FDC Limited

MANUFACTURERS & EXPORTERS OF FOODS, DRUGS & CHEMICALS

September 24, 2018

BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai- 400 001

National Stock Exchange of India Ltd.
Exchange Plaza, Plot no. C/1, G Block,
Bandra-Kurla Complex, Bandra (E),
Mumbai - 400 051

Dear Sir / Madam,

Ref.: BSE Scrip Code: 531599 and NSE Symbol – FDC

Sub.: Annual Report of FDC Limited for the financial year ended 31st March 2018 under Regulation 34(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

Pursuant to Regulation 34(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith the soft copy of Annual Report of FDC Limited for the financial year ended 31st March, 2018.

Kindly take the same on record.

Thanking you,

Yours truly,

For FDC LIMITED

Company Secretary

Encl.: As above

FDC LIMITED ★ (W) JOGESHWARI ★

CORPORATE OFFICE : 142-48, S. V. Road, Jogeshwari (W), Mumbai - 400 102. INDIA
Tel.: +91-22-3071 9100 - 399 / 2678 0652 / 2653 / 2656 • Fax : +91-22-2678 6393 / 8123 / 1912
E-mail: fdc@fdcindia.com • Website : www.fdcindia.com

REGISTERED OFFICE : B-8, M.I.D.C. Industrial Area, Waluj - 431 136, Dist. Aurangabad. INDIA
Tel.: 0240-255 4407 / 255 4299 / 255 4967 • Fax : 0240-255 4299
E-mail : waluj@fdcindia.com • CIN : L24239MH1940PLC003176

FDC LIMITED

CIN NO: L24239MH1940PLC003176

Registered Office: B - 8, MIDC Industrial Estate, Waluj - 431 136, District Aurangabad, Maharashtra.
R&D, Training Centre and Corp. Office: 142 - 48, Swami Vivekananda Road, Jogeshwari (West), Mumbai - 400 102.
Website: www.fdcindia.com; **E-mail Id:** investors@fdcindia.com
Tel: 0240-2554407; **Fax:** 0240-2554299

NOTICE is hereby given that the Seventy Eighth Annual General Meeting of **FDC Limited** will be held on **Friday, September 07, 2018**, at **10.00 a.m.** at WelcomHotel Rama International, R-3, Chikalthana, Aurangabad - 431 210, Maharashtra, to transact the following business:

ORDINARY BUSINESS:

1. **To receive, consider and adopt the Audited Standalone and Consolidated Financial Statement of the Company for the financial year ended March 31, 2018 together with the Reports of the Board of Directors and Auditors thereon.**

2. **To appoint a Director in place of Mr. Ashok A. Chandavarkar (DIN: 00042719) who retires by rotation and being eligible, offers himself for re-appointment.**

SPECIAL BUSINESS:

To consider and if thought fit, to pass with or without modification(s), Resolution No. 3 as **Special Resolution** and Resolution No. 4 as an **Ordinary Resolution:**

3. **To re-appoint Mr. Mohan A. Chandavarkar as Chairman and Managing Director.**

"RESOLVED THAT pursuant to the provisions of Sections 196, 197, 198 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 ("Act") and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, (including any statutory modification(s) or re-enactment thereof for the time being in force), approval of the shareholders be and is hereby accorded for the re-appointment of Mr. Mohan A. Chandavarkar (DIN: 00043344) as a Chairman and Managing Director of the Company for a period of 5 (five) years with effect from April 01, 2019, on the following terms and conditions, remuneration and perquisites upto a maximum as may be permitted under Schedule V of the Companies Act, 2013 or any modification or re-enactment thereof as in force for the period covered under the Agreement to be entered into by the Company with Mr. Mohan A. Chandavarkar or on the basis of such other law or notification as may be permissible or applicable ("said appointee"):

1. The material terms of the said Agreement are as follows:

i. Term: April 01, 2019 to March 31, 2024

ii. Salary: Rs. 6,50,000 (Rupees Six Lacs Fifty Thousand Only) p.m. with effect from April 01, 2019, with an annual increment of Rs. 20,000 (Rupees Twenty Thousand Only) p.m. upto to maximum salary of Rs. 7,30,000 (Rupees Seven Lacs Thirty Thousand only) p.m.

Annual increments every year, for the term, will be effective from April 01, 2019.

iii. Commission: In addition to salary and perquisites, commission not exceeding 0.60 percent of the net profits of the Company in a financial year, computed in the manner laid down in Section 198 of the Companies Act, 2013 and subject to the overall ceilings laid-down under Sections 198 of the Companies Act, 2013.

2. Perquisites: In addition to the salary and commission as mentioned in clause 1 above, the said appointee shall be entitled to perquisites as under:

i. Housing: The expenditure incurred by the company on hiring furnished accommodation for the appointee shall be subject to a ceiling of 60% of his salary. However, if the Company does not provide the appointee residential accommodation, the said appointee is entitled to house rent allowance of 60% of his salary. Besides, the Company shall provide amenities such as gas, electricity, water and furnishings subject to a ceiling of 10% of salary, computed as per Income Tax Rules, 1962.

ii. Medical, hospitalization and health care expenses: Reimbursement of medical, hospital and nursing expenses including mediclaim policy premium paid by the Company and where recommended by a medical practitioner travelling expenses for this purpose in or outside India for himself, his spouse and dependent children actually incurred subject to a ceiling of 1 (One) month's salary per year or 3 (Three) months' salary in a block period of 3 (Three) years.

iii. Leave Travel Concession: For the appointee, his wife and dependent children once a year, in accordance with any Rules specified by the Company subject to a ceiling of 1 (One) month's salary during leave for holidaying in any place or places in India not more frequently than once in a year, including travelling expenses by air and/or air-conditioned first class by rail, subject to a condition that he will not be entitled to any expenses of stay at any holiday resort.

iv. Club Fees: Reimbursement of club fees, subject to a maximum of 2 (Two) clubs, excluding life membership and admission fees.

v. Personal Accident Insurance: As per any Rules specified by the Company.

vi. Health Mediclaim Insurance: As per any Rules specified by the Company.

vii. Providend Fund : Company's contribution to provident fund shall be as per the scheme applicable to the employee's of the Company, but not exceeding 12% of the salary or such other limits as prescribed by the Government.

viii. Contribution to Superannuation Fund and Pension Scheme: The Company's contribution towards pension and/or superannuation fund shall be an amount equivalent to 15% of the salary, as applicable to the other senior officers of the Company.

Contribution to provident fund, super annuation fund will not be included in the computation of the ceiling on perquisites to the extent these, either singly or put together, are not taxable under the Income Tax Act.

ix. Gratuity: As per the Rules of the Company, payable in accordance with the approved gratuity fund which shall not exceed half month's salary for each completed year of service.

x. Ex- Gratia: In accordance with the Company's Rules and Regulations in force from time to time.

xi. Provision of car for use on Company's business and telephone at residence will not be considered as perquisites.

xii. Land line telephone/ mobile phone/ internet for official use.

3. Where in any financial year during the currency of the tenure of the said appointee, the Company has no profit or inadequacy of profits, the remuneration by way of salary, commission and perquisites shall not exceed, the maximum limits prescribed in Schedule V to the Companies Act, 2013.

4. The said appointee shall be eligible for annual privilege leave on full salary for a period of 21 (Twenty one) days and such leave shall be allowed to be accumulated for not more than 90 (Ninety) days during the tenure of his appointment. Encashment of unavailed privilege leave at the end of the tenure of appointment will not be included in the computation of the ceiling on perquisites.

5. The said appointee shall be entitled to :

(i) Reimbursement of expenses actually and properly incurred for the business of the Company as well as other expenses incurred by the appointee in the performance of duties on behalf of the Company.

(ii) The reimbursement of travelling, hotel and other expenses incurred by the appointee in India and abroad exclusively for the business of the Company.

6. The said appointee shall unless prevented by ill-health throughout the said term devote his whole time attention and abilities to the business of the Company and shall carry out the directions issued from time to time by the board of directors and shall in all respects conform to and comply with the directions and regulations made by the Board and shall well and faithfully serve the Company and use his utmost endeavors to promote the interests of the Company.

7. The salary payable to the said appointee in terms of Clause 1, hereof shall continue to be paid to him in full during the first 6 (Six) months of his illness or for causes beyond his control which would enforce his absence from duties and thereafter at the rate of one half of such salary during such absence until he shall have been so absent for a continuous period of 12 (Twelve) months or until this Agreement is determined as hereinafter provided, whichever is earlier.

8. The said appointee shall not at any time or times during or after the continuance of his employment divulge, disclose or make public any of the secrets regarding the accounts, transactions or processes or regarding specifications, technical and patent information, formulae and know-how to be used for the manufacture or processing of drugs and products of the

Company or any of the secrets regarding its plant, facilities, machinery and equipments, information and organization of production and material flow as well as methods and procedures of production or dealings of the Company which shall come to his knowledge whether the same shall be confided to him or become known to him as Director or in any other manner whatsoever during the course of his employment.

9. In the case of death of the said appointee in the course of his employment, the Company shall pay to his legal representatives the remuneration for the current month in addition to such other sum as the Board may determine.

10. If the said appointee shall, in the opinion of the Board of Directors, fail for 6 (Six) consecutive months to perform or be negligent in his duty to the Company, the Company may by notice in writing determine this Agreement.

11. The said appointee shall not during the continuance of this Agreement, or for a period of 3 (Three) years after the termination thereof, without the consent in writing of the Company, either solely or jointly with or as manager or agent for any other person or persons directly or indirectly carry on or be engaged in such business as the Company has been carrying on for the last preceding 3 (three) years.

12. The said appointee hereby agrees that he will not at any time after determination of his employment:

(i) Solicit the custom of or deal with any person or Company who has during the three/five years preceding such determination been a customer of the Company; and

(ii) Represent himself as being in any way directly or indirectly connected with or interested in the business of the Company.

13. Subject to Section 191 of the Companies Act, 2013 in the event of the Company at any time transferring its undertaking to another Company for any reason whatsoever the Company may make it one of the terms and conditions of such transfer that such other Company shall appoint the said appointee as a member of such other Company upon the same terms and conditions as are herein contained.

14. In the event of the Company being wound up voluntarily and in case it is able to pay its debts, the said appointee shall be paid by the Company or by its liquidator in priority to all other creditors as compensation for the loss of his employment as the appointee the sum equal to his 12 (Twelve) months' remuneration consisting of salary on the basis of the last salary drawn and such compensation shall at all times be the first charge on the assets of the Company.

15. Notwithstanding anything to the contrary contained in the Agreement, either party shall be entitled to terminate this Agreement, at anytime giving the other party 90 (Ninety) days notice in writing in that behalf.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby empowered to modify the terms and conditions of the appointment of Mr. Mohan A. Chandavarkar, subject to the conditions that such modification complies with relevant sections and Schedule V of the Companies Act, 2013.

4. To ratify remuneration of the cost auditors for the financial year 2018 - 2019.

"RESOLVED THAT pursuant to provisions of Section 148 of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), the Members do and hereby ratify the remuneration of Rs. 4,25,000/- (Rupees Four Lakhs and Twenty Five Thousand Only) plus taxes and out of pocket expenses, fixed by the Board payable to M/s. Sevekari Khare & Associates, Cost Accountants (Firm Registration No. 000084), who have been appointed as Cost Auditors by the Board of Directors, on the recommendation of the Audit Committee, to audit the cost records maintained by the Company for the financial year ending March 31, 2019.

RESOLVED FURTHER THAT the Board of Directors be and are hereby authorised to do all such acts, deeds and things as may be required in this regard."

By Order of the Board

Place : Mumbai
Date : May 25, 2018

Varsharani Katre
Company Secretary

NOTES:

1. The relative Explanatory Statements, pursuant to Section 102 of the Companies Act, 2013, in respect of the Special Business under Item Nos. 3 & 4 of the accompanying Notice is annexed hereto.

2. In respect of Resolution at Item No. 2, a statement giving additional information on the Director seeking re-appointment is annexed herewith as required under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

3. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY OR PROXIES TO ATTEND AND VOTE ON HIS/HER BEHALF ON A POLL ONLY. A PROXY NEED NOT BE A MEMBER OF THE COMPANY.**

   A PROXY FORM, IN ORDER TO BE EFFECTIVE, MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY, DULY COMPLETED AND SIGNED, NOT LESS THAN FORTY EIGHT HOURS BEFORE THE COMMENCEMENT OF THE AFORESAID MEETING.

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

4. Corporate Members intending to send their authorised representatives to attend the Meeting are requested to send a certified copy of the Board Resolution authorising their representative to attend and vote on their behalf at the Meeting pursuant to Section 113 of the Companies Act, 2013.

5. Members, Proxies and Authorised representatives are requested to bring the duly filled and signed attendance slips along with the copies of the Annual Report to the meeting.

6. The Register of Members and Share Transfer Books of the Company shall remain closed from September 01, 2018 to September 07, 2018 (both days inclusive) for the purpose of Annual General Meeting.

7. In order to prevent fraudulent transactions with respect to dividend warrants, the Company encourages remittance of dividend through ECS/NEFT. Dividend in future would be remitted through ECS/NEFT for shareholders who have registered their mandates with the Company or to the bank particulars registered against respective depository accounts, in respect of shares held in demat mode.

8. Members are advised to exercise due diligence and notify the Company of any change in address or demise of any Member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified.

9. Members holding shares in physical form are requested to consider converting their holdings to dematerialized form to eliminate all risks associated with physical shares and for ease of portfolio management. Members can contact the Company or Registrar & Share Transfer Agent for any assistance in this regard.

10. SEBI has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in dematerialized form should inform their Depository Participant and Members holding shares in physical form should inform the Registrar and Share Transfer Agent i.e. Sharex Dynamic (India) Pvt. Ltd., their PAN details along with proof thereof.

11. In terms of Section 124 of the Companies Act, 2013, the amount of dividend remaining unpaid or unclaimed for a period of 7 (Seven) years from the due date is required to be transferred to the Investor Education and Protection Fund (IEPF), constituted by the Central Government. The Company had, accordingly, transferred Rs. 14,66,903/- (Rupees Fourteen Lakhs Sixty Six Thousand Nine Hundred and Three Only) being the unpaid and unclaimed dividend amount pertaining to Final Dividend 2009-2010 to the IEPF of the Central Government.

    The Company has been sending reminders to those Members having unpaid/unclaimed dividends before transfer of such dividend(s) to IEPF. Details of the unpaid/unclaimed dividend are also uploaded on the Company's website i.e. www.fdcindia.com Members, who have not encashed their dividend pertaining to Final Dividend 2010-2011 and onwards, are advised to write to the Company immediately claiming dividends declared by the Company.

12. In accordance with the provision of Companies Act, 2013 read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 for the manner of transfer of the unpaid and unclaimed dividends to the IEPF and the manner of transfer of shares in case of any dividend has not been paid or claimed for last 7 (Seven) consecutive years to the designated Suspense Account as prescribed by the IEPF Authority as notified by the Ministry of Corporate Affairs.

In view thereof, after complying with the prescribed procedure 200,997 shares on which dividend remained unclaimed for 7 (Seven) consecutive years, were transferred to IEPF account in the year 2017. The Company has uploaded the details of such Shareholders who's shares are transferred to IEPF account on the website of the Company i.e. www.fdcindia.com. The procedure to claim the shares transferred to IEPF account has also been uploaded on the website.

13. Pursuant to the provisions of Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012, the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on August 19, 2017 (date of last Annual General Meeting) on the website of the Company i.e. www.fdcindia.com and also on the website of the Ministry of Corporate Affairs i.e. www.mca.gov.in.

14. In accordance with the provisions of Section 139 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, B S R & CO LLP, Chartered Accountants, Statutory Auditors of the Company shall retire at the conclusion of the 82nd Annual General Meeting of the Company.

15. In case of joint holders attending the Annual General Meeting, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.

16. Members desiring any information pertaining to the financial statement are requested to write to the Company Secretary at an early date so as to enable the Management to reply at the Annual General Meeting.

17. A route map showing directions to reach the venue of the 78th Annual General Meeting is given at the end of this Notice as per the requirement of the Secretarial Standards-2 on "General Meetings".

18. To support the green initiative of the Government, electronic copy of the Notice and the Annual Report for the year ended March 31, 2018 is being sent to all the Members whose e-mail address is registered with the Company/ Depository Participants(s) unless any Member has requested for a hard copy of the same. For Members who have not registered their e-mail address, the Annual Report for the year ended March 31, 2018 is being physically sent along with the Notice. Members who have not yet registered their e-mail address are encouraged to submit their request with the Company / Depository Participants(s), as the case may be.

19. Members may also note that the Notice of the 78th Annual General Meeting and the Annual Report for the year ended March 31, 2018 shall also be available on the website of the Company i.e. www.fdcindia.com for download. Even after registering for e-communication, Members are entitled to receive such documents in physical form, upon submitting a request to the Company.

20. Pursuant to Section 72 of the Companies Act, 2013, Members holding shares in physical form are advised to file nomination in the prescribed Form SH-13 with the Company's share transfer agent. In respect of shares held in electronic/demat form, the members may please contact their respective depositary participant.

21. The Register of Directors and Key Managerial Personnel and their shareholding maintained under section 170 of the Companies Act, 2013, the Register of Contracts or Arrangements in which the Directors are interested under Section 189 of the Companies Act, 2013 will be available for inspection at the Annual General Meeting.

22. Process and manner of voting through electronic means:

i. In compliance with the provisions of Section 108 of the Companies Act, 2013, and the Rules made thereunder, the Company is pleased to provide its shareholders with the facility to exercise their right to vote at the 78th Annual General Meeting of the Company by electronic means and the business may be transacted through e-voting services provided by the Central Depository Services (India) Limited (CDSL).

ii. The facility for voting through ballot paper shall be made available at the Annual General Meeting and the Members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.

iii. Members can adopt for only one mode of voting, i.e. either by e-voting or ballot paper. In case, Members cast their votes through both the modes, voting done by e-voting shall prevail and votes cast through ballot form shall be treated as invalid.

iv. The voting rights of shareholders shall be in proportion to the No. of shares of the paid up capital of the Company as on the **cut-off date i.e. August 31, 2018.**

v. Only those Members whose names are recorded in the Register of Members of the Company or in the Register of Beneficial Owners maintained by the Depositories as on the cut-off date shall be entitled to vote. If a person was a Member on the date of the Book Closure, but has ceased to be a Member on the cut-off date of e-voting, he/she shall not be entitled to vote. Such person should treat the Notice for informational purpose only.

vi. M/s. Sanjay Dholakia & Associates, Practising Company Secretary (C.P.No.2655) has been appointed as a Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.

vii. The Chairman shall, at the Annual General Meeting, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of Scrutinizer, by use of ballot paper for all those members who are present at the Annual General Meeting but have not cast their votes by availing the remote e-voting facility.

viii. The Scrutinizer shall after the conclusion of voting at the Annual General Meeting, first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than 3 (Three) days from the date of the conclusion of the Annual General Meeting, a consolidated Scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.

ix. The Results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company www.fdcindia.com and on the website of CDSL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the Stock Exchanges.

x. Subject to receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of the Annual General Meeting i.e. September 07, 2018.

23. Instruction for remote e-voting through CDSL:

i. The remote e-voting shall commence on **September 04, 2018, at 9.00 A.M. IST and end on September 06, 2018 at 05.00 P.M. IST** During this period, Members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. August 31, 2018 may cast their vote by remote e-voting. The remote e-voting module will be disabled by CDSL for voting thereafter.

ii. The Members, who have cast their vote by remote e-voting prior to the Annual General Meeting, shall not be entitled to cast their vote again at the Annual General Meeting.

iii. The shareholders should log on to the e-voting website i.e. **www.evotingindia.com**

iv. Click on Shareholders.

v. **Now Enter your User ID**
 a. For CDSL: 16 digits beneficiary ID
 b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID
 c. Members holding shares in Physical Form should enter Folio Number registered with the Company.

vi. Next enter the Image Verification as displayed and Click on Login.

vii. If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier resolution of any company, then your existing password has to be used.

viii. If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) • Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN Field. • In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN Field.
Dividend Bank Details or Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (dd/mm/yyyy format) as recorded in your demat account or in the Company records in order to log If both the details are not recorded with the Depository or Company, please enter the Member id / folio number in the Dividend Bank details field as mentioned at instruction No. 23 (v).

ix. After entering these details appropriately, click on “SUBMIT” tab.

x. Members holding shares in physical form will then directly reach the Company selection screen. However, Members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

xi. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

xii. Click on the EVSN for the relevant FDC Limited on which you choose to vote.

xiii. On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

xiv. Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.

xv. After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.

xvi. Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.

xvii. You can also take out a print of the voting done by you by clicking on “Click here to print” option on the Voting page.

xviii. If the Demat account holder has forgotten the password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

xix. Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.

xx. Note for Non – Individual Shareholders and Custodians:

a. Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.

b. A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.

c. After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.

d. The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.

e. A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the Scrutinizer to verify the same.

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

24. Relevant documents referred to in the accompanying notice and in the Explanatory Statements are open for inspection at the Registered Office of the Company situated at B-8, M.I.D.C, Industrial Estate, Waluj Dist., Aurangabad - 431 136 between 10.00 a.m. IST to 12.00 noon IST on all days except Friday and holidays, prior to the date of the meeting and at the venue of the Annual General Meeting during the meeting hours.

By Order of the Board

Place : Mumbai
Date : May 25, 2018

Varsharani Katre
Company Secretary

I. EXPLANATORY STATEMENT PURSUANT TO SECTION 102 (1) OF THE COMPANIES ACT, 2013 (“the Act”)

Item No.03

The Board of Directors of the Company at its meeting held on May 25, 2018 has re-appointed Mr. Mohan A. Chandavarkar as a Chairman and Managing Director, for a period of 5 (five) years from the expiry of his present term which is expiring on March 31, 2019.

It is proposed to seek the Members' approval at the forthcoming Annual General Meeting, for the re-appointment of and remuneration payable to Mr. Mohan A. Chandavarkar as Chairman and Managing Director, in terms of the applicable provisions of the Act.

Mr. Mohan A. Chandavarkar is the Chairman and Managing Director of the Company since 1999. He is associated with the Company as a Director since 1967. He has graduated in Bachelor of Science (Honours).

He is actively involved in commercial, marketing, technical & operations, research & development and international business of the Company. His professional knowledge and vast experience will be of immense benefit to the Company.

He is also the member of the Audit Committee of the Company.

He is the Promoter of the Company and holds 1,87,01,621 shares of the Company in his name as on March 31, 2018.

The terms and conditions of his re-appointment including the remuneration payable to Mr. Mohan A. Chandavarkar, Chairman and Managing Director is laid out in the resolution mentioned in Item No. 3 above.

Mr. Mohan A. Chandavarkar satisfies all the conditions set out in Part-I of Schedule V to the Act as also conditions set out under sub-section (3) of Section 196 of the Act for being eligible for their re-appointment. He is not disqualified from being appointed as Director in terms of Section 164 of the Act.

Mr. Nandan M. Chandavarkar and Mr. Ashok A. Chandavarkar being related to Mr. Mohan A. Chandavarkar and Mr. Mohan A. Chandavarkar himself are deemed to be interested or concerned in the resolution as enumerated above.

The relatives of Mr. Mohan A. Chandavarkar may be deemed to be interested in the resolution set out at Item No.3 of the Notice, to the extent of their shareholding interest, if any, in the Company.

Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in these resolutions.

The Board recommends the Special Resolution set out at Item No. 3 of the Notice for approval by the Members.

Item No. 04

The Board of Directors at their meeting held on May 25, 2018, on the recommendation of the Audit Committee, has approved the re-appointment of M/s. Sevekari Khare & Associates (Firm Registration No. 000084), as Cost Auditors to audit the cost records of the Company for the financial year ending March 31, 2018, on a remuneration of Rs.4,25,000/- (Rupees Four Lakhs and Twenty Five Thousand Only) plus taxes and out of pocket expenses.

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the Members of the Company at the Annual General Meeting.

Accordingly, the approval of the Members is sought for passing an Ordinary Resolution as set out at Item No. 4 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending March 31, 2018.

None of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the Resolution set out at Item No. 4.

The Board recommends the Resolution No. 4 for approval of the Members.

By Order of the Board

Place : Mumbai
Date : May 25, 2018

Varsharani Katre
Company Secretary

II. DETAILS OF DIRECTORS SEEKING RE-APPOINTMENT AS REQUIRED UNDER REGULATION 36 OF THE SEBI REGULATIONS:

Re-appointment of Mr. Ashok A. Chandavarkar (Item No. 2)

In terms of Section 152(6) of the Companies Act, 2013, Mr. Ashok A. Chandavarkar shall retire by rotation at the forthcoming Annual General Meeting and being eligible offers himself for re-appointment.

Mr. Ashok A. Chandavarkar was appointed as a Wholetime Director of the Company for a period of 5 (Five) years effective from February 29, 2016 to February 28, 2021. As per the terms of his appointment, re-appointment at the Annual General Meeting as a director retiring by rotation would not constitute break in his appointment as a Wholetime Director.

Mr. Ashok A. Chandavarkar is a Bachelor of Engineering (Mechanical) having extensive experience in manufacturing and marketing fine chemicals and pharmaceuticals. He joined FDC Limited in the year 1987. Mr. Chandavarkar is entirely responsible for the Company's Materials Procurement. Also, he is involved in the day-to-day general management of the Company. Besides his vocational proficiency, he is a hard-core Rotarian, Past President of Rotary Club of Bombay Seacoast. In his Rotary career, he has received many accreditations from Rotary India and Rotary International

Mr. Mohan A. Chandavarkar and Mr. Ameya A. Chandavarkar being related to Mr. Ashok A. Chandavarkar and Mr. Ashok A. Chandavarkar himself are deemed to be interested or concerned in the resolution as enumerated above.

The relatives of Mr. Ashok A. Chandavarkar may be deemed to be interested in the resolution set out at Item No.2 of the Notice, to the extent of their shareholding interest, if any, in the Company.

Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives is, in any way, concerned or interested, financially or otherwise, in the Resolution.

This Explanatory Statement together with the accompanying Notice may also be regarded as an abstract of the terms of the agreement and Memorandum of Concern or Interest under Section 190 of the Companies Act and a disclosure under Regulation 36 of the SEBI Regulations.

The Board recommends the Resolution No. 2 for approval of the Members.

By Order of the Board

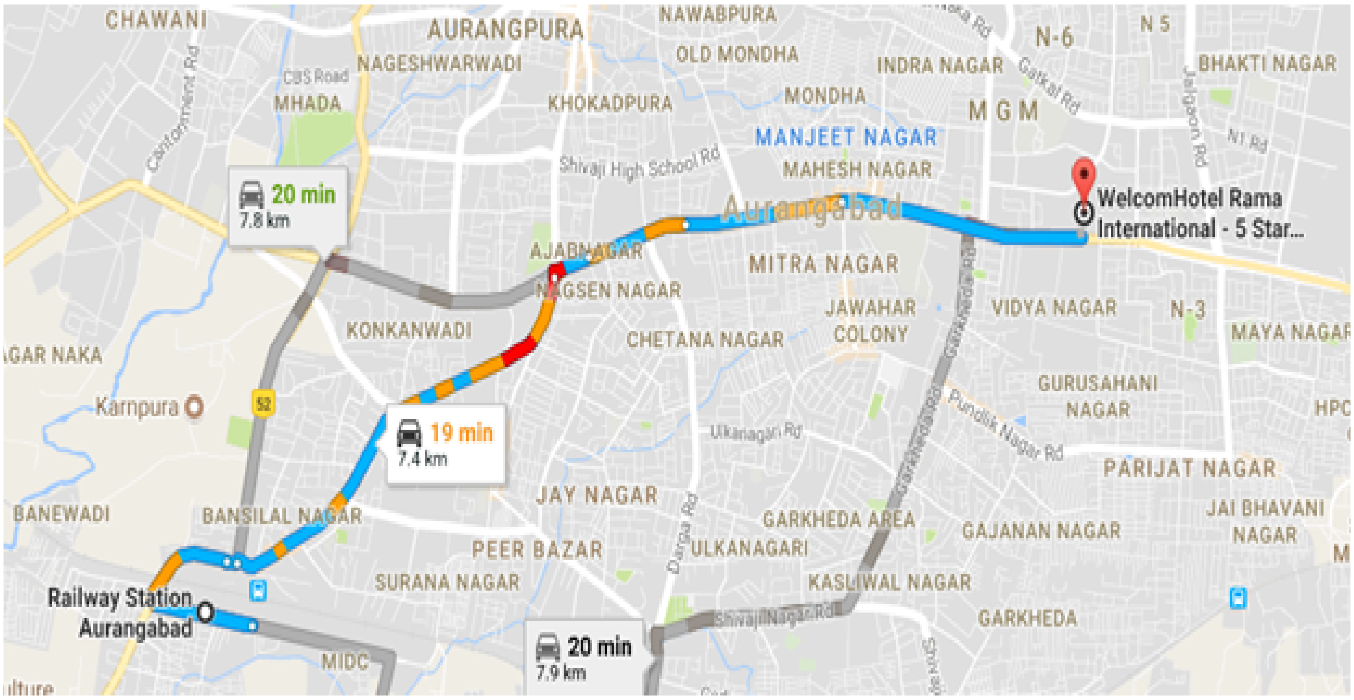
Place : Mumbai
Date : May 25, 2018

Varsharani Katre
Company Secretary

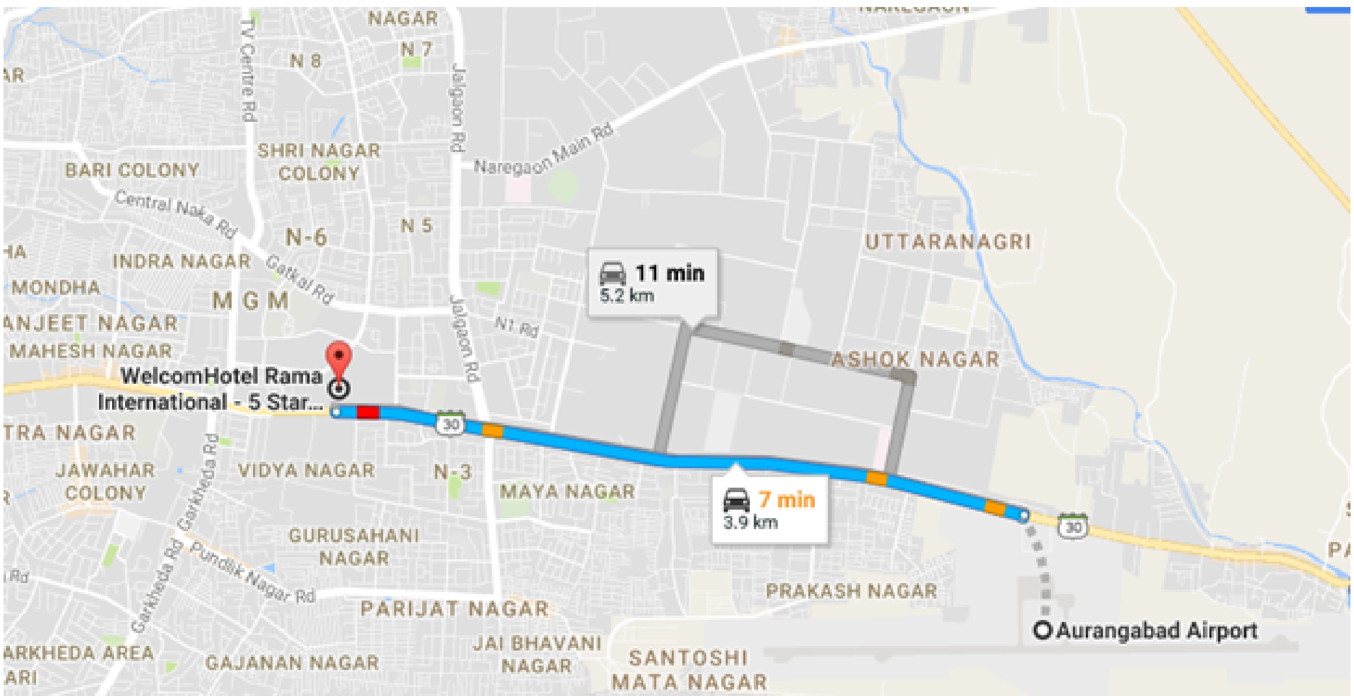
Route map for the venue of the 78th Annual General Meeting

Venue : WelcomHotel Rama International,
R-3, Chikalthana, Aurangabad - 431 210,
Maharashtra.

