013

Corporate Governance

1. Brief Statement on Company's Philosophy on Corporate Governance:

Jenburkt's philosophy of corporate governance in a broader term, as an integral part of the Company's growth plan, is to empower the management to ensure careful and responsible decisions are made with a mechanism to have a proper check on them. This has led to developing superior corporate governance practices which are vital in the successful growth of the Company. The Company has ensured its fullest compliance with the provisions of Clause 49 of the Listing Agreement with the Stock Exchange, be it composition of the Board and its Committees or of ethical business conduct through proper systems and the process of audit and internal controls in all operations. The implementation of the code of conduct by the Board and senior Members has resulted in the strengthening of the corporate governance.

2. Board of Directors:

A. Composition of Board of Directors:

The Board of Directors (BOD) provides guidance, direction and oversees the management of the Company. The interest of all the stakeholders, shareholders and employees of the Company are well enhanced and equally protected by the Board.

The Board comprises of five Directors of which a majority, i.e. three Directors are independent and non-executive. The provisions of Clause 49 of the Listing Agreement are strictly adhered to in this regard. The executive Directors look after the overall affairs of the Company and are ably supported by the senior management team in their day-to-day functions. The Board of Directors is also effectively supported by the various committees constituted by it, viz. the Audit Committee, Remuneration Committee, Shareholders' / Investors' Grievance Committee and the Accounts and Finance Committee.

The Committee and Board meetings are being held regularly and the Directors are always furnished with all the relevant information as suggested under Clause 49 of the Listing Agreement.

The Board of Directors, under its policy of transparency and integrity, are strictly following the Company's code of business conduct and the code of prohibition of insider trading.

The executive Directors and the non-executive Directors inform the Company, on an annual basis, about their directorship and membership in any committee of other Companies.

The details of the composition and category of Directors, their attendance of Board Meeting / Annual General Meeting, other positions in Board / Committee of Board during the Financial Year 2012-13 are as under:

Name of Director	Designation/ Category of Directorship	No. of Board Meetings attended in F.Y. 2012-13	Whether last AGM attended	No. of Directorship held in other Companies
Uttam N. Bhuta	Promoter/Chairman and Managing Director	5	Yes	1
Bharat V. Bhate	Non-Executive/Independent	5	Yes	1
Rameshchandra J. Vora	Non-Executive/Independent	5	Yes	-
Arun R. Raskapurwala	Non-Executive/Independent	5	Yes	-
Ashish U. Bhuta	Whole Time Director	5	Yes	1

B. Number of Board Meetings held during the year with dates:

The Board of Directors met five times in the Financial Year 2012-13. The Board meetings were held on 26.05.2012, 31.07.2012, 31.10.2012, 29.01.2013 and 14.02.2013. The maximum time gap between any two Board meetings was not more than four calendar months.

3. Audit Committee:

All the three Directors in the Committee are independent and are non-executive Directors on the Board. This is in accordance to the Clause 49 of the Listing Agreement.

Shri Bharat V. Bhate is the Chairman of the Committee and Shri Rameshchandra J. Vora and Shri Arun R. Raskapurwala are the other two Members of the Committee.

The Company Secretary acts as the Secretary to the Committee.

The terms of reference of the Audit Committee are in accordance with Clause 49 of the Listing Agreement with the Stock Exchange and inter alia includes:

- i. Overseeing the Company's financial reporting process and ensuring that the financial statement is correct, sufficient and credible.
- ii. Recommending to the Board about the appointment, re-appointment, removal of the statutory auditors, internal auditors and cost auditors and fixing of their fees and payments for any other services rendered.
- iii. Reviewing with the management, the annual financial statements, before submission to the Board for approval, with particular reference to:
 - a) matters required to be included in the Directors' responsibility statement under Section 217 of the Companies Act, 1956.
 - b) changes, if any, in accounting policies and practices, major accounting entries involving estimates based on the judgement of the management, compliance with accounting standards, listing and other legal requirements pertaining to financial statements.
 - c) reviewing the adequacy of audit, discussing about the nature and scope of audit and ensuring their compliance as per regulations.
- iv. Reviewing management discussions and analysis of financial conditions and the status, if any, of related party transactions, etc.
- v. Reviewing with the management, the performance of the statutory auditors, internal auditors, cost auditors and the adequacy of the internal control system.
- vi. Discussing with internal auditors regarding any significant finding and a report thereon.
- vii. Reviewing the functioning of the Whistle Blower Policy.
- viii. Discussing with statutory auditors, pre and post audit, and reviewing their information/ suggestions, if any.
- ix. Carrying out any other function as per directions from the Board of Directors.

The Audit Committee met four times during the Financial Year 2012-13, i.e. on 26.05.2012, 31.07.2012, 31.10.2012 and 29.01.2013. All the Members/Directors attended all the four meetings held during the year.

4. Remuneration Committee:

The Remuneration Committee comprises of three independent Directors as its members, in accordance with the Company's policy of transparency and accountability. Shri Rameshchandra J. Vora, who is an independent and non-executive Director on the Board of the Company, is the Chairman of the Committee. Shri Bharat V. Bhate and Shri Arun R. Raskapurwala are the other two Members of the Committee, who are also independent and non-executive Directors on the Board of the Company.

The Remuneration Committee determines the terms and conditions of the appointment of the Executive Director of the Company, viz. the Chairman and Managing Director and the Whole Time Director. They take transparent and neutral decisions, based on the appointee's past track record, current performance, the prevalent remuneration in the peer group/industry and the profitability of the Company. They also strictly adhere to the prevailing regulations, laws, etc.

The Committee met four times during the year, i.e. on 31.07.2012, 31.10.2012, 29.01.2013 and 14.02.2013 and all the Members attended the meeting.

Following is the detailed chart of the remunerations paid to each of the Directors during the Financial Year 2012-13:

Name	Remuneration including all benefits (Rs. in lac)	Sitting Fees (Rs. in lac)	Total	Present Service Contract	Eq. Shares held as on 31.03.2013
Uttam N. Bhuta (*)	41.28	NIL	41.28	01.04.2013 To 31.03.2015 (*)	344168
Bharat V. Bhate	NIL	0.36	0.36	NIL	2500
Rameshchandra J. Vora	NIL	0.28	0.28	NIL	500
Arun R. Raskapurwala	NIL	0.36	0.36	NIL	100
Ashish U. Bhuta (**)	55.95	NIL	55.95	01.04.2013 To 31.03.2016 (**)	230838

Notes:

- 1) “*”: Shri Uttam N. Bhuta expired on 13.06.2013.
- 2) “**”: A special resolution is proposed in the ensuing Annual General Meeting, for the appointment of Shri Ashish U. Bhuta as the Chairman and Managing Director of the Company, with effect from 16.07.2013 to 31.03.2016. The details of his terms of appointment and remuneration are according to the special resolution and the explanatory statement thereof. During the year under review, Shri Ashish U. Bhuta's appointment as Whole Time Director of the Company and his terms of remuneration were approved, subject to the approval of the Central Government, for a period of three years from 01.04.2013 to 31.03.2016 by the Members of the Company, by passing a special resolution with requisite majority through postal ballot, the results of which were declared on 20.03.2013. In this regard, an application was made to the Central Government for their necessary approval, as required.

5. Shareholders' / Investors' Grievance Committee:

Two independent and Non-executive Directors, viz. Shri Bharat V. Bhate and Shri Rameshchandra J. Vora along with an Executive Director viz. Shri Uttam N. Bhuta (up to 13.06.2013) are the three members of the Committee. Shri Bharat V. Bhate is the Chairman of the Committee. The Committee monitors the registrar and share transfer agent's (RTA) activities and approves transfers, transmissions, splitting, issue of duplicate shares, dematerialization of shares, etc. and redresses the complaints of the shareholders. The Committee also formulates and implements steps to better the service standards towards the investors.

The Board, at its meeting held on 16.07.2013, appointed Shri Ashish U. Bhuta as a Member of the Committee with effect from 16.07.2013.

Shri Ashish R. Shah is the Company Secretary and the Compliance Officer of the Company.

The Committee has delegated certain executive powers to its sub-committee, viz. the Share Transfer and Dematerialisation Committee. This sub-committee looks after the day-to-day activities of interacting with the RTA and receiving and sending various requests / complaints of and replies to the shareholders.

The Board is periodically briefed about the share transfer and related activities carried out by the Committee.