Landmark : Opposite High Court



Distance from Aurangabad Railway Station : 7.4 km



Distance from Aurangabad Airport: 7.4 km : 3.9 km

FDC LIMITED

CIN NO: L24239MH1940PLC003176
Registered Office: B - 8, MIDC Industrial Estate, Waluj - 431 136, District Aurangabad, Maharashtra.
R&D, Training Centre and Corp. Office: 142 - 48, Swami Vivekananda Road, Jogeshwari (West), Mumbai - 400 102.
Website: www.fdcindia.com; **E-mail Id:** investors@fdcindia.com
Tel: 0240-2554407; **Fax:** 0240-2554299

PROXY FORM

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

Name of the Member(s) : ______________________________

Registered Address : ______________________________

E-mail ID : ______________________________

Folio No. / Client ID : ______________________________

DP ID : ______________________________

I/ We, being the Member(s) of ____________ shares of FDC Limited hereby appoint:

1.Name : ______________________________

Address : ______________________________

E-mail ID : ______________________________

Signature : ____________

or falling him/her

2. Name : ______________________________

Address : ______________________________

E-mail ID : ______________________________

Signature : ____________

or falling him/her

3.Name : ______________________________

Address : ______________________________

E-mail ID : ______________________________

Signature : ____________

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Seventy Eighth Annual General Meeting of the Company, to be held on September 07, 2018 at 10.00 a.m. at WelcomHotel Rama International, R-3, Chikalthana, Aurangabad - 431 210, Maharashtra and at any adjournment thereof in respect of such resolutions as are indicated below:

Sr. No.	Resolutions
1.	Adoption of the Audited Standalone and Consolidated Financial Statement for the year ended March 31, 2018 and Reports of Board of Directors and Auditors thereon.
2.	Re-appointment of Mr. Ashok A. Chandavarkar, Wholetime Director (DIN: 00042719) who retires by rotation and being eligible, seeks re-appointment.
3.	Re-appointment of Mr. Mohan A. Chandavarkar as Chairman and Managing Director.
4.	Ratification of Remuneration payable to M/s. Sevekari Khare & Associates, Cost Auditors for the financial year ending March 31, 2019.

Signed this __________ day of __________________ 2018.

Affix Re 1
Revenue
Stamp

_____________________ _____________________

Signature of Shareholder Signature of the Proxyholder

Note:

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

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

FDC

FDC Limited

DELIVERING EXCELLENCE

ANNUAL REPORT 2018

FORWARD LOOKING STATEMENTS

This report may contain certain statements that might be considered forward looking. These statements are subject to certain risks and uncertainties, since they are based on certain assumptions and expectations of future events. Actual results may differ materially from those expressed in the statement. The Company cannot guarantee that these assumptions and expectations are accurate and will be realised. The Company assumes no responsibility to publicly amend, modify or revise any forward looking statements, on the basis of any subsequent developments, information and events.

INVESTORS' INFORMATION

1.	Date of Annual General Meeting	Friday, September 07, 2018
2.	Venue and time	WelcomHotel Rama International R-3, Chikalthana, Aurangabad - 431 210 at 10.00 a.m.
3.	Book closure	September 01, 2018 to September 07, 2018 (both days inclusive)
4.	Investors' complaints may be addressed to	The Secretarial Department FDC Limited 142-48, Swami Vivekananda Road Jogeshwari (West), Mumbai 400 102 Tel.: (022) 3071 9215, 3071 9100 Fax.: (022) 2678 8123 E-mail ID.: investors@fdcindia.com Website: www.fdcindia.com

FDC Limited

CIN: L24239MH1940PLC003176
Registered Office: B - 8, MIDC Industrial Estate, Waluj - 431 136, Dist. Aurangabad, Maharashtra.
R&D, Training Centre and Corporate Office: 142 - 48, Swami Vivekananda Road, Jogeshwari (West), Mumbai - 400 102.

Anand L. Chandavarkar (1905-1959)
Founder

Ramdas A. Chandavarkar (1933-2001)
Chairman Emeritus

DIRECTORS

Mr. Mohan A. Chandavarkar
(Chairman and Managing Director)

Mr. Nandan M. Chandavarkar
(Joint Managing Director)

Mr. Ashok A. Chandavarkar

Mr. Ameya A. Chandavarkar

Ms. Nomita R. Chandavarkar

Dr. Rahim H. Muljiani

Dr. Satish S. Ugrankar

CA Vinod G. Yennemadi

CA. Swati S. Mayekar

CA. Uday Kumar Gurkar

CHIEF FINANCIAL OFFICER
Mr. Sanjay Jain

COMPANY SECRETARY
Ms. Varsharani Katre

AUDITORS
B S R & Co LLP, Mumbai

PLANTS

- Roha, Raigad, Maharashtra
- Waluj, Aurangabad, Maharashtra
- Sinnar, Nashik, Maharashtra
- Goa (Plants I, II & III)
- Baddi, Himachal Pradesh

IN HOUSE R & D CENTRES APPROVED BY DEPARTMENT OF SCIENTIFIC & INDUSTRIAL RESEARCH

- Jogeshwari R & D Centre at 142 - 48, S.V. Road, Jogeshwari (West), Mumbai - 400 102.
- Kandivali R & D Centre at 54 - EFGH, Kandivali Co-operative Industrial Estate Ltd., Charkop, Kandivali (W), Mumbai - 400 067.
- Roha R & D Centre at Plot No. 19 & 20/2, MIDC Area Road, Roha, Dist. Raigad.
- Goa Unit III R & D Centre at Plant Phase III/A, Plot No. L-121/B, Salcette, Verna Industrial Estate, Verna, Goa.

NEW CORRESPONDENCE ADDRESS

- C-3 SKYVISTAS, Near Versova Police Station, 106A, J.P. Road, Andheri (West), Mumbai - 400 053.

REGISTRAR & SHARE TRANSFER AGENTS*

Sharex Dynamic (India) Pvt. Ltd.
Unit-1, Luthra Industrial Premises, Andheri Kurla Road,
Safed Pool, Andheri (East), Mumbai - 400 072
Tel.: (022) 2851 5606, 2851 5644
Fax.: (022) 2851 2885
E-mail ID.: sharexindia@vsnl.com

* Kindly correspond directly with the Registrar & Share Transfer Agents regarding share transfers and share related matters.

CONTENTS

DIRECTORS' REPORT

To,
The Members

Your Directors have pleasure in presenting the 78th Annual Report together with the Audited Accounts for the year ended March 31, 2018.

1. STANDALONE FINANCIAL RESULTS

(Rupees in lakhs)

Particulars	2017-2018	2016-2017
Revenue from operations (Net)	**1,07,021.23**	1,04,602.34
Other income	**5,124.75**	4,964.51
Profit (before finance costs and depreciation /amortization)	**27,034.83**	28,571.39
Finance costs	**140.26**	140.71
Depreciation and amortization	**3,503.90**	3,452.33
Profit Before Tax	**23,390.67**	24,978.35
Less: Taxation		
- Current Tax	**6780.00**	6,800.00
- Deferred Tax	**(220.74)**	(334.41)
- Tax adjustments for earlier years (Current Tax)	**-**	(193.98)
Profit After Tax	**16,831.41**	18,706.74
Other Comprehensive Income/(Loss) for the year	**(27.61)**	12.55
Total Comprehensive Income/(Loss) for the year	**16,803.80**	18,719.29
Earnings per equity share (Basic & Diluted) (Face value Re.1)	**9.47**	10.52

The previous year's figures have been re-grouped/re-classified, wherever necessary to conform to this year's financial statements prepared in accordance with Ind AS (Indian Accounting Standards).

2. DIVIDEND

In order to conserve the resources of the Company and to build up reserves and considering the business plans of the Company, your Board of Directors do not recommend payment of Dividend on the Equity Shares, for the Financial Year 2017 - 2018.

As per Regulation 43A of the SEBI Listing Regulations, the Company has formulated a Dividend Distribution Policy which is annexed as **Annexure A** and is also uploaded on the website of the Company i.e. www.fdcindia.com.

3. SHARE CAPITAL

During the year under review, the paid up Equity Share Capital of the Company as on March 31, 2018 is Rs. 174,403,084/- comprising of 174,403,084 equity shares of Re. 1/- each. Details of changes in the paid-up share capital after Buyback of equity share capital are as under:

Sr. No.	Particulars	No. of Equity Shares of Re.1 each
1.	No. of Equity Shares as on March 31, 2017 (Pre – Buyback)	177,833,084
2.	Less: Shares Bought back (during February 07, 2018 to March 29, 2018)	3,430,000
3.	No. of Equity Shares as on March 31, 2018 (Post – Buyback) (i.e. 1-2)	174,403,084

4. BUYBACK OF SHARES

The Board of Directors of FDC Limited in their meeting held on February 07, 2018 had given their approval for Buy Back of the Company's fully paid-up equity shares of Re. 1 each from the Tender offer through Stock Exchange route, of upto 3,430,000 (Thirty Four Lakh Thirty Thousand only) fully paid up equity shares of face value of Re. 1 each of the Company at a price of Rs. 350/- (Rupees Three Hundred Fifty only) per Share payable in cash for an aggregate Buyback consideration not exceeding Rs. 120.05 Crores (Rupees One Hundred Twenty Crores Five Lakhs Only) excluding transaction cost, viz. brokerage, applicable taxes such as securities transaction tax, service tax, stamp duty, etc., cost for the intermediaries appointed for the buyback and other incidental costs.

The Board of Directors are pleased to inform that in line with the said approval, the Company completed the extinguishment of 3,430,000 Equity Shares comprising of (i) 3,429,951 Equity Shares in dematerialized form on March 28, 2018 and (ii) 49 equity shares in physical form on March 29, 2018 which were accepted pursuant to the aforesaid Buyback. Consequently after said extinguishment of equity shares, the issued & paid-up capital of the Company stands reduced to Rs.174,403,084/- consisting of 174,403,084 equity shares (i.e. 177,833,084 equity shares minus 3,430,000 equity shares) as on March 31, 2018.

5. GOODS AND SERVICE TAX (GST)

The Government of India has introduced a single tax regime for both goods and services for the entire country with the roll out the Goods and Services Tax (GST) with effect from July 01, 2017. The GST is a comprehensive consumption based tax on supply of both goods and services and subsumes the majority of indirect taxes into a single tax. The motto of the GST regime was 'one tax one market', which aims at providing a cohesive tax approach across India. In view of the majority of indirect taxes being merged into one tax, most of the business was impacted at initial stage to some extent.

Your company used this precise reform as an opportunity to upgrade the systems and also configured with the GST requirements and the operations of the Company in the GST regime.

6. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The management of FDC Limited presents the analysis of division-wise performance of the Company for the financial year ended March 31, 2018 and its outlook for the future. This outlook is based on assessment of the current business environment. It may vary due to future economic and other developments, both in India and abroad.

A. Economic Overview:

The Growth in India is projected to increase from 6.7% in 2017 to 7.4% in 2018 and 7.8% in 2019, lifted by strong private consumption as well as fading transitory effects of the currency exchange initiative and implementation of the national goods and services tax. Over the medium term, growth is expected to gradually rise with continued implementation of structural reforms that raise productivity and incentivize private investment. (Source: World Economic Outlook- IMF April, 2018)

India has made progress on structural reforms in the recent past, including through the implementation of the goods and services tax, which will help reduce internal barriers to trade, increase efficiency, and improve tax compliance.

B. Industry structure and developments:

As per the AIOCD AWACS report, the Indian pharma market grew by 9.5% in March 2018. The total sales reported were Rs 10,029 Cr in March 2018. By 2020, India is likely to be among the top three pharmaceutical markets by incremental growth and 6th largest market globally in absolute size.

The Indian Pharma Industry by end of March'18 (Mat Mar'18) touched Rs. 119,386 Crs with a growth of 5.7%. (Source : AIOCD AWACS Data Mat Mar'18).

Your Company is nearly in line (5.4%) with the Industry growth .

Growth is majorly driven by volumes (3.9%) followed by New products (2.6%) while prices continued to remain soft (-0.8%) mainly due to the pricing caps on the National List of Essential Medicines (NLEM) list drug.

Indian pharma companies are capitalising on export opportunities in regulated and semi-regulated markets. In Financial Year 2017, India exported pharmaceutical products worth US$ 16.8 billion, with the number expected to reach US$ 40 billion by 2020. During April, 2017 – February, 2018, India exported pharmaceutical products worth Rs. 767.17 Billion (US$ 11.90 Billion).

Indian drugs are exported to more than 200 countries in the world, with the US as the key market. India is the world's largest provider of generic medicines; the country's generic drugs account for 20 per cent of global generic drug exports (in terms of volumes).

C. Opportunities in healthcare.

The volumes of pharma trade could possibly keep growing due to India's high disease burden, increasingly better access to healthcare (and hence better diagnosis rates) and greater affordability.

Increase in the size of middle class households coupled with the improvement in medical infrastructure and increase in the penetration of health insurance in the country will also influence in the growth of pharmaceuticals sector. The Ayushman Bharat is National Health Protection Scheme which is aiming to extend health insurance coverage of up to Rs. 5 Lakh per family per annum to cover the vulnerable and under-privileged sections of the society.

Another focus of pharma companies in the coming year, to grow faster and profitably, would be on increased R&D spend, but targeted spends on speciality drugs, niche molecules and complex therapies such as injectables, inhalers, controlled-release substances and biosimilars.

D. Outlook & Risks and concerns.

The Pharmaceutical Industry is facing various challenges. It is rapidly changing on the regulatory, R&D, people, technology fronts. Companies face numerous challenges such as Meeting Government policies and compliance, Increasing costs, Supply chain issues. The draft pharma policy 2017, Pricing Controls by DPCO and Uniform Code of Pharmaceuticals Marketing Practices (UCPMP) are few of the major challenges before the Industry for compliance.

Your Company has been complying and adopting various changes from time to time.

E. Financial performance and Operations review

During the year under review, your Company registered a standalone total income of Rs. 1,12,145.98 Lakhs as against Rs. 1,09,566.85 Lakhs in the previous year, thereby registering a growth of 2.35%.

The Earnings before interest and depreciation amounted to Rs. 27,034.86 Lakhs as against Rs. 28,571.39 Lakhs in the previous year. The net Profit after taxation stood at Rs. 16,831.41 Lakhs as against Rs. 18,706.74 Lakhs in the previous year.

During the year under review, your Company registered a consolidated total income of Rs. 113,405.02 Lakhs as against Rs. 110,120.14 Lakhs in the previous year, thereby registering a growth of 2.98 %.

F. Segment–wise or product-wise performance

(i). Marketing

The Chronic therapies continue to grow in double digit growths viz. Cardiac, Anti Diabetes. However, the largest therapy in terms of value i.e. Anti-infectives has stagnated in terms of growths. The Gastro Intestine therapy off late has slowed down in growths and Derma continues to remain buoyant.

Your company has shifted to alternative formulae for brands falling under DCGI Ban.

Further the company has selectively launched the following molecules:-

- Itraconazole (Oral Antifungal) – Brand Zitran
- Luliconazole (Topical Antifungal) – Brand Zocon L
- Apremilast (Psoriatic arthritis) – Brand Aprotyl
- Cranberry extract + D Mannose (UTI infections) - Brand AV UTI

(ii). Research and Development

The Research & Development (R & D) Centres located at Jogeshwari & Kandivali (Mumbai), Goa Unit III and Roha (Dist. Raigad) are duly recognised by the Department of Science and Technology. Your Company carries out its various R & D activities in the following areas:

- **Formulations**

  The R & D Formulation team at FDC comprises of dedicated scientists engaged in focused research for the development of finished dosage forms. The team has been designing strategies to develop quality products at affordable prices. The group is committed to develop and has successfully introduced products employing newer technologies at the commercial scale. Also in the foray and designing, challenging complex generics for the regulated markets of US. Exhibit batches of ophthalmic products have been manufactured for registration in the US and UK. Several ophthalmic and solid oral products are in various stages of development for the US and UK markets.

- **Synthetics**

  The Research and development centers located at Kandivali (Mumbai) and Roha (Dist. Raigad) are engaged in process development of niche products, particularly in area of Ophthalmic, Antihypertensive, Antifungal, Anti diabetic, Antihistaminic, Bronchodilator and New Chemical entity (NCE). The work on life cycle management of existing drug Substances is also being carried out with the aim of Cost effectiveness, backward integration and meeting regulatory requirement from drug authorities, which enables to attain accreditation from various World Regulatory Authorities. The other highlights of the process developments of new molecules are Non infringing processes, Usage of environment friendly chemicals, Green chemistry, Development of desired polymorphs, Usage of classical chemistry for development of chiral drugs, and to minimise effluents etc.

- **Nutraceuticals**

  During the year, your Company has launched the Enerzal 500 ml in pet bottle as well as 1 Litre in Tetrapak with Orange and Apple flavour. To extend the product categories of Infant Milk Substitute (IMS), the division is working on development for range of Simyl MCT with some added micro nutrients like Nucleotides, Amino Acids, Omega3 and Omega6 has developed MUM MUM 2 as a follow up formula which is under stability study. Trials and validation of IMS at Sinnar Plant is successfully completed, which completes the commissioning activity at Sinnar Plant. With this, FDC will be ready to supply current market requirement of IMS with spare capacity, which shall help us in launching new range of products under IMS and complimentary foods for infants as well as under developed countries of export.

- **Biotechnology**

a. G-CSF Project

Your Company has received the CDSCO Audit report on steps to be undertaken for grant of Non Objection certificate (NOC) to manufacture clinical grade material for human trials as required under Form 29. All the necessary documentation required is under preparation which includes SOPs, Qualification documents (DQ/IQ/OQ/PQ) of all equipment, area qualification studies, process validation study, etc. to comply with FDA/CDSCO norms. Accordingly we have set up a Quality unit at R & D Biotechnology and Quality Management System (QMS) implementation is underway.

b. Third Generation Thrombolyte Project

With reference to the Company's Project on the development of Third Generation Thrombolyte, your company has obtained a refolding and purification strategy from the external party. The same is being replicated at site to check for the feasibility of the technology prior to the technology transfer of the same.

c. **Microbial Testing Lab**

With reference to the Company's Project on the New Chemical entity, your Company has been successful in formulating the insoluble active molecule (TNF-04) for topical application and preliminary study is in progress for determining the efficacy of the molecule in animal model.

(iii). **Exports**

Your Company's annual export turnover for the financial year ended March 31, 2018 for Active Pharmaceutical Ingredients and Finished Formulations was Rs. 13,269.26 Lakhs as compared to Rs. 15,576.50 Lakhs for the financial year ended March 31, 2017.

Further, your Company continues to supply Active Pharmaceutical Ingredients and Finished Formulations to its esteemed customers, worldwide.

On the Active Pharmaceutical Ingredients business front, your Company has filed USDMF for Telmisartan and Cinnarizine and has received CEP Certifications for Dorzolamide Hydrochloride and Salbutamol Sulfate. Your Company was audited by EDQM and has received EU GMP Certification for the product Bromhexine Hydrochloride Active Pharmaceutical Ingredients.

On the finished formulations business front, the US and UK markets have been the main contributors to the export sales turnover supported by good contributions from African and South East Asian markets. The product portfolios of Ophthalmic and Oral Rehydration Salts have been the main contributors to the export sales in this financial year. Similarly for APIs, the main contributions to the export sales turnover have come from US and European markets.

Your Company is currently working on filing additional ANDAs in the US market to support the existing product basket of ophthalmic products. The company continues to export its Anti-Diarrhoeal product range to reputed international institutions worldwide & maintains its reputation of being one of their preferred suppliers for emergency supplies.

The annual sale of FDC International Ltd, a wholly owned subsidiary of FDC Limited, India for the financial year ended March 31, 2018 was GBP 26.19 Lakhs as compared to GBP 15.00 Lakhs of the previous financial year.

The annual sale of FDC SA Pty Limited, a Joint Venture Company of FDC Limited, India for the financial year ended March 31, 2018 was ZAR 93.43 Lakhs as compared to ZAR 113.34 Lakhs of the previous financial year.

G. **Internal Financial Controls and their adequacy**

Your Company has in place a robust internal financial control commensurate with the size, scale and complexity of its operations. These controls ensure that the transactions are recorded and reported diligently, adhere to the Company's policies & systems, safeguard the assets, prevent and detect the frauds and errors, accuracy and completeness of the accounting records and timely preparation of reliable financial information.

Your Company has an internal audit department which carries out audits throughout the year and appropriate actions are taken by the management based on their recommendations.

H. **Human Resources**

Your Company believes that the employees are the most valuable assets and key drivers of business success and sustained growth. The Company believes in quality process, systems and compliance. Our Human Resource policies and practices are well aligned to meet our business objectives.

Your Company operates in a highly competitive environment. The Human resources attracts and retains the best talent for its operations across all locations. The company encourages and provides the platform to the individual to excel in their professional and personal goals along with the focus on a healthy work life balance. Your Company has in place a variety of initiatives to engage its employees including fitness program.

Being future ready is one of the key processes for sustainable growth and Company is building synergy and cultural integration through coherent Leadership program for top leaders as a part of its core initiative. The Company has in-house Training and Development to help the sales team on products, scientific knowledge, selling techniques. The Company has also conducted various programs on Managerial effectiveness to improve the individual competencies and leadership abilities for sales leadership. Your Company understands the importance of newer training technique and would be migrating from class room training to an e-learning platform for its sales team in the next financial year. The web based training will provide self paced learning through interactive ways.

In line with the requirement of SEBI listing regulations, your company has adopted a “ Code of Conduct and work ethics policy and Whistle Blower Policy”. The police on Whistle Blower are uploaded on the company's website.

I. **Cautionary Statement**

Certain statements in respect to Management Discussion and Analysis Report may be forward looking and are stated as required by the applicable laws and regulations. The future results of the Company may be affected by many factors, which could be different from what the Directors envisage in the terms of future performance and outlook.

7. MATERIAL CHANGES AND COMMITMENTS AFTER THE END OF THE FINANCIAL YEAR

No material changes and commitments affecting the financial position of the Company have occurred between the end of the financial year to which financial statements in this report relates and the date of this report.

8. AUDITORS REPORT

The Report given by B S R and CO LLP Statutory Auditors on the financial statements of the Company for the year ended March 31, 2018 is a part of the Annual Report. There has been no qualification, reservation or adverse remark or disclaimer in the said audit Report.

9. CONSOLIDATED FINANCIAL STATEMENTS

The Consolidated Financial Statements of the Company forms a part of this Annual Report. These statements have been prepared on the basis of audited financial statements received from the subsidiary companies as approved by their respective Board of Directors.

10. SUBSIDIARIES / JOINT VENTURE AND ITS OPERATIONS

Your Company has 2 (Two) wholly owned Subsidiaries namely FDC Inc., USA and FDC International Ltd, UK and 1 (One) Joint Venture business, namely Fair Deal Corporation Pharmaceutical SA (Pty) Ltd. at South Africa. The Financials of the Subsidiaries and Joint Venture Company are disclosed in the Consolidated Financial Statements, which forms a part of this Annual Report.

A statement containing salient features of the financial statements of Subsidiary Companies/ Joint Ventures is annexed to this Report as **Annexure B** pursuant to the provisions of Section 129 of the Companies Act, 2013 and the Rules made thereunder in the prescribed Form No. AOC-1 and hence, the same is not repeated for the sake of brevity.

In accordance with the provisions of Section 136 (1) of the Companies Act, 2013, the following information has been uploaded on the website of the Company i.e. www.fdcindia.com:

(a) Annual Report of the Company, containing therein its Standalone and the Consolidated Financial Statement; and

(b) Audited annual accounts of each of the subsidiary companies and joint venture.

11. BUSINESS RESPONSIBILITY REPORT

As per Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Business Responsibility Report is annexed as **Annexure C**.

12. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(3) (c) of the Companies Act, 2013, your Directors state that:

(a) In the preparation of annual accounts for the year ended March 31, 2018, the applicable accounting standards have been followed along with proper explanations relating to material departures, if any;

(b) They have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2018 and of the profit of the Company for the year ended on that date;

(c) They have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

(d) They have prepared the annual accounts on a going concern basis;

(e) They have laid down proper internal financial controls to be followed by the Company and they were adequate and operating effectively; and

(f) They have devised proper systems to ensure compliance with the provisions of all applicable laws and such systems were adequate and operating effectively.

13. PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

Details of Loans, Guarantees and Investments made by the Company are given in the notes to the Financial Statements.

Your Company has not given any Loans or Guarantees or Investments in contravention of the provisions of Section 186 of the Companies Act, 2013.

14. PUBLIC DEPOSITS

During the year under review, your Company has not accepted any deposits from the Public and as such no amount of principal or interest on deposits from Public was outstanding as on the date of the balance sheet.

15. ENERGY CONSERVATION, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

The information relating to energy conservation, technology absorption, foreign exchange earnings and outgo, pursuant to Section 134 of the Companies Act, 2013 and the Rules made thereunder, is annexed as **Annexure D** to this Report.

16. DIRECTORS AND KEY MANAGERIAL PERSONNEL

The Board of Directors on recommendation of the Nomination and Remuneration Committee, have approved re-appointment of Mr. Mohan A. Chandavarkar as Chairman and Managing Director of the Company for a period of five years with effect from April 01, 2019, subject to the approval of the shareholders at the ensuing Annual General Meeting of the Company.

In accordance with provisions of the Companies Act, 2013 and the Articles of Association of the Company, Mr. Ashok A. Chandavarkar, Whole time Director, retires by rotation at the 78th Annual General Meeting and being eligible, has offered himself for re-appointment. The Profile of Director seeking reappointment pursuant to Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is included in the Notice of the 78th Annual General Meeting and the statement annexed thereto.

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and Regulation 16 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Based on disclosures provided by Directors, none of them are disqualified from being appointed as Directors under section 164 of the Companies Act, 2013.

In terms of Section 203 of the Companies Act, 2013, the following are the Key Managerial Personnel (KMP) of the Company:-

1. Mr. Mohan A. Chandavarkar, Chairman and Managing Director
2. Mr. Sanjay B. Jain, Chief Financial Officer
3. Ms. Varsharani Katre, Company Secretary

During the year, no KMP has been appointed or has retired or resigned.

17. PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

Information pursuant to Rule 5(1), 5(2) & 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed to this report as **Annexure E**.

18. CORPORATE GOVERNANCE

In terms of Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a Report on Corporate Governance along with a Compliance Certificate issued by the Statutory Auditors of the Company, forms a part of the Annual Report.

19. RISK MANAGEMENT

The Risk Management Committee identifies and evaluates the business risks, in addition to overseeing the Risk Management Policy of the Company, from time to time. The details of the Risk Management Committee are included in the Corporate Governance Report.

20. NOMINATION AND REMUNERATION POLICY

Your Company has in place, a Nomination and Remuneration Policy for selection, appointment and remuneration of Directors, Key Managerial Personnel and Senior Management Team. The details of this Policy are provided in the Corporate Governance Report.

21. MEETINGS OF THE BOARD AND COMMITTEES THEREOF

The information has been furnished in the Corporate Governance Report.

22. AUDIT COMMITTEE

The Audit Committee comprises of 4 (Four) Independent Non-Executive Directors and 1 (One) Executive Director. CA. Swati S. Mayekar is the Chairperson of the Committee. Dr. Rahim H. Muljiani, CA Vinod G. Yennemadi, CA. Uday Kumar Gurkar and Mr. Mohan A. Chandavarkar are the members of the Committee.

The Powers and Role of the Audit Committee are provided in the Corporate Governance Report. All recommendations made by the Audit Committee were accepted by the Board of Directors.

CA. Uday Kumar Gurkar was appointed as Audit Committee Member w.e.f November 10, 2017.

23. BOARD & DIRECTORS EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out the annual performance, evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Audit, Nomination and Remuneration and Compliance Committees, based on the evaluation parameters formulated by the Nomination and Remuneration Committee. The manner in which the evaluation was carried out has been explained in the Corporate Governance Report.

24. FAMILIARISATION PROGRAM FOR INDEPENDENT DIRECTORS

The Independent Directors are familiarized with their roles, rights, responsibilities of the Company, the business model of the Company, etc., through various programmes on a continuous basis. Details of the familiarization program of Independent Directors are disclosed on the website of the Company i.e. http://www.fdcindia.com/admin/images/Familiarisation_Programme_2017-18.pdf

25. VIGIL MECHANISM/ WHISTLE BLOWER POLICY

Your Company has in place a Whistle Blower Policy for reporting genuine concerns or grievances on fraud and mismanagement. The said Policy is explained in detail in the Corporate Governance Report.

The Company has not denied any person from accessing the Audit Committee. There were no allegations /disclosures/concerns received during the year under review, in terms of the vigil mechanism established by the Company. The said Policy is also uploaded on the website of the Company. i.e. http://www.fdcindia.com/admin/images/Whistler_Blower_Policy.pdf

26. CODE OF CONDUCT

Your Company has in place a Code of Conduct for Board Members and Senior Management Personnel of the Company. The Code of Conduct lays down the standard of conduct which is expected to be followed by the Directors and the Senior Management Personnel and the duties of Independent Directors towards the Company.

The Directors and Senior Management Personnel have affirmed compliance with the Code of Conduct applicable to them, during the year ended March 31, 2018. A Certificate duly signed by the Managing Director, on the compliance with the Code of Conduct is given in the Corporate Governance Report. The said Code is available on the website of the company i.e. http://www.fdcindia.com/admin/images/Code_of_Conduct_of_FDC_Limited.pdf

27. PREVENTION OF INSIDER TRADING

Your Company has in place a Policy on the Code of Conduct for Prevention of Insider Trading with a view to regulate the trading in securities by the Promoters, Directors and the Designated Employees of the Company.

The same has also been uploaded on the website of the Company i.e. http://www.fdcindia.com/admin/images/Code_of_Conduct_For_Prevention_of_Insider_Trading.pdf

The Promoters, Directors and the Designated Employees have affirmed compliance with the Company's Code of Conduct for Prevention of Insider Trading.

28. RELATED PARTY TRANSACTIONS

During the year under review, all Related Party Transactions entered into by the Company were on an arm's length basis and in the ordinary course of business. Your Company has not entered into any contract, arrangement or transaction with any Related Party which would be considered as the material under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Board has also approved a policy on Related Party Transactions and the same has been uploaded on the Website of the Company i.e. http://www.fdcindia.com/admin/images/Policy_on_Related_Party_Transactions.pdf

A statement giving details of all Related Party Transactions is placed before the Audit Committee and the Board of Directors on a quarterly basis. Omnibus prior approval was also obtained from the Audit Committee and the Board on an annual basis for repetitive transactions.

Related Party Transactions as required under Accounting Standard are reported in the notes to financial statement. The particulars as required under Section 134(3)(h) of the Companies Act, 2013 are furnished as **Annexure F** to this report.

29. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN OF WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has in place a Policy on the Prevention, Prohibition and Redressal of Sexual harassment at workplace in line with the requirements of the Sexual

Harassment of Women of Workplace (Prevention, Prohibition and Redressal) Act, 2013.

The said Policy is available on the website of the Company i.e. http://www.fdcindia.com/admin/images/Sexual_Harassment_Policy.pdf

An internal Sexual Harassment Committee has also been set up to redress the complaints received regarding sexual harassment. The Company has not received any complaints during the year under review.

30. NEW OFFICE OF THE COMPANY TAKEN ON LEAVE & LICENSE BASIS

During the year, your Company has shifted to premises situated at C-3 SKYVISTAS, Near Versova Police Station, 106A, J. P. Road, Andheri (West), Mumbai - 400 053 on Leave and License basis, until the new Corporate Office is fully developed and ready for occupation. However, the Company's existing Research & Development Centre continues to remains at Jogeshwari, Mumbai.

31. AUDITORS AND AUDIT REPORTS

a. STATUTORY AUDITORS

Auditor's Report for the year under review does not contain any qualifications, reservations or adverse remarks.

b. COST AUDITORS

Pursuant to Section 148 of the Companies Act, 2013 read with Companies (Cost Records and Audits) Rules, 2014, the Board of Directors on the recommendation of the Audit Committee have re-appointed M/s. Sevekari Khare & Associates (Firm Registration No. 000084) Cost Accountants, Mumbai, as Cost Auditors of the Company, to carry out the audit of cost records of the Company. The said Auditors have confirmed their eligibility for appointment as Cost Auditors.

As required under the Companies Act, 2013 and Rules made thereunder, the requisite resolution for ratification of remuneration of Cost Auditors by the Members has been set out in the Item No. 04 of Notice of the 78th Annual General Meeting of your Company.

The Cost Audit Report for the year ended March 31, 2017 was filed with the Ministry of Corporate Affairs on September 04, 2017 within the prescribed time.

c. SECRETARIAL AUDIT

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Rules made thereunder, the Company has appointed M/s. Sanjay Dholakia and Associates (PCS No.1798), (Company Secretaries in Practice) to undertake the Secretarial Audit of the Company for the year ended March 31, 2018. The Secretarial Audit Report is annexed as **Annexure G** to this Report. There is no qualification, reservation, adverse remark or disclaimer in the said Report.

32. DETAILS OF FRAUD REPORTED BY THE AUDITORS

During the year under review, the Statutory Auditors, Secretarial Auditors and Cost Auditors have not reported any instances of fraud committed in the Company by its officers or employees to the Audit Committee under section 143(12) and Rule 13 of the Companies (Audit and Auditors) Rules, 2014 of the Companies Act, 2013.

33. CORPORATE SOCIAL RESPONSIBILITY (CSR)

Your Company has always been a socially responsible corporate citizen who is well aware and sensitive to the needs of the underprivileged people around it. During the year under review, the Company has undertaken various socio-economic activities such as Nutritional Programmes, environmental awareness, water resources / structure in the villages surrounding our Plants, Construction of Toilets at Schools / Backward regions, Rehabilitation programmes for street children, etc. through registered trust, Non-Governmental Organisation and directly by the Company.

Your Company is doing its best to undertake various needs based activities in compliance with Schedule VII to the Companies Act, 2013.

The CSR policy is available on the website of the Company i.e. http://www.fdcindia.com/admin/images/Corporate_Social_Responsibility_Policy.pdf

In accordance with the provisions of Section 135 of the Companies Act, 2013, an abstract on the Company's CSR activities is appended as **Annexure H** to this report.

34. EXTRACT OF ANNUAL RETURN

Pursuant to the provisions of Section 92 of the Companies Act, 2013 and the Amendment made thereunder, the Form MGT 9 providing an extract of the Annual Return is annexed as **Annexure I** to this report.

35. TRANSFER OF UNPAID AND UNCLAIMED DIVIDEND AMOUNTS AND SHARES TO INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

a. Pursuant to the provisions of the Companies Act, 2013, read with IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended, declared dividends which remained unpaid or unclaimed for a period of 7 (Seven) years have been transferred by the Company to the IEPF, which has been established by the Central Government.

Your Company has been sending reminders to those Members having unpaid/unclaimed dividends before transfer of such dividend(s) to IEPF. Details of the unpaid/unclaimed dividend are also uploaded on the Company's website i.e. www.fdcindia.com.

Members, who have not encashed their dividend pertaining to Final Dividend 2010-2011 and onwards, are advised to write to the Company immediately for claiming dividends declared by the Company.

b. In view thereof, after complying with the prescribed procedure, 200,997 shares on which dividend remained unclaimed for 7 (Seven) consecutive years, were transferred to IEPF account in the year 2017. Your Company has uploaded the details of such Shareholders whose shares are transferred to IEPF account on the website of the Company i.e. www.fdcindia.com. The procedure to claim the shares transferred to IEPF account has also been uploaded on the website.

36. ENVIRONMENT, HEALTH AND SAFETY

Environment, Health and Safety are a part of the Management responsibilities and concerns. Your Company has been providing various kinds of medical assistance to the families of its employees. Periodic health checkups are also carried out for all the employees. Employees are also educated on safety and precautionary measures to be undertaken on their job.

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

There are no significant or material orders passed by any regulatory, tribunal or court that would impact the going concern status of the Company and its future operations.

38. ACKNOWLEDGEMENTS

Your Directors would like to express and place on record their sincere appreciation for the continued co-operation and support received from the Medical fraternity, Government Authorities and Agencies, Stock Exchanges, Financial Institutions, Investors, Bankers, Consumers, Vendors and Members, during the year under review. Your Directors also place on record their appreciation for the hard work and contribution of all the employees of the Company.

For and on behalf of the Board

Place : Mumbai
Date : May 25, 2018

MOHAN A. CHANDAVARKAR
Chairman and Managing Director

DIVIDEND DISTRIBUTION POLICY OF FDC LIMITED

Introduction:

FDC Limited ("the Company") has always been committed in rewarding its shareholders by distributing its Profits via Dividend.

As required under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has formulated a Dividend Distribution Policy to regulate the process of dividend declaration and its payout by the Company.

The key objectives of this policy is to ensure a regular dividend income to the shareholders and a long term capital appreciation for all stakeholders of the Company. Further, the Company shall also ensure to maintain adequate amount of Profits for its various expansion or diversification or acquisition Projects.

The dividend distribution shall be in accordance with the applicable provisions of the Companies Act, 2013, Rules framed thereunder, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other legislations governing dividends and the Articles of Association of the Company, as in force and as amended from time to time.

The Company shall always endeavour to maintain fairness, consistency and sustainability, while distributing profits to the shareholders.

Category of Dividends:

Under the Companies Act, 2013 and the Rules made thereunder, Dividend has been classified as Interim and Final Dividend. The Board of Directors ("Board") have been entrusted with the powers to recommend a final dividend to the shareholders and the same shall be approved by the shareholders at the general meeting of the Company. Further, the Board also has the absolute power to declare an interim dividend, as and when appropriate, during the financial year, as and when they consider it fit.

Declaration of Dividend:

Subject to the provisions of the Companies Act, 2013 and the Rules made thereunder, the Dividend shall be declared or paid out of the following:

(i) Current financial year's profit:

- **(a)** after providing for depreciation in accordance with law; and
- **(b)** after transferring to reserves such amount as may be prescribed or as may be otherwise considered appropriate by the Board at its discretion.

(ii) The profits for any previous financial year(s):

- **(a)** after providing for depreciation in accordance with law; and
- **(b)** remaining undistributed.

(iii) out of (i) & (ii) both

In computing the above, the Board may at its discretion, subject to the provisions of the applicable laws, exclude any or all of following:

- **a)** extraordinary charges
- **b)** exceptional charges
- **c)** one off charges on account of changes in law or rules or accounting policies or accounting standards
- **d)** provisions or write offs on account of impairment in investments (long term or short term)
- **e)** non cash charges pertaining to amortisation or resulting from change in accounting policies or accounting standards.

The Board may, at its discretion, declare a Special Dividend under certain circumstances, on account of extraordinary profits from sale of investments.

Factors to be considered while declaring Dividend:

The decision regarding dividend pay-out is a crucial decision as it determines the amount of profit to be distributed among shareholders and the amount of profit to be retained in the business, to be used for future expansion/ diversification plans.

The Dividend payout decision of the Company depends upon certain external and internal factors such as:

(i) External Factors:

a) State of the Economy- in case of uncertain or recessionary economic and business conditions, the Board will endeavour to retain larger part of the profits to build up reserves to absorb future shocks.

b) Capital Markets- when the markets are favorable, dividend pay-out can be liberal. However, in case of unfavorable market conditions, Board may resort to a conservative dividend pay-out in order to conserve cash outflows.

c) Statutory Restrictions- The Board will keep in mind the restrictions imposed by the Companies Act, 2013 with regard to the declaration of dividend.

(ii) Internal Factors:

Apart from the various external factors aforementioned, the Board will take into account various internal factors while declaring Dividend, which inter alia will include:

a) Profits earned during the year;

b) Present & future Capital requirements of the existing businesses;

c) Brand/ Business Acquisitions;

d) Expansion/ Modernization of existing businesses;

e) Additional investments in subsidiaries/associates of the Company;

f) Fresh investments into external businesses; and

g) Any other factor as deemed fit by the Board.

After taking into consideration the above factors, the Board shall endeavour to take a uniform decision with an objective to enhance shareholders wealth and retaining substantial amount of Profit for the future plans of the Company.

Commitment towards distribution of Dividend to Shareholders:

The Company stands committed to deliver sustainable value to all its stakeholders. The Company shall strive to distribute an optimal and appropriate level of the profits earned, through its core business activities, to the shareholders, in the form of dividend.

In case the Board proposes not to distribute the profit; the grounds thereof and information on utilisation of the undistributed profit, if any, shall be disclosed to the shareholders in the Annual Report of the Company.

For and on behalf of the Board

Place : Mumbai
Date : May 25, 2018

MOHAN A. CHANDAVARKAR
Chairman and Managing Director

ANNEXURE B TO DIRECTORS REPORT

Form AOC-1

(Pursuant to first proviso to Sub-Section (3) of Section 129 read with Rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statements of Subsidiary Companies/ Joint Ventures as per Companies Act, 2013

Pursuant to the general exemption granted under Section 129 of the Companies Act, 2013 by the Ministry of Corporate Affairs, Government of India, the Company is publishing the Standalone and Consolidated Financial Statements of FDC Limited and its subsidiaries. The Financial Statements and Auditors' reports of the individual Subsidiaries are available for inspection by the Shareholders at the registered office of the Company.

Part "A" - Subsidiaries

(Rupees in lakhs)

Sr. No.	Particulars	FDC International Limited	FDC Inc.
	Reporting Period for the Subsidiary	31st March, 2018	31st March, 2018
	% of Shareholding	100%	100%
	Reporting Currency	UK Pounds	US Dollars
	Exchange Rate as on 31st March, 2018	90.46	63.81
1.	Share capital	3.38	31.91
2.	Reserves and surplus	1,554.57	20.22
3.	Total Assets	1,962.60	53.08
4.	Total Liabilities	1,962.60	53.08
5.	Investments (other than in subsidiaries)	-	-
6.	Turnover	2,383.50	-
7.	Profit/ (Loss) before taxation	835.78	(0.78)
8.	Provision for taxation	160.09	0.32
9.	Profit/ (Loss) after taxation	675.69	(1.10)
10.	Proposed / Interim Dividend	-	-

Part "B" – Joint Ventures

(Rupees in lakhs)

Sr. No.	Particulars	Fair Deal Corporation Pharmaceutical SA (Pty) Ltd.
1.	Latest Audited Balance Sheet Date	31st March, 2018
2.	No. of Shares of Joint Venture held by the Company on the year end	159,250
3.	Amount of Investment in Joint Venture	11.30
4.	Extent of Holding %	49%
5.	Description of how there is significant	There is significant influence influence due to percentage of Shareholding in the Joint Venture
6.	Reason why the Joint Venture is not consolidated	N.A.
7.	Networth attributable to Shareholding as per latest audited Balance Sheet	(107.58)
8.	Profit/ Loss for the year considered in Consolidation	47.72
9.	Profit/ Loss for the year not considered in Consolidation	49.67

Notes:

(i) Names of Subsidiaries/ Joint Ventures which are yet to commence operations: **None**

(ii) Names of Subsidiaries/ Joint Ventures which have been liquidated or sold during the year: **None**

For and on behalf of the Board of Directors

MOHAN A. CHANDAVARKAR
Chairman and Managing Director

ASHOK A. CHANDAVARKAR
Director

SANJAY JAIN
Chief Financial Officer

VARSHARANI KATRE
Company Secretary

Place : Mumbai
Date : May 25, 2018

ANNEXURE C TO DIRECTORS REPORT

BUSINESS RESPONSIBILITY REPORT

(Pursuant to Regulation 34(2)(f) of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1.	**Corporate Identity Number (CIN) of the Company**	L24239MH1940PLC003176
2.	**Name of the Company**	FDC Limited
3.	**Registered address**	B-8, MIDC Industrial Area, Waluj- 431 136, District Aurangabad, Maharashtra
4.	**Website**	www.fdcindia.com
5.	**E-mail id**	investors@fdcindia.com
6.	**Financial Year reported**	April 01, 2017 to March 31, 2018
7.	**Sector(s) that the Company is engaged in (industrial activity code-wise)**	NIC Code 21002- Manufacture and Sale of Pharmaceutical Products
8.	**List 3 (Three) key products/services that the Company manufactures/provides (as in balance sheet)**	Cefixime, Oral Rehydration Salts (ORS) and Fluconozole
9.	**Total number of locations where business activity is undertaken by the Company:**	
i.	**Number of International Locations (Provide details of major 5)**	The Company has 2 (Two) foreign wholly owned subsidiaries located in USA & UK and (1) One Joint Venture located in South Africa.
ii.	**Number of National Locations**	The Company has 8 (Eight) manufacturing plants located at 5(Five) locations such as Waluj, Baddi, Roha, Sinnar and Goa. It has 4(Four) R & D Centres are located at Jogeshwari, Kandivali, Roha and Goa Unit III. The Company has 18 (Eighteen) Carrying and Forwarding Agents and 2 (Two) Central Warehouses across the Country.
10.	**Markets served by the Company Local/State/National/ International/**	India and 75 Countries for Exports

SECTION B: FINANCIAL DETAILS OF THE COMPANY

1.	**Paid up Capital (Rs)**	1751.89 Lakhs
2.	**Total Turnover (Rs)**	112,145.98 Lakhs (Standalone)
3.	**Total profit after taxes (Rs)**	16,831.41 Lakhs (Standalone)
4.	**Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)**	The Company's total spending on CSR is 0.57% of the average net profit in the previous 3 (Three) financial years.
5.	**List of activities in which expenditure in 4 above has been incurred**	The details of the CSR activities are given under **Annexure H** of the Directors Report.

SECTION C: OTHER DETAILS

1.	**Does the Company have any Subsidiary Company/ Companies?**	Yes
2.	**Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)**	The Company has 2 (Two) wholly owned subsidiaries incorporated in UK and USA. These Companies comply with the requirements of the respective countries wherein they operate.
3.	**Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]**	The Company has a Code of Conduct for stakeholders, wherein they are expected to adhere to business principles consistent with those of the Company.

SECTION D: BR INFORMATION

1.

a.	**Details of Director/Directors responsible for implementation of the BR Policy/ Policies:**		
	DIN Number	:	00043344
	Name	:	Mr. Mohan A. Chandavarkar
	Designation	:	Chairman and Managing Director
b.	**Details of the BR Head**	:	
	DIN Number	:	00043344
	Name	:	Mr. Mohan A. Chandavarkar
	Designation	:	Chairman and Managing Director
	Telephone number	:	022-3071 9100
	Email ID	:	investors@fdcindia.com

2. Principle-wise (as per NVGs) BR Policy / policies

Principle –wise Index

P1 - Buisness Ethics
P2 - Product Responsibiltiy
P3 - Well being of Employees
P4 - Stakeholders Engagement
P5 - Human Rights
P6 - Environment
P7 - Public Policy
P8 - CSR
P9 - Customer Relations

a. Details of Compliance (Reply in Y / N)

Sr. No.	Questions	P1	P2	P3	P 4	P5	P6	P7	P8	P 9
1.	Do you have a policy/policies for....	Y	Y	Y	Y	Y	Y	not applicable	Y	Y
2.	Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y		Y	Y
3.	Does the policy conform to any national / international standards? If yes, specify? (50 words)	Refer Note1	Refer Note1	Refer Note1	Refer Note1	Refer Note1	Refer Note1		Refer Note1	Refer Note1
4.	Has the policy being approved by the Board? If yes, has it been signed by the MD / owner / CEO / appropriate Board Director?	Y (Signed by MD)	Y (Signed by MD)	Y (Signed by MD)	Y (Signed by MD)	Y (Signed by MD)	Y (Signed by MD)		Y (Signed by MD)	Y (Signed by MD)
5.	Does the Company have a specified committee of the Board/ Director/Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y		Y	Y
6.	Indicate the link for the policy to be viewed online?	www. fdcindia. com	Available on the intranet of the Company	www. fdcindia. com	www. fdcindia. com	Available on the intranet of the Company	www. fdcindia. com		www. fdcindia. com	Available on the intranet of the Company
7.	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y		Y	Y
8.	Does the company have in-house structure to implement the policy/policies ?	Y	Y	Y	Y	Y	Y		Y	Y
9.	Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/policies?	Y	Y	Y	Y	Y	Y		Y	Y
10.	Has the company carried out independent audit/evaluation of the working of this policy by an internal or external agency?	Y	Y	Y	Y	Y	Y		Y	Y

Note 1: All the policies are broadly based on the National Voluntary Guidelines on social, environmental and economical responsibilities of business issued by the Ministry of Corporate Affairs, Government of India.

b. If answer to the question at serial number 1 against any principle, is 'No", please explain why: Not Applicable

3. Governance related to BR:

a. Indicate the frequency with which the Board of Directors, Committee of the Board or CEO assesses the BR performance of the Company. Within 3 months, 3-6months, Annually, More than 1 year:

Annually

b. Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?

The Business Responsibility Report is a part of the Annual Report 2017-2018 and can be accessed on the website of the Company i.e. www.fdcindia.com

SECTION E: PRINCIPLE-WISE PERFORMANCE

Principle 1 (Business Ethics)

1. **Does the Policy relating to ethics, bribery and corruption cover only the Company? Yes/No. Does it extend to the Group/Joint Ventures/ Suppliers/Contractors/NGOs /Others?**

   Yes, the Policy relating to ethics, bribery and corruption covers not only the Company but extends to its Subsidiaries, Joint Venture and various Stakeholders dealing with the Company. The Company has various policies such as Code of Conduct, Whistle Blower and Sexual Harassment. These policies are available on the website of the Company i.e. www.fdcindia.com.

2. **How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so:**

   The Company has not received any significant complaints from the Stakeholders in the last financial year.

   The details relating to shareholders complaints / grievances are given under Corporate Governance Report of the Annual Report for 2017-2018.

Principle 2 (Product Responsibility)

1. **List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.**

   a. Antibiotic / Antibacterial System – Zifi, Zathrin & Flemiclav etc

   b. Antidiarrhoeal, Intest , Disinfectants – Electral & Enerzal etc

   c. Ophthalmologicals – Lotim, Moisol, Mosi, Pyrimon, Zoxan D (Top 5 Ophthalmic)

2. **For each such product, provide the following details in respect of resource use (energy, water, raw material, etc.) per unit of product (optional):**

a. Reduction during sourcing/production/ distribution achieved since the previous year throughout the value chain?

The Company manufactures and distributes its wide range of generics, formulations, active pharmaceutical at its internationally accredited manufacturing plants.

There are no specific standards to ascertain reduction achieved at product level, since consumption per unit depends on the product mix.

b. Reduction during usage by consumers (energy, water) has been achieved since the previous year?

There is no broad based impact on energy and water conservation by consumers due to the Company's products. However, the Company takes ongoing measures to reduce consumption of energy and water. Equally important though is the well-being of our community and the environment. So, we not only work to make our products affordable and accessible, but also take care to support the local economy and the global environment.

3. Does the Company have procedures in place for sustainable sourcing (including transportation)?

a. If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so:

Yes, The Company has a well established procedure of Vendor Development. Materials are procured both locally and internationally from approved Vendors. The Company regularly conducts audits for these Vendors. The Company has enduring business relationship with the Vendors and receives their constant support.

4. Has the Company taken any steps to procure goods and services from local and small producers, including communities surrounding the place of work?

a. If yes, what steps have been taken to improve the capacity and capability of local and small vendors? Yes

The Company continues to procure goods and avail services from the local and small vendors, with preferences to those located around its manufacturing plants. The Company provides support to the vendors, whenever required, in developing quality products.

5. Does the Company have a mechanism to recycle products and waste? If yes, what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%)? Also, provide details thereof, in about 50 words or so:

Being in pharmaceutical business, recycling of products is not permitted. The Company has a mechanism to recycle the process solvents and allow the wastes to recycle at authorised offsite. Every Plant has its own Effluent Treatment Plan, in order to ensure that the discharge of waste and solvents is within the limits stipulated by the respective pollution control boards. About 20-30% of the waste water generated in the Plants is recovered, recycled and reused, thereby saving usage of fresh water. Treated waste water is used for sanitation purposes.

Principle 3 (Well being of Employees)

1. Please indicate the Total number of employees:

5,531 permanent employees as on March 31, 2018

2. Please indicate the Total number of employees hired on temporary/contractual/casual basis:

1106 as on March 31, 2018

3. Please indicate the number of permanent women employees:

231 as on March 31, 2018

4. Please indicate the number of permanent employees with disabilities:

4 as on March 31, 2018

5. Do you have an employee association that is recognized by management?

The Company's plants and offices are situated at multiple locations, thus there are unions and association of employees at the respective locations.

6. What percentage of your permanent employees are members of this recognized employee association?

Around 4.63% of the permanent employees are members of recognised employee associations.

7. Please indicate the number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year: None

8. What percentage of your under mentioned employees were given safety and skill upgradation training in the last year?

a. Permanent Employees- More than 90% of the operating personnel are trained at regular intervals on safety and first aid.

b. Permanent Women Employees- Around 90% of the permanent women employees are trained at regular intervals on safety and first aid. The Company does not make any discrimination while imparting training to the women employees.

c. Casual/Temporary/Contractual Employees- Around 90% of the Casual/Temporary/Contractual Employees in operating functions are trained.

d **Employees with Disabilities –** The Company does not make any discrimation while imparting training to differently abled employees vis-avis their fellow employees.

Principle 4 (Stakeholders Engagement)

1. **Has the Company mapped its internal and external stakeholders?**

   Yes, a relationship based on mutual trust and understanding is what we aim to share with our stakeholders. The Company has mapped its Stakeholders, internal and external, who directly or indirectly influence our business operations.

2. **Out of the above, has the Company identified the disadvantaged, vulnerable and marginalized stakeholders?**

   Yes, the Company has identified the disadvantaged, vulnerable and marginalized stakeholders.

3. **Are there any special initiatives taken by the Company to engage with the disadvantaged, vulnerable and marginalized stakeholders? If so, provide details thereof, in about 50 words or so:**

   Yes, Your Company has identified some groups in this category. They include those who cannot afford quality health and education, communities from the lower social economic strata etc. FDC identifies their needs and addresses them to the extent possible. These initiatives include creation of infrastructural facilities in the local communities for the weaker sections and promotion of education and health amongst the social and backward groups of Society.

Principle 5 (Human Rights)

1. **Does the Policy of the Company on human rights cover only the Company or extend to the Group /Joint Ventures / Suppliers / Contractors / NGOs / Others?**

   The Policy covers the Company, its subsidiaries and all suppliers and contractors. The Companies code of conduct and human resource practices cover most of these aspects. The Company does not hire child labour or forced labour and never discriminates between its employees

2. **How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?**

   The Company did not receive any complaint from any stakeholder in the previous financial year relating to human rights.

Principle 6 (Environment)

1. **Does the Policy related to Principle 6 cover only the Company or extends to the Group / Joint Ventures /Suppliers / Contractors / NGOs / Others?**

   This Policy covers only the Company. The Subsidiary Companies are independent companies located outside India and are guided by their own policies and laws of the countries where they are located.

2. **Does the Company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc. Y/N? If yes, please give hyperlink for webpage etc.:**

   Conservation and optimisation of natural resources has always been a priority for the Company. The Environment Policy of the Company is available on the website of the Company at www.fdcindia.com. Efforts are also made to conserve water resources and eliminate over utilization of resources.

3. **Does the Company identify and assess potential environmental risks?**

   The Company identifies and assesses the risks internally and necessary steps are undertaken at regularly intervals to minimise the risks. The Company's manufacturing facilities are internationally accredited by reputed agencies.

4. **Does the Company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if yes, whether any environmental compliance report is filed:**

   The Company has installed agro-fuel fired boilers at various Plants. The Company monitors the stack emissions on quarterly basis and the same is being reported annually to the Pollution Control Board. The Company has also invested in Solar Projects at various locations for reduction in emissions.

5. **Has the Company undertaken any other initiatives on clean technology, energy efficiency, renewable energy, etc. Y/N? If yes, please give hyperlink for web page etc.:**

   The Company has undertaken various energy efficient initiatives at different locations which are given under **Annexure D** to Directors' Report.

6. **Are the Emissions/Waste generated by the Company within the permissible limits given by CPCB / SPCB for the financial year being reported?**

   Yes

7. **Number of Show cause/legal notices received from CPCB / SPCB which are pending (i.e. not resolved to satisfaction) as on end of financial year:**

   There were no show cause/legal notices pending as at the end of the financial year.

Principle 7 (Public Policy)

1. **Is your Company a member of any trade and chamber or association? If yes, Name only those major ones that your business deals with:**

   The Company is a member of various trade bodies, chambers and associations inter-alia:

   (a) Indian Drug Manufactures' Association (IDMA)
   (b) Bombay Chamber of Commerce and Industry (BCCI)
   (c) Federation of Pharma Entrepreneurs (FOPE)
   (d) Pharmaceutical Export Promotion Council of India (PHARMEXCIL)

2. **Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No? if yes, specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy Security, Water, Food Security, Sustainable Business Principles, Others):**

   Yes, The Company continues to participate in various forums to address the various issues pertaining to public health. The Company also makes continuous efforts to provide affordable treatment to the marginalised and economical weaker sections of the Society. Efforts are also made to promote the use of generic medicines which would make medical treatment affordable to all.

Principle 8 (CSR)

1. **Does the Company have specified programmes / initiatives / projects in pursuit of the policy related to Principle 8? If yes, details thereof:**

   The Company believes in the philosophy of giving back. Being in the pharmaceutical industry your Company's primary focus is healthcare. The Company has been contributing towards the rural development, education, nutritional programme, sanitation & hygiene, rehabilitation programme and other socio–economic activities, under its corporate social responsibility activities, which has benefitted the society to some extent. The CSR Policy is available on the website of the Company i.e. www.fdcindia.com and CSR activities, as required under Section 135 of the Companies Act, 2013, is given under **Annexure H** to the Directors' Report.

   The Company would also undertake other need based initiatives in compliance with Schedule VII to the Companies Act, 2013.

2. **Are the programs/projects undertaken through in-house team/own foundation / external NGO / government structures / any other organization?**

   The CSR programs are undertaken by the Company directly or indirectly through recognized public charitable trusts, Non-Governmental Organisations and projects in partnership with Government.

3. **Have you done any impact assessment of your initiative?**

   Yes, your Company does regular impact assessment at intervals and takes feedback from the concerned organizations and agencies on the progress of the CSR projects.

4. **What is your Company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken?**

   During the year the Company has spent Rs. 117.94 Lakhs on community development programmes namely towards education, nutritional programme, sanitation & hygiene and rehabilitation programme. Please refer to **Annexure H** to Directors' report for details of the projects / activities undertaken during the year 2017-18.

5. **Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so:**

   The Company's representatives visit the Project sites at regular intervals and feedback is obtained to improve the projects undertaken, if required. Such steps are taken keeping in view the nature of community development measure. The details of the CSR activities are given under **Annexure H** to the Directors' Report.

Principle 9 (Customer Relations)

1. **What percentage of customer complaints/consumer cases are pending as on the end of the financial year?**

   There are no pending complaints as on March 31, 2018. The complaints are timely handled as per the internal Standard Operating Practices and responded to the Customers.

2. **Does the Company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A. /Remarks (additional information):**

   The Company follows the applicable Laws, Rules and Regulations with respect to labelling and displaying of product information.

3. **Is there any case filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on the end of the financial year? If so, provide details thereof, in about 50 words or so:**

   No

4. **Did your Company carry out any consumer survey/ consumer satisfaction trends?**

   The Company regularly carries out consumer surveys at doctor level.

For and on behalf of the Board

Place : Mumbai
Date : May 25, 2018

MOHAN A. CHANDAVARKAR
Chairman and Managing Director

ANNEXURE D TO DIRECTORS REPORT

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

Information pursuant to Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014, for the year ended March 31, 2018.

A) CONSERVATION OF ENERGY

(i) Steps taken or impact on conservation of energy:

- Maintained the unity power factor at all locations.
- New equipments selected at various locations to minimize the energy/ operational cost with more productivity.

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

- 50KVA roof top solar system made operational for Bhiwandi warehouse
- Installation of 530KVA roof top solar system at Waluj plant.3
- Internal furnace Agro waste fired boiler installed at Roha plant.

(iii) Capital investment on energy conservation equipments: Rs. 2.32 Crores

B) TECHNOLOGY ABSORPTION

Research and Development (R&D):

(i) Efforts made towards technology absorption:

- Synthesis of new chemical entities and lead compounds.
- Preservative free oral suspension.
- Development of Generic APIs and their intermediates

(ii) Benefits derived:

- Reduction in Cost
- Preservative free oral suspension

(iii) Information regarding imported technology (imported during the last 3 (Three) years reckoned from the beginning of the financial year)- None

(iv) Expenditure incurred on Research and Development.

(Rupees in lakhs)

	2017-2018	2016-2017
a. *Capital	**322.63**	260.35
b. Recurring	**2,487.02**	2,543.08
c. Total	**2,809.65**	2,803.43
d. Total R&D expenditure as a percentage of total turnover *Including C.W.I.P.	**2.63%**	2.68%

C) FOREIGN EXCHANGE EARNINGS AND OUTGO

The details of foreign exchange earnings and outgo are given in the Notes to the accounts.

For and on behalf of the Board

Place : Mumbai
Date : May 25, 2018

MOHAN A. CHANDAVARKAR
Chairman and Managing Director

ANNEXURE E TO DIRECTORS REPORT

A. PARTICULARS UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 AND RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014.

(i) The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the Financial Year 2017-2018:

Name	Designation	Ratio
Mr. Mohan A. Chandavarkar	Chairman and Managing Director	88:1
Mr. Nandan M. Chandavarkar	Joint Managing Director	73:1
Mr. Ashok A. Chandavarkar	Wholetime Director	62:1
Mr. Ameya A. Chandavarkar	Wholetime Director	51:1
Ms. Nomita R. Chandavarkar	Wholetime Director	25:1
Dr. Rahim H. Muljiani	Independent Director	-
Dr. Satish S. Ugrankar	Independent Director	-
CA. Vinod G. Yennemadi	Independent Director	-
CA. Swati S. Mayekar	Independent Director	-
CA. Uday Kumar Gurkar	Independent Director	-

Note: The remuneration to Independent Directors consists of Sitting fees and commission only.

(ii) The percentage increase / decrease in the remuneration of each Director, Chief Financial Officer and Company Secretary or Manager in the Financial Year:

Name	Designation	% Increase/(Decrease)
Mr. Mohan A. Chandavarkar	Chairman and Managing Director	5.71
Mr. Nandan M. Chandavarkar	Joint Managing Director	7.34
Mr. Ashok A. Chandavarkar	Wholetime Director	8.64
Mr. Ameya A. Chandavarkar	Wholetime Director	7.19
Ms. Nomita R. Chandavarkar	Wholetime Director	0.32
Mr. Sanjay B. Jain	Chief Financial Officer	20.79
Ms.Varsharani Katre	Company Secretary	9.97
Dr. Rahim H. Muljiani	Independent Director	-
Dr. Satish S. Ugrankar	Independent Director	-
CA. Vinod G. Yennemadi	Independent Director	-
CA. Swati S. Mayekar	Independent Director	-
CA. Uday Kumar Gurkar	Independent Director	-

(iii) The percentage increase in the median remuneration of employees in the Financial Year: 9.13%

(iv) The number of permanent employees on the rolls of the Company :

There were 5531 employees on the rolls of the Company as on March 31, 2018.

(v) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentage increase in the managerial remuneration and justification thereof:

Average increase in managerial remuneration is 11.80% & for other than Managerial Personnel is 13.23%.

(vi) Affirmation that the remuneration is as per the Remuneration Policy of the Company: Yes

B. INFORMATION AS PER RULE 5 (2) & (3) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014.

i) Employed throughout the financial year, was in receipt of remuneration for that year which, in the aggregate, was not less than one crore and two lakh rupees as per clause (i) of Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Sr. No.	Date of Joining	Gross Remuneration (Rs.)	Nature of Employment	Educational Qualification	Age (Yr.)	Experience (Year)	Last employment	Designation	Whether any such employee is a relative of any director or manager of the company and if so, name of such director or manager
1.	21.04.07	11,735,772	Permanent	Msc (Tech)	64	38	Indoco Remedies Ltd.	President (Technical & Operations)	No

ii) None of the employed for a part of the financial year, was in receipt of remuneration for any part of that year, at a rate which, in the aggregate, was not less than eight lakh and fifty thousand rupees per month as per clause (ii) of Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

iii) Employees mentioned above are neither relatives of any directors or managers of the Company, nor hold 2% or more of the paid-up equity share capital of the Company as per Clause (iii) of sub-rule (2) of Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

For and on behalf of the Board

Place : Mumbai
Date : May 25, 2018

MOHAN A. CHANDAVARKAR
Chairman and Managing Director

ANNEXURE F TO DIRECTORS REPORT

Form No. AOC-2

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

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

1. **Details of contracts or arrangements or transactions not at arm's length basis:**

   The Company has not entered into any transaction with related parties which were not on an arm's length basis.

2. **Details of material contracts or arrangement or transactions at arm's length basis:**

   The Company has not entered into any material contracts or transactions with related parties during the financial year 2017-18.

For and on behalf of the Board

Place : Mumbai
Date : May 25, 2018

MOHAN A. CHANDAVARKAR
Chairman and Managing Director

ANNEXURE G TO DIRECTORS REPORT

Form No. MR-3

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31st March 2018

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

To,
The Members,
FDC LIMITED (CIN: L24239MH1940PLC003176)

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit of the Company, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March 2018 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2018 according to the provisions of:

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

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

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

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

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

a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

d. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; there were no ESOPS issued during the year under review.

e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; there were no debts raised during the year under review.

f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; There were no proposals for delisting of its Equity shares during the year under review.); and

h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; the company had complied with all the respective provisions.

vi. Other laws applicable specifically to the Company as per management representation letter namely:

Drugs and Cosmetics Act, 1940, The Pharmacy Act, 1948, The Narcotic Drugs and Psychotropic Substances Act, 1985, The Trademarks Act, 1999, The Indian Copy Right Act, 1957, The Patents Act, 1970, Food and Drug Administration licensing terms and conditions and Food Safety and Standards Act, 2006.

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

i. Secretarial Standards with regard to Meeting of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India and made effective July 1, 2015;

ii. SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 made effective from 1st December 2015 along with the Listing Agreements entered into by the Company with BSE Limited and The National Stock Exchange of India Limited .

During the period under review, the Company has complied with the applicable provisions of the Act, Rules, Regulations and Guidelines Standards mentioned above:

We further report that

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

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent atleast seven days in advance except where the Board Meetings have been called at a shorter notice in compliance with the provisions of the Act and Secretarial Standards, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

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

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

This Report is to be read with my letter of even dated which is annexed as **Annexure I** and forms an integral part of this Report.

For **SANJAY DHOLAKIA & ASSOCIATES**

(SANJAY R DHOLAKIA)
Practising Company Secretary
Proprietor
Membership No. 2655 /CP No. 1798

Place : Mumbai
Date : May 25, 2018

ANNEXURE I

To,
The Members,
FDC LIMITED

Our report of even date is to be read along with this letter.

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

For **SANJAY DHOLAKIA & ASSOCIATES**

(SANJAY R DHOLAKIA)
Practising Company Secretary
Proprietor
Membership No. 2655 /CP No. 1798

Place : Mumbai
Date : May 25, 2018

ANNEXURE H TO DIRECTORS REPORT

CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES FOR THE FINANCIAL YEAR 2017-2018

1. A brief outline of the Company's CSR policy, including an overview of projects or programs proposed to be undertaken and a reference to the weblink to the CSR policy and projects or programs

Your Company as a socially responsible citizen has been contributing towards the rural development, education, nutritional programme, sanitation & hygiene, rehabilitation programme and other socio–economic activites, under its Corporate Social Responsibility activities, which has benefitted the society to some extent. Your Company also dedicatively helped the society by donating for Rural Electrification Project through Parijnan Foundation, under its ambit of CSR.

Your Company continues to engage with various communities, expert organisations and the Government, for taking up various activities, under its CSR Policy.

The CSR Policy of the Company is available on the Company's website i.e. http://www.fdcindia.com/admin/images/Corporate_Social_Responsibility_Policy.pdf

2. The Composition of the CSR Committee

a. Mr. Mohan A. Chandavarkar - Chairman and Managing Director (Chairman of the Committee)
b. Mr. Ashok A. Chandavarkar - Wholetime Director
c. CA. Vinod G. Yennemadi - Independent Director
d. Ms. Nomita R. Chandavarkar - Wholetime Director

3. Average net profit of the Company for last 3 (Three) financial years: Rs. 20,798.67 Lakhs

4. Prescribed CSR Expenditure (2 (Two) percent of the amount as in item 3 above): Rs. 415.97 Lakhs

5. Details of CSR spent during the financial year 2017-2018:

a. Total amount to be spent in the financial year: **Rs. 415.97 Lakhs**
b. Total amount spent for the financial year: **Rs. 117.94 Lakhs**
c. Amount unspent, if any: **Rs. 298.03 Lakhs**
d. Manner in which the amount spent during the financial year is detailed below:

(Rupees in lakhs)

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sr. No.	**CSR project or activity identified**	**Sector in which the Project is covered**	**Locations District/ States**	**Amount outlay (budget) Project or Programs wise**	**Amount spent on the projects or programs**	**Cumulative expenditure upto the reporting period**	**Amount spent: Direct or through implementing agency***
1.	Rural Electrification Project through Parijnan Foundation (Excess Expenditure)	Socio-Economic Activities	Shirali, Karnataka	2.87	2.87	2.87	Through Parijnan Foundation
2.	Aravind Eye Care System	Socio-Economic Activities	Theni, Tamil Nadu	10.20	6.00	6.00	Through ,Govel Trust
3.	Medical Care through SUPPORT (Society undertaking Poor People's Onus for Rehabilitation)	Socio-Economic Activities	Mumbai, Maharashtra	13.00	13.00	13.00	Directly by the Company
4.	Child Care Foundation	Socio-Economic Activities	Goa	2.00	2.00	2.00	Directly by the Company
5.	Construction of Toilets at I.V.B. Dhavaliker School, Dhavali	Socio-Economic Activities	Dhaveli, Goa	20.00	20.00	20.00	Through, Shree Shantadurga Shikshan Samiti
6.	Rural Electrification Project **	Socio-Economic Activities	Shirali, Karnataka	20.25	10.25	10.25	Through Parijnan Foundation

(Rupees in lakhs)

(1) Sr. No.	(2) CSR project or activity identified	(3) Sector in which the Project is covered	(4) Locations District/ States	(5) Amount outlay (budget) Project or Programs wise	(6) Amount spent on the projects or programs	(7) Cumulative expenditure upto the reporting period	(8) Amount spent: Direct or through implementing agency*
7.	Nutritional Program at Late Digambarrao Padvi Ashram Shala, Ambiste **	Socio-Economic Activities	Palghar, Maharashtra	25.00	16.00	16.00	Directly by the Company
8.	FDC Comprehensive Rural Development Project **	Socio-Economic Activities	Sinnar, Nashik, Maharashtra	103.63	35.82	35.82	Through Maharashtra Institute of technology Transfer for Rural Areas (MITTRA)
9.	Construction of Toilets at Anandashram High School **	Socio-Economic Activities	Mangalore	12.00	12.00	12.00	Through Saraswat Education Society
			Total	**208.95**	**117.94**	**117.94**	

Note:- ** The projects were approved in the financial year 2016-2017 and expenditure made in the current financial year.

6. **In case the Company has failed to spend the 2 (Two) percent of the average net profit of the last three financial years or any part thereof, the Company shall provide the reasons for not spending the amount in its Board report**

   Your Company could not spend upto 2% of the net profits as stipulated in the Companies Act, 2013, as in addition to the existing projects undertaken by the Company, it did not come across other appealing activities / projects for the benefit of the society. However, your Company is exploring other CSR initiatives, that can be undertaken during the year.

7. **A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company**

   The CSR Committee of the Board confirms that it has implemented and monitored the CSR activities, CSR Policy is in accordance with the provisions of Section 135 of the Companies Act, 2013."

For and on behalf of the Board

Place : Mumbai
Date : May 25, 2018

MOHAN A. CHANDAVARKAR
Chairman and Managing Director

ANNEXURE I TO DIRECTORS REPORT

FORM NO. MGT-9

EXTRACT OF ANNUAL RETURN AS ON FINANCIAL YEAR ENDED MARCH 31, 2018

[Pursuant to Section 92(3) of the Companies Act, 2013 read with The Companies (Management and Administration) Rules, 2014]

A. REGISTRATION AND OTHER DETAILS:

CIN:	L24239MH1940PLC003176
Registration Date:	September 23, 1940
Name of the Company:	FDC Limited
Category / Sub-Category of the Company:	Public Company, Company having Share Capital
Address of the Registered office and contact details:	B-8, MIDC Industrial Estate, Waluj- 431 136, District Aurangabad, Maharashtra. Tel: 0240- 2554407; Fax : 0240-2554299; Website: www.fdcindia.com; Email ID: investors@fdcindia.com
Whether listed company:	Yes
Name, Address and Contact details of Registrar and Transfer Agent, if any:	Sharex Dynamic (India) Pvt.Ltd. Unit no.1, Luthra Ind.Premises, Safed Pool, Andheri Kurla Road, Andheri (East), Mumbai - 400072 Tel:022- 2851 5606/ 5644/ 6338 ;Fax: 022-2851 2885 Website:http:www.sharexindia.com; E-mail: sharexindia@vsnl.com

B. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

All the business activities contributing 10% or more of the total turnover of the Company is given below:

Sr. No.	Name and Description of main products / services	NIC Code of the Product	% to total turnover of the company
1.	Pharmaceuticals	21002	100%

C. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares held	Applicable Section
1.	FDC International Ltd, Unit No. 6, Fulcrum 1, Solent Business Park, Solent Way, Whiteley, Fareham, Hampshire- PO15 7FE	Not Applicable	Subsidiary	100%	2(87)
2.	FDC Inc., 315, Lowell Avenue, Hamilton, NJ 08619	Not Applicable	Subsidiary	100%	2(87)
3.	Fair Deal Corporation Pharmaceuticals SA (Pty) Ltd., Republic of South Africa	Not Applicable	Joint Venture	49%	2(87)

D. SHAREHOLDING PATTERN

i) Category wise Shareholding

Category of Shareholders	No. of Shares held at the beginning of the year 01-04-2017				No. of Shares held at the end of the year 31-03-2018				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. PROMOTERS									
(1). INDIAN									
(a). individual	95,614,530	-	95,614,530	53.766	94,020,613	-	94,020,613	53.910	0.144
(b). Central Govt.	-	-	-	-	-	-	-	-	-
(c). State Govt(s).	-	-	-	-	-	-	-	-	-
(d). Bodies Corpp.	-	-	-	-	-	-	-	-	-
(e). FIINS / BANKS.	-	-	-	-	-	-	-	-	-
(f). Any Other	-	-	-	-	-	-	-	-	-
(g) Trust	26,890,126	-	26,890,126	15.121	26,439,648	-	26,439,648	15.160	0.039
Sub-total (A) (1)	**122,504,656**	**-**	**122,504,656**	**68.887**	**120,460,261**	**-**	**120,460,261**	**69.07**	**0.183**
(2). FOREIGN									
(a). Individual NRI / For Ind	-	-	-	-	-	-	-	-	-
(b). Other Individual	-	-	-	-	-	-	-	-	-
(c). Bodies Corporates	-	-	-	-	-	-	-	-	-
(d). Banks / FII	-	-	-	-	-	-	-	-	-
(e). Qualified Foreign Investor	-	-	-	-	-	-	-	-	-
(f). Any Other Specify	-	-	-	-	-	-	-	-	-
Sub-total (A) (2)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	**122,504,656**	**-**	**122,504,656**	**68.887**	**120,460,261**	**-**	**120,460,261**	**69.070**	**0.183**
(B) PUBLIC SHAREHOLDING									
(1) INSTITUTIONS									
(a). Mutual Funds	5,553,304	10,000	5,563,304	3.128	6,214,304	10,000	6,224,304	3.569	0.441
(b). Banks / FI	14,972	-	14,972	0.008	4,161	-	4,161	0.002	-0.006
(c). Central Govt.	-	-	-	-	-	-	-	-	0.000
(d). State Govt.	968,190	-	968,190	0.544	1,044,226	-	1,044,226	0.599	0.055
(e). Venture Capital Funds		-				-			0.000
(f). Insurance Companies		-				-			0.000
(g). FIIs	502,447	-	502,447	0.283	376,338	-	376,338	0.216	-0.067
(h). Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	0.000
(i). Others (specify)	-	-	-	-	-	-	-	-	0.000
Sub-total (B)(1)	**7,038,913**	**10,000**	**7,048,913**	**3.963**	**7,639,029**	**10,000**	**7,649,029**	**4.386**	**0.423**
2. NON-INSTITUTIONS									
(a). Bodies Corporation									
(i). Indian	3,975,138	16,002	3,991,140	2.244	3,124,712	1,000	3,125,712	1.792	-0.452
(ii). Overseas	-	-	-	-	-	-	-	-	0.000
(b). Individuals									
(i) Individual shareholders holding nominal share capital upto Rs.1 lakh	11,783,627	2,758,113	14,541,740	8.177	12,859,703	2,468,064	15,327,767	8.789	0.612
(ii) Individual shareholders holding nominal share capital in excess of Rs.1 lakh	10,203,108	-	10,203,108	5.737	9,417,711	-	9,417,711	5.400	-0.337
(c). Other (specify)									
Non Resident Indians	1,632,760	-	1,632,760	0.918	1,675,561	-	1,675,561	0.961	0.043
Overseas Corporate Bodies	17,770,026	-	17,770,026	9.993	16,697,756	-	16,697,756	9.574	-0.419
Foreign Nationals	-	-	-	-	-	-	-	-	-
Clearing Members	140,741	-	140,741	0.079	49,287	-	49,287	0.028	-0.051
Trusts	-	-	-	-	-	-	-	-	-
Foreign Boodies - D R	-	-	-	-	-	-	-	-	-
Sub-total (B)(2)	**45,505,400**	**2,774,115**	**48,279,515**	**27.148**	**43,824,730**	**2,469,064**	**46,293,794**	**26.544**	**-0.604**
Total Public Shareholding (B)=(B)(1)+ (B)(2)	**52,544,313**	**2,784,115**	**55,328,428**	**31.111**	**51,463,759**	**2,479,064**	**53,942,823**	**30.930**	**-0.181**
C. Shares held by Custodian for GDRs & ADRs	**-**	**-**	**-**	**0.000**	**-**	**-**	**-**	**0.000**	**0.000**
Grand Total (A+B+C)	**175,048,969**	**2,784,115**	**177,833,084**	**100.00**	**171,924,020**	**2,479,064**	**174,403,084**	**100.00**	**0.002**

(ii) Shareholding of Promoters

Sr. No.	Shareholders Name	Shareholding at the beginning of the year 01-04-2017			Shareholding at the end of the year 31-03-2018			% change in share holding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	
1	MEERA RAMDAS CHANDAVARKAR	34,189,260	19.225	-	33,624,370	19.280	-	0.055
2	SANDHYA MOHAN CHANDAVARKAR	19,355,730	10.884	-	19,031,473	10.912	-	0.028
3	MOHAN ANAND CHANDAVARKAR	19,020,258	10.696	-	18,701,621	10.723	-	0.027
4	LEO ADVISORS PVT LTD	16,134,016	9.073	-	15,863,730	9.096	-	0.023
5	VIRGO ADVISORS PVT LTD	10,756,110	6.048	-	10,575,918	6.064	-	0.016
6	AMEYA ASHOK CHANDAVARKAR	10,720,580	6.028	-	10,540,983	6.044	-	0.016
7	NOMITA RAMDAS CHANDAVARKAR	5,682,940	3.196	-	5,587,737	3.204	-	0.008
8	NANDAN MOHAN CHANDAVARKAR	5,445,762	3.062	-	5,354,532	3.070	-	0.008
9	ADITI C BHANOT	1,200,000	0.675	-	1,179,897	0.677	-	0.002
	TOTAL	**122,504,656**	**68.887**	**-**	**120,460,261**	**69.070**	**-**	**0.183**

(iii) Change in Promoters Shareholding

Sr. No.	Shareholders Name	Shareholding			Increase / Decrease in shareholding	Reason	Cumulative Shareholding during the year (01-04-2017 to 31-03-2018)	
		No. of Shares	% of total Shares of the Company	Date			No. of Shares	% of total Shares of the Company
1	MEERA RAMDAS CHANDAVARKAR	34,189,260	19.225	01-04-2017				
				11-08-2017	8000	Purchase	34,197,260	19.230
				28-03-2018	-572890	Sell	33,624,370	19.280
	Closing Balance			31-03-2018			33,624,370	19.280
2	SANDHYA MOHAN CHANDAVARKAR	19,355,730	10.884	01-04-2017				
				23-03-2018	-324257	Sell	19,031,473	10.912
	Closing Balance			31-03-2018			19,031,473	10.912
3	MOHAN ANAND CHANDAVARKAR	19,020,258	10.696	01-04-2017				
				28-03-2018	-318637	Sell	18,701,621	10.723
	Closing Balance			31-03-2018			18,701,621	10.723
4	LEO ADVISORS PRIVATE LIMITED	16,134,016	9.073	01-04-2017				
				28-03-2018	-270286	Sell	15,863,730	9.096
	Closing Balance			31-03-2018			15,863,730	9.096
5	VIRGO ADVISORS PRIVATE LIMITED	10,756,110	6.048	01-04-2017				
				28-03-2018	-180192	Sell	10,575,918	6.064
	Closing Balance			31-03-2018			10,575,918	6.064
6	AMEYA ASHOK CHANDAVARKAR	10,720,580	6.028	01-04-2017				
				28-03-2018	-179597	Sell	10,540,983	6.044
	Closing Balance			31-03-2018			10,540,983	6.044
7	NOMITA RAMDAS CHANDAVARKAR	5,682,940	3.196	01-04-2017				
				28-03-2018	-95203	Sell	5,587,737	3.204
	Closing Balance			31-03-2018			5,587,737	3.204
8	NANDAN MOHAN CHANDAVARKAR	5,445,762	3.062	01-04-2017				
				28-03-2018	-91230	Sell	5,354,532	3.070
	Closing Balance			31-03-2018			5,354,532	3.070
9	ADITI C BHANOT	1,200,000	0.675	01-04-2017				
				28-03-2018	-20103	Sell	1,179,897	0.677
	Closing Balance			31-03-2018			1,179,897	0.677

(iv) Shareholding Pattern of Top 10 (Ten) Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sr. No.	Shareholders Name	No. of Shares	% of total Shares of the Company	Date	Increase / Decrease in shareholding	Reason	Cumulative Shareholding during the year (01-04-2017 to 31-03-2018)	
							No. of Shares	% of total Shares of the Company
1	PINEBRIDGE INVESTMENTS GF MAURITIUS LIMITED	7,122,528	4.005	01-04-2017				
	-Closing Balance			31-03-2018	-238,523	Sell	6,884,005	3.947
2	RELIANCE CAPITAL TRUSTEE CO. LTD-A/C RELIANCESMALL CAP FUND	2,856,814	1.606	01-04-2017				
				21-04-2017	748,897	Purchase	3,605,711	2.028
	-Closing Balance			31-03-2018	-117,758	Sell	3,487,953	2.000
3	FIDELITY PURITAN TRUST-FIDELITY LOW-PRICED STOCK FUND	3,300,000	1.856	01-04-2017				
				07-04-2017	-6,406	Sell	3,293,594	1.852
				14-04-2017	-22,856	Sell	3,270,738	1.839
				21-04-2017	-20,738	Sell	3,250,000	1.828
	-Closing Balance			31-03-2018	-108,836	Sell	3,141,164	1.801
4	UTI - CHILDRENS CAREER BALANCED PLAN	2,240,000	1.260	01-04-2017				
				14-04-2017	-50,000	Sell	2,190,000	1.231
				21-07-2017	-190,000	Sell	2,000,000	1.125
				12-01-2018	-46,158	Sell	1,953,842	1.099
				02-02-2018	-25,000	Sell	1,928,842	1.085
				09-03-2018	-56,855	Sell	1,871,987	1.053
				16-03-2018	-10,147	Sell	1,861,840	1.052
	-Closing Balance			31-03-2018	-35,167	Sell	1,826,673	1.047
5	ENAM FINANCIAL CONSULTANTS PVT LTD	1,800,000	1.012	01-04-2017				
	-Closing Balance			31-03-2018	-60,279	Sell	1,739,721	0.998
6	JAYASHREE VIVEK CHANDAVARKAR	959,000	0.539	01-04-2017				
				23-03-2018	779,000	Purchase	1,738,000	0.977
	-Closing Balance			31-03-2018			1,738,000	0.997
7	ASHOK SHRINATH KALBAG	980,000	0.551	19-05-2017				
	-Closing Balance			31-03-2018	-	No Change	980,000	0.562
8	VIJAYA DEVDAS KAMATH	916,000	0.515	01-04-2017				
				23-03-2018	8,000	Purchase	924,000	0.520
	-Closing Balance			31-03-2018			924,000	0.530
9	SUDHA SURESH NILESHWAR	400,000	0.225	01-04-2017				
				09-06-2017	400,000	Purchase	800,000	0.450
	-Closing Balance			31-03-2018	-13,402	Sell	786,598	0.451
10	FIDELITY NORTHSTAR FUND	800,000	0.450	01-04-2017				
	-Closing Balance			31-03-2018	-26,790	Sell	773,210	0.443
11	VIVEK SANJEEVRAO CHANDAVARKAR	1,118,500	0.629	01-04-2017				
				25-08-2017	-339,500	Sell	779,000	0.438
				23-03-2018	-779,000	Sell	-	-
	-Closing Balance			31-03-2018			-	-
12	MIRA KALBAG	980,000	0.551	01-04-2017				
				17-05-2017	-980,000	Sell	-	-
	-Closing Balance			31-03-2018			-	-
13	TATA INVESTMENT CORPORATION LIMITED	974,296	0.548	01-04-2017				
				07-04-2017	-50,000	Sell	924,296	0.520
				14-04-2017	-28,449	Sell	895,847	0.504
				21-04-2017	-850,000	Sell	45,847	0.026
				26-05-2017	-45,847	Sell	-	-
	-Closing Balance			31-03-2018			-	-

(v) Shareholding of Directors and Key Managerial Personnel:

Sr. No.	Shareholders Name	No. of Shares	% of total Shares of the Company	Date	Increase / Decrease in shareholding	Reason	Cumulative Shareholding during the year (01-04-2017 to 31-03-2018)	
							No. of Shares	% of total Shares of the Company
A	**DIRECTORS**							
1	Mr. Mohan A. Chandavarkar	19,020,258	10.696	01.04.2017				
				28.03.2018	-318,637	Sell	18,701,621	10.723
	Closing Balance	18,701,621	10.723	31.03.2018			18,701,621	10.723
2	Mr. Nandan M. Chandavarkar	5,445,762	3.062	01.04.2017				
				28.03.2018	-91,230	Sell	5,536,992	3.070
	Closing Balance	5,354,532	3.070	31.03.2018			5,354,532	3.07
3	Mr. Ashok A. Chandavarkar	-	-	01.04.2017				
	Closing Balance	-	-	31.03.2018				
4	Mr. Ameya A. Chandavarkar	10,720,580	6.028	01.04.2017				
				28.03.2018	-179,597	Sell	10,540,983	6.044
	Closing Balance	10,540,983	6.044	31.03.2018			10,540,983	6.044
5	Ms. Nomita R. Chandavarkar	5,682,940	3.196	01.04.2017				
				28.03.2018	-95,203	Sell	5,587,737	3.204
	Closing Balance	5,587,737	3.204	31.03.2018			5,587,737	3.204
6	Dr. Rahim H. Muljiani	4,000	0.002	01.04.2017				
	Closing Balance	4,000	0.002	31.03.2018				
7	Dr. Satish S. Ugrankar	401,990	0.226	01.04.2017			381,990	0.215
				01.09.2017	-20,000	Sell	396,990	0.206
				15.09.2017	-15,000	Sell	416,990	0.196
				16.03.2018	-20,000	Sell	426,990	0.189
				23.03.2018	-10,000	Sell	433,374	0.190
				28.03.2018	-6,384	Sell	330,606	0.190
	Closing Balance	-	-	31.03.2018			330,606	0.190
8	CA. Vinod G. Yennemadi	13,975	0.008	01.04.2017			6,975	0.004
				16.03.2018	-7,000	Sell	13,975	0.008
				23.03.2018	7,000	Purchase	13,627	0.008
				28.03.2018	-348	Sell	13,627	0.008
	Closing Balance	13,975	0.008	31.03.2018			13,627	0.008
9	CA. Swati S. Mayekar	-	-	01.04.2017				
	Closing Balance	-	-	31.03.2018				
10	CA. Uday Kumar Gurkar	-	-	01.04.2017				
	Closing Balance	-	-	31.03.2018				
B	**KEY MANAGERIAL PERSONNEL**							
1	Mr. Sanjay B. Jain	-	-	01.04.2017				
	Closing Balance	-	-	31.03.2018				
2	Ms. Varsharani Katre	-	-	01.04.2017				
	Closing Balance	-	-	31.03.2018				

E. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment : NIL

F. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Wholetime Directors and/or Manager:

(Rupees in lakhs)

Sr. No.	Particulars of Remuneration	Mr. Mohan A. Chandavarkar	Mr. Nandan M. Chandavarkar	Mr. Ashok A. Chandavarkar	Mr. Ameya A. Chandavarkar	Ms. Nomita R. Chandavarkar	Total Amount
1	**Gross salary**						
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	92.17	77.59	50.24	49.12	23.73	292.85
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0.25	3.07	3.40	1.18	-	7.90
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-	-	-
2	**Stock Option**	-	-	-	-	-	-
3	**Sweat Equity**	-	-	-	-	-	-
4	**Commission**	118.61	94.89	94.89	71.17	35.58	415.13
	- as % of profit						
	- others						
5	**Others**	-	-	-	-	-	-
	Total (A)	**211.03**	**175.54**	**148.53**	**121.46**	**59.31**	**715.88**
	Ceiling as per the Act: Rs. 2372.17 Lakhs being 10% of the net profits of the Company calculated as per Section 198 of the Companies Act, 2013						

B. Remuneration to other Directors:

(Rupees in lakhs)

Sr. No.	Particulars of Remuneration	Dr. Rahim H. Muljiani	Dr. Satish S. Ugrankar	CA. Vinod G. Yennemadi	CA. Swati S. Mayekar	CA. Uday Kumar Gurkar	Total Amount
(a)	Fee for attending Board/ Committee meetings	1.55	0.60	1.55	1.55	0.95	6.20
(b)	Commission	2.00	2.00	2.00	2.00	2.00	10.00
(c)	Others	-	-	-	-	-	-
	Total (B)	**3.55**	**2.60**	**3.55**	**3.55**	**2.95**	**16.20**
	Total Managerial Remuneration (A + B)						**732.08**
	Overall Ceiling as per the Act : Rs. 2609.39 Lakhs being 11% of the net profits of the Company calculated as per Section 198 of the Companies Act, 2013						

Note : The Company does not have Non Executive Directors other than Independent Directors.

C. Remuneration to Key Managerial Personnel Other than Managing Director/ Manager/ Wholetime Directors

(Rupees in lakhs)

Sr. No.	Particulars of Remuneration	Key Managerial Personnel		Total Amount
		Chief Financial Officer	Company Secretary	
1	**Gross salary**			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	60.56	20.56	81.12
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	2.84	-	2.84
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
2	**Stock Option**	-	-	-
3	**Sweat Equity**	-	-	-
4	**Commission**	-	-	-
	- as % of profit			
	- others			
5	**Others**	-	-	-
	Total	**63.40**	**20.56**	**83.96**

G. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: NIL

CORPORATE GOVERNANCE

1. COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE

Your Company's philosophy of Corporate Governance is to carry out its activities and operations in a true and fair manner to achieve transparency, accountability and business prosperity. The Company's Code of Conduct, its Risk Management Policy and its well-structured internal control systems, which are subjected to regular assessment of its effectiveness, reinforces accountability and integrity of reporting and ensures fairness in dealing with the Company's stakeholders and enhancing the Shareholder's value.

2. BOARD OF DIRECTORS

(A). Composition and category of Directors

The Board of Directors of the Company is headed by an Executive Chairman and consist of the following Directors as on March 31, 2018, as indicated below:

Name of the Director	Category
Mr. Mohan A. Chandavarkar (DIN No. 00043344) Mr. Nandan M. Chandavarkar (DIN No. 00043511) Mr. Ashok A. Chandavarkar (DIN No. 00042719) Mr. Ameya A. Chandavarkar (DIN No. 00043238) Ms. Nomita R. Chandavarkar (DIN No. 00042332)	Promoters and Executive Directors
Dr. Satish S. Ugrankar (DIN No. 00043783) Dr. Rahim H. Muljiani (DIN No. 00043975) CA. Vinod G. Yennemadi (DIN No. 00137039) CA. Swati S. Mayekar (DIN No. 00245261) CA. Uday Kumar Gurkar (DIN No. 01749610) CA. Girish C. Sharedalal * (DIN No. 00066058)	Independent and Non-Executive Directors

*CA. Girish C. Sharedalal, who was Independent and Non-Executive Director of the Company retired from the services of the Company and the Board effective from April 01, 2017.

(B). Board Meetings held during the financial year ended March 31, 2018

Dates on which the Board Meetings were held	Total Strength of the Board	No. of Directors Present
May 26, 2017	10	9
August 05, 2017	10	10
November 10, 2017	10	10
February 07, 2018	10	10
February 15, 2018	10	10

The gap between any 2 (Two) meetings did not exceed 120 (One Hundred Twenty) days.