The Share Transfer and Investors' / Shareholders' Grievance Committee met thrice during the year, on 26.05.2012, 31.10.2012 and 29.01.2013. The details of attendance by Members are as follows:

	Names of the Members	No. of meetings attended during 2012-13
1.	Bharat V. Bhate	03
2.	Uttam N. Bhuta	03
3.	Rameshchandra J. Vora	03

During the year, nine complaints were received and all of them were attended to and resolved. No complaint was pending / outstanding as on 31/03/2013. No share transfers were pending as on 31/03/2013.

6. General Body Meetings:

The location, date, time and details of special resolutions passed in the last three Annual General Meetings held by Company are as follows:

Financial Year	Venue	Date	Time	Special Resolution Passed
2011-12	ISKCON Auditorium, Juhu, Mumbai	31/07/2012	3.30 p.m.	NONE
2010-11	ISKCON Auditorium, Juhu, Mumbai	29/07/2011	3.30 p.m.	NONE
2009-10	ISKCON Auditorium, Juhu, Mumbai	30/07/2010	3.30 p.m.	NONE

During the year, five special resolutions were passed through the postal ballot (PB) procedure. Details of the resolutions in brief and the percentage of its passing are as follows:

i Resolution No.1 : Increase in Authorised Share Capital.

(Net valid Postal Ballot votes / e-voting confirmation received were 22,11,576)

	No. of Ballot Forms		No. of Votes		Percentage of Votes
	PB forms	Shares/e-voting	PB forms	Shares/e-voting	(assent only)
Assent (in favour)	106	19	793069	1415335	99.85
Dissent (against)	5	0	2782	0	
Total Votes	111	19	795851	1415335	

ii Resolution No.2 : Alteration of Main Object Clause.

(Net valid Postal Ballot votes / e-voting confirmation received were 22,10,776)

	No. of Ballot Forms		No. of Votes		Percentage of Votes (assent only)
	PB forms	Shares/e-voting	PB forms	Shares/e-voting	
Assent (in favour)	103	18	793651	1414435	99.87
Dissent (against)	3	1	1400	400	
Total Votes	106	19	795441	1414835	

iii Resolution No.3 : Alteration of the Capital Clause of Articles of Association.

(Net valid Postal Ballot votes / e-voting confirmation received were 22,10,776)

	No. of Ballot Forms		No. of Votes		Percentage of Votes (assent only)
	PB forms	Shares/e-voting	PB forms	Shares/e-voting	
Assent (in favour)	101	18	793329	1413935	99.84
Dissent (against)	5	1	1722	400	
Total Votes	106	19	795441	1415335	

iv Resolution No.4 : Addition of other objects in the Memorandum of Association.

(Net valid Postal Ballot votes / e-voting confirmation received were 22,10,676)

	No. of Ballot Forms		No. of Votes		Percentage of Votes (assent only)
	PB forms	Shares/e-voting	PB forms	Shares/e-voting	
Assent (in favour)	101	18	792391	1413585	99.78
Dissent (against)	4	1	2560	400	
Total Votes	106	19	795341	1415335	

v Resolution No.5 : Appointment of Shri Ashish U. Bhuta as Whole Time Director.

(Net valid Postal Ballot votes / e-voting confirmation received were 22,11,276)

	No. of Ballot Forms		No. of Votes		Percentage of Votes (assent only)
	PB forms	Shares/e-voting	PB forms	Shares/e-voting	
Assent (in favour)	100	16	793526	1412135	99.74
Dissent (against)	8	3	2025	1800	
Total Votes	108	19	795941	1415335	

7. Disclosure:

- The Company has not entered into any materially significant related party transactions with its Promoters, Directors or Management, that may have a potential conflict with the interest of the Company at large.
- No penalties or strictures have been imposed on the Company by the Stock Exchange or SEBI or any statutory authority, on any matter relating to the capital market, during the last three years.
- A Whistle Blower Policy has been formulated which, inter alia, provides liberty to the employees of the Company to have direct access to the Chairman of the Audit Committee.

8. Compliance with other mandatory requirements:

- Management Discussion and Analysis: A Management Discussion and Analysis Report, as required under Clause 49 of the Listing Agreement, forms a part of the Director's Report.
- Disclosures :
 - Risk Management:
The Company has laid down procedures to inform the Board Members about risk assessment and minimization procedures, whereby a Risk Management Committee has to review these procedures periodically, to ensure that the executive management controls risk through a properly defined framework.

- b) Proceeds from Public Issue, Right Issue, Preferential Issue, etc.:
The Company has not raised any amount through any such issue, during the Financial Year.
- c) CEO / CFO Certificate:
A certificate from the Managing Director and from the person heading the Finance Department on the financial statements for the Financial Year 2012-13 was placed before the Board, in pursuance of Clause 41 of the Listing Agreement.
- d) Code of Conduct:
A code of business conduct and ethics has been formed and is placed on the website of the Company. The code is applicable to all the Directors and Senior Management Personnel of the Company. All the Board Members and Senior Management Personnel have affirmed their compliance. A declaration to this effect is given below:

It is hereby declared that the Company has obtained from all the Members of the Board and all the Senior Management Personnel, an affirmation that they have complied with the code of business conduct, for the Financial Year 2012-13.

For **Jenburkt Pharmaceuticals Limited**

Sd/-

Ashish U. Bhuta

Chairman and Managing Director

Mumbai

16th July, 2013

9. Means of Communication:

The financial results are generally published in “The Free Press Journal”-English and in “Navshakti”-Marathi newspapers. All the declared results are placed on the Company’s website, viz. “www.jenburkt.com”. A separate option for investors, which contains financial and investor related details is available on the site. The quarterly results and the Annual Reports are also available in the downloadable format. The Annual Report contains details of the Audited Annual Accounts, Directors’ Report, Auditors’ Report and other important information for the stakeholders. A printed copy of the Chairman’s Report, as a practice, is circulated for the benefit of the shareholders attending the Annual General Meeting.

The Company has not displayed any news release and has not made any presentations to the institutional investor or to the analysts. Official news releases are sent to the BSE Ltd.

The Management Discussion and Analysis Report is a part of the Annual Report and is published under the section of the Director’s Report, in this Annual Report. It is also available on the Company’s website.

The Company has provided an exclusive e-mail ID: investor@jenburkt.com, for communication by investors.

10. Compliance with Non-Mandatory Requirements:

The Company complies with the following non-mandatory requirements of Clause 49 of the Listing Agreement:

- a) Remuneration Committee: A detailed note on the Remuneration Committee is furnished above, in this Report.
- b) Audit Qualifications: The Company has unqualified financial statements.
- c) Whistle Blower Policy: The Company has formulated a Whistle Blower Policy. It is a mechanism whereby the employees of the Company will be free to have access to the immediate Supervisor / Chairperson of the Audit Committee to report violation of laws, unethical conduct, etc. in the Company.

11. Secretarial Standards of ICSI:

The Institute of Company Secretaries of India (ICSI) has issued certain secretarial standards on important aspects of the Companies Act, 1956. The Company substantially follows these “non-mandatory” standards, voluntarily.

12A. General Shareholders' Information:

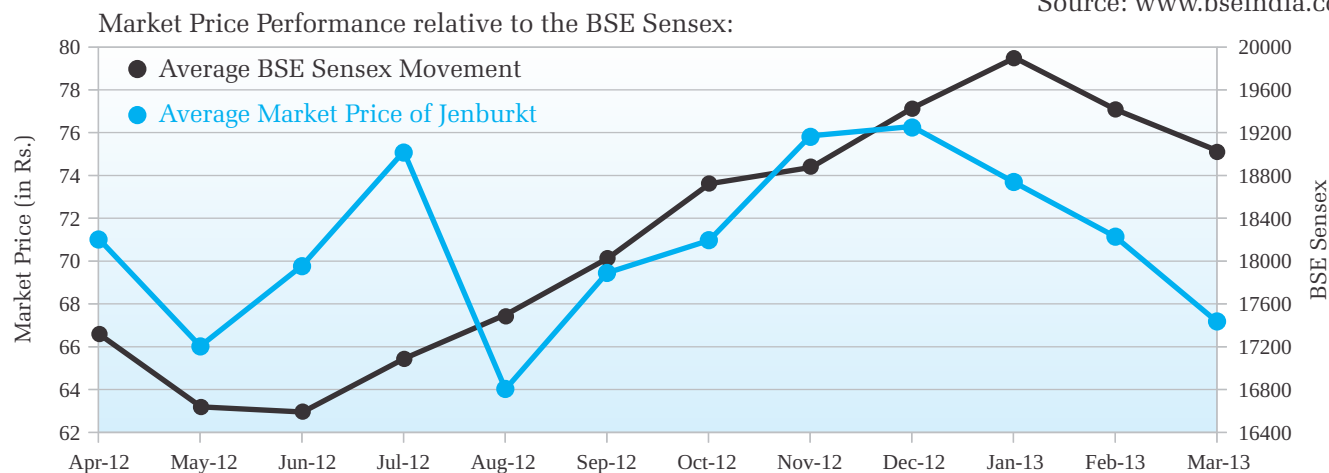
AGM : • Date and Timing • Venue	24 th September, 2013 at 3.30 p.m. ISKCON Auditorium, Hare Krishna Land, Juhu, Mumbai - 400 049
Financial Calendar (Proposed) for F.Y. 2013-14.	Results for Q1 (June 30, 2013) - By the 4 th week of July 2013 Results for Q2 (Sept 30, 2013) - By the 4 th week of October 2013 Results for Q3 (Dec 31, 2013) - By the 4 th week of January 2014 Results for Q4 (Mar 31, 2014) - By the 4 th week of May 2014
Date of book closure	20 th September to 24 th September, 2013 (both days inclusive)
Date of dividend payment	On or after 10 th October, 2013
Listing of equity shares on Stock Exchanges	BSE Ltd., Mumbai The listing fee for the Financial Year 2013-14 is paid to the BSE Ltd., Mumbai. The custodial fees are paid to the National Securities Depository Ltd. (NSDL) and the Central Depository Securities Ltd. (CDSL) for the Financial Year 2013-14.
Stock Code	Trading Code "524731" at the BSE Ltd., Mumbai
Security ISIN No.	INE354A01013
Company's Registration No.	The Corporate ID No. (CIN) allotted by the Ministry of Corporate Affairs (MCA) is L24230MH1985PLC036541

B. Market Price Data, Performance Chart:

High / Low Market Price per month of the Company's share traded at the BSE and the High / Low BSE Sensex for the Financial Year 2012-13 are as follows:

2012-2013	Company's Share Price		BSE Sensex	
Month	High (Rs.)	Low (Rs.)	High	Low
April	74.45	68.05	17664.10	17010.16
May	72.00	60.60	17432.33	15809.71
June	71.95	67.75	17448.48	15748.98
July	82.70	67.60	17631.19	16598.48
August	69.90	59.00	17972.54	17026.97
September	77.60	61.00	18869.94	17250.80
October	75.80	66.50	19137.29	18393.42
November	81.70	70.10	19372.70	18255.69
December	82.00	70.25	19612.18	19149.03
January	76.75	71.05	20203.66	19508.93
February	74.90	67.00	19966.69	18793.97
March	70.00	64.55	19754.66	18568.43

Source: www.bseindia.com



C. RTA Details:

Registrar and Transfer Agent (RTA)	M/s.Bigshare Services Pvt. Ltd., E-2 and 3, Ansa Industrial Estate, Sakivihar Road, Saki Naka, Andheri (E), Mumbai - 400 072. Tel. No.: 40430200 • E-mail: flavia@bigshareonline.com OR investor@jenburkt.com
Share Transfer and Dematerialisation System	The complete work related to share transfer and dematerialisation is carried out by the above stated RTA. The duly constituted Share Transfer and Shareholders'/Investors' Grievance Committee of the Company holds its meetings regularly to monitor matters related to transfer and dematerialisation of shares and also to monitor other related matters. The requests for share transfers and dematerialisation are processed expeditiously. The summary of share transfer and related activities is presented by the Company Secretary to the Board at its meeting. Half-yearly Certificate under Clause 47 (c) of the Listing Agreement, obtained from the practicing Company Secretary, is filed with the Stock Exchange.

D. Shareholding Pattern as on 31st March, 2013:

	Category	No. of Shares held	% of shareholding
A.	Indian Promoter's Holding	2148372	46.208
B.	Private Corporate Bodies	159204	3.424
C.	Indian Public	2313105	49.752
D.	NRIs	25989	0.559
E.	Others (Clearing Members)	2630	0.057
	Grand Total	4649300	100.000

E. Distribution of Shareholding as on 31st March, 2013:

No. of Eq. Shares held	No. of Share holders	% of Shareholders	No. of Shares	% of Shareholding
1 to 500	5117	88.68	771654	16.60
501 to 1000	334	5.79	288377	6.20
1001 to 2000	149	2.58	230051	4.95
2001 to 3000	63	1.10	162940	3.50
3001 to 4000	21	0.36	74484	1.60
4001 to 5000	21	0.36	99425	2.14
5001 to 10000	26	0.45	177999	3.83
10001 and above	39	0.68	2844370	61.18
TOTAL	5770	100.00	4649300	100.00

	No. of Share holders	% of Shareholders	No. of Shares	% of Shareholding
Physical Mode	2141	37.106	407320	8.761
CDSL	1244	21.560	1867267	40.162
NSDL	2385	41.334	2374713	51.077
TOTAL	5770	100.000	4649300	100.000

F. Other Details:

Dematerialisation of equity shares and liquidity	The Company's shares are available for trading in dematerialisation form with both the Depositories, viz. National Securities Depository Ltd. (NSDL) and the Central Depository Securities Ltd. (CDSL). A total of 4241980 shares stand dematerialised, representing 91.239% of the total paid up equity capital of the Company. The shares of the Company are actively traded at the Bombay Stock Exchange Ltd.
Plant location	The Company's plant is located at Plot No.11-12, GIDC, Phase-I, Bhavnagar Road, Sihor, Gujarat - 364 240.
Investor correspondence be addressed to	<ol style="list-style-type: none"> 1. M/s.Bigshare Services Pvt. Ltd. (RTA) at the address provided above or by e-mail at flavia@bigshareonline.com 2. The Company Secretary at the registered office of the Company or by e-mail at investor@jenburkt.com

13. Auditor's Certificate on Corporate Governance:

The Auditor's Certificate on Compliance with Corporate Governance, as stipulated under Clause 49 of the Listing Agreement with the Stock Exchange is annexed to this Report.

Mumbai
16th July, 2013

For and on behalf of the Board
Sd/-
Ashish U. Bhuta
Chairman and Managing Director

AUDITOR'S CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE UNDER CLAUSE 49 OF THE LISTING AGREEMENT

To
The Members
Jenburkt Pharmaceuticals Ltd.,

We have examined the compliance of conditions of Corporate Governance by Jenburkt Pharmaceuticals Ltd., for the year ended 31st March 2013, 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 implementations 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 audit nor an expression of opinion on the financial statements of the Company.

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

As required by the Guidance Note issued by the Institute of Chartered Accountants of India, we have to state that no investor grievances were pending as on 31/03/2013 against the Company as per the records maintained by the Shareholder's / Investor's Grievance Committee.

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

For D.L.Arora & Co.
Chartered Accountants
Firm Regn. No.:100545W

Mumbai
16th July, 2013

(D.L.Arora)
Proprietor
Membership No.36152

Auditors' Report

To
The Members,
Jenburkt Pharmaceuticals Ltd .,

Report on the Financial Statements

We have audited the accompanying financial statements of Jenburkt Pharmaceuticals Ltd (“the Company”) which comprise the Balance Sheet as at March 31, 2013, the Statement of Profit & Loss and the Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub – section (3C) of the section 211 of the Companies Act, 1956 (“the Act”). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. 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 of any material misstatements.

An Audit involves, performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An Audit also includes, evaluating the appropriateness of accounting principles applied and significant estimates made by the Management, as well as evaluating the overall Financial Statements presentation.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the Accounting Principles generally accepted in India:

- i. in the case of Balance Sheet, of the state of affairs of the Company as at 31st March, 2013;
- ii. in the case of Statement of Profit and Loss, of the Profit for the year ended on that date; and
- iii. in the case of Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 (“the Order”) issued by the Central Government of India in terms of Sub-section (4A) of Section 227 of the Companies Act, 1956, we enclose in the Annexure hereto a statement on the matters specified in Paragraph 4 and 5 of the said order.
2. As required by section 227(3) of the Act, we report that:
 - a) We have obtained all the information and explanations, which to the best of our knowledge and belief, were necessary for the purpose of our audit;
 - b) in our opinion, proper books of accounts, as required by law, have been kept by the Company so far as appears from our examination of those books;

- c) the Balance Sheet, Profit and Loss Accounts and Cash Flow Statement dealt with by this report are in agreement with the books of accounts;
- d) In our opinion, the Balance Sheet, Statement of Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the mandatory Accounting Standards referred to in Sub-section (3C) of Section 211 of the Companies Act, 1956.
- e) On the basis of written representations received from the directors as on 31st March, 2013 and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on 31st March, 2013, from being appointed as a director in terms of Clause (g) of Sub-Section (1) of Section 274 of the Companies Act, 1956.