(C). Attendance of Directors at the Board Meetings and at the last Annual General Meeting (AGM) of the Company

Name of the Director	Attendance at the Board Meetings held on					Attendance at the last AGM held on August 19, 2017
	May 26, 2017	August 05, 2017	November 10, 2017	February 07, 2018	February 15, 2018	
Mr. Mohan A. Chandavarkar	Present	Present	Present	Present	Present	Present
Mr. Nandan M.Chandavarkar	Present	Present	Present	Present	Present	Present
Mr. Ashok A. Chandavarkar	Present	Present	Present	Present	Present	Present
Mr. Ameya A. Chandavarkar	Present	Present	Present	Present	Present	Present
Ms. Nomita R. Chandavarkar	Present	Present	Present	Present	Present	Present
Dr. Satish S. Ugrankar	Absent	Present	Present	Present	Present	Absent
Dr. Rahim H. Muljiani	Present	Present	Present	Present	Present	Present
CA. Vinod G. Yennemadi	Present	Present	Present	Present	Present	Present
CA. Swati S. Mayekar	Present	Present	Present	Present	Present	Present
CA. Uday Kumar Gurkar	Present	Present	Present	Present	Present	Present

(D). Membership / Chairmanship of Directors in other Boards and committees thereof

Name of the Director	*Number of Directorship(s) held in other Indian public limited companies	**Other Committees position	
		Member	Chairman
Mr. Mohan A. Chandavarkar	-	-	-
Mr. Nandan M. Chandavarkar	-	-	-
Mr. Ashok A. Chandavarkar	-	-	-
Mr. Ameya A. Chandavarkar	-	-	-
Ms. Nomita R. Chandavarkar	-	-	-
CA .Girish C. Sharedalal	-	-	-
Dr. Satish S. Ugrankar	1	1	-
Dr. Rahim H. Muljiani	-	-	-
CA. Vinod G. Yennemadi	-	-	-
CA. Swati S. Mayekar	1	2	-
CA. Uday Kumar Gurkar	-	-	-

*excludes Directorships held in Private Limited Companies, Foreign companies and Companies registered under Section 8 of the Companies Act, 2013.

**committees considered are Audit Committee and Stakeholders' Relationship Committee.

(E). Separate meeting of Independent Directors

During the year, a separate meeting of the Independent Directors of the Company, without the attendance of Non-Independent Directors and members of the management, was held on February 15, 2018.

The Independent Directors reviewed and assessed the performance of the Non-Independent Directors, including the Chairman and Managing Director. They concluded that the Board as a whole, and the flow of information between the Company's Management and the Board in terms of quality, quantity and timeliness, is satisfactory.

All the Independent Directors attended the said meeting.

(F). Details of shareholding of Non Executive Directors in the Company

Name of the Director	Number of shares
Dr. Satish S. Ugrankar	3,30,606
Dr. Rahim H. Muljiani	4,000
CA. Vinod G. Yennemadi	13,627
CA. Swati S. Mayekar	-
CA. Uday Kumar Gurkar	-

(G). Directors appointed / resigned during the year ended March 31, 2018

CA. Girish C. Sharedalal, who was Independent and Non-Executive Director of the Company retired from the services of the Company and the Board on 31st March 2017, and effective from April 01, 2017.

(H). Notes on directors seeking appointment/ re-appointment

The details of directors seeking appointment / re-appointment has been aptly covered in the accompanying Notice of the Annual General Meeting and the same may be treated as a disclosure under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

(I). Code of Conduct

The Company has in place, a Policy on the Code of Conduct which is applicable to the Members of the Board and Senior Management Personnel of the Company.

The said Policy lays down the standard of conduct which is expected to be followed by the Directors and the Senior Management Personnel in their business dealings and in particular on matters relating to integrity in the workplace, in business practices and in dealing with the Stakeholders. It also lays down the duties of Independent Directors towards the Company. The Directors and the Senior Management Personnel of the Company are expected to abide by this Code as well as other applicable Company policies or guidelines.

The Directors and Senior Management Personnel have affirmed compliance with the Code of Conduct applicable to them, during the year ended March 31, 2018. A Certificate duly signed by the Managing Director, on the compliance with the Code of Conduct is provided as **Annexure A** to this report.

The said Policy is available on the website of the company i.e.http://www.fdcindia.com/admin/images/Code_of_Conduct_of_FDC_Limited.pdf

(J). Prevention of Insider Trading

The Company has in place a Policy on the Code of Conduct for Prevention of Insider Trading with a view to regulate the trading in securities by the Promoters, Directors and the Designated Employees of the Company.

The said Policy requires pre-clearance of transactions by the Company, for dealing in the shares of the Company and prohibits the purchase or sale of shares by the Promoters, Directors and the Designated Employees, while in possession of unpublished price sensitive information of and during the period when the Trading Window is closed. The Company Secretary is responsible for implementation of the said Code of Conduct. The Promoters, Directors and the Designated Employees have affirmed compliance with the Company's Code of Conduct for Prevention of Insider Trading.

The said Policy is available on the website of the company i.e. http://www.fdcindia.com/admin/images/Code_of_Conduct_For_Prevention_of_Insider_Trading.pdf

(K). Board Training and Induction/ Independent Directors Familiarisation Programmes

At the time of their appointment, a formal letter of appointment is issued to Directors, which inter alia explains the Role, Duties and Responsibilities expected to them as Director of the Company.

The Managing Director gives a brief insight on the operations of the Company, its various divisions, governance and internal control processes and other relevant information pertaining to the Company's business. Further, the Company Secretary also explains in detail the various compliances required by the Director under the Code of Conduct of the Company, Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other relevant Act, Rules and Regulations.

The Company has a familiarization programme for Independent Directors with regard to their roles, responsibilities, the business model of the Company etc. The familiarization programme alongwith details of the same imparted to the Independent Directors during the year are available on the website of the Company, i.e.http://www.fdcindia.com/admin/images/Familiarisation_Programme_2017-18.pdf

The above initiative facilitates the Director in performing his duties diligently and trains him to fulfill his duties as a Director of the Company effectively.

(L). Inter-se relationship amongst the Directors

Mr. Mohan A. Chandavarkar, Chairman and Managing Director, Mr. Nandan M. Chandavarkar, Joint Managing Director, Mr. Ashok A. Chandavarkar, Mr. Ameya A. Chandavarkar and Ms. Nomita R. Chandavarkar, Wholetime Directors are related to each other.

None of the Non-Executive Directors have relationship inter-se, with any of the Directors of the Company.

(M). Board Agenda

Meetings are governed by a structured Agenda. The Board Members, in consultation with the Chairman, may take up any matter for consideration of the Board. All major agenda items are backed by comprehensive background information to enable the Board to take informed decisions.

Apart from the items that are required to be placed before the Board for its approval, the information as enumerated in Part A of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, are also placed before the Board for its consideration and approval.

(N). Performance Evaluation of the Board

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out the annual performance, evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Audit, Nomination and Remuneration and Compliance Committees, based on the evaluation parameters formulated by the Nomination and Remuneration Committee. The performance evaluation of the Independent Directors and the Committees was carried out by the entire Board. The performance evaluation of the Chairman and the Non-Independent Directors was carried out by the Independent Directors, who also reviewed the flow of information between the Company's Management and the Board in terms of quality, quantity and timeliness. The Directors expressed their satisfaction with respect to the performance.

3. COMMITTEES OF THE BOARD

(A). AUDIT COMMITTEE

(i). Brief description of terms of reference

The powers, role and terms of reference of this Committee cover the matters specified in Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Committee, comprising of financially literate members, is responsible for the effective supervision of the financial operations and ensuring that financial, accounting activities and operating controls are exercised as per the laid down policies and procedures.

Some of the important functions performed by the Committee are as follows:

Financial reporting and other related processes

- Oversight of the Company's financial reporting process and the financial information submitted to Stock Exchanges, Regulatory Authorities or to the Public.
- Reviewing with the Management the quarterly unaudited financial statement and the Auditors' Limited Review Report thereon, Audited Annual financial statement and Auditors' Report thereon, before submission to the Board for approval.
- Review the Management Discussion & Analysis of financial and operational performance.
- Review the investments made by the Company.
- Discuss with the Statutory Auditors its opinion about the quality and appropriateness of the Company's accounting policies with reference to the Generally Accepted Accounting Principles in India (IND AS).

Internal Financial Controls and Governance Processes

- Review the adequacy and effectiveness of the Company's system and internal controls.
- Review and discuss with the Management, the Company's major financial risk exposures and the steps taken by the Management to monitor and control such exposure.
- To oversee and review the functioning of a vigil mechanism.

Audit & Other duties

- Review the scope of the Annual audit plan and the Internal audit with a view to ensure adequate coverage.
- Review the significant audit findings from the statutory and internal audits carried out, the recommendations and Management's response thereto.
- Review and recommend to the Board the appointment/re-appointment of the Statutory Auditors and Cost Auditors.
- Recommend to the Board the remuneration of the Statutory Auditors and Cost Auditors.
- Approve such additional services to be rendered by the Statutory Auditors except those enumerated in Section 144 of the Act and the payment of such services.
- Reviewing the annual Cost Audit Report submitted by the Cost Auditor.
- To grant omnibus approval for related party transactions which are in the ordinary course of business and on an arm's length basis and to review and approve such transactions subject to the approval of the Board.

(ii). Composition of the Committee

The Committee comprises of 4 (Four) Independent and Non-Executive Directors and 1 (One) Executive Director. The Company Secretary acts as the Secretary to the Committee. The CFO is the permanent invitee to the Committee meeting. The Internal Auditor and the concerned partners/ authorised representatives of Statutory Auditors are regular invitees of the Committee meetings.

CA. Swati S. Mayekar is the Chairperson of the Committee. Dr. Rahim H. Muljiani, CA Vinod G. Yennemadi, CA. Uday Kumar Gurkar and Mr. Mohan A. Chandavarkar are the other members of the committee.

CA. Swati S. Mayekar, CA Vinod G. Yennemadi and CA. Uday Kumar Gurkar are Chartered Accountants by profession and have considerable accounting and financial management expertise. Dr. Rahim H. Muljiani and Mr. Mohan A. Chandavarkar are financially literate.

(iii). Committee meetings held during the year

Dates on which the Committee Meetings were held	Total Strength of the Committee	No. of Directors Present
May 26, 2017	4	4
August 05, 2017	4	4
November 10, 2017	4	4
February 07, 2018	5	5

(iv). Attendance of Directors at the Committee meetings

Name of the Director	Attendance at the Committee Meetings held on			
	May 26, 2017	August 05, 2017	November 10, 2017	February 07, 2018
CA. Swati S. Mayekar	Present	Present	Present	Present
Dr. Rahim H. Muljiani	Present	Present	Present	Present
CA. Vinod G. Yennemadi	Present	Present	Present	Present
Mr. Mohan A. Chandavarkar	Present	Present	Present	Present
CA. Uday Kumar Gurkar (appointed w.e.f November 10, 2017	-	-	-	Present

(B). NOMINATION AND REMUNERATION COMMITTEE

(i). Brief description of terms of reference

The powers, role and terms of reference of this Committee cover the matters specified in Section 178 of the Companies Act, 2013 and Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Some of the functions of the Committee are as follows:

- Identifying and selection of candidates for appointment as Directors/ Independent Directors based on certain laid down criteria.
- Identifying potential individuals for appointment as Key Managerial Personnel.
- Formulate and review from time to time, the Policy for selection and appointment of Directors, Key Managerial Personnel and Members of the Executive Committee and their remuneration.

- Reviewing the performance of the Board of Directors, Key Managerial Personnel and Members of the Executive Directors based on certain criteria as approved by the Board. While reviewing the overall remuneration of the Board, the Committee ensures that the remuneration is reasonable and adequate enough to retain the best managerial talent and meets appropriate performance benchmarks set out by the Company.

The Committee identifies and recommends the appointment of persons as Directors/ Independent Directors based on certain criteria laid down in the Nomination and Remuneration Policy, as determined and formulated by the Board. The Committee also reviews the appointments and remuneration, including the commission based on the net profits of the Company for the Chairman and Managing Director and other Executive Directors.

(ii). Composition of the Committee

The Committee comprises of 4 (Four) Independent and Non-Executive Directors. The said committee functions under the Chairmanship of CA Vinod G. Yennemadi, Dr. Rahim H. Muljiani, Dr. Satish S. Ugrankar and CA. Swati S. Mayekar are the other members of the Committee. The Company Secretary acts as the Secretary to the Committee.

(iii). Committee meeting held during the year

Dates on which the Committee Meetings were held	Total Strength of the Committee	No. of Directors Present
-	-	-

(iv). Attendance of Directors at the Committee meetings

Name of the Director	Attendance at the Committee Meetings held during the year
CA.Vinod G. Yennemadi	-
Dr. Rahim H. Muljiani	-
Dr. Satish S. Ugrankar	-
CA. Swati S. Mayekar	-

(v). Performance evaluation criteria for Independent directors

The criteria for performance evaluation cover the areas relevant to the functioning as Independent Directors such as participation, conduct and effectiveness. The performance evaluation of Independent Directors was done by the entire Board of Directors and in the evaluation; the Directors who are subject to evaluation had not participated.

Pursuant to the provisions of Section 149 read with Schedule IV of the Companies Act, 2013 and conditions of the Listing Regulations and based on the detailed statements / questionnaire circulated with the agenda, the Independent Directors in their separate meeting held on February 15, 2018 had reviewed the performance of Non-Independent Directors, except the director being evaluated.

(C). REMUNERATION OF DIRECTORS

(i). There are no pecuniary relationships or transactions of Non-Executive Directors vis-à-vis the Company, which has a potential conflict with the interests of the Company at large.

(ii). The Remuneration Policy for the Board of Directors and Senior Management Personnel, as recommended by the Nomination and Remuneration Committee and is approved by the Board. The remuneration paid to the Non-Executive Directors comprises of sitting fees and commission. The sitting fees paid to the Non-Executive Directors in respect of the meetings of the Board and the Audit Committee attended by them is within the maximum limit set out under the Companies Act, 2013. The Commission paid to the Directors is in accordance with the overall ceiling imposed by the Companies Act, 2013 and applicable statutes, if any. The remuneration paid to the Senior Management Personnel is in accordance with the industry norms and practices. The Nomination and Remuneration Policy is also uploaded on the website of the Company i.e. http://www.fdcindia.com/admin/images/Nomination_&_Remuneration_Policy.pdf

(iii). Details of remuneration paid to Wholetime Directors for the year under review:

Name of the Director	Salaries (Rs.)	Perquisites (Rs.)	Benefits (Rs.)	Commission (Rs.)	Total (Rs.)
Mr. Mohan A. Chandavarkar	78,88,800	25,347	13,28,400	1,18,60,877	**2,11,03,424**
Mr. Ashok A. Chandavarkar	43,01,120	3,40,290	7,22,979	94,88,702	**1,48,53,091**
Mr. Nandan M. Chandavarkar	66,40,800	3,06,949	11,17,800	94,88,702	**1,75,54,251**
Mr. Ameya A. Chandavarkar	42,04,800	1,17,778	7,06,725	71,16,526	**1,21,45,829**
Ms. Nomita R. Chandavarkar	22,08,800	-	1,64,400	35,58,263	**59,31,463**

The remuneration of the Whole time Directors is paid in terms of Schedule V of the Companies Act, 2013 and is duly approved by the Shareholders.

(iv). Details of service contracts, notice period and severance fees of the Executive Directors:

The appointment of Executive Directors is by virtue of their employment with the Company as management employees and therefore, their terms of employment are governed by the applicable policies at the relevant point in time.

The Details of service contracts of the Executive Directors are as follows:

Name of the Director	Date of contract	Term of Contract
Mr. Mohan A. Chandavarkar	April 01, 2014	For a period of 5 years commencing from April 01, 2014
Mr. Ashok A. Chandavarkar	February 29, 2016	For a period of 5 years commencing from February 29, 2016
Mr. Nandan M. Chandavarkar	March 01, 2014	For a period of 5 years commencing from March 01, 2014
Mr. Ameya A. Chandavarkar	November 01, 2014	For a period of 5 years commencing from November 01, 2014
Ms. Nomita R. Chandavarkar	June 02, 2014	For a period of 5 years commencing from June 02, 2014

Services of the Executive Directors may be terminated by either party, giving the other party 90 (Ninety) days notice or the Company paying 90 (Ninety) days salary in lieu thereof. There is no separate provision for payment of severance fees.

(v). Details of remuneration payable to Non-Executive Directors for the year under review:

Name of the Director	Commission (Rs.)	Board Meeting Sitting fees(Rs.)	Audit Committee Meeting fees (Rs.)	Total (Rs.)
Dr. Satish S. Ugrankar	2,00,000	60,000	-	**2,60,000**
Dr. Rahim H. Muljiani	2,00,000	75,000	80,000	**3,55,000**
CA Vinod G. Yennemadi	2,00,000	75,000	80,000	**3,55,000**
CA. Swati S. Mayekar	2,00,000	75,000	80,000	**3,55,000**
CA. Uday Kumar Gurkar	2,00,000	75,000	20,000	**2,95,000**
Total	**10,00,000**	**3,60,000**	**2,60,000**	**16,20,000**

(vi). Stock Option Scheme

The Company does not have any stock option scheme.

(D). STAKEHOLDERS RELATIONSHIP COMMITTEE

The Stakeholders Relationship Committee oversees, inter-alia, redressal of shareholder and investor grievances

i. Composition of the Committee

The Committee comprises of 1 (One) Independent and Non-Executive Director and 2 (Two) Executive Directors. The Committee functions under the Chairmanship of Dr. Rahim H. Muljiani, a Non-Executive and Independent Director, Mr. Mohan A. Chandavarkar and Mr. Ashok A. Chandavarkar, Executive Directors are the other members of the committee. The Company Secretary acts as the Secretary to the Committee.

ii. Name and designation of the Compliance Officer

Ms. Varsharani Katre is the Company Secretary and the Compliance Officer of the Company.

iii. Committee meetings held during the year

Dates on which the Committee Meetings were held	Total Strength of the Committee	No. of Directors Present
April 20, 2017	3	3
July 20, 2017	3	3
October 03, 2017	3	3
January 12, 2018	3	3

iv. Number of complaints received and resolved

During the year under review, the Company had received 7 (Seven) complaints from the shareholders. There were no shareholder grievances that remained unattended/ pending for more than 30 (Thirty) days. The complaints were resolved to the satisfaction of the shareholders and there were no grievances/ complaints pending as on 31st March, 2018.

The Committee specifically looks into redressing of shareholders/investor complaints in matters such as non- receipt of declared dividend, non – receipt of annual report, etc.

There were no applications for share transfers pending as on 31st March,2018. In order to expedite the process of transfers of shares, the Board has delegated the power to approve share transfers to the Share Transfer Committee set up by the Board of Directors.

(E). CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Committee oversees Corporate Social Responsibility(CSR) activities to be undertaken by the Company under the Companies Act, 2013, monitoring the CSR Policy of the Company, other business related matters referred by the Board or the Chairman, as and when deemed necessary, for the consideration and recommendation of the Committee.

(i). Brief description of terms of reference

The terms of reference of the Corporate Social Responsibility Committee (CSR) broadly comprise of reviewing the CSR Policy and provide guidance on various CSR activities to be undertaken by the Company and to monitor its progress.

(ii). Composition of the Committee

The Committee comprises of 3 (Three) Executive Directors and 1 (One) Independent and Non-Executive Director. The said committee functions under the Chairmanship of Mr. Mohan A. Chandavarkar, Mr. Ashok A. Chandavarkar, CA. Vinod G. Yennemadi and Ms. Nomita R. Chandavarkar are the other members of the committee. The Company Secretary acts as a Secretary to the Committee.

(iii). Committee meetings held during the year

Dates on which the Committee Meetings were held	Total Strength of the Committee	No. of Directors Present
May 05,2017	4	4
August 05, 2017	4	4

(iv). Attendance of Directors at the Committee meetings

Name of the Director	Attendance at the Committee Meetings held on	
	May 05, 2017	August 05, 2017
Mr. Mohan A. Chandavarkar	Present	Present
Mr. Ashok A. Chandavarkar	Present	Present
CA. Vinod G. Yennemadi	Present	Present
Ms. Nomita R. Chandavarkar	Present	Present

(F). RISK MANAGEMENT COMMITTEE

The functions of the Committee comprises of overseeing the Risk Management Policy of the Company, reviewing the various risks and defining the framework for identifying, assessing and monitoring the risk.

(i). Composition of the Committee

The Committee comprises of 1 (One) Independent and Non-Executive Director, 1 (One) Executive Director and 1 (One) Senior Management Personnel. CA. Swati S. Mayekar, an Independent and Non-Executive Director is the Chairperson of the Committee. Mr. Ameya A. Chandavarkar, Executive Director and Mr. Dilip V. Karnik, President - Technical & Operations are the other members of the committee. The Company Secretary acts as a Secretary to the Committee.

(ii). Committee meetings held during the year

Dates on which the Committee Meetings were held	Total Strength of the Committee	No. of Directors Present
June 20, 2017	3	2
June 22, 2017	3	2
June 28, 2017	3	3
July 13, 2017	3	3

(iii). Attendance of Directors/Members at the Committee meetings

Name of the Director/Member	Attendance at the Committee Meeting held on			
	June 20, 2017	June 22, 2017	June 28, 2017	July 13, 2017
CA. Swati S. Mayekar	Absent	Absent	Present	Present
Mr. Ameya A. Chandavarkar	Present	Present	Present	Present
Mr. Dilip V. Karnik	Present	Present	Present	Present

4. CEO/ CFO CERTIFICATION

Mr. Mohan A. Chandavarkar, Managing Director & Mr. Sanjay B. Jain, Chief Financial Officer, has issued necessary certification to the Board in terms of Part B of Schedule II of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the same was taken on record by the Board at its meeting held on May 25, 2018. A copy of this certificate is provided as **Annexure B** to this report.

5. GENERAL BODY MEETINGS

(A). Location and time of the last three Annual General Meetings held:

Financial year	Location	Date	Time	No. of special resolutions passed
2014-15	Welcom Hotel Rama International R-3, Chikalthana Aurangabad - 431 210 Maharashtra	September 30, 2015	10.00 a.m.	No, Resolution was passed.
2015-16	WelcomHotel Rama International R-3, Chikalthana Aurangabad - 431 210 Maharashtra	September 17, 2016	10.00 a.m.	Yes, 1 (One) resolution was passed.
2016-17	WelcomHotel Rama International R-3, Chikalthana Aurangabad - 431 210 Maharashtra	August 19, 2017	10.00 a.m.	Yes, 2 (Two) resolutions were passed.

(B). None of the businesses proposed to be transacted in the ensuing Annual General Meeting requires to be passed as a special resolution through Postal Ballot.

6. MEANS OF COMMUNICATION

The Company publishes its Annual, Half yearly and Quarterly financial results in the following newspapers:

(i). Business Standard (English) (All Editions) (National)
(ii). Sakal (Marathi) (All Editions)

The financial results are also displayed on the Company's website, i.e. www.fdcindia.com. The Company also informs by way of intimation to BSE Limited and National Stock Exchange Limited all price sensitive matters or such other matters, which in its opinion are material and of relevance to the Members.

A separate dedicated section under 'Investors' on the Company's website gives information on unclaimed dividends, quarterly compliance reports/ communications with the Stock Exchanges and other relevant information of interest to the investors / public.

Further, in the 'News' section, all correspondences with the Stock Exchanges on the day to day business affairs of the Company and Presentation on Quarterly/Annual accounts of the Company are available on the website of the Company i.e. http://www.fdcindia.com/news.php

7. GENERAL SHAREHOLDER INFORMATION

(A). Annual General Meeting

Date : September 07, 2018
Time : 10.00 a.m.
Venue : Welcom Hotel,
Rama International,
R-3, Chikalthana,
Aurangabad - 431 210,
Maharashtra.

(B). Financial Year

The Company's financial year begins on April 01 and ends on March 31, every year.

(C). Financial Calendar (tentative)

Particulars	Date
Unaudited results of the first quarter ending June 30, 2018	August 04, 2018
Unaudited results of the second quarter and half year ending September 30, 2018	November 08, 2018
Unaudited results of the third quarter and nine months ending December 31, 2018	February 02, 2019
Audited results for the year ending March 31, 2019	May 24, 2019

(D). Dividend Payments

Not applicable

(E). Dates of book closure

September 01, 2018 to September 07, 2018 (both days inclusive)

(F). Name and address of Stock Exchanges where the shares of the Company are listed and Stock Code

BSE Limited	National Stock Exchange of India Limited
Phiroze Jeejeebhoy Towers	Exchange Plaza, Bandra Kurla Complex
Dalal Street, Mumbai - 400 001	Bandra (East), Mumbai - 400 051
Stock Code: 531599	Stock Code: FDC EQ

The ISIN Number of the Company on both the National Security Depository Limited ('NSDL') and Central Depository Services (India) Limited ('CDSL') is INE258B01022.

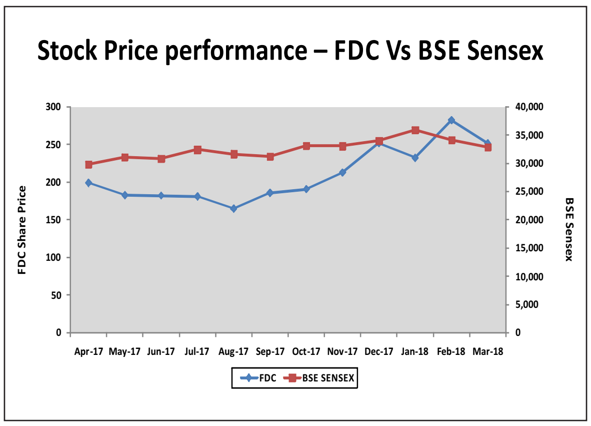
The Company has paid the Annual Listing Fees to both the Stock Exchanges for the Financial Year 2018-2019.

(G). Market Price Data in respect of the Company's shares on BSE Limited and National Stock Exchange of India Limited, monthly high and low during the Financial Year 2017-2018

Month & Year	BSE		NSE	
	High	Low	High	Low
April, 2017	211.80	194.80	211.50	195.50
May, 2017	200.00	170.00	200.05	171.00
June, 2017	191.00	179.30	190.10	179.35
July, 2017	192.85	180.65	194.20	180.00
August, 2017	181.10	164.00	183.90	163.25
September, 2017	189.50	164.50	189.95	164.00
October, 2017	199.00	177.25	199.15	177.00
November, 2017	228.00	190.85	228.70	192.00
December, 2017	269.80	206.40	269.90	203.65
January, 2018	259.85	228.20	259.50	227.00
February, 2018	297.00	219.10	298.00	218.10
March, 2018	319.00	236.00	319.80	235.20

(Source: BSE website/NSE trade statistics)

(H). Share Performance of the Company in comparison to broad based indices of BSE- Sensex



Note: Based on monthly closing price of FDC and monthly closing index point of BSE Sensex.

(I). Registrars and Share Transfer Agent

Sharex Dynamic (India) Pvt. Ltd.
Unit-1, Luthra Industrial Premises, Andheri Kurla Road, Safed Pool, Andheri (East), Mumbai - 400 072
Tel.: (022) 2851 5606, 2851 5644,
Fax. : (022) 2851 2885
E-mail ID.: sharexindia@vsnl.com

(J). Share Transfer System

The Share Transfer Committee inter-alia oversees the transfer of shares, transmission of shares, issue of duplicate share certificates, etc. The formalities for transfer of shares in the physical form are completed and the share certificates are dispatched to the Transferee within 15 (Fifteen days) of receipt of transfer documents, provided the documents are complete and the shares under transfer are not under dispute.

The Company also obtains from a Company Secretary in Practice, a half-yearly certificate of compliance with the share transfer formalities as required under Regulation 40 (9) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and a copy of the certificate is filed with the Stock Exchanges.

(K). Shareholding Pattern as on March 31, 2018

Sr. No.	Category	No. of Shareholders	No. of Shares	% of Share holding
A.	**Promoters & Promoters Group**	9	12,04,60,261	69.07
B.	**Public**			
(i)	**Institutional Investors**			
	Mutual Funds & UTI	6	62,24,304	3.57
	Foreign Institutional Investors	83	170,74,094	9.79
	Financial Institutions/ Banks	3	4,161	0.00
	Insurance Companies	2	843,229	0.48
(ii)	**Non Institutional Investors**			
	Indian Public	25,433	247,45,478	14.19
	Private Corporate Bodies	371	33,18,809	1.90
	NRI/OCBs	431	16,75,561	0.96
	Clearing Members	64	49,287	0.03
	Trust & Charitable	1	7,900	0.01
	GRAND TOTAL	**26,403**	**17,44,03,084**	**100.00**

(L). Distribution of Shareholding as on March 31, 2018

Equity shares of face value of Re.1 each	Shareholders		Equity shares	
	Number	% to Total	Number	% to Total
Upto 5,000	25,833	97.84	1,06,80,445	6.12
5,001 to 10,000	321	1.22	23,52,381	1.35
10,001 to 20,000	99	0.37	13,98,373	0.80
20,001 to 30,000	36	0.14	850,518	0.49
30,001 to 40,000	19	0.07	692,211	0.40
40,001 to 50,000	9	0.03	402,494	0.23
50,001 to 1,00,000	21	0.08	15,37,193	0.88
Above 1,00,001	65	0.25	15,64,89,469	89.73
Total	**26,403**	**100.00**	**17,44,03,084**	**100.00**

(M). Dematerialisation of shares and liquidity

The shares of the Company are in the compulsory demat segment and are available in the depository system, both in National Security Depository Limited ('NSDL') and Central Depository Services (India) Limited ('CDSL').

As on March 31, 2018, 171,924,020 equity shares aggregating to 98.58% of the total number of fully paid equity shares having face value of Re.1 each are held by the shareholders in the dematerialised form.

(N). Outstanding Global Depository Receipts (GDRs)/ American Depository Receipts (ADRs)/ Warrants or any convertible instruments, conversion date and likely impact on equity

The Company has not issued any GDRs / ADRs / Warrants or any convertible instruments.

(O). Commodity price risk or foreign exchange risk and hedging activities

During the financial year 2017-2018, the Company has not entered into forward contracts for hedging foreign exchange exposures against exports and imports. The details of foreign exchange exposures are disclosed in Note No. 37 to the Annual Accounts.

(P). Plant locations

As mentioned on the cover page of the Annual Report.

(Q). Address for correspondence

Shareholders holding shares in the physical form should address their correspondence to the Company's Registrar and Share Transfer Agents at the address as given under 7(I) above. Shareholders holding shares in the demat form should address their correspondence to their respective depository participants with whom they have their accounts.

8. The information required under the Management Discussion and Analysis Report has been aptly covered under the Directors' Report.

9. OTHER DISCLOSURES

(A). During the year, the Company has not entered into any transaction of a material nature with any related party as described under the Listing Regulation entered into with the stock exchanges that may have potential conflict with the interests of the Company at large. Transactions with related parties are disclosed in Note No. 43 to the Annual Accounts. The Policy on dealing with related party transaction has been disclosed on the website of the company i.e.http://www.fdcindia.com/admin/images / Policy_on_Related_Party_Transactions.pdf

(B). The Company is listed on the stock exchanges namely, BSE Limited and National Stock Exchange of India, Limited, Mumbai. During the past 3 (Three) years there have been no instances of non-compliance by the Company with the requirements of the Stock Exchanges, Securities and Exchange Board of India ('SEBI') or any other statutory authority on any matter related to capital markets.

(C). In compliance with applicable laws and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is committed to adopting procedures to receive and address any concern or complaint regarding questionable accounting or auditing matters, disclosure matters, reporting of fraudulent financial information to the shareholders, or any other company matters involving fraud, employee misconduct, violation of law, theft, dishonesty, inappropriate behavior /conduct, illegality or health and safety and environmental issues which cannot be resolved through normal management channels. The Company has a whistle blower committee in place. The Chairperson of the Audit Committee has an access to the meetings of the Committee.

The Company has in place, a Whistle Blower Policy, which aims at assisting the Directors, Employees, Customers and/or Third party intermediaries and Shareholders to use the procedures set out in this Policy to submit confidential and/or anonymous complaints.

The Whistle Blower Policy is also uploaded on the website of the Company i.e. http://www.fdcindia.com/admin/images/Whistler_Blower_Policy.pdf

(D). During the year ended March 31, 2018, the Company does not have any material listed/unlisted subsidiary companies as defined in Regulation 16 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Policy for determining 'material' subsidiaries has been disclosed on the website of the Company i.e. http://www.fdcindia.com/admin/images/Policy_on_Material_Subsidiaries.pdf

10. The Company is in compliance with all requirements as given in the above Paragraphs (2) to (9) of the Corporate Governance Report as mandated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

11. The Company has complied with all mandatory requirements specified in Regulation 17 to 27 read with Schedule V and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as applicable, with regard to Corporate Governance.

12. The status on the compliances with the non-mandatory provisions as specified in Part E of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is as follows:

(A). The Board

The Chairman of the Company is Executive Chairman.

(B). Shareholder Rights

The Company's half yearly results are published in leading English and Marathi daily newspapers in all editions. The results are also posted on the website of the Company i.e. www.fdcindia.com and hence, are not dispatched to the shareholders of the Company.

(C). Modified opinion(s) in audit report

There are no modified opinion(s) contained in the Audit Report.

(D). Separate Posts of Chairman and CEO/Managing Director

The Posts of Chairman and Managing Director are not separate.

(E). Reporting of Internal Auditors

The Internal Auditors of the Company report directly to the Audit Committee.

13. Reconciliation of Share Capital

A Qualified Company Secretary carried out the share capital audit to reconcile the total admitted equity share capital with the National Securities Depository Limited ("NSDL") and the Central Depository Services (India) Limited ("CDSL") and the total issued and listed equity share capital. The audit report confirms that the total issued/paid-up capital is in agreement with the total number of shares in physical form and the total number of dematerialised shares held with NSDL and CDSL.

For and on behalf of the Board

Place : Mumbai
Date : May 25, 2018

MOHAN A. CHANDAVARKAR
Chairman and Managing Director

ANNEXURE A

DECLARATION ON CODE OF CONDUCT

This is to confirm that the Company has laid down a Code of Conduct for all its Board Members and Senior Management personnel of the Company. The code of conduct has also been posted on the website of the Company i.e.www.fdcindia.com. It is further confirmed that all Directors and Senior Management personnel of the Company have affirmed compliance with the Code of Conduct of the Company for the financial year ended March 31, 2018, as envisaged in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

For and on behalf of the Board

Place : Mumbai
Date : May 25, 2018

MOHAN A. CHANDAVARKAR
Chairman and Managing Director

ANNEXURE B

CEO/ CFO CERTIFICATION

To,
The Board of Directors
FDC Limited

We, Mohan A. Chandavarkar, Managing Director and Sanjay B. Jain, Chief Financial Officer, of FDC Limited ("the Company") certify that:

1. We have reviewed the financial statements and cash flow statement for the year ended March 31, 2018 and that to the best of our knowledge and belief, we state that:

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

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

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

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

4. We have indicated to the Auditors and the Audit Committee:

  a. Significant changes, if any, in internal control over financial reporting during the year;

  b. Significant changes, if any, in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and

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

Place : Mumbai
Date : May 25, 2018

MOHAN A. CHANDAVARKAR
Managing Director

SANJAY B. JAIN
Chief Financial Officer

Independent Auditors' Certificate on Compliance with the Corporate Governance requirements under Security Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

To the Members of
FDC Limited

1. This certificate is issued in accordance with the terms of our engagement letter dated 1 September 2017.

2. This report contains details of compliance of conditions of corporate governance by FDC Limited ('the Company') for the year ended 31 March 2018 as stipulated in regulations 17-27, clause (b) to (i) of regulation 46 (2) and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') pursuant to the Listing Regulation of the Company with Stock exchanges.

Management's Responsibility for compliance with the conditions of Listing Regulations

3. The compliance with the terms and conditions contained in the corporate governance is the responsibility of the Management of the Company including the preparation and maintenance of all relevant supporting records and documents.

Auditors' Responsibility

4. Our examination was limited to procedures and implementation thereof adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

5. Pursuant to the requirements of the Listing Regulations, it is our responsibility to provide a reasonable assurance whetherthe Company has complied with the conditions of Corporate Governance as stipulated in Listing Regulations for the year ended 31 March 2018.

6. We conducted our examination in accordance with the Guidance Note on Reports or Certificates for Special Purposes issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.

7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

8. In our opinion, and to the best of our information and according to explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Regulations.

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

Restriction on use

10. The certificate is addressed and provided to the members of the Company solely for the purpose to enable the Company to comply with the requirement of the Listing Regulations, and it should not be used by any other person or for any otherpurpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Vikas R Kasat
Partner
Membership No: 105317

Place : Mumbai
Date : May 25, 2018

AUDITOR'S REPORT ON THE STANDALONE FINANCIAL STATEMENTS OF FDC LIMITED

INDEPENDENT AUDITORS' REPORT

To the Members of FDC Limited

Report on the Audit of the Standalone Ind AS Financial Statements

We have audited the accompanying standalone Ind AS financial statements of FDC Limited ("the Company"), which comprise the Balance Sheet as at 31st March 2018, and the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the state of affairs, profit and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditors' Responsibility

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

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

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

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

We are also responsible to conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify the opinion. Our conclusions are based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause an entity to cease to continue as a going concern.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the Company as at 31st March 2018, its profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Other Matter

The comparative financial information of the Company for the year ended 31st March 2017 prepared in accordance with Ind AS included in these standalone Ind AS financial statements have been audited by the predecessor auditor. The report of the predecessor auditor on the comparative financial information dated 26th May 2017 expressed an unmodified opinion.

Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

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

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

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

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

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

d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act.

e) On the basis of the written representations received from the directors as on 31st March 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2018 from being appointed as a director in terms of Section 164(2) of the Act.

f) With respect to the adequacy of the internal financial controls with respect to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

g) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

   i. The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements – Refer Note 40 to the standalone Ind AS financial statements;

   ii. The Company did not have any other long-term contracts including derivative contracts for which there were any material foreseeable losses;

   iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company; and

   iv. The disclosures in the financial statements regarding holdings as well as dealings in specified bank notes during the period from 8th November 2016 to 30th December 2016 have not been made since they do not pertain to the financial year ended 31st March 2018. However amounts as appearing in the audited standalone Ind AS financial statements for the period ended 31st March 2017 have been disclosed.

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No: 101248W/W-100022

VIKAS R. KASAT
Partner
Membership No: 105317

Place : Mumbai
Date : May 25, 2018

Annexure A to the Independent Auditors' Report of even date on the standalone Ind AS financial statements of FDC Limited– 31st March 2018

i. a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

b) The Company has a regular programme of physical verification of its fixed assets by which all fixed assets are verified in a phased manner at reasonable intervals. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, certain fixed assets were physically verified by the Management during the year. In our opinion, and according to the information and explanations given to us, no material discrepancies were noticed on such verification.

c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has applied to the relevant authorities, for transfer of freehold land acquired pursuant to the Scheme of amalgamation with Anand Synthochem Limited, in its name. Title deeds of other immoveable properties (other than leasehold land) as disclosed in Note 2 to the standalone financial statements, are held in the name of the Company. In respect of leasehold lands, we have verified the lease agreements duly registered with the appropriate authorities as disclosed in Note 2 to the standalone financial statements.

ii. The inventory, except for goods-in-transit and stocks lying with third parties, has been physically verified by the management during the year. For stocks lying with third parties at the year-end, written confirmations have been obtained. In our opinion, the frequency of such verification is reasonable. The discrepancies noticed on verification between the physical stocks and the book records were not material and these have been properly dealt with in the books of accounts.

iii. According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act. Accordingly, paragraph 3(iii) (a), (b) and (c) of the Order is not applicable to the Company.

iv. In our opinion and according to the information and explanation given to us, the Company has not granted any loans, or provided any guarantees or security to the parties covered under Section 185 of the Act. The Company has complied with the provisions of Section 186 of the Act in respect of the loans and investments made. The Company has not provided any guarantees and security to the parties covered under Section 186 of the Act.

v. In our opinion and according to the information and explanations given to us, the Company has not accepted deposits as per the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under. Accordingly, paragraph 3(v) of the Order is not applicable to the Company.

vi. We have broadly reviewed the books of accounts maintained by the Company pursuant to the rules prescribed by the Central Government for maintenance of cost records under Section 148 (1) of the Act in relation to products manufactured, and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the records.

vii. a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/accrued in the books of account in respect of undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, goods and service tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, goods and service tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues were in arrears as at 31st March 2018 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, details of dues of income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax and cess which have not been deposited as on 31st March 2018 on account of disputes are given below:

Name of the Statute	Nature of the Dues	Amount of demand under dispute (Rs. in lakhs)	Amount paid under protest (Rs. in lakhs)	Amount under dispute not deposited (Rs. in lakhs)	Period to which the amount relates	Forum where the dispute is pending
Gujarat Sales Tax Act / Uttar Pradesh Sales Tax Act / West Bengal Sales Tax Act	Tax / Penalty / Interest	71.70	11.71	59.99	A.Y. 2002-2003 & 2003-2004	Sales Tax Appellate Tribunal
		27.10	14.11	12.99	A.Y. 2010-2011	Joint Commissioner (Appeals)
		19.10	-	19.10	A.Y. 2002-2003 & 2006-2007	Revisional Board - Commercial Tax
Central Excise Act / Service Tax	Duty / Penalty / Interest	83.82	-	83.82	April 2000 - Dec 2001, Nov 2002 - June 2003, April 2005 - Sep 2006 & April 2007 - March 2008	Custom Excise & Service tax Appellate Tribunal
		32.20	-	32.20	April 2005 - Sep 2005	Assistant Commissioner of Service Tax
Income-tax Act, 1961	Tax / Interest	8.65	-	8.65	A.Y. 2009 - 2010	Income Tax Appellate Tribunal
		1,152.13	440.24	487.53	A.Y. 2009-10, 2012-2013 & 2015-16	Commissioner of Income tax (Appeals)

viii. In our opinion and according to the information and explanations given to us, and based on the records of the Company, the Company has not defaulted in the repayment of dues to the government. The Company does not have any loans or borrowings from any bankers, financial institutions or debenture holders during the year.

ix. The Company did not raise money by way of initial public offer or further public offer (including debt instruments) or term loans during the year.

x. According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.

xi. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable to the Company.

xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the standalone Ind AS financial statements as required by applicable Ind AS.

xiv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3(xiv) of the Order is not applicable to the Company.

xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with them. Accordingly, paragraph 3(xv) of the Order is not applicable to the Company.

xvi In our opinion and according to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, paragraph 3(xvi) of the Order is not applicable to the Company.

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No: 101248W/W-100022

VIKAS R. KASAT
Partner
Membership No: 105317

Place : Mumbai
Date : May 25, 2018

Annexure B to the Independent Auditors' Report of even date on the standalone Ind AS financial statements of FDC Limited– 31st March 2018

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

We have audited the internal financial controls with reference to financial statements of FDC Limited (“the Company”) as of 31st March 2018 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls with reference to financial statements

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

Inherent Limitations of Internal Financial Controls with reference to financial statements

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at 31st March 2018, based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No: 101248W/W-100022

VIKAS R. KASAT
Partner
Membership No: 105317

Place : Mumbai
Date : May 25, 2018

BALANCE SHEET AS AT 31ST MARCH 2018

	PARTICULARS	Note No.	31st March 2018 Rupees in lakhs	31st March 2017 Rupees in lakhs
I.	**ASSETS**			
	1. Non-current assets			
	(a) Property, plant and equipment	2	**66,462.46**	66,762.81
	(b) Capital work in progress	2	**988.54**	336.27
	(c) Other intangible assets	2	**512.73**	686.70
	(d) Intangible assets under development	2	**295.94**	295.94
	(e) Financial assets			
	(i) Investments	3	**7,440.41**	5,481.99
	(ii) Loans	4	**565.63**	553.45
	(iii) Other financial assets	5	**33.54**	14.97
	(f) Income tax assets (net)	6	**1,204.06**	1,062.23
	(g) Other non-current assets	7	**429.44**	451.22
	Total Non-current assets		**77,932.75**	75,645.58
	2. Current assets			
	(a) Inventories	8	**15,965.41**	13,622.29
	(b) Financial assets			
	(i) Investments	9	**39,715.75**	43,652.70
	(ii) Trade receivables	10	**7,670.86**	7,746.03
	(iii) Cash and cash equivalents	11	**1,994.23**	2,165.72
	(iv) Bank balances other than cash and cash equivalents	12	**117.58**	136.56
	(v) Loans	13	**374.21**	355.37
	(vi) Other financial assets	14	**540.36**	417.73
	(c) Other current assets	15	**4,332.04**	2,204.96
	Total Current assets		**70,710.44**	70,301.36
	TOTAL ASSETS		**148,643.19**	145,946.94
II.	**EQUITY AND LIABILITIES**			
	EQUITY			
	(a) Equity share capital	16	**1,751.89**	1,786.19
	(b) Other equity	17	**124,487.84**	124,585.88
	Total Equity		**126,239.73**	126,372.07
	LIABILITIES			
	1. Non-current liabilities			
	(a) Financial liabilities			
	(i) Borrowings	18	**60.45**	69.48
	(ii) Other financial liabilities	19	**152.10**	-
	(b) Provisions	24	**36.00**	36.00
	(c) Deferred tax liabilities (net)	20	**1,516.23**	1,736.97
	Total Non-current liabilities		**1,764.78**	1,842.45
	2. Current liabilities			
	(a) Financial liabilities			
	(i) Trade payables	21	**9,695.08**	7,465.88
	(ii) Other financial liabilities	22	**6,173.63**	5,625.19
	(b) Other current liabilities	23	**394.30**	685.28
	(c) Provisions	24	**2,756.94**	2,484.60
	(d) Current tax liabilities (net)	25	**1,618.73**	1,471.47
	Total Current liabilities		**20,638.68**	17,732.42
	TOTAL EQUITY AND LIABILITIES		**148,643.19**	145,946.94

Significant accounting policies 1.3
The accompanying notes are an integral part of the standalone financial statements 2 to 52

As per our report of even date attached

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No : 101248W/W-100022

VIKAS R. KASAT
Partner
Membership No : 105317

Place : Mumbai
Date : May 25, 2018

For and on behalf of the **Board of Directors of FDC Limited**
CIN : L24239MH1940PLC003176

MOHAN A. CHANDAVARKAR
Chairman and Managing Director
DIN: 00043344

ASHOK A. CHANDAVARKAR
Director
DIN: 00042719

SANJAY JAIN
Chief Financial Officer

VARSHARANI KATRE
Company Secretary

Place : Mumbai
Date : May 25, 2018

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2018

	PARTICULARS	Note No.	2017-2018 Rupees in lakhs	2016-2017 Rupees in lakhs
I.	Revenue from operations	26	**107,021.23**	104,602.34
II.	Other income	27	**5,124.75**	4,964.51
III.	**Total Income (I+II)**		**112,145.98**	109,566.85
IV.	**Expenses**			
	Cost of materials consumed	28	**27,710.97**	26,752.95
	Purchase of stock-in-trade		**7,850.55**	7,153.32
	Changes in inventories of finished goods, work-in-progress and stock-in-trade	29	**(563.53)**	(233.08)
	Excise duty		**801.62**	3,711.33
	Employee benefits expense	30	**21,546.69**	18,993.44
	Finance costs	31	**140.26**	140.71
	Depreciation and amortization expense	32	**3,503.90**	3,452.33
	Other expenses	33	**27,764.85**	24,029.09
	Total expenses		**88,755.31**	84,000.09
V.	**Profit before exceptional item and tax (III-IV)**		**23,390.67**	25,566.76
VI.	Exceptional item	45	**-**	588.41
VII.	**Profit before tax (V-VI)**		**23,390.67**	24,978.35
VIII.	**Tax expense:**	25		
	(1) Current tax		**6,780.00**	6,800.00
	(2) Deferred tax		**(220.74)**	(334.41)
	(3) Tax adjustments for earlier years - current tax		**-**	(193.98)
	Total tax expense		**6,559.26**	6,271.61
IX.	**Profit for the year (VII-VIII)**		**16,831.41**	18,706.74
X.	**Other Comprehensive Income**			
	A (i) Items that will not be reclassified subsequently to profit or loss	35	**(54.94)**	2.36
	(ii) Income tax relating to items that will not be reclassified to profit or loss		**27.33**	10.19
	Other Comprehensive Income for the year (net of tax)		**(27.61)**	12.55
XI.	**Total Comprehensive Income for the year (net of tax) (IX+X)**		**16,803.80**	18,719.29
XII.	**Earnings per equity share**	34		
	Par Value Re.1 per share (Previous year Re.1 per share)			
	(1) Basic (Rs.)		**9.47**	10.52
	(2) Diluted (Rs.)		**9.47**	10.52

Significant accounting policies	1.3
The accompanying notes are an integral part of the standalone financial statements	2 to 52

As per our report of even date attached

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No : 101248W/W-100022

VIKAS R. KASAT
Partner
Membership No : 105317

Place : Mumbai
Date : May 25, 2018

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CIN : L24239MH1940PLC003176

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DIN: 00043344

ASHOK A. CHANDAVARKAR
Director
DIN: 00042719

SANJAY JAIN
Chief Financial Officer

VARSHARANI KATRE
Company Secretary

Place : Mumbai
Date : May 25, 2018

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2018

PARTICULARS		2017-2018 Rupees in lakhs	2016-2017 Rupees in lakhs
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before exceptional item and tax		**23,390.67**	25,566.76
Adjustments to reconcile profit before tax to net cash flows:			
Depreciation and amortisation expenses		**3,503.90**	3,452.33
Interest expenses		**108.75**	98.96
Interest income		**(280.16)**	(314.66)
Net gain on disposal of property, plant and equipment		**(63.38)**	(104.99)
Dividend income		**(3,053.72)**	(750.03)
Net loss/ (gain) on sale of investments		**635.01**	(539.97)
Fair value gain on financial instruments		**(933.80)**	(3,060.70)
Unrealised foreign exchange (gain)/ loss on restatement		**(102.85)**	64.85
Provision for doubtful debts and advances (net)		**-**	47.66
Provision for doubtful debts no longer required, written back		**(4.19)**	-
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES		**23,200.23**	24,460.21
Working capital adjustments:			
Increase in inventories		**(2,343.12)**	(598.48)
Decrease/ (Increase) in trade receivables		**172.33**	(1,471.86)
Increase in financial assets		**(88.79)**	(428.39)
(Increase)/ Decrease in other assets		**(2,129.20)**	0.76
Increase in provision		**220.71**	415.64
Increase in trade and other payables		**2,518.31**	206.09
CASH GENERATED FROM OPERATIONS		**21,550.47**	22,583.97
Income tax paid (net)		**(6,774.57)**	(6,977.60)
CASH FLOW BEFORE EXCEPTIONAL ITEM		**14,775.90**	15,606.37
Exceptional item paid (Refer note no. 45)		**-**	(297.47)
NET CASH FLOW GENERATED FROM OPERATING ACTIVITIES	**(A)**	**14,775.90**	15,308.90
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment and intangible assets		**(3,698.00)**	(2,610.22)
Proceeds from disposal of property, plant and equipment		**103.43**	152.94
Purchase of financial instruments		**(68,426.20)**	(50,176.67)
Proceeds from sale of financial instruments		**70,727.54**	37,319.11
Inter-corporate deposits given/ renewed		**(25.00)**	(25.00)
Repayment/ Renewal of inter corporate deposit given		**25.00**	25.00
(Increase)/ Decrease in fixed and margin deposits		**(1.55)**	(8.66)
Loan given to Joint Venture		**-**	(75.22)
Dividend income		**3,053.72**	750.03
Interest received		**255.68**	294.03
NET CASH FLOW GENERATED FROM/ (USED IN) INVESTING ACTIVITIES	**(B)**	**2,014.62**	(14,354.66)
CASH FLOWS FROM FINANCING ACTIVITIES			
Buyback of equity shares		**(12,005.00)**	-
Expenses incurred for buyback of equity shares		**(115.31)**	-
Repayment of sales tax deferral loan		**(9.15)**	(11.16)
Dividend (including dividend distribution tax)		**(4,815.83)**	-
Amount deposited in bank accounts towards unpaid dividend		**1.96**	46.58
NET CASH FLOW (USED IN)/ GENERATED FROM FINANCING ACTIVITIES	**(C)**	**(16,943.33)**	35.42
NET (DECREASE)/ INCREASE IN CASH AND CASH EQUIVALENTS	**(A)+(B)+(C)**	**(152.81)**	989.66
Net foreign exchange differences on cash and cash equivalents		**(18.68)**	2.46
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR (Refer note 11)		**2,165.72**	1,173.60
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR (Refer note 11)		**1,994.23**	2,165.72

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2018

Notes to the Cash Flow Statement:

1. Cash and cash equivalents consist of cash on hand and balances with banks. Cash and cash equivalents included in the cash flow statement comprises of the following Balance Sheet items.

Particulars	31st March 2018 Rupees in lakhs	31st March 2017 Rupees in lakhs
Cash on hand	**11.93**	16.03
Balances with banks:		
On current accounts	**752.30**	2,149.69
On deposit accounts (with original maturity of 3 months or less)	**1,230.00**	-
	1,994.23	2,165.72

2. The Cash Flow Statement has been prepared under the indirect method as set out in Ind AS 7 - Statement of Cash Flows.

3. Reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities.

Rupees in lakhs

Particulars	Note No.	31st March 2017	Cash flows	Non-cash changes			31st March 2018
				Acquisition	Foreign exchange movement	Fair value change	
Borrowings Deferred sales tax loans	18	78.63	(9.15)	-	-	-	69.48

The accompanying notes are an integral part of the standalone financial statements.

As per our report of even date attached

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No : 101248W/W-100022

VIKAS R. KASAT
Partner
Membership No : 105317

Place : Mumbai
Date : May 25, 2018

For and on behalf of the **Board of Directors of FDC Limited**
CIN : L24239MH1940PLC003176

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Chairman and Managing Director
DIN: 00043344

ASHOK A. CHANDAVARKAR
Director
DIN: 00042719

SANJAY JAIN
Chief Financial Officer

VARSHARANI KATRE
Company Secretary

Place : Mumbai
Date : May 25, 2018

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH 2018

(A) Equity share capital

Particulars	No. in lakhs	Rupees in lakhs
Balance as at 1st April 2016	1,786.19	1,786.19
Changes during the year	-	-
Balance as at 31st March 2017	**1,786.19**	**1,786.19**
Less: 3,430,000 Equity Shares of Re. 1 each bought back	(34.30)	(34.30)
Balance as at 31st March 2018	**1,751.89**	**1,751.89**

(B) Other equity

Rupees in lakhs

Particulars	Reserves and Surplus				Other Comprehensive Income	Total Equity
	Retained Earnings	General Reserves	Securities Premium	Capital Redemption Reserve	Equity Instruments through OCI	
Balances as at 1st April 2017	**80,593.84**	**43,887.94**	**72.90**	**-**	**31.20**	**124,585.88**
Profit for the year	**16,831.41**	**-**	**-**	**-**	**-**	**16,831.41**
Other comprehensive income/ (loss) for the year (Refer note 35)	**(51.63)**	**-**	**-**	**-**	**24.02**	**(27.61)**
Total Comprehensive Income for the year	**16,779.78**	**-**	**-**	**-**	**24.02**	**16,803.80**
Dividends (including dividend distribution tax)	**(4,815.83)**	**-**	**-**	**-**	**-**	**(4,815.83)**
Expenses for buyback of equity shares (Refer note 16)	**(115.31)**	**-**	**-**	**-**	**-**	**(115.31)**
Premium paid on buyback of equity shares	**-**	**(11,897.80)**	**(72.90)**	**-**	**-**	**(11,970.70)**
Transfer from general reserve on equity shares bought back	**-**	**(34.30)**	**-**	**34.30**	**-**	**-**
Balances as at 31st March 2018	**92,442.48**	**31,955.84**	**-**	**34.30**	**55.22**	**124,487.84**

Rupees in lakhs

Particulars	Reserves and Surplus				Other Comprehensive Income	Total Equity
	Retained Earnings	General Reserves	Securities Premium	Capital Redemption Reserve	Equity Instruments through OCI	
Balances as at 1st April 2016	61,906.36	43,887.94	72.90	-	(0.61)	105,866.59
Profit for the year	18,706.74	-	-	-	-	18,706.74
Other Comprehensive Income/ (Loss) for the year (Refer note 35)	(19.26)	-	-	-	31.81	12.55
Total Comprehensive Income for the year	18,687.48	-	-	-	31.81	18,719.29
Balances as at 31st March 2017	80,593.84	43,887.94	72.90	-	31.20	124,585.88

The accompanying notes are an integral part of the standalone financial statements.

As per our report of even date attached

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No : 101248W/W-100022

VIKAS R. KASAT
Partner
Membership No : 105317

Place : Mumbai
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DIN: 00042719

SANJAY JAIN
Chief Financial Officer

VARSHARANI KATRE
Company Secretary

Place : Mumbai
Date : May 25, 2018

1. COMPANY OVERVIEW, SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS.

1.1 CORPORATE INFORMATION

FDC Limited (the company) is a public company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. Its shares are listed on two recognised stock exchanges BSE and NSE in India. The registered office of the company is located at Waluj, Dist.Aurangabad, Maharashtra.

The Company is principally engaged in the business of Pharmaceuticals.

The financial statements were authorised for issue in accordance with a resolution of the board of directors on 25th May 2018.

1.2 BASIS OF PREPARATION

Statement of compliance

These standalone financial statements have been prepared in accordance with the Indian Accounting Standards (referred to as “Ind AS”) as prescribed under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules as amended from time to time.

Basis of preparation

These standalone financial statements have been prepared on historical cost basis, except for certain financial instruments which are measured at fair value at the end of each reporting period, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The financial statements are prepared in INR and all values are rounded to the nearest lakhs (INR 00,000), except when otherwise stated.

1.3 SIGNIFICANT ACCOUNTING POLICIES

a. CURRENT VERSUS NON-CURRENT CLASSIFICATION

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:
- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:
- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. Based on the nature of products and the time between acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has identified twelve months as its operating cycle for the purpose of current / non-current classification of assets and liabilities.

b. REVENUE RECOGNITION

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

The recovery of excise duty flows to the Company on its own account since it is a liability of the manufacturer irrespective of whether the goods are sold or not. Accordingly revenue is stated inclusive of excise duty.

However, Goods and Service Tax (GST), sales tax or value added tax (VAT) is not received by the Company on its own account. Rather, it is tax collected on value added to the commodity by the seller on behalf of the government. Accordingly, it is excluded from revenue.

The specific recognition criteria described below must also be met before revenue is recognised.

Sale of products

Revenue from the sale of products is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, usually on delivery of the goods. Revenue from sale of products is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts, volume rebates and cash discounts.

Profit share revenues

The Company has certain marketing arrangements based on the profit sharing model whereby company sells its products to the business partner on price agreed upon agreement and is also entitled for profit share over and above its sale price. Revenue from the sale of goods to the partner is recognised upon delivery of products to them and additional amount representing the profit share component is recognised as revenue in the period which corresponds to the ultimate sales of the products made by business partners only when the collectability of the profit share becomes probable and a reliable measurement of the profit share is available.

Sales returns

The Company accounts for sales returns by recording an allowance for sales returns concurrent with the recognition of revenue at the time of a product sale. This allowance is based on the Company's estimate of expected sales returns towards expiry, breakages and damages. The estimate of sales returns is determined primarily by the Company's historical experience of sales returns trends with respect to the shelf life of various products.

Interest income

For all debt instruments measured either at amortised cost, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

Dividends

Revenue is recognised when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.

Other income

Other income is accounted for on accrual basis except where the receipt of income is uncertain.

c. PROPERTY, PLANT AND EQUIPMENT

The items of Property, plant and equipment including Capital-work in-progress are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met.

When significant parts of plant and equipment are required to be replaced at regular intervals, the Company depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognised in statement of profit and loss as incurred. In respect of additions to / deletions from the plant, property and equipment, depreciation is provided on pro-rata reference to the month of addition / deletion of the Assets.

Subsequent expenditure related to an item of Property, plant and equipment is added to its book value, only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the statement of profit and loss.

Depreciation method and estimated useful lives

The Company, based on technical assessment made by technical expert and management estimate, depreciates certain items of plant and equipment over estimated useful lives which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

Estimated useful life's of the assets are as follows:

Nature of Tangible Assets	Useful Life (No. of Years)
Plant & Machinery	7.5 to 15
Building	30 to 60
Laboratory Testing Machines	10
Office Equipments	5 to 10
Furniture, Fixtures & Fittings	10
Computers & Peripherals	3 to 6
Vehicles	6
Electrical Installations	10
Leasehold Land	Amortised over the period of lease ranging from 30 to 99

Assets costing less than Rs. 5,000 are depreciated at the rate of hundred per cent.

Impairment of assets

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/ external factors. An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of the money and risks specific to the assets. In determining fair value less costs of disposal, recent market transactions taken into account. If no such transactions can be identified, an appropriate valuation model is used.

After recognition of impairment loss, the depreciation charge for the asset is adjusted in future periods to allocate the asset's revised carrying amount, less its residual value (if any), on straight line basis over its remaining useful life.

A previously recognised impairment loss is increased or reversed depending on changes in circumstances. However, the carrying value after reversal is not increased beyond the carrying value that would have prevailed by charging usual depreciation if there was no impairment.

d. INTANGIBLE ASSETS

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets with finite life at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in the statement of profit and loss in the period in which the expenditure is incurred.

The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the amount of the asset and are recognised in the statement of profit and loss when the asset is de-recognised.

A summary of the policies applied to the Company's intangible assets is as follows:

Nature of Intangible Assets	Useful Life (No. of years)	Amortisation method used
Software & Trademarks	5 to 10	Amortised on straight-line basis

e. FINANCIAL INSTRUMENTS

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value. Further, in the case of financial assets not recorded at fair value through profit or loss, transactions costs that are attributable to the acquisition of the financial assets are also recognised.

Subsequent measurement

For purpose of subsequent measurements, financial assets are classified in following categories:

(a) Debt instruments at amortised cost
A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are integral part of EIR. The EIR amortisation is included in Other Income in the statement of profit and loss.

(b) Debt instruments at fair value through other comprehensive income
A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements is recognised in the OCI. However, Company recognises any interest income or impairment losses in the statement of profit and loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the OCI to statement of profit and loss.

(c) Debt instruments at fair value through profit or loss
A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss. Debt instruments included within FVTPL category are measured at fair value with all changes recognised in the statement of profit and loss.

(d) Equity instruments
All equity investments in scope of Ind AS 109 are measured at fair value. For all equity instruments, the Company may make an irrevocable election to present in other comprehensive income, subsequent changes in the fair value. All fair value changes on the instrument, excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to statement of profit and loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity. The Company has made such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised when:

- The rights to receive cash flows from the asset has expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a ‘pass through’ arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company’s continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

The continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

(a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance
(b) Financial assets that are equity instruments and are measured as at FVTOCI
(c) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 18

The Company follows ‘simplified approach’ for recognition of impairment loss allowance on Trade Receivables and Other Receivables.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

As a practical expedient, the Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

ECL impairment loss allowance (or reversal) recognised during the period is recognised as income/ expense in the statement of profit and loss. This amount is reflected under the head 'other expenses' in the statement of profit and loss. The balance sheet presentation for various financial instruments is described below:

Financial assets measured as at amortised cost, contractual revenue receivables: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

Equity instruments measured at FVTOCI: Since financial assets are already reflected at fair value, impairment allowance is not further reduced from its value. Rather, ECL amount is presented as 'accumulated impairment amount' in the OCI.