For D.L.Arora & Co.
Chartered Accountants
Firm Regn. No.:100545W
sd/-
(D.L.Arora)
Proprietor
Membership No.36152

Mumbai
30th May, 2013

Annexure to the Independent's Auditors' Report

As required by the Companies (Auditor's Report) Order, 2003, as amended by the Companies (Auditor's Report) (Amendment) Order, 2004, issued by the Central Government of India in terms of section 227 (4A) of the Companies Act, 1956, we further report that:

1. Fixed Assets:

- a) The Company has maintained proper records showing full particulars including quantitative details and situations of fixed assets.
- b) According to the information and explanations given to us, the fixed assets have been physically verified by the Management and no discrepancies have been noticed. In our opinion method adopted by the Management for physical verification is reasonable.
- c) In our opinion, the Company has not disposed off substantial part of fixed assets during the year and the going concern status of the Company is not affected.

2. Inventories:

- a) The stocks of finished goods, stores and spares parts, raw and packing material of the Company in its possession have been physically verified by the management at reasonable intervals. Stock in possession and in custody of third party have been verified by the management with reference to confirmatory statement of Accounts by them and or its physical verification by the management at regular interval.
- b) The procedures as explained to us, which are followed by the Management for physical verification of the above referred stocks are, in our opinion, reasonable and adequate in relation to the size of the Company and the nature of its business;
- c) According to information and explanations given to us no material discrepancies were noticed on physical verification of stocks as compared to book records. Minor discrepancies noticed were properly dealt with, in the books of accounts, which were not material considering the size of the Company's operations.

3. In respect of loans, secured or unsecured, granted or taken by the Company to/from companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956 :

- a) The Company has not taken any secured or unsecured loans from the companies, firms or other parties listed in the register maintained under the section 301 of the Companies Act, 1956.
- b) The Company has not granted any loans, secured or unsecured, to companies, firms or other parties listed in register maintained under section 301 of the Companies Act, 1956.
- c) The parties including employees to whom loans or advances in the nature of loan have been given by the Company are repaying the principal amounts as stipulated and contracted, and are also regular in payment of interest wherever applicable;

4. In our opinion and according to the information and explanation given to us, there is an adequate internal control system and procedures commensurate with the size of Company and the nature of its business, for the purchase of stores, inventory, and fixed assets and the sale of goods and disposal of investments. During the course of our Audit, we have not observed any

- continuing failure to correct major weaknesses in internal control system.
5. In respect of transactions covered under Section 301 of the Companies Act, 1956:
 - a) According to information and explanations given to us, the transactions made in pursuance of contracts or arrangements, that needed to be entered in the register maintained under section 301 of the companies Act, 1956, have been so entered.
 - b) According to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained under Section 301 of the Companies Act, 1956 and exceeding the value of Rs. 5,00,000/- in respect of each party during the year have been made at prices which appear reasonable having regard to the prevailing market prices at the relevant time.
 6. According to the information and explanation given to us, the Company has not accepted any deposits from the public within the meaning of section 58A, 58AA, or any other relevant provisions of the Companies Act, 1956 and the rules framed there under.
 7. In our opinion, the Company has an Internal Audit System commensurate with the size and nature of its business.
 8. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Accounting Records) Rules, 2011 prescribed by the Central Government under section 209(1)(d) of the Companies Act, 1956 and are of the opinion that prima-facie the prescribed cost records have been maintained. We have however, not, made a detail examination of the cost records with a view to determining whether they are accurate or complete.
 9. In respect of statutory dues:
 - a) According to the records of the Company, Provident Funds, Custom duty, Sales Tax, Education cess and Employee's State Insurance dues have been regularly deposited by the Company with appropriate authorities.
 - b) According to information and explanations given to us, no undisputed amount payable in respect of Income Tax, Wealth Tax, Sales Tax, Custom duty and Excise duty were outstanding as at 31st March, 2013 or a period of more than six months from the date they became payable.
 10. The Company does not have accumulated losses at the end of the Financial Year. The company has not incurred any cash losses during the financial year covered by our audit and in the immediately preceding financial year.
 11. Based on our audit procedure and according to the information and explanation given to us, we are of the opinion that the Company has not defaulted in repayment of dues to financial institutions, banks.
 12. In our opinion and according to the information and explanation given to us, no loans and advances have been granted by the Company on the basis of security by way of pledge of shares, debentures and other securities.
 13. In opinion, the Company is not a chit fund or a nidhi/mutual benefit fund/society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order 2003 are not applicable to the Company.
 14. The Company does not deal or trade in shares, securities, debentures and other investments.
 15. The Company has not given any guarantees for loans taken by others from banks or financial institutions.
 16. In our opinion and according to the information and explanation given to us, on an overall basis, the new term loans have been applied for the purpose for which they were raised.
 17. On the basis of an overall examination of the balance sheet of the Company, in our opinion and according to the information and explanation given to us, there are no funds raised on a short-term basis which have been used for long-term investment.
 18. During the year, the Company has not made any preferential allotment of shares to parties and companies covered in the Register maintained under Section 301 of the Companies Act, 1956.
 19. The Company has not raised funds by way of Debentures.
 20. The Company has not raised any money through public issue during the year.
 21. Based upon the audit procedures performed by us, to the best of our knowledge and belief and according to the information and explanations given to us by the Management, no fraud on, or by the company, has been noticed or reported during the year.

For D.L.Arora & Co.
Chartered Accountants
Firm Regn. No.:100545W

(D.L.Arora)
Proprietor
Membership No.36152

Mumbai
30th May, 2013

Cash Flow Statement for the Financial Year 2012-13

(₹ in Lacs)

	31 st March, 2013	31 st March, 2012
A. CASH FLOW FROM OPERATING ACTIVITIES :		
Net profit before taxes and extraordinary items	882.38	852.06
Adjustments for :		
Depreciation	148.29	121.77
Investment (Interest, Dividend Income)	(91.97)	(67.31)
Loss on sale of fixed assets	4.21	1.11
Long/Short Term Capital Gains	(11.14)	(2.03)
Interest paid	93.80	62.79
Prov. for Leave Salary written back and Insurance Claim	(5.61)	(9.16)
Operating profit before working capital changes	1,019.97	959.23
Adjustments for :		
Trade & other receivables	(233.63)	107.54
Inventories	(143.85)	(47.64)
Trade & other payables	116.54	(120.87)
Changes in Short Term Loans and Advances	(4.55)	6.65
Changes in Short and Long Term Provisions	(144.15)	6.76
Changes in Other Current Assets	188.29	72.19
Cash generated from operations	798.62	983.87
Interest paid	(93.80)	(62.79)
Direct Taxes paid	(256.51)	(242.15)
Cash Flow before extraordinary items	448.31	678.92
Prov. for Leave Salary written back and Insurance Claim	5.61	9.16
Prov. For Group Gratuity and Leave Encashment written back	0.00	4.41
Net cash from operating activities (A)	4,53.92	6,92.49
B. CASH FLOW FROM INVESTING ACTIVITIES :		
Capital work in progress and other adjustments for Trade Mark	0.00	31.60
Purchase of fixed assets	(239.28)	(424.26)
Sales of fixed assets	0.00	12.71
Profit on Sale of Investments	11.14	2.03
Sale of Investments	21.60	26.52
Interest & Dividend received	91.97	67.31
Net cash used in investing activities (B)	(114.57)	(284.09)
C. CASH FLOW FROM FINANCING ACTIVITIES :		
Proceeds from short & long term borrowings	227.54	20.97
Changes in other long term liabilities	7.57	3.14
Dividend	(195.27)	(162.73)
Dividend tax	(31.68)	(27.66)
Net cash used in financing activities (C)	8.16	(166.28)
D. NET INCREASE/DECREASE IN CASH AND CASH EQUIVALENT [A+B+C]	347.51	242.12
Cash and cash equivalent as at 1 st April 2012 (Opening balance)	793.25	551.13
Cash and cash equivalent as at 31 st March 2013 (Closing balance)	1,140.75	793.25

As per our report of even date
For **D.L.Arora & Co.**

Chartered Accountants
Firm Regn. No.:100545W
D.L.Arora
Proprietor
Membership No.36152
Mumbai, 30th May, 2013

For and on behalf of the Board

Ashish U. Bhuta
Bharat V. Bhate
Rameshchandra J. Vora
Arun R. Raskapurwala
Ashish R. Shah

- Chairman and Managing Director
- Director
- Director
- Director
- Company Secretary

Balance Sheet as at 31st March 2013

(₹ in Lacs)

	Note	As at 31-03-2013	As at 31-03-2012
EQUITY AND LIABILITIES			
Shareholders' Fund			
Share Capital	1	464.93	464.93
Reserves & Surplus	2	1,800.17	1,405.58
		2,265.10	1,870.51
Share Application Money Pending Allotment		—	—
Non Current Liabilities			
Long Term Borrowings	3	2.35	6.80
Deffered Tax Liability (Net)	4	112.00	115.15
Other Long Term Liabilities	5	250.38	242.81
Long Term Provisions	6	515.08	439.00
		879.81	803.76
Current Liabilities			
Short Term Borrowings	7	455.44	223.46
Trade Payables	8	306.30	228.33
Other Current Liabilities	9	481.13	442.56
Short Term Provisions	10	507.43	463.66
		1,750.30	1,358.01
TOTAL		4,895.21	4,032.28
ASSETS			
Non Current Assets			
Fixed Assets			
Tangible Assets	11A	1,416.60	1,304.21
Intangible Assets	11B	6.04	7.80
Capital Work in Progress	11C	—	23.87
Intangible Assets under development	11D	—	—
Non Current Investments	12	31.21	52.80
Deferred Tax Assets (Net)		—	—
Long Term Loans & Advances		—	—
Other Non Current Assets		—	—
		1,453.85	1,388.68
Current Assets			
Current Investments		—	—
Inventories	13	771.61	627.76
Trade Receivables	14	601.94	368.31
Cash & Cash Equivalents	15	1,140.75	793.25
Short Term Loans & Advances	16	42.77	38.22
Other Current Assets	17	884.29	816.06
		3,441.36	2,643.60
TOTAL		4,895.21	4,032.28
Notes on financial statements	1-31		

As per our report of even date
For **D.L.Arora & Co.**
Chartered Accountants
Firm Regn. No.:100545W
D.L.Arora
Proprietor
Membership No.36152
Mumbai, 30th May, 2013

For and on behalf of the Board

Ashish U. Bhuta
Bharat V. Bhate
Rameshchandra J. Vora
Arun R. Raskapurwala
Ashish R. Shah

- Chairman and Managing Director
- Director
- Director
- Director
- Company Secretary

Statement of Profit & Loss for the year ended on 31st March 2013

(₹ in Lacs)

	Note	2012-13	2011-12
INCOME			
Revenue from operations	18	6,934.26	5,981.82
Other Income	19	111.95	81.52
Total Revenue		7046.21	6063.34
EXPENDITURE			
Cost of Materials Consumed	20	664.92	711.62
Purchase of Stock-in-Trade	21	1,709.23	1,298.25
Changes in inventories of Finished Goods and Work-in-Progress	22	(88.62)	(41.61)
Employee Benefit Expense	23	1,580.66	1,268.89
Finance Cost	24	93.80	62.79
Depreciation & Amortisation Expense	25	148.29	121.77
Other Expenses	26	2,056.93	1,797.62
Total Expenditure		6,165.22	5,219.33
Profit before exceptional and extraordinary items and tax		880.99	844.01
Exceptional Items	27	1.39	8.05
Profit before extraordinary items and tax		882.38	852.06
Extraordinary Items		—	—
Profit before Tax		882.38	852.06
Tax Expense:			
Current Tax		264.00	250.62
Deferred Tax		(3.15)	1.92
Profit (Loss) from discontinuing operations		—	—
Tax expenses of discontinuing operations		—	—
Profit (Loss) from discontinuing operations (after tax)		260.85	252.54
Profit for the year		621.53	599.52
Earnings per Equity Share : Basic and Diluted	28	13.37	12.89

As per our report of even date
For **D.L.Arora & Co.**
Chartered Accountants
Firm Regn. No.:100545W
D.L.Arora
Proprietor
Membership No.36152
Mumbai, 30th May, 2013

For and on behalf of the Board

Ashish U. Bhuta
Bharat V. Bhate
Rameshchandra J. Vora
Arun R. Raskapurwala
Ashish R. Shah

- Chairman and Managing Director
- Director
- Director
- Director
- Company Secretary

Notes on financial statements for the year ended on 31st March, 2013

The previous year's figures have been regrouped / reclassified wherever necessary to confirm to the current year's presentation

(₹ in Lacs)

	As at 31-03-2013		As at 31-03-2012	
1 SHARE CAPITAL				
Authorised Share Capital				
1,00,00,000 Equity Shares of Rs 10/- each		1,000.00		1,000.00
		<u>1,000.00</u>		<u>1,000.00</u>
Issued, Subscribed & Fully Paid Equity Share Capital				
46,49,300 Equity Shares of Rs 10/- each		464.93		464.93
Less: calls in arrears		—		—
Total		<u>464.93</u>		<u>464.93</u>
Reconciliation of number of shares outstanding at the beginning and at the end of the reporting period				
Number of shares outstanding at beginning of the year		46,49,300		46,49,300
Add: Shares issued during the year		—		—
Less: Shares brought back during the year		—		—
Number of shares outstanding at end of the year		<u>46,49,300</u>		<u>46,49,300</u>
Details of shareholders holding more than 5% of the aggregate shares in the Company				
Name of the shareholders	No. of Shares	% Held	No. of Shares	% Held
Bhuta Holdings Private Limited	566,868	12.19	558,654	12.02%
Uttam N. Bhuta	344,168	7.40	331,887	7.14%
2 RESERVES & SURPLUS				
General Reserve Fund				
Opening Balance	197.40		137.45	
Transfer from Profit & Loss Account	62.15	259.56	59.95	197.40
Profit & Loss Fund				
Opening Balance		1208.18		853.50
Add: Excess Provision (I.T. 2009-10) Written Back	—		1.09	
Provision for Leave Encashment	—		0.81	
Deffered tax Assets	5.06		—	
Excess Provision (Group Gratuity) Written Back	—		3.59	
Profit for the current year	616.47		599.52	
		621.53		605.02
Less: Transferred to General Reserve	62.15		59.95	
Proposed dividend for year 2012-13	195.27		162.73	
Dividend Tax	31.68	(289.10)	27.66	(250.34)
Total Profit & Loss Account		<u>1,540.61</u>		<u>1,208.18</u>
Total Reserves & Surplus		<u>1,800.17</u>		<u>1,405.58</u>

(₹ in Lacs)

	As at 31-03-2013	As at 31-03-2012
3 LONG TERM BORROWINGS		
Secured Loans		
From Bank		
Kotak Mahindra - Car Loan	2.35	6.80
Total	2.35	6.80
The above Term Loans are secured as follows:		
1) Term Loans from Kotak Mahindra Bank are secured against hypothecation of Vehicles.		
4 DEFERRED TAX LIABILITIES (Net)		
Deferred Tax Liabilities		
Related to Fixed Assets	117.06	119.95
Deferred Tax Assets		
Disallowances under Income Tax Act, 1961	5.06	4.80
Total	112.00	115.15
5 OTHER LONG TERM LIABILITIES		
Other Liabilities *		
	250.38	242.81
Total	250.38	242.81
* Other Long Term Liabilities represents security amount received from Super-Stockists and Consignee Agents.		
6 LONG TERM PROVISIONS		
Other Provisions		
Provision for Income Tax - Earlier Years	515.08	439.00
Total	515.08	439.00
7 SHORT TERM BORROWINGS		
Secured Loans - From Banks		
Bank of Baroda - Cash Credit *	97.36	110.72
Bank of Baroda - Term Loan **	358.08	112.74
Total	455.45	223.46
* The Cash Credit with Bank of Baroda - Secured against hypothecation of present & future stocks of raw material, packing material, work-in-progress, finished goods, book debts and bills.		
** Bank of Baroda Term Loan account - Secured against hypothecation of Plant & Machinery.		
8 TRADE PAYABLES		
Micro Small & Medium Enterprises	127.23	156.91
Others	179.07	71.42
Total	306.30	228.33

(₹ in Lacs)

	As at 31-03-2013	As at 31-03-2012
The details of amounts outstanding to Micro, Small & Medium Enterprises are based on available information with the Company is as under:		
Principal amount due and remaining unpaid	—	—
Interest due on above and unpaid	—	—
Interest paid	—	—
Payment made beyond appointed day during year	—	—
Interest due and payable for period of delay	—	—
Interest accrued and remaining unpaid	—	—
Amount of further interest remaining due and payable in succeeding years	—	—

9 OTHER CURRENT LIABILITIES**a Current Maturities of Long Term Debt**

Kotak Mahindra - Car Loans	5.98	8.33
b Interest accrued and due on borrowings	37.60	39.68
c Unpaid Dividend	22.68	19.31
d Other payables *	414.88	375.23
Total	481.13	442.56

* Includes statutory dues and retirement benefits payable to employees as determined by Actuary.