For trade receivables only, the company applies the simplified approach permitted by Ind AS 109 financial instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

Financial liabilities

Initial recognition and measurement

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables and borrowings including bank overdrafts.

Subsequent measurement

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as instruments in hedge relationships as defined by Ind AS 109.

Gains or losses on liabilities held for trading are recognised in the statement of profit and loss.

Financial guarantee contracts

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

Derecognition

A Financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

f FAIR VALUE MEASUREMENT

The Company measures financial instruments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 - Quoted (unadjusted) market prices in active markets / declared buyback NAV for identical assets or liabilities

Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

g INVENTORIES

Raw materials and packing materials are valued at lower of cost and net realisable value, cost of which includes duties and taxes (net of GST, CENVAT and VAT, wherever applicable) and is arrived at on weighted average cost basis. Cost of imported raw materials and packing materials lying in bonded warehouse includes customs duty. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost.

Finished products including traded goods and work-in-progress are valued at lower of cost and net realisable value. Cost is arrived at on weighted average cost basis. Cost of finished products and work-in-progress includes material cost, labour, direct expenses, production overheads and excise duty, where applicable.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

h FOREIGN CURRENCY TRANSLATION/ TRANSACTIONS

The financial statements are presented in Indian Rupees (INR) which is company's functional and presentation currency.

Transactions in foreign currency are recorded at the rates prevailing on the date of the transaction.

Monetary assets and liabilities denominated in a foreign currency outstanding at the year end are restated at the year end exchange rates. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction; and non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

Exchange difference arising on the settlement of monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognised as income or expense in the year in which they arise.

i GOVERNMENT GRANTS

Grants and subsidies from the government are recognised when there is reasonable assurance that the grant/ subsidy will be received and all attaching conditions will be complied with.

Government grants related to revenue is recognised on a systematic basis in the statement of profit and loss over the periods necessary to match them with the related costs which they are intended to compensate.

Government grants relating to specific fixed assets is recognised as income in equal amounts over the expected useful life of the related asset.

j EMPLOYEE BENEFITS

Defined contribution plans

The Company's contribution to recognised provident fund, family pension fund and superannuation fund is defined contribution plan and is charged to the statement of profit and loss on accrual basis. The Company recognises contribution payable to the provident fund scheme as an expenditure, when an employee renders the related service. There are no other obligations other than the contribution payable to the respective trusts.

The Company fully contributes all ascertained liabilities to the FDC Limited Gratuity Trust (the Trust). Trustees administer contributions made to the Trust and contributions are invested in a scheme with Life Insurance Corporation of India as permitted by laws of India.

Defined benefit plans

Contribution to gratuity fund is defined benefit obligation and is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year.

Remeasurement of the net defined liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest income) are recognised in other comprehensive income. Remeasurements are not reclassified to the statement of profit and loss in subsequent periods. Net interest and other expenses related to defined benefit plans are recognised in the statement of profit and loss.

Other employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. The company has other long-term employee benefits in the nature of leave encashment. The liability in respect of leave encashment is provided for on the basis of an actuarial valuation on projected unit credit method at the end of financial year.

k RESEARCH AND DEVELOPMENT

Research costs are expensed as incurred. Development expenditures on an individual project are recognised as an intangible asset when the Company can demonstrate technical and commercial feasibility of making the asset available for use.

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortisation and accumulated impairment losses. Amortisation of the asset begins when development is complete and the asset is available for use. It is amortised over the period of expected future benefit. Amortisation expense is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

l LEASE ACCOUNTING

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

Company as a lessee

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease.

Finance leases are capitalised at the commencement of the lease at the inception date fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in the statement of profit and loss, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with the Company's general policy on the borrowing costs. Contingent rentals are recognised as expenses in the periods in which they are incurred.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Operating lease payments are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term.

Company as a lessor

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease.

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Company to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

m EARNING PER SHARE

Basic earning per share is computed by dividing the net profit after tax attributable to equity shareholders for the year by the weighted average number of equity shares outstanding during the year.

Diluted earning per share is computed by dividing the net profit after tax attributable to equity shareholders for the year by the weighted average number of equity shares outstanding during the year as adjusted for the effects of all dilutive potential equity shares, if any.

n TAXATION

Current tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities in accordance with the Income-tax Act, 1961. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, reporting date.

Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the balance sheet approach on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date using the tax rates and the tax laws enacted or substantively enacted at the reporting date.

Deferred tax assets are recognised for carry forward of unused tax credits and unused tax losses to the extent that it is probable that taxable profit will be available against which unused tax credits and unused tax losses can be recognised. At each balance sheet date, the Company reassesses unrecognised deferred tax assets and are recognised to the extent that it is probable that future taxable profit will be available for their realisation.

Current and deferred tax for the year

Current and deferred tax are recognised in the statement of profit and loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

Minimum Alternate tax (MAT)

Minimum Alternate Tax (MAT) paid as per Indian Income Tax Act, 1961 is in the nature of unused tax credit which can be carried forward and adjusted when the Company will pay normal income tax during the specified period. Deferred tax assets on such tax credit is recognised to the extent probable that the unused tax credit can be utilised in the specified future period. The net amount of tax recoverable from, or payable to, the authority is included as part of receivables or payables in the balance sheet.

o PROVISIONS

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost. Provisions are reviewed at each balance sheet and adjusted to reflect the current best estimates.

p CONTINGENT LIABILITIES AND CONTINGENT ASSETS

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

A contingent asset is not recognised unless it becomes virtually certain that an inflow of economic benefits will arise. When an inflow of benefits is probable, contingent asset is disclosed in the financial statements.

Contingent liabilities and contingent assets are reviewed at each balance sheet date.

q SEGMENT REPORTING

Based on "Management Approach" as defined in Ind AS 108 -Operating Segments, the Chief Operating Decision Maker evaluates the Company's performance and allocate the resources based on an analysis of various performance indicators by business segments.

The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company as a whole.

r CASH AND CASH EQUIVALENTS

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the cash flows statement, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

s CASH DIVIDEND TO EQUITY HOLDERS

The Company recognises a liability to make cash distribution to equity holders of the company when the distribution is authorised and the distribution is no longer at the discretion of the company. As per the law, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

1.4 SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect reported amounts of revenue, expenses, assets and liabilities and the disclosures of contingent assets and liabilities as at the date of the financial statements and the results of operations during the reported period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

Sales returns

Revenue from sale of products is recognised when significant risks and rewards of ownership are transferred to customers, which coincides with dispatch of goods to customers. However, Company needs to accept goods returned from its customers towards expiry, breakages and damages. Accordingly, Company has made provision based on the historical sales return trends with respect to the shelf life of various products.

Impairment of financial assets

The Company recognises loss allowances on financial assets using expected credit loss model which is equal to the 12 months expected credit losses or full time expected credit losses.

The Company follows 'Simplified approach' for recognition of loss allowance on trade receivables under which Company does not track changes in credit risk. Rather, it recognises loss allowance based on lifetime expected credit losses at each reporting date, right from its initial recognition.

The Company uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward looking estimates are analysed.

Defined benefit plans (gratuity benefits)

The cost of the defined benefit plan and other post-employment benefits and the present value of such obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include determination of the discount rate, future salary increases, mortality rates and attrition rate. Due to the complexities involved in the valuation and its long term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

Fair value measurement of financial instruments

When the fair value of financial assets and liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the discounted cash flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements includes considerations of inputs such as liquidity risk, credit risk and volatility. changes in assumptions about these factors could affect the reported fair value of financial instruments.

Taxes

There are many transactions and calculations undertaken during the ordinary course of business for which the ultimate tax determination is uncertain. Where the final tax outcome of these matters is different from the amounts initially recorded, such differences will impact the current and deferred tax provisions in the period in which the tax determination is made. Deferred tax assets are recognised only to the extent that it is probable that future taxable profits will be available against which the assets can be utilised. The assessment of probability involves estimation of a number of factors including future taxable income.

Provision against obsolete and slow-moving inventories

The Company reviews the condition of its inventories and makes provision against obsolete and slow-moving inventory items which are identified as no longer suitable for sale or use. Company estimates the net realisable value for such inventories based on the latest invoice prices and current market conditions. The Company carries out an inventory review at each balance sheet date and makes provision against obsolete and slow-moving items. The Company reassesses the estimation on each balance sheet date.

The provision against obsolete and slow-moving inventories requires the use of judgments and estimates. Where the expectation is different from the original estimate, such difference will impact on the carrying value of inventories and the write-down of inventories recognised in the periods in which such estimates have been changed.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2018

2. Property, plant and equipment, Other Intangible Assets, Capital work in progress and Intangible assets under development

Rupees in lakhs

PARTICULARS	GROSS CARRYING VALUE				DEPRECIATION/ AMORTISATION				NET CARRYING VALUE	
	As at 31.03.2017	Additions	Deletions/ Adjustments	**As at 31.03.2018**	As at 31.03.2017	For the year	Deletions/ Adjustments	**As at 31.03.2018**	**As at 31.03.2018**	As at 31.03.2017
PROPERTY, PLANT AND EQUIPMENT										
Leasehold land	333.26	-	-	**333.26**	15.79	7.60	-	**23.39**	**309.87**	317.47
Leasehold improvements	3.99	381.33	-	**385.32**	0.29	30.55	-	**30.84**	**354.48**	3.70
Freehold land *$	41,544.78	-	-	**41,544.78**	-	-	-	**-**	**41,544.78**	41,544.78
Buildings**	12,819.76	43.29	25.53	**12,837.52**	843.08	405.75	1.35	**1,247.48**	**11,590.04**	11,976.68
Plant and machinery	7,978.55	805.20	1.62	**8,782.13**	2,428.46	1,320.30	1.01	**3,747.75**	**5,034.38**	5,550.09
Laboratory testing machines	2,128.77	449.46	7.84	**2,570.39**	634.60	283.38	7.04	**910.94**	**1,659.45**	1,494.17
Electrical installations	873.47	176.29	(0.28)	**1,050.04**	355.59	136.08	1.16	**490.51**	**559.53**	517.88
Furniture, fixtures and fittings	1,558.27	583.51	(2.20)	**2,143.98**	604.55	257.52	(0.74)	**862.81**	**1,281.17**	953.72
Office equipments	1,654.14	359.37	(0.75)	**2,014.26**	724.82	393.38	(0.62)	**1,118.82**	**895.44**	929.32
Vehicles	308.49	19.84	2.11	**326.22**	135.70	62.27	2.11	**195.86**	**130.36**	172.79
R&D assets										
Freehold land	449.09	-	-	**449.09**	-	-	-	**-**	**449.09**	449.09
Buildings	1,120.24	-	-	**1,120.24**	35.44	30.63	-	**66.07**	**1,054.17**	1,084.80
Equipments	2,387.77	159.12	11.80	**2,535.09**	692.90	333.23	(2.36)	**1,028.49**	**1,506.60**	1,694.87
Furniture and fixtures	135.39	92.22	5.57	**222.04**	61.94	69.24	2.24	**128.94**	**93.10**	73.45
Total of Property, plant and equipment (A)	**73,295.97**	**3,069.63**	**51.24**	**76,314.36**	**6,533.16**	**3,329.93**	**11.19**	**9,851.90**	**66,462.46**	66,762.81
INTANGIBLE ASSETS										
Marketing Rights/ Trademarks	59.39	-	-	**59.39**	47.53	2.46	-	**49.99**	**9.40**	11.86
Software	854.84	-	-	**854.84**	180.00	171.51	-	**351.51**	**503.33**	674.84
Total of Intangible assets (B)	**914.23**	**-**	**-**	**914.23**	**227.53**	**173.97**	**-**	**401.50**	**512.73**	686.70
TOTAL (A+B)	**74,210.20**	**3,069.63**	**51.24**	**77,228.59**	**6,760.69**	**3,503.90**	**11.19**	**10,253.40**	**66,975.19**	67,449.51
Capital work-in-progress									**988.54**	336.27
Intangible assets under development									**295.94**	295.94

* Freehold land of Rs. 640.66 lakhs (Previous year - Rs. 640.66 lakhs) includes cost of unquoted fully paid shares in various co-operative housing societies.
** Building of Rs. 3,272.60 lakhs (Previous year - Rs. 3,272.60 lakhs) includes cost of unquoted fully paid shares in various co-operative housing societies.
$ Freehold land includes land acquired on Amalgamation with a carrying value of Rs. 817.49 lakhs for which the Company is in the process of registering the title deeds in its name.

2. Property, plant and equipment, Other Intangible Assets, Capital work in progress and Intangible assets under development

Rupees in lakhs

PARTICULARS	GROSS CARRYING VALUE				DEPRECIATION/ AMORTISATION				NET CARRYING VALUE	
	As at 31.03.2016	Additions	Deletions/ Adjustments	**As at 31.03.2017**	As at 31.03.2016	For the year	Deletions/ Adjustments	**As at 31.03.2017**	**As at 31.03.2017**	As at 31.03.2016
PROPERTY, PLANT AND EQUIPMENT										
Leasehold land	333.26	-	-	**333.26**	8.04	7.75	-	**15.79**	**317.47**	325.22
Leasehold improvements	3.99	-	-	**3.99**	0.22	0.07	-	**0.29**	**3.70**	3.77
Freehold land *$	41,993.87	-	449.09	**41,544.78**	-	-	-	**-**	**41,544.78**	41,993.87
Buildings**	13,891.54	27.48	1,099.26	**12,819.76**	420.21	433.88	11.01	**843.08**	**11,976.68**	13,471.33
Plant and machinery	5,869.52	2,182.66	73.63	**7,978.55**	1,210.42	1,241.72	23.68	**2,428.46**	**5,550.09**	4,659.10
Laboratory testing machines	1,938.09	207.08	16.40	**2,128.77**	334.21	305.62	5.23	**634.60**	**1,494.17**	1,603.88
Electrical installations	843.77	32.27	2.57	**873.47**	180.80	175.99	1.20	**355.59**	**517.88**	662.97
Furniture, fixtures and fittings	1,451.85	106.80	0.38	**1,558.27**	327.58	277.24	0.27	**604.55**	**953.72**	1,124.27
Office equipments	1,470.94	184.74	1.54	**1,654.14**	346.59	379.00	0.77	**724.82**	**929.32**	1,124.35
Vehicles	309.55	-	1.06	**308.49**	62.51	74.25	1.06	**135.70**	**172.79**	247.04
R&D assets										
Freehold land	-	-	(449.09)	**449.09**	-	-	-	**-**	**449.09**	-
Buildings	34.78	-	(1,085.46)	**1,120.24**	9.28	15.67	(10.49)	**35.44**	**1,084.80**	25.50
Equipments	1,935.14	411.55	(41.08)	**2,387.77**	314.38	371.91	(6.61)	**692.90**	**1,694.87**	1,620.76
Furniture and fixtures	123.26	19.78	7.65	**135.39**	31.17	32.65	1.88	**61.94**	**73.45**	92.09
Total of Property, plant and equipment (A)	**70,199.56**	**3,172.36**	**75.95**	**73,295.97**	**3,245.41**	**3,315.75**	**28.00**	**6,533.16**	**66,762.81**	66,954.15
INTANGIBLE ASSETS										
Marketing Rights/ Trademarks	59.39	-	-	**59.39**	44.05	3.48	-	**47.53**	**11.86**	15.34
Software	166.81	688.03	-	**854.84**	46.90	133.10	-	**180.00**	**674.84**	119.91
Total of Intangible assets (B)	**226.20**	**688.03**	**-**	**914.23**	**90.95**	**136.58**	**-**	**227.53**	**686.70**	135.25
TOTAL (A+B)	**70,425.76**	**3,860.39**	**75.95**	**74,210.20**	**3,336.36**	**3,452.33**	**28.00**	**6,760.69**	**67,449.51**	67,089.40
Capital work-in-progress									**336.27**	1,738.02
Intangible assets under development									**295.94**	254.40

* Freehold land of Rs. 640.66 lakhs (Previous year - Rs. 640.66 lakhs) includes cost of unquoted fully paid shares in various co-operative housing societies.

** Building of Rs. 3,289.99 lakhs (Previous year - Rs 3,289.99 lakhs) includes cost of unquoted fully paid shares in various co-operative housing societies.

$ Freehold land includes land acquired on Amalgamation with a carrying value of Rs. 817.49 lakhs for which the Company is in the process of registering the title deeds in its name.

3. Investments

	Non-Current	
	31st March 2018 Rupees in lakhs	31st March 2017 Rupees in lakhs
UNQUOTED		
Investments stated at cost		
Investments in fully paid-up equity instruments in subsidiaries		
374,085 (Previous year - 374,085) Equity Shares of FDC International, UK of GBP 0.01 each (Rs. 75.24)	**0.00**	0.00
500 (Previous year - 500) Equity Shares of FDC Inc., of USD 100 each	**22.00**	22.00
	22.00	22.00
Investments in fully paid-up equity instruments in joint venture entity		
159,250 (Previous year - 159,250) Equity Shares of Fair Deal Corporation Pharmaceutical SA (Pty) Ltd., of ZAR 1 each	**11.30**	11.30
	11.30	11.30
Investments stated at amortised cost		
Investments in government securities (Refer note below)		
National Savings Certificates	**0.07**	0.07
35 (Previous year - 35) Govt. of India G.P. Notes - face value of Rs. 2,000	**0.02**	0.02
	0.09	0.09
Investments stated at fair value through other comprehensive income		
Investments in fully paid-up equity instruments	**0.63**	0.63
(A)	**34.02**	34.02
Investments stated at fair value through profit and loss		
Investments in units of mutual funds	**5,250.14**	3,591.08
(B)	**5,250.14**	3,591.08
Sub-Total (C) = (A+B)	**5,284.16**	3,625.10
QUOTED		
Investments stated at amortised cost		
Investments in fully paid-up bonds	**1,951.17**	1,675.84
(D)	**1,951.17**	1,675.84
Investments stated at fair value through other comprehensive income		
Investments in fully paid-up equity instruments	**205.08**	181.05
(E)	**205.08**	181.05
Sub-Total (F) = (D+E)	**2,156.25**	1,856.89
Total (C+F)	**7,440.41**	5,481.99
Aggregate book value of quoted investments	**2,156.25**	1,856.89
Aggregate market value of quoted investments	**2,156.25**	1,856.89
Aggregate value of unquoted investments	**5,284.16**	3,625.10
Aggregate amount of impairment in value of investments	**-**	-

Note: National Savings Certificates of the value of Rs. 0.04 lakhs (Previous year – Rs. 0.04 lakhs) and Government of India G.P. notes of the value of Rs. 0.02 lakhs (Previous year – Rs. 0.02 lakhs) have been lodged with the Excise authorities. National Savings Certificates of Rs. 0.03 lakhs (Previous year – Rs. 0.03 lakhs) have been lodged with the Sales tax authorities.

List of significant investments in Subsidiaries and Joint Venture

Name and Country of Incorporation	% of equity interest 31st March 2018	% of equity interest 31st March 2017
a. Subsidiaries		
FDC International Ltd.,UK	**100%**	100%
FDC Inc., USA	**100%**	100%
b. Joint Venture		
Fair Deal Corporation Pharmaceutical SA (Pty) Ltd., South Africa	**49%**	49%

4. Loans

	Non-Current 31st March 2018 Rupees in lakhs	Non-Current 31st March 2017 Rupees in lakhs
Unsecured, considered good		
Loans/advances to employees	**11.24**	15.89
Security deposits	**554.39**	537.56
	565.63	553.45

5. Other financial assets

	Non-Current 31st March 2018 Rupees in lakhs	Non-Current 31st March 2017 Rupees in lakhs
Unsecured, considered good		
Margin money deposits	**33.54**	14.97
	33.54	14.97

6. Income tax assets (net)

	31st March 2018 Rupees in lakhs	31st March 2017 Rupees in lakhs
Income tax paid [Net of Provision - Rs. 19,375.92 lakhs (Previous year - Rs. 19,824.41 lakhs)]	**1,204.06**	1,062.23
	1,204.06	1,062.23

7. Other non-current assets

	31st March 2018 Rupees in lakhs	31st March 2017 Rupees in lakhs
Unsecured, considered good		
Capital advances	**382.16**	406.06
Prepaid expenses	**47.28**	45.16
	429.44	451.22

8. Inventories (valued at lower of cost and net realisable value)

	31st March 2018 Rupees in lakhs	31st March 2017 Rupees in lakhs
Raw materials [Including Stock in transit Rs. 94.06 lakhs (Previous year - Rs. 23.04 lakhs)]	**4,756.94**	3,448.25
Packing materials [Including Stock in transit Rs. 21.96 lakhs (Previous year - Rs. 16.57 lakhs)]	**1,652.11**	1,181.21
Work-in-progress	**2,164.97**	1,471.33
Finished goods/ Stock in trade [Including Stock in transit Rs. 12.30 lakhs (Previous year - Rs. Nil)]	**7,391.39**	7,521.50
	15,965.41	13,622.29

During the year ended 31st March 2018 - Rs. 322.34 lakhs (Previous year - Rs. 366.48 lakhs) was recognised as write down to inventories.

9. Investments

	Current	
	31st March 2018 Rupees in lakhs	31st March 2017 Rupees in lakhs
UNQUOTED		
Investments stated at fair value through profit and loss		
Investments in mutual funds	**39,715.75**	43,088.93
Investments in fully paid-up non convertible debentures	**-**	563.77
	39,715.75	43,652.70
Aggregate book value of quoted investments	**-**	-
Aggregate market value of quoted investments	**-**	-
Aggregate amount of unquoted investments	**39,715.75**	43,652.70
Aggregate amount of impairment in value of investments	**-**	-

10. Trade receivables

		31st March 2018 Rupees in lakhs	31st March 2017 Rupees in lakhs
Unsecured, considered good		**7,670.86**	7,746.03
Doubtful		**107.08**	111.27
	(A)	**7,777.94**	7,857.30
Less : Provision for doubtful debts	(B)	**107.08**	111.27
	(A-B)	**7,670.86**	7,746.03

Note: There are no trade or other receivables which are due from directors or other officers of the Company either severally or jointly with any other person or from firms or private companies respectively in which any director is a partner, a director or a member.
For terms and conditions relating to related party receivables, refer note 43.
Trade receivables are non-interest bearing and are generally on terms of 8 to 120 days.

11. Cash and cash equivalents

	31st March 2018 Rupees in lakhs	31st March 2017 Rupees in lakhs
Cash on hand	**11.93**	16.03
Balances with banks:		
On current accounts	**752.30**	2,149.69
On deposit accounts (with original maturity of 3 months or less)	**1,230.00**	-
	1,994.23	2,165.72

12. Other bank balances

	31st March 2018 Rupees in lakhs	31st March 2017 Rupees in lakhs
Margin money deposits*	**6.96**	23.98
On unpaid dividend account	**110.62**	112.58
	117.58	136.56

* Margin money deposits are given as security against bank guarantee.

13. Loans

	Current	
	31st March 2018 Rupees in lakhs	31st March 2017 Rupees in lakhs
Unsecured, considered good		
Loans to related parties (Refer note 43)	**281.09**	243.65
Inter corporate deposits	**25.00**	25.00
Loans/ advances to employees	**47.31**	66.14
Security deposits	**20.81**	20.58
	374.21	355.37

14. Other financial assets

	Current	
	31st March 2018 Rupees in lakhs	31st March 2017 Rupees in lakhs
Unsecured, considered good		
Interest accrued on investments and others	**76.68**	49.26
Export benefit receivable	**463.68**	368.47
	540.36	417.73

15. Other current assets

	31st March 2018 Rupees in lakhs	31st March 2017 Rupees in lakhs
Unsecured, considered good		
Advances to suppliers	**744.13**	664.53
Reimbursement of expenses receivable from FDC SA (Pty) Ltd	**19.23**	19.23
Prepaid expenses	**491.69**	505.31
Balances with statutory/ government authorities	**3,076.99**	1,015.89
Unsecured, considered doubtful		
Balances with statutory/ government authorities	**25.69**	25.69
	4,357.73	2,230.65
Less: Allowance for doubtful advances	**25.69**	25.69
	4,332.04	2,204.96

Break-up of Financial assets carried at amortised cost

	Non-Current		Current	
	31st March 2018 Rupees in lakhs	31st March 2017 Rupees in lakhs	31st March 2018 Rupees in lakhs	31st March 2017 Rupees in lakhs
Investments (Refer note 3)	**1,951.26**	1,675.93	**-**	-
Loans (Refer note 4 and 13)	**565.63**	553.45	**374.21**	355.37
Trade receivables (Refer note 10)	**-**	-	**7,670.86**	7,746.03
Cash and cash equivalents (Refer note 11)	**-**	-	**1,994.23**	2,165.72
Other bank balances (Refer note 12)	**-**	-	**117.58**	136.56
Other financial assets (Refer note 5 and 14)	**33.54**	14.97	**540.36**	417.73
Total financial assets carried at amortised cost	**2,550.43**	2,244.35	**10,697.24**	10,821.41

16. Share capital

	31st March 2018 Rupees in lakhs	31st March 2017 Rupees in lakhs
Authorised share capital		
294,200,000 (Previous year - 294,200,000) Equity shares of Re.1 each	**2,942.00**	2,942.00
3,000 (Previous year - 3,000) 8% Non-Cumulative Redeemable Preference shares of Rs. 100 each	**3.00**	3.00
Total	**2,945.00**	2,945.00
Issued share capital		
177,548,084 (Previous year-180,978,084) Equity shares of Re.1 each, fully paid-up	**1,775.48**	1,809.78
Total	**1,775.48**	1,809.78
Subscribed and paid-up share capital		
174,403,084 (Previous year-177,833,084) Equity shares of Re.1 each, fully paid-up	**1,744.03**	1,778.33
Add: 3,145,000 (Previous year - 3,145,000) Equity shares forfeited	**7.86**	7.86
Total	**1,751.89**	1,786.19

Notes:

a. Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period

	31st March 2018		31st March 2017	
	No. in lakhs	**Rupees in lakhs**	No. in lakhs	Rupees in lakhs
At the beginning of the period	**1,778.33**	**1,778.33**	1,778.33	1,778.33
Less: Share capital bought back	**34.30**	**34.30**	-	-
Outstanding at the end of the period	**1,744.03**	**1,744.03**	1,778.33	1,778.33

b. Terms/ rights attached to equity shares

The Company has one class of equity shares having a par value of Re. 1 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian rupees. The final dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

During the year ended 31st March 2018, the amount of per share dividend proposed as distribution to equity shareholders is Rs. Nil (Previous year - Rs. 2.25).

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company. The distribution will be in proportion to the number of equity shares held by the shareholders.

c. Aggregate number of bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date

	31st March 2018 No. in lakhs	31st March 2017 No. in lakhs
Equity shares bought back by the Company	**64.30**	50.87

The Board of Directors, at its meeting on 7th February 2018, has approved a proposal of the Company to buyback its fully paid-up equity shares of face value of Re. 1 each from the eligible equity shareholders of the Company for an amount not exceeding Rs. 120.05 crores. The buyback offer comprised of buyback of 3,430,000 Equity Shares of face value of Re. 1 each aggregating 1.93% of the paid-up equity share capital of the Company at a price of Rs. 350/- per equity share. The buyback was offered to all eligible equity shareholders of the Company as on the Record Date (i.e. 27th February 2018) on a proportionate basis through the "Tender offer" route in accordance with SEBI (Buyback of Securities) Regulations, 1998. The Company concluded the buyback procedures on 29th March 2018 and 3,430,000 shares were extinguished. The buyback has been funded from the Securities Premium and General Reserve. In accordance with Section 69 of the Companies Act, 2013, the Company has credited 'Capital Redemption Reserve' with an amount of Rs. 34.30 lakhs, being amount equivalent to the nominal value of the Equity Shares bought back as an appropriation from General Reserve.

d. Details of shareholders holding more than 5% shares in the Company

	31st March 2018 No. of Shares	31st March 2018 %	31st March 2017 No. of Shares	31st March 2017 %
Equity shares of Re. 1 each fully paid				
Meera Ramdas Chandavarkar	**33,624,370**	**19.28**	34,189,260	19.23
Sandhya Mohan Chandavarkar	**19,031,473**	**10.91**	19,355,730	10.88
Mohan Anand Chandavarkar	**18,701,621**	**10.72**	19,020,258	10.70
Leo Advisors Private Limited	**15,863,730**	**9.10**	16,134,016	9.07
Virgo Advisors Private Limited	**10,575,918**	**6.06**	10,756,110	6.05
Ameya Ashok Chandavarkar	**10,540,983**	**6.04**	10,720,580	6.03

As per records of the Company, including its register of shareholders/ members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

17. Other equity

		31st March 2018 Rupees in lakhs	31st March 2017 Rupees in lakhs
Capital Redemption Reserve			
Opening Balance		**-**	-
Add: Transfer from General Reserve on buyback of equity shares		**34.30**	-
Closing Balance	(A)	**34.30**	-
Securities Premium			
Opening Balance		**72.90**	72.90
Less: Premium paid on buyback of equity shares		**(72.90)**	-
Closing Balance	(B)	**-**	72.90
General Reserve			
Opening Balance		**43,887.94**	43,887.94
Less: Premium paid on buy back of equity shares		**(11,897.80)**	-
Less: Transfer to Capital Redemption Reserve on buyback of equity shares		**(34.30)**	-
Closing Balance	(C)	**31,955.84**	43,887.94
Retained Earnings			
Opening Balance		**80,593.84**	61,906.36
Add: Profit for the year		**16,831.41**	18,706.74
Less: Remeasurement losses of defined benefit plans		**(51.63)**	(19.26)
Less: Expenses relating to buyback of equity shares*		**(115.31)**	-
Less: Dividend on Equity Shares (including Dividend distribution tax)		**(4,815.83)**	-
Closing Balance	(D)	**92,442.48**	80,593.84
Other Comprehensive Income			
Opening Balance		**31.20**	(0.61)
Add: Net gain on equity shares carried at fair value through OCI		**24.02**	31.81
Closing Balance	(E)	**55.22**	31.20
	Total (A+B+C+D+E)	**124,487.84**	124,585.88

*Refer note 16

Nature of reserves:

(a) Capital Redemption Reserve

As per Companies Act, 2013, capital redemption reserve is created when company purchases its own shares out of free reserves or securities premium. A sum equal to the nominal value of the shares so purchased is transferred to capital redemption reserve.

(b) Securities Premium

Securities premium reserve is used to record the premium on issue of shares. The reserve is utilised in accordance with the provision of the Companies Act, 2013.

(c) General Reserve

The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the general reserve is created by a transfer from one component of equity to another and is not item of other comprehensive income.

18. Borrowings

	Non-Current	
	31st March 2018 Rupees in lakhs	31st March 2017 Rupees in lakhs
Deferred sales tax loans (unsecured) (Refer note below)	**69.48**	78.63
Less: Amount disclosed under "other financial liabilities" (Refer note 22)	**9.03**	9.15
	60.45	69.48

Note: Under various schemes of Government of Maharashtra, the Company was entitled to interest free Sales tax deferral incentives for its units at Waluj and Sinnar. These are repayable in annual instalments over a period of 9-13 years commencing after a period of 10-12 years from the year of availment of deferred sales tax loan.