10 SHORT TERM PROVISIONS

Provision for retirement benefit	16.38	21.99
Proposed Dividend	195.27	162.73
Proposed Dividend Tax	31.68	27.66
Provision For Income Tax - Current Year	264.00	251.08
Provision For Wealth Tax - Current Year	0.10	0.20
Total	507.43	463.66

11 FIXED ASSETS

(₹ in Lacs)

Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As on 31-03-12	Addition	Deletion	As on 31-03-13	As on 31-03-12	Current Year	Written Back	As on 31-03-13	As on 31-03-13	As on 31-03-12
TANGIBLE ASSET										
Land	40.02	0.00	0.00	40.02	0.00	0.00	0.00	0.00	40.02	40.02
Factory Building	544.75	124.85	0.00	669.60	110.23	18.53	0.00	128.76	540.84	434.52
Office Building	164.93	0.00	0.00	164.93	14.27	2.69	0.00	16.95	147.98	150.67
Godown Building	6.26	0.00	0.00	6.26	1.55	0.10	0.00	1.65	4.61	4.71
Plant & Machinery	801.12	52.79	10.39	843.52	415.39	54.67	6.65	463.41	380.10	385.73
Plant & Machinery (R&D)	87.79	0.00	0.08	87.71	17.87	9.73	0.03	27.56	60.15	69.93
Furniture & Fixture	116.43	28.91	0.00	145.34	48.31	12.65	0.00	60.95	84.38	68.12
Vehicle	83.40	0.00	0.00	83.40	19.24	16.61	0.00	35.85	47.55	64.16
Office Equipment	35.00	7.56	0.34	42.22	19.50	2.48	0.20	21.78	20.43	15.50
Electric Fittings	30.44	10.42	0.00	40.86	5.04	3.66	0.00	8.70	32.16	25.39
Computer	139.28	37.90	1.74	175.44	93.81	24.72	1.46	117.07	58.37	45.46
Total (I)	2,049.41	262.44	12.56	2,299.30	745.20	145.84	8.34	882.69	1,416.60	1,304.21
INTANGIBLE ASSET										
Goodwill	25.00	0.00	0.00	25.00	24.41	0.15	0.00	24.55	0.45	0.59
Trade Mark	8.97	0.70	0.00	9.67	6.74	0.65	0.00	7.39	2.28	2.23
Trade Mark Registration Chgs.	4.97	0.00	0.00	4.97	0.00	1.66	0.00	1.66	3.31	4.97
Total (II)	38.94	0.70	0.00	39.64	31.14	2.46	0.00	33.60	6.04	7.80
Capital Work-in-Progress	-	-	-	-	-	-	-	-	-	23.87
Total (I + II)	2,088.35	263.14	12.56	2,338.93	776.34	148.29	8.34	916.29	1,422.64	1,335.88
Previous Year	1706.41	424.26	42.32	2088.35	679.48	121.77	24.90	776.34	1335.88	1078.80

(₹ in Lacs)

	As at 31-03-2013		As at 31-03-2012	
12 NON CURRENT INVESTMENTS				
(Long term investments)				
Other Investments				
i) Investment in Equity Instrument (Quoted)	13.37		17.09	
ii) Investment in Mutual Funds (Quoted)	17.84	31.21	35.71	52.80
Total		31.21		52.80
Market Value of quoted investments as on 31/03/2013 is Rs 44.19 Lacs and as on 31/03/2012 is Rs 90.26 Lacs				
13 INVENTORIES				
Raw Material	175.11		121.01	
Packing Material	91.67		99.30	
R&D - Material	0.00		1.30	
Work-in-Progress	2.30		13.41	
Finished Goods *	502.54	771.61	392.74	627.76
Total		771.61		627.76
* Includes material lying with third parties and consignee agents.				
14 TRADE RECEIVABLES				
i) Exceeding Six Months and Doubtful	78.18		78.18	
ii) Not Exceeding Six Months (Considered good)	523.76	601.94	290.13	368.31
Total		601.94		368.31

(₹ in Lacs)

	As at 31-03-2013		As at 31-03-2012	
15 CASH AND CASH EQUIVALENTS				
a) Cash and Bank Balances				
i. Cash on Hand	5.15		4.56	
ii. Balance with Banks	<u>18.06</u>	23.21	<u>80.03</u>	84.59
b) Other Bank Balances				
Unpaid Dividends	22.68		19.31	
Bank Deposits with more than 12 months maturity	<u>1,094.86</u>	<u>1,117.54</u>	<u>689.35</u>	<u>708.66</u>
Total		<u>1,140.75</u>		<u>793.25</u>
16 SHORT TERM LOANS AND ADVANCES				
Unsecured and Considered good:				
Loans and Advances to Employees	25.88		22.07	
Advances to Suppliers	15.19		14.32	
Others	<u>1.70</u>	<u>42.77</u>	<u>1.83</u>	<u>38.22</u>
Total		<u>42.77</u>		<u>38.22</u>
17 OTHER CURRENT ASSETS				
Other Current Assets *	884.28		812.82	
Export Incentive (DEPB) Receivables	<u>0.00</u>	<u>884.28</u>	<u>3.24</u>	<u>816.06</u>
Total		<u>884.28</u>		<u>816.06</u>
* Other Current Assets represents Prepaid Expense, Claim receivables, Advance Tax paid etc.				
18 REVENUE FROM OPERATIONS				
Sales of Products		7,043.03		6,068.28
Sales of Services		22.27		0.00
Other Operating Revenues				
Excise Duty Refund	7.25		27.73	
Other Income (DEPB)	<u>0.00</u>	<u>7.25</u>	<u>6.22</u>	<u>33.96</u>
		<u>7,072.55</u>		<u>6,102.23</u>
Less: Excise Duties		138.30		120.41
Net Revenue from Operations	Total	<u>6,934.26</u>		<u>5,981.82</u>
19 OTHER INCOME				
Interest Income				
Interest from Others	6.42		8.72	
Interest from Banks	<u>84.96</u>	91.38	<u>58.04</u>	66.76
Dividend Income				
Dividend on Mutual Funds	0.00		0.00	
Dividend on Shares	<u>0.59</u>	0.59	<u>0.54</u>	0.55
Net Profit on Sale of Investments				
Long Term Capital Gain	10.60		6.23	
Short Term Capital Gain	<u>0.54</u>	11.14	<u>(4.20)</u>	(2.03)
Other Non Operating Income				
Discount Received		0.00		1.08
Net Gain on Foreign Currency Translation & Transactions (Exchange Rate Difference)		8.84		11.10
Total		<u>111.95</u>		<u>81.52</u>

(₹ in Lacs)

	As at 31-03-2013		As at 31-03-2012	
20 COST OF MATERIALS CONSUMED				
Raw Materials:				
Domestic	472.22		461.70	
Imported	0.00	472.22	83.03	544.73
Packing Materials		192.70		166.89
Total		664.92		711.62
Note: Value of imports on CIF basis in respect of				
i) Raw Materials and Stock - in -Trade	0.00		83.03	
ii) Capital Goods	8.44		7.75	
Other Foreign Currency Outgo				
Term Loan Repayment	171.60		128.36	
21 PURCHASE OF STOCK-IN-TRADE				
Finished Goods Purchased		1,709.23		1,298.25
Total		1,709.23		1,298.25
22 CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK IN PROGRESS				
Opening Stock				
Work-in-Progress	13.41		8.94	
Finished Goods	402.81	416.22	365.67	374.61
Less: Closing Stock				
Work-in-Progress	2.30		13.41	
Finished Goods	502.54	504.84	402.81	416.22
Total		(88.62)		(41.61)
23 EMPLOYEE BENEFIT EXPENSE				
i) Employees' Remuneration		1385.67		1102.71
ii) Contribution to Provident and Other Funds		174.81		152.50
iii) Staff Welfare Expense		20.18		13.68
Total		1,580.66		1,268.89

EMPLOYEES' RETIREMENT BENEFITS:

As per AS-15, disclosures required in respect of Employees' Benefit are as follows:

A. Defined Contribution Plans:

The company has recognized the following items in the Profit & Loss account for the year:

Particulars	2012-13	2011-12
1. Contribution to Employees' Provident Fund	73.71	60.85
2. Contribution to Superannuation Fund	5.56	4.08

B. Defined Benefit Plans:
Gratuity and Leave Encashment for Employees

The company has made an arrangement with LIC of India in respect of the above liabilities payable to employees at the time of their retirement or otherwise. The present value of obligation is determined on Actuarial Valuation and the same is based on the report of LIC and independent actuary. Liabilities in respect of retirement benefits are provided in the accounts on the basis of the said report. Policy in respect of Leave Encashment benefits payable to

employees at Plant (Sihor) was taken out by the company in Financial Year 2012-13 and therefore comparative figures for the previous year are not provided. Even comparative figures for Gratuity funds are not provided since figures for previous year are not comparable with that of current year.

The valuation of Gratuity and Leave Encashment by the LIC actuary are based on following assumptions:

I. ASSUMPTIONS

Gratuity (head office-Mumbai)

Mortality	LIC(1994-96) Ult	
Interest/Discount Rate	-	8.00%
Rate of increase in compensation	-	3.00% to 7.00%
Rate of return (expected) on plan assets	-	5.00%

Leave Encashment

Mortality	LIC(1994-96) Ult	
Interest/Discount Rate	-	8.00%
Rate if increase in compensation	-	5.00%
Rate of return (expected) on plan assets	-	8.00%

Particulars	(₹ in Lacs)	
	Gratuity 2012-13	Leave Encashment 2012-13
II. Changes in present value of obligations		
Defined benefit obligation at the beginning of the year	94.79	50.40
Interest Cost	7.58	4.84
Current Service Cost	10.01	7.01
Actuarial Gain/Loss	(11.57)	(1.63)
Benefits Paid	(10.62)	(13.90)
Defined Benefit obligation at the year end	113.33	17.54
III. Changes in fair value of plan assets		
Fair value of Plan Assets at the beginning of the year	100.90	48.21
Expected return on Plan assets	10.29	5.03
Actuarial Gain/Loss	Nil	0.94
Employers Contribution	31.97	21.56
Benefits paid	(10.62)	(13.90)
Fair value of Plan assets at the year end	132.54	60.98
IV. Fair Value of Plan Assets		
Fair value of Plan assets at the end of the year	132.54	60.98
Present value of obligation	113.33	77.36
Net Liability	(19.21)	16.38
V. Experience History		
Current Service Cost	10.01	7.01
Interest Cost	7.58	4.84
Expected return on Plan assets	(10.29)	5.03
Actuarial Gain/Loss	Nil	(1.54)
Actual Contribution	31.28	21.56
Additional Provision for Leave Encashment	-	16.38
Net Cost recognized in P & L A/C	31.28	37.94

(₹ in Lacs)

	As at 31-03-2013		As at 31-03-2012	
24 FINANCE COST				
Interest Expense	63.75		56.91	
Other Borrowing Cost	2.52		3.32	
Gain on Foreign Currency	27.53	93.80	2.56	62.79
Total		93.80		62.79
25 DEPRECIATION AND AMORTISATION EXPENSES				
Depreciation (Refer Note 11)		148.29		121.77
Total		148.29		121.77
26 OTHER EXPENSES				
Manufacturing Expenses				
Conversion & Jobwork Charges	12.46		17.95	
Equipment Validation Charges	3.02		1.97	
Freight & Insurance Expense	37.29		28.77	
Factory Expense	24.24		30.38	
Finished Goods Analysis	0.52		0.11	
Power & Fuel	39.39		36.56	
Raw Material Analysis	1.34		1.48	
Repairs to Factory Building	2.12		6.01	
Repairs to Plant & Machinery OH	5.30		4.62	
Stores & Spares - OH	3.46		0.84	
Wages	53.50	182.64	45.44	174.13
Selling & Distribution Expenses				
Commission on Sales *	226.25		171.97	
Freight Outward	97.92		86.88	
MR/FM/RSM - HQ Allowance	265.94		212.00	
MR/FM/RSM - Travelling	162.80		146.97	
Sales & Business Promotion	116.59		211.26	
Other Selling and Distribution Expenses *	361.91	1,231.41	300.00	1,129.08
* includes an expenditure incurred in foreign currency				
Administrative & General Expenses				
Consultancy Charges	95.27		67.28	
Printing & Stationary Expenses	205.40		155.77	
Other Administrative Charges	288.15		222.48	
Payment to Auditors *	2.50	591.32	2.50	448.03
* Payment to Auditor as:				
i) Statutory Audit	1.75		1.75	
ii) Tax Audit	0.75		0.75	
Research & Development Expenses				
Bioequivalence Study	0.00		1.40	
Clinical Trial	0.00		0.10	
Employee Cost	42.43		37.69	
Laboratory Chemicals	0.01		0.00	
Material Consumption	5.67		4.82	
Misc. Expense	0.98		0.18	
Power & Fuel	2.03		1.85	

(₹ in Lacs)

	As at 31-03-2013		As at 31-03-2012	
Printing & Stationary Expense	0.17		0.00	
Professional Fees	0.00		0.20	
Repair & Maintenance	0.26		0.15	
		51.55		46.38
Total		2,053.93		1,797.62
27 EXCEPTIONAL ITEMS				
Excess Provision of Leave Encashment *	(16.38)		8.51	
Provisions for Leave Encashment.**	7.20		0.00	
Provisions for Group Gratuity - written back ***	14.79		0.00	
Insurance Claim	0.00		0.65	
Profit / Loss on Sale of Fixed Assets	(4.21)	1.39	(1.11)	8.05
Total		1.39		8.05
* Provision made as per report of actuary.				
** Excess provision written back as per report of actuary.				
*** Provision no longer required - as per report of actuary.				
28 EARNING PER SHARE (EPS)				
i) Net Profit after tax as per statement of Profit & Loss attributable to equity shareholders.		621.53		599.52
ii) Number of equity shares used as denominator for calculating EPS		46,49,300		46,49,300
iii) Basic and diluted earning per share (₹)		13.37		12.89
iv) Face Value per equity share (₹)		10.00		10.00
29 REMITTANCE IN FOREIGN CURRENCY ON ACCOUNT OF DIVIDEND				
Number of Non- Resident Shareholders		2		2
Number of equity shares held by them		10,500		10,500
Amount of Dividend paid		0.37		0.37
30 EARNINGS IN FOREIGN EXCHANGE				
FOB Value of Exports		899.40		570.82
Frieght and Insurance on Exports		41.07		12.82
31 CONTINGENT LIABILITIES NOT PROVIDED IN THE ACCOUNTS				
i) In respect of foreign bills discounted		0.00		66.26
ii) Bank gaurantee in respect of Govt. Supplies		3.84		6.08

As per our report of even date
For **D.L.Arora & Co.**
Chartered Accountants
Firm Regn. No.:100545W
D.L.Arora
Proprietor
Membership No.36152
Mumbai, 30th May, 2013

For and on behalf of the Board

Ashish U. Bhuta
Bharat V. Bhate
Rameshchandra J. Vora
Arun R. Raskapurwala
Ashish R. Shah

- Chairman and Managing Director
- Director
- Director
- Director
- Company Secretary

**JENBURKT PHARMACEUTICALS LIMITED**

Regd. Office: Nirmala Apartments, 93, Jayprakash Road, Andheri (West), Mumbai-400 058.

Tel : 022-67 603 603 • Fax : 022-66943127

Email : investor@jenburkt.com • Web : www.jenburkt.com

ENTRANCE PASS

(To be presented at the entrance)

28th ANNUAL GENERAL MEETING ON 24th SEPTEMBER, 2013 AT 3.30 p.m.

at ISKCON Auditorium, Hare Krishna Land, Juhu, Mumbai - 400049.

DP ID No:

Folio No. / Client ID No. :

Name of the Shareholder :

.....

Signature of the Shareholder :

(only Shareholders / Proxies are allowed to attend the meeting)

----- ✂ ----- ✂ -----

PROXY FORM

I/We of being a member(s) of JENBURKT PHARMACEUTICALS LTD. hereby appoint of in the district of as my /our proxy to attend and vote for me / us and on my / our behalf at the 28th Annual General Meeting of JENBURKT PHARMACEUTICALS LTD. to be held on Tuesday, 24th September, 2013 and at any adjournment thereof.

DP ID No.:

Folio No. /Client ID No.:

No. of Shares held:

Affix
Revenue
Stamp

Signed this day of September, 2013.

Signature across Revenue Stamp

NOTE : The Proxy form must be deposited at the Registered Office of the Company at Nirmala Apartments, 93, J.P. Road, Andheri (W), Mumbai - 400 058 not less than 48 hours before the time for holding the Meeting.



JENBURKT PHARMACEUTICALS LIMITED

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Dear Shareholder(s),

To receive your dividend amount, in future, directly into your bank account: (a) Shareholders holding physical shares, kindly fill in the following form in detail, sign the form and submit it to RTA/Company. (b) In case you are holding shares in demat form, kindly advise your Depository Participant (DP) to take note of your Bank Account particulars/NECS/NEFT/ RTGS mandate and change in E-mail ID and /or correspondence address, if any.

Bank account, NECS/NEFT/RTGS mandate, e-mail details form

I / We do hereby authorise JENBURKT PHARMACEUTICALS LTD. to either print the following details on my / our dividend warrant or credit my /our dividend amount directly to my/ our Bank account by ECS.

DPID No. :

Folio No./Client ID No. :

A) Bank Name :

B) Branch Name & Address :

C) 9 Digit Code number of the Bank & Branch as appearing on the MICR Cheque :

D) Account Type (Saving / Current) :

E) Account No. as appearing on the cheque book :

F) IFSC Code :

G) STD Code & Telephone No. of the Shareholder :

H) Email Address of the Shareholder :

I / We shall not hold the Company responsible if the NECS/NEFT/RTGS could not be implemented or discontinued by the Company, for any reason.

Signature of the 1st Shareholder

Signature of the 2nd Shareholder

Signature of the 3rd Shareholder

Note: Kindly attach one cancelled cheque.

**JENBURKT PHARMACEUTICALS LIMITED**

Regd. Office: Nirmala Apartments, 93, Jayprakash Road, Andheri (West), Mumbai-400 058.

Tel : 022-67 603 603 • Fax : 022-66943127

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Ref.: Green initiative in corporate governance: go paperless.

Dear Shareholder,

The Ministry of Corporate Affairs (MCA) and Securities and Exchange Board of India (SEBI) have commenced “Green Initiative in Corporate Governance” allowing paperless compliances by Companies through electronic mode directing the listed Companies to supply soft copies of General Notices and Annual Reports to all those shareholders who have registered their e-mail addresses for the purpose. Companies are thus permitted to send various notices /documents to its shareholders through electronic mode to the registered e-mail addresses of shareholders.

This will benefit the society at large through reduction in paper consumption and contribution towards a Greener Environment. It will also ensure prompt receipt of communication and avoid loss in postal transit. Kindly fill in the e-communication registration form, appearing on the next page and send it to the RTA/ Company at the earliest.

Please be informed that these documents will also be available on the Company’s website, viz. www.jenburkt.com for download.

Please note that you are entitled to receive the above stated documents as required by law, upon receipt of a requisition from you.

Best Regards,

For Jenburkt Pharmaceuticals Ltd.

Ashish R. Shah

Company Secretary

Mumbai, 16th July 2013

E-COMMUNICATION REGISTRATION FORM

Folio No. /Client ID No. :

DPID No. :

Name of the Sole / 1st Registered Holder:

Name of the Joint Holder(s):

.....

.....

Address:

.....

.....

E-mail ID (to be registered):

I/We shareholder(s) of Jenburkt Pharmaceuticals Ltd. agree to receive all communications from the Company in electronic mode. Please register my above e-mail address in your records for sending communication through e-mail.

Date : Signature of 1st Holder :

Note: Shareholder(s) are requested to keep the Company informed, in writing, as and when there is any change in the registered postal address and/or e-mail address.

Financial Highlights

(₹ in Lacs)

Description	2012-13	2011-12	2010-11	2009-10	2008-09	2007-08	2006-07	2005-06	2004-05	2003-04
Profit & Loss Account										
Gross Sales	7043.03	6068.28	5727.34	5191.05	4323.85	4014.08	3786.15	3156.89	2601.94	2572.41
Other Income	141.47	123.53	91.45	68.83	49.57	42.90	45.30	55.04	60.63	43.64
Gross Revenues /Income	7184.50	6191.81	5818.79	5259.88	4373.42	4056.98	3831.45	3211.93	2662.57	2616.05
Profit before depreciation & interest	1124.47	1030.74	1059.40	707.88	442.40	377.28	355.28	289.79	223.35	196.59
Profit before Tax	882.38	852.06	908.97	572.71	290.26	215.56	203.06	166.98	114.59	95.56
Profit after Tax	621.53	599.52	601.52	377.89	163.56	130.29	120.35	103.98	74.38	63.31
Dividend & div. distribution tax	226.94	190.39	189.76	163.19	97.91	68.00	68.00	66.27	53.01	36.72
Dividend (%)	42.00	35.00	35.00	30.00	18.00	12.50	12.50	12.50	10.00	7.00
Balance Sheet										
Share Capital	464.93	464.93	464.93	464.93	464.93	464.93	464.93	464.93	464.93	464.93
Reserves & Surplus	1800.17	1405.58	990.95	568.33	359.82	316.36	257.19	204.34	170.31	149.01
Net worth	2265.10	1870.51	1455.88	1033.26	824.75	781.29	722.12	669.27	635.24	613.94
Deferred Tax Liability	112.00	115.15	113.23	69.78	49.96	51.26	49.99	48.28	43.78	40.57
Loan funds	252.73	481.40	457.29	486.60	694.67	952.52	899.71	838.13	671.33	616.92
Capital Employed:										
Net fixed assets	1422.64	1312.01	1026.93	736.35	644.71	608.70	630.32	565.69	462.48	402.26
Investments	31.21	52.80	79.32	57.20	47.86	39.28	63.36	42.47	81.62	31.80
Capital Work in Progress	0	23.87	51.86	104.67	97.13	0.00	0.00	9.53	26.40	12.26
Current Assets	3441.36	2643.60	2424.98	1764.28	1787.15	1908.26	1854.68	1590.54	1670.05	1546.43
Current Liabilities	1750.30	1336.02	1556.70	1072.87	1007.47	771.17	876.54	652.54	890.19	726.12
Net Current Assets	1691.06	1307.58	868.28	691.41	779.68	1137.09	978.14	938.00	779.86	820.31
Inventories	771.61	627.76	580.12	547.74	704.38	684.27	727.18	529.13	510.74	369.11
Ratio & Statistics										
PBDIT as % of sales	15.97	16.99	18.50	13.64	10.23	9.40	9.38	9.18	8.58	7.64
PAT as % of Sales	8.82	9.88	10.50	7.28	3.78	3.25	3.18	3.29	2.86	2.46
ROCE %	19.96	22.89	31.74	26.47	11.48	7.46	7.48	6.91	5.99	5.18
RONW %	27.44	32.05	41.32	36.57	19.83	16.68	16.67	15.54	11.71	10.31
Current Ratio	1.97	1.98	1.56	1.64	1.77	2.47	2.12	2.44	1.88	2.13
Basic Earning per share (₹)	13.37	12.89	12.94	8.13	3.52	2.80	2.59	2.24	1.60	1.36
Book Value per equity share (₹)	48.72	40.23	31.31	22.22	17.74	16.80	15.53	14.40	13.66	13.20

The figures of the previous year's are regrouped and rearranged where ever necessary, for comparison purpose.



Book-Post



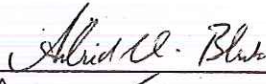

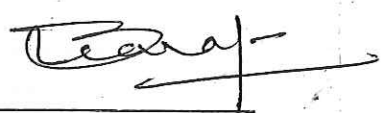
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FORM A

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

Format of covering letter of the annual audit report to be filed with the Stock Exchange

No.	Particulars	Details.
1.	Name of the company	Jenburkt Pharmaceuticals Ltd.
2.	Annual financial statements for the year ended	31 st March 2013.
3.	Type of Audit observation	Un-qualified.
4.	Frequency of observation	N.A.
5.	To be signed by- <ul style="list-style-type: none"> • CEO/Managing Director • CFO • Auditor of the company • Audit Committee Chairman 	<p>Mr. Ashish U. Bhuta</p> <p> N.A.</p> <p>For D. L. Arora & Co. Chartered Accountants Firm Regn. No.: 100545W</p> <p> (D. L. Arora) Proprietor Membership No.36152.</p> <p>Mr. Bharat V. Bhate.</p> <p></p>