19. Other financial liabilities

	Non-Current	
	31st March 2018 Rupees in lakhs	31st March 2017 Rupees in lakhs
Equalisation of lease rent	**152.10**	-
	152.10	-

20. Deferred tax liabilities (net)

	31st March 2018 Rupees in lakhs	31st March 2017 Rupees in lakhs
Deferred tax liability		
Depreciation	**2,362.37**	2,528.02
Less: Deferred tax asset		
Provision for doubtful debts/ advances	**46.39**	47.40
Liabilities disallowed under Section 43B of the IT Act, 1961	**645.93**	596.82
Expenses debited in Statement of Profit & Loss but allowed for tax purpose in the following year	**153.82**	146.83
	846.14	791.05
Net deferred tax liability	**1,516.23**	1,736.97

21. Trade payables

	31st March 2018 Rupees in lakhs	31st March 2017 Rupees in lakhs
Trade payables (Refer notes below)	**9,695.08**	7,465.88
	9,695.08	7,465.88

Note:

(a) As per the information available with the Company, there are no Micro, Small and Medium Enterprises, as defined in the Micro, Small, Medium Enterprises Development Act 2006, to whom the Company owes dues on account of principal amount together with interest and accordingly no additional disclosure have been made. The Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the Auditors.

(b) Terms and conditions of above trade payables:
Trade payables are non-interest bearing and are normally settled on 90-360 days terms.

22. Other financial liabilities

	31st March 2018 Rupees in lakhs	31st March 2017 Rupees in lakhs
Other financial liabilities carried at amortised cost		
Current maturities of long-term borrowings (Refer note 18)	**9.03**	9.15
Unpaid dividend (Refer note below)	**110.62**	112.59
Sundry deposits	**1,183.14**	1,145.59
Employee benefit payable	**3,603.91**	3,135.90
Due to directors	**425.13**	410.99
Equalisation of lease rent	**13.50**	-
Book overdraft	**262.23**	281.72
Other payables (includes disputed liabilities, trade advances, etc.)	**566.07**	529.25
	6,173.63	5,625.19

Note: There are no amounts due and outstanding to be credited to Investor Education and Protection Fund. There has been no delay in transferring amounts required to be transferred to the Investor Education and Protection Fund.

23. Other current liabilities

	31st March 2018 Rupees in lakhs	31st March 2017 Rupees in lakhs
Advance from customers	**153.42**	212.53
Statutory dues payable	**240.88**	472.75
	394.30	685.28

24. Provisions

	31st March 2018 Rupees in lakhs	31st March 2017 Rupees in lakhs
For Employee benefits	**1,302.94**	1,030.60
For Others	**1,490.00**	1,490.00
	2,792.94	2,520.60

Rupees in lakhs

	Gratuity benefits	Compensated absences	Sales returns	Total
Balance as on 1st April 2017	**163.17**	**867.43**	**1,490.00**	**2,520.60**
Provision made during the year	**885.64**	**333.88**	**1,428.20**	**2,647.72**
Provision utilised during the year	**(723.68)**	**(223.50)**	**(1,428.20)**	**(2,375.38)**
Balance as on 31st March 2018	**325.13**	**977.81**	**1,490.00**	**2,792.94**
Current	**325.13**	**977.81**	**1,454.00**	**2,756.94**
Non-current	**-**	**-**	**36.00**	**36.00**

Rupees in lakhs

	Gratuity benefits	Compensated absences	Sales returns	Total
Balance as on 1st April 2016	139.97	767.73	1,178.00	2,085.70
Provision made during the year	193.20	298.35	1,619.83	2,111.38
Provision utilised during the year	(170.00)	(198.65)	(1,307.83)	(1,676.48)
Balance as on 31st March 2017	163.17	867.43	1,490.00	2,520.60
Current	163.17	867.43	1,454.00	2,484.60
Non-current	-	-	36.00	36.00

25. Current tax liabilities

	31st March 2018 Rupees in lakhs	31st March 2017 Rupees in lakhs
Tax payable [Net of Income Tax paid - Rs. 26,861.21 lakhs (Previous year - Rs. 21,008.45 lakhs)]	**1,618.73**	1,471.47
	1,618.73	1,471.47

Income tax expense recognised in Statement of Profit and Loss

	2017-2018 Rupees in lakhs	2016-2017 Rupees in lakhs
Current tax		
Current tax on profits for the year	**6,780.00**	6,800.00
Current tax on adjustments for earlier years	**-**	(193.98)
Deferred tax	**(220.74)**	(334.41)
	6,559.26	6,271.61

Income tax (expense)/ benefit recognised in Other Comprehensive Income

	2017-2018 Rupees in lakhs	2016-2017 Rupees in lakhs
Tax on Remeasurement losses on defined benefit plans	**27.33**	10.19
	27.33	10.19

Income tax expense reconciliation

	2017-2018 Rupees in lakhs	2016-2017 Rupees in lakhs
Profit before tax	**23,390.67**	24,978.35
Applicable tax rate	**34.608%**	34.608%
Tax as per applicable tax rate	**8,095.04**	8,644.51
Current tax on adjustments for earlier years	**-**	(193.98)
Income not considered for tax purpose	**(323.17)**	(1,059.25)
Tax exempt income	**(1,064.14)**	(257.09)
Tax incentives	**(385.90)**	(735.62)
Additional allowances for capital loss/ (gain)	**219.76**	(175.25)
Others	**17.67**	48.29
Income tax expense charged to the Statement of Profit and Loss	**6,559.26**	6,271.61

Deferred tax expense/ (income) recognised in Statement of Profit and Loss

	2017-2018 Rupees in lakhs	2016-2017 Rupees in lakhs
Increase/ (Decrease) in Deferred tax liability		
Depreciation	**(165.65)**	(24.34)
	(165.65)	(24.34)
Less: Increase/ (Decrease) in Deferred tax asset		
Provision for doubtful debts/ advances	**(1.01)**	16.50
Provision for diminution in value of investments	**-**	(72.11)
Liabilities disallowed under Section 43B of the IT Act, 1961	**49.11**	33.83
Expenses debited in Statement of Profit and Loss but allowed for tax purpose in the following year	**6.99**	124.61
Provision for employee benefits	**-**	207.24
	55.09	310.07
Net deferred tax (income) recognised in Statement of Profit and Loss	**(220.74)**	(334.41)

Unrecognised deferred tax assets relate primarily to unabsorbed long term capital losses which expire 8 years after the year in which they originate as per Income Tax Act, 1961. These unexpired losses will expire based on the year of origination as follows:

	Unabsorbed Capital Losses Rupees in lakhs
31st March 2023	**338.51**
	338.51

Break-up of Financial liabilities carried at amortised cost

	Non-Current		Current	
	31st March 2018 Rupees in lakhs	31st March 2017 Rupees in lakhs	**31st March 2018 Rupees in lakhs**	31st March 2017 Rupees in lakhs
Borrowings (Refer note 18 and 22)	**60.45**	69.48	**9.03**	9.15
Trade payables (Refer note 21)	**-**	-	**9,695.08**	7,465.88
Other financial liabilities (Refer note 19 and 22)	**152.10**	-	**6,164.60**	5,616.04
Total financial liabilities carried at amortised cost	**212.55**	69.48	**15,868.71**	13,091.07

26. Revenue from operations

	2017-2018 Rupees in lakhs	2016-2017 Rupees in lakhs
Sale of products (including excise duty)	**105,855.27**	103,889.09
Other operating revenue	**1,165.96**	713.25
	107,021.23	104,602.34
<u>Other operating revenue</u>		
Export incentive	**459.52**	490.86
Other miscellaneous receipts [Net of expenses directly attributable to such income Rs. Nil (Previous year - Rs. 0.97 lakhs)]	**706.44**	222.39
	1,165.96	713.25

27. Other income

	2017-2018 Rupees in lakhs	2016-2017 Rupees in lakhs
Income on financial asset carried at amortised cost		
Current investments	**21.89**	61.53
Non-current investments	**133.26**	36.20
Others (Refer note below)	**125.01**	216.93
Dividend Income on		
Current investments	**3,053.72**	750.03
Net gain on sale of investments	**-**	539.97
Fair value gain on financial instruments at fair value through profit or loss	**933.80**	3,060.70
Net exchange gain on foreign currency transactions	**363.99**	71.69
Net gain on disposal of property,plant and equipment	**63.38**	104.99
Other non operating income (Includes rental income, miscellaneous provisions written back)	**429.70**	122.47
	5,124.75	4,964.51

Note: Interest on others includes interest on inter corporate deposits, fixed deposits, interest on income tax refunds, interest on delayed payments from debtors etc.

28. Cost of materials consumed

	2017-2018 Rupees in lakhs	2016-2017 Rupees in lakhs
Inventory at the beginning of the year	**4,629.46**	4,264.06
Add: Purchases	**29,490.56**	27,118.35
	34,120.02	31,382.41
Less: Inventory at the end of the year	**6,409.05**	4,629.46
	27,710.97	26,752.95

29. Changes in inventories of finished goods, work-in-progress and stock-in-trade

	2017-2018 Rupees in lakhs	2016-2017 Rupees in lakhs
Inventory at the end of the year		
Finished goods	**6,172.41**	6,155.07
Stock-in-trade	**1,218.98**	1,366.43
Work-in-progress	**2,164.97**	1,471.33
	9,556.36	8,992.83
Inventory at the beginning of the year		
Finished goods	**6,155.07**	5,712.26
Stock-in-trade	**1,366.43**	1,419.19
Work-in-progress	**1,471.33**	1,628.30
	8,992.83	8,759.75
	(563.53)	(233.08)
Changes in Inventories		
Finished goods	**(17.34)**	(442.81)
Stock-in-trade	**147.45**	52.76
Work-in-progress	**(693.64)**	156.97
	(563.53)	(233.08)

30. Employee benefits expense

	2017-2018 Rupees in lakhs	2016-2017 Rupees in lakhs
Salaries, wages and bonus (Refer note no. 41)	**19,484.55**	17,180.59
Contribution to provident and other funds (Refer note no. 41)	**1,556.92**	1,352.55
Staff welfare expenses	**505.22**	460.30
	21,546.69	18,993.44

31. Finance costs

	2017-2018 Rupees in lakhs	2016-2017 Rupees in lakhs
Interest	**108.75**	98.96
Bank charges	**31.51**	41.75
	140.26	140.71

32. Depreciation and amortisation expense

	2017-2018 Rupees in lakhs	2016-2017 Rupees in lakhs
Depreciation on property, plant and equipment	**3,329.93**	3,315.75
Amortisation of intangible assets	**173.97**	136.58
	3,503.90	3,452.33

33. Other expenses

	2017-2018 Rupees in lakhs	2016-2017 Rupees in lakhs
Processing charges	**1,266.26**	947.16
Power, fuel and water charges	**2,198.37**	2,152.33
Repairs and maintenance		
Building	**482.26**	552.35
Plant and machinery	**603.87**	675.11
Others	**897.78**	732.73
Labour Contract expenses	**1,153.74**	964.41
Stores and spares	**1,466.46**	1,062.55
Pharma miscellaneous expenses	**1,637.18**	1,209.95
Rent (Refer note 44)	**576.61**	52.76
Rates and taxes	**88.43**	73.56
Insurance	**222.70**	187.43
Travelling and conveyance	**4,512.81**	4,281.29
Communication expenses	**201.06**	195.84
Carriage, freight and forwarding	**2,211.27**	2,326.32
Advertisement and sales promotion	**1,141.21**	1,066.53
Publicity expenses	**3,380.63**	2,254.14
Increase in excise duty on finished products	**-**	136.52
Sales tax/ Value added tax /GST Paid	**153.34**	108.14
Commission	**709.92**	680.92
Auditors' remuneration (Including service tax):		
As audit fee *	**34.00**	42.46
For other services	**3.26**	5.39
Out of pocket expenses *	**2.89**	2.57
Legal and professional charges	**404.73**	422.89
Directors sitting fees	**6.27**	6.30
Bad debts	**3.99**	-
Provision for doubtful debts and advances (net)	**-**	47.66
Donation	**49.33**	0.89
CSR expenditure (Refer note 47)	**117.94**	421.89
Loss on sale of investments (net)	**635.01**	-
Miscellaneous expenses	**3,603.53**	3,419.00
	27,764.85	24,029.09

Note: * Includes payment for limited review to erstwhile auditors.

34. Earnings per share (EPS)

	2017-2018	2016-2017
Profit for the year (Rupees in lakhs)	**16,831.41**	18,706.74
Weighted average number of shares	**177,804,892**	177,833,084
Nominal value per share (Rupees)	**1.00**	1.00
Earnings per share - Basic (Rupees)	**9.47**	10.52
- Diluted (Rupees)	**9.47**	10.52

35. Components of Other Comprehensive Income

During the year ended 31st March 2018

Rupees in lakhs

	Retained Earnings	**FVTOCI Reserve**	**Total**
Remeasurement losses on defined benefit plans (net of tax)	**(51.63)**	**-**	**(51.63)**
Gain on FVTOCI financial assets (net)	**-**	**24.02**	**24.02**
	(51.63)	**24.02**	**27.61**

During the year ended 31st March 2017 — Rupees in lakhs

	Retained Earnings	FVTOCI Reserve	Total
Remeasurement losses on defined benefit plans (net of tax)	(19.26)	-	(19.26)
Gain on FVTOCI financial assets (net)	-	31.81	31.81
	(19.26)	31.81	(12.55)

36. Dividend distribution made and proposed

	31st March 2018 Rupees in lakhs	31st March 2017 Rupees in lakhs
The following dividend on equity shares were declared and paid by the Company during the year:		
Final dividend for the year ended 31st March 2017 - Rs. 2.25 per equity share	**4,001.27**	-
Tax on final dividend	**814.56**	-
	4,815.83	-
The following dividend on equity shares are proposed by the Company:		
Proposed dividend for the year ended 31st March 2018 - Rs. Nil per equity share (Previous year - Rs. 2.25 per equity share)	**-**	4,001.24
Tax on proposed dividend	**-**	814.56
	-	4,815.80

Proposed dividends on equity shares are subject to approval at the annual general meeting and are not recognised as a liability (including tax thereon) as at 31st March 2017.

37. Financial Risk Management Objectives and Policies :

Risk Management is an integral part of the Company's plans and operations. While the Company has a proven ability to successfully take on challenges, the efforts are to become even more proactive in recognising and managing risks, through an organised framework. The Company recognises risk management as an integral component of good corporate governance and fundamental in achieving its strategic and operational objectives.

The Company through its Board of Directors has constituted a Risk Management Committee, consisting of majority of Board members. The Board has defined the roles and responsibilities of the Risk Management Committee and may delegate monitoring and reviewing of the Risk Management plan, to the Committee, and such other functions as it may deem fit.

Market Risk :

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk. Financial instruments affected by market risk include deposits, FVTOCI investments and derivative financial instruments.

The Company has designed risk management frame work to control various risks effectively to achieve the business objectives. This includes identification of risk, its assessment, control and monitoring at timely intervals.

Interest Rate Risk :

Interest rate risk is the loss of fair value of future earnings of financial instruments because of changes in market interest rates. Investment committee manages and constantly reviews the interest rate movements in the market in order to optimise the Company's interest income. The Company does not have any exposure to any interest bearing debt instruments.

Foreign Currency Risk :

Foreign currency risk is the loss of fair value of future earnings of financial instruments because of changes in foreign exchange rates. The Company exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a foreign currency).

Foreign Currency Sensitivity :

The following table demonstrate the sensitivity to a reasonably possible change in USD rate with all other variables held constant. The impact on the Company’s profit before tax is due to changes in the fair value of monetary assets and liabilities. The Company exposure to foreign currency changes for all other currencies is not material.

Particulars	Change in USD rate	Effect on Profit before tax Rupees in lakhs	Effect on Equity Rupees in lakhs
31st March 2018	**+1%** **-1%**	**18.88** **(18.88)**	**12.35** **(12.35)**
31st March 2017	+1% -1%	43.57 (43.57)	28.49 (28.49)

Credit Risk :
Credit risk is the risk of possible default by the counter party resulting in a financial loss. The Company manages its credit risk through various internal policies and procedure set forth for effective control over credit exposure. Major credit risk at the reporting date is from trade receivables. Trade receivables are managed by way of setting various parameters like credit limit, evaluation of financial condition before supply, supply terms, industry trends, ageing analysis.

Liquidity Risk:
Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company manages liquidity risk by maintaining adequate reserves, by continuously monitoring forecast and actual cash flows and matching the maturity profiles of the financial assets and liabilities.

The table below summarises the maturity profile of the Company’s financial liabilities based on contractual undiscounted payments.

Rupees in lakhs

Particulars	31st March 2018			31st March 2017		
	Less than 1 year	More than 1 year	Total	Less than 1 year	More than 1 year	Total
Trade payables	9,695.08	-	9,695.08	7,465.88	-	7,465.88
Borrowings	9.03	60.45	69.48	9.15	69.48	78.63
Other financial liabilities	6,164.60	152.10	6,316.70	5,616.04	-	5,616.04

38. Financial Instruments

Fair values

Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments:

The carrying value and fair value of financial instruments by categories as at the balance sheet date were as follows:

Particulars	Carrying Value		Fair Value	
	31st March 2018 Rupees in lakhs	31st March 2017 Rupees in lakhs	31st March 2018 Rupees in lakhs	31st March 2017 Rupees in lakhs
Financial assets:				
FVTOCI financial investments	205.71	181.68	205.71	181.68
FVTPL financial investments	44,965.89	47,243.78	44,965.89	47,243.78
Total	45,171.60	47,425.46	45,171.60	47,425.46

The management assessed that cash and cash equivalents, trade receivables, loans, trade payables, other financial assets and other financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

The fair values of quoted equity instruments are derived from quoted market prices in active markets.

Reconciliation of fair value measurement of equity shares classified as FVTOCI assets:

	Total Rupees in lakhs
As at 1st April 2016	(0.61)
Re-measurement recognised in OCI	31.81
As at 31st March 2017	31.20
Re-measurement recognised in OCI	24.02
As at 31st March 2018	**55.22**

Fair value hierarchy

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly unobservable.

The following table represents the fair value hierarchy of Financial assets measured at fair value as on 31st March 2018:

Rupees in lakhs

Financial assets:	**As on 31st March 2018**	**Fair Value measurement at end of reporting period**		
		Level 1	**Level 2**	**Level 3**
Investments				
Mutual funds	**44,965.89**	**44,965.89**	**-**	**-**
Non-convertible debentures	**-**	**-**	**-**	**-**
Quoted equity instruments	**205.08**	**205.08**	**-**	**-**
Unquoted equity instruments	**0.63**	**-**	**-**	**0.63**
Total	**45,171.60**	**45,170.97**	**-**	**0.63**

The following table represents the fair value hierarchy of Financial assets measured at fair value as on 31st March 2017:

Rupees in lakhs

Financial assets:	As on 31st March 2017	Fair Value measurement at end of reporting period		
		Level 1	Level 2	Level 3
Investments				
Mutual funds	46,680.01	46,680.01	-	-
Non-convertible debentures	563.77	-	-	563.77
Quoted equity instruments	181.05	181.05	-	-
Unquoted equity instruments	0.63	-	-	0.63
Total	47,425.46	46,861.06	-	564.40

There have been no transfers between Level 1 and Level 2 during the period.

39. Capital Management

Capital includes equity attributable to the equity holders to ensure that it maintains an efficient capital structure and healthy capital ratios in order to support its business and maximise shareholder value. The Company manages its capital structure and makes adjustments to it, in light of changes in economic conditions or its business requirements. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes during the year ended 31st March 2018 and 31st March 2017.

The Company maintains a strong capital base and the primary objective of Company's capital management is to maximise the shareholder value.

The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. Net debt is calculated as loans and borrowings less cash and cash equivalents. Based on this, Company is a debt free Company and would like to remain debt free.

The Company does not have any interest bearing loans and borrowings in the current year as well as previous year.

40. Contingent liabilities and commitments (to the extent not provided for):

	31st March 2018 Rupees in lakhs	31stMarch 2017 Rupees in lakhs
Contingent Liabilities		
a. Disputed tax matters		
Income tax (appealed by the Company)	**1,160.77**	1,198.71
Excise duty (appealed by the Company)	**116.02**	220.21
Sales Tax (appealed by the Company)	**120.46**	146.76
b. In respect of guarantees given by banks	**519.36**	284.12
c. Letter of credit issued by bankers	**303.15**	119.24
d. Estimated amount of duty payable on export obligation against outstanding advances licences	**25.36**	22.70
e. During the year 2013-14, the Company had received notices of demand (including interest) from the National Pharmaceutical Pricing Authority, Government of India on account of alleged overcharging in respect of certain formulations under the Drug (Prices Control) Order, 1995. The Company had filed writ petition before the Hon'ble Supreme Court of India for stay of demand and other matters. The Hon'ble Supreme Court then passed order restraining the Government from taking any coercive action against the Company. The said writ petition was disposed of in July 2016 with a liberty to the writ petitioners to approach the appropriate High Courts for relief, challenging the impugned demand notice issued by Union of India. The Company has filed a writ petition with Delhi High Court in August 2016 for which the Company has deposited 50% of overcharged amount with NPPA. The Company has also simultaneously filed a revision petition with NPPA, hence, no provision is considered necessary in respect of the amount majorly being the interest component.	**517.02**	472.40
Commitments		
Estimated amount of capital contracts remaining to be executed and not provided for (net of advances paid)	**428.09**	358.88

Note:
The Company's pending litigations comprise of proceedings pending with Income Tax, Excise, Sales Tax Authorities and National Pharmaceutical Pricing Authority of India. The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed the contingent liabilities where applicable, in its financial statements. The Company does not expect the outcome of these proceedings to have a materially adverse effect on its financial statements. In respect of litigations, where the management assessment of a financial outflow is probable, the Company has made a provision of Rs. 2,250.00 lakhs as at 31st March 2018 (Previous year – Rs. 2,250.00 lakhs).

41. Disclosure of Employee benefits:
As per Ind AS 19 - "Employee Benefits", the disclosures as required by the Accounting Standard are given below:

Defined Contribution Plan
Contribution to Defined Contribution Plans are recognised as an expense for the year under Contribution to provident and other funds (Refer note 30) as under:

	2017-2018 Rupees in lakhs	2016-2017 Rupees in lakhs
Employer's Contribution to Provident Fund	**411.26**	362.70
Employer's Contribution to Pension Scheme	**476.32**	469.15
Employer's Contribution to Superannuation Fund	**63.85**	59.48

Defined Benefit Plan
The employees' gratuity fund scheme managed by trust is a defined benefit plan. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The Company irrevocably contributes funds to a separate Gratuity Trust which is recognised by Income tax authorities.

Rupees in lakhs

		Gratuity Funded Plan	
		31st March 2018	31st March 2017
I.	**Change in Benefit Obligation**		
	Liability at the beginning of the year	**1,620.59**	1,442.40
	Interest Cost	**108.09**	107.89
	Current Service Cost	**171.51**	153.28
	Past Service Cost	**70.61**	-
	Benefit Paid	**(155.08)**	(119.18)
	Actuarial (gain)/ loss arising from changes in financial assumptions	**(33.14)**	44.63
	Actuarial (gain)/ loss arising from changes in experience adjustments	**132.35**	(8.43)
	Liability at the end of the year	**1,914.93**	1,620.59
II.	**Fair Value of Plan Assets**		
	Fair Value of Plan Assets at the beginning of the year	**1,457.42**	1,302.43
	Return on Plan assets	**97.21**	97.42
	Contributions	**170.00**	170.00
	Benefit Paid	**(155.08)**	(119.18)
	Actual gain/ (loss) on Plan Assets	**20.25**	6.75
	Fair Value of Plan Assets at the end of the year	**1,589.80**	1,457.42
III.	**Amount recognised in the Balance Sheet**		
	Liability at the end of the year	**(1,914.93)**	(1,620.59)
	Fair Value of Plan Assets at the end of the year	**1,589.80**	1,457.42
	Amount recognised in the Balance Sheet	**(325.13)**	(163.17)
IV.	**Net Interest Cost for Current Period**		
	Interest Cost	**108.09**	107.89
	Interest Income	**(97.21)**	(97.42)
	Net Interest Cost for Current Period	**10.88**	10.47
V.	**Expense recognised in the Statement of Profit and Loss**		
	Current Service Cost	**171.51**	153.28
	Net Interest Cost for current period	**10.88**	10.47
	Past Service Cost	**70.61**	-
	Expense recognised in the Statement of Profit and Loss	**253.00**	163.75
VI.	**Expense recognised in the Other Comprehensive Income (OCI)**		
	Actuarial (gain)/ loss on Obligations for the period	**99.21**	36.20
	Return on Plan Assets excluding Interest Income	**(20.25)**	(6.75)
	Net Expense recognised in the OCI	**78.96**	29.45
VII.	**Investment Details**		
	Government of India Assets	**112.27**	112.27
	Corporate Bonds	**658.87**	570.14
	State Government	**670.51**	621.21
	Equity	**136.87**	136.87
	Others	**11.28**	16.93
	Total	**1,589.80**	1,457.42
VIII.	**Actuarial Assumptions**		
	Discount Rate Current	**7.18%**	6.67%
	Rate of Return on Plan Assets Current	**7.18%**	6.67%
	Employee Attrition rate	**15% to 30%**	15% to 30%
	Salary Escalation Current	**7.00%**	7.00%
IX.	**Maturity Analysis of Projected Benefit Obligation from the Fund**		
	Projected Benefits payable in future years from the date of reporting:		
	Within the next 12 months	**448.33**	356.18
	Between 2 and 5 years	**1020.19**	849.50
	Sum of Years 6 to 10 Years	**705.42**	595.34
	Sum of Years 11 and above	**379.47**	343.88

Rupees in lakhs

	Gratuity	
	Funded Plan	
	31st March 2018	31st March 2017
X. Sensitivity Analysis for significant assumptions		
Benefit Obligation as at the end of the year	**1,914.93**	1,620.59
Increase/ (decrease) in Present Value of Benefit Obligation as at the end of the year:		
Effect of +1% change in Rate of Discounting	**(61.17)**	(54.68)
Effect of -1% change in Rate of Discounting	**66.29**	59.47
Effect of +1% change in Rate of Salary Increase	**62.62**	58.70
Effect of -1% change in Rate of Salary Increase	**(59.26)**	(55.01)
Effect of +1% change in Rate of Employee Turnover	**(3.90)**	(6.08)
Effect of -1% change in Rate of Employee Turnover	**3.90**	6.27

XI. Salary Escalation Rate
The estimates of future salary increase considered in actuarial valuation is taken on account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

XII. Basis used to determine Rate of Return on Plan Assets
The rate of return on Plan Assets is based on expectation of the average long term rate of return expected on investments of the fund during the estimated term of the obligations.

XIII. The Company expects to contribute Rs. 515.85 lakhs to gratuity in next year (Previous year – Rs. 334.68 lakhs).

The liability for leave encashment as at the year end is Rs. 871.17 lakhs (Previous year – Rs. 773.63 lakhs) and provision for sick leave as at the year end is Rs. 106.64 lakhs (Previous year – Rs. 93.80 lakhs).

42. Segment information:

Primary segment information

The Company is engaged in pharmaceutical business which as per Ind AS 108 - “Operating Segments” is considered the only business segment.

Secondary segment information

The Company’s operating divisions are managed from India. The principal geographical areas in which the Company operates are India and others. The country-wise segmentation is not relevant as exports to individual countries are not more than 10% of enterprise revenue.

The information related to secondary segment is as under:

Rupees in lakhs

Particulars		India	Others	Total
Segment Revenue	**2017-2018**	**93,641.68**	**13,379.55**	**107,021.24**
	2016-2017	88,878.53	15,723.81	104,602.34
Carrying amount of Non-Current Assets by location of assets	**31st March 2018**	**68,689.11**	**0.00**	**68,689.11**
	31st March 2017	68,532.94	0.00	68,532.94

Non Current Assets for this purpose consists of Property, plant and equipment, Intangible assets and Other non-current assets.

The Company does not have any customer with whom revenue from transactions is more than 10% of Company total revenue.

43. Related party disclosures, as required by Ind AS 24 - "Related Party Disclosures" are given below:

Names of related parties where control exists irrespective of whether transactions have occurred or not:

Subsidiary Companies

- FDC International Limited
- FDC Inc.

Joint Venture Entity

- Fair Deal Corporation Pharmaceutical SA (Pty) Ltd.

Names of other related parties with whom transactions have taken place during the year:

Managerial Personnel

- Mr. Mohan A. Chandavarkar	Chairman and Managing Director
- Mr. Ashok A. Chandavarkar	Executive Director
- Mr. Nandan M. Chandavarkar	Joint Managing Director
- Mr. Ameya A. Chandavarkar	Executive Director
- Ms. Nomita R. Chandavarkar	Executive Director
- Dr. Rahim H. Muljiani	Independent Director
- Dr. Satish S. Ugrankar	Independent Director
- Mr. Girish C. Sharedalal (Resigned w.e.f. 01.04.2017)	Independent Director
- Mr. Vinod G. Yennemadi	Independent Director
- Ms. Swati S. Mayekar	Independent Director
- Mr. Uday Kumar Gurkar	Independent Director
- Mr. Sanjay Jain	Chief Financial Officer
- Ms. Varsharani Katre	Company Secretary

Relatives of Managerial Personnel

- Ms. Sandhya M. Chandavarkar, wife of Mr. Mohan A. Chandavarkar
- Ms. Mangala A. Chandavarkar, wife of Mr. Ashok A. Chandavarkar
- Ms. Meera R. Chandavarkar, mother of Ms. Nomita R. Chandavarkar
- Ms. Aditi C. Bhanot, daughter of Mr. Ashok A. Chandavarkar

Enterprises owned or significantly influenced by Managerial Personnel or their relatives

- Anand Chandavarkar Foundation
- Leo Advisors Private Limited
- Virgo Advisors Private Limited
- SFA Events Private Limited

Post-employment benefit plans:

- FDC Employees Gratuity Fund
- FDC Employees Superannuation Fund

Nature of transactions:

		2017-2018 Rupees in lakhs	2016-2017 Rupees in lakhs
1	**Sale of goods**		
	FDC International Limited	**986.81**	821.75
2	**Reimbursement of expense payable**		
	FDC International Limited	**-**	2.72
3	**Interest income**		
	Fair Deal Corporation Pharmaceutical SA (Pty) Ltd.	**18.36**	10.33
4	**Sale of Asset**		
	Mr. Sanjay Jain	**-**	123.00
5	**Donation paid**		
	Anand Chandavakar Foundation	**8.00**	-
6	**Sales Promotional expenses incurred**		
	SFA Events Private Limited	**14.00**	8.00
7	**Managerial remuneration***		
	Mr. Mohan A. Chandavarkar	**211.03**	200.43
	Mr. Ashok A. Chandavarkar	**148.53**	136.24
	Mr. Nandan M. Chandavarkar	**175.54**	164.32
	Mr. Ameya A. Chandavarkar	**121.46**	114.03
	Ms. Nomita R. Chandavarkar	**59.31**	58.62
	Dr. Rahim H. Muljiani	**3.55**	3.40
	Dr. Satish S. Ugrankar	**2.60**	2.60
	Mr. Girish C. Sharedalal	**-**	17.08
	Mr. Vinod G. Yennemadi	**3.55**	3.40
	Ms. Swati S. Mayekar	**3.55**	3.40
	Mr. Uday Kumar Gurkar	**2.95**	2.60
	Mr. Sanjay Jain	**64.68**	56.20
	Ms. Varsharani Katre	**20.56**	19.80
		817.31	782.12
8	**Dividend on equity shares paid**		
	Mr. Mohan A. Chandavarkar	**427.96**	-
	Mr. Nandan M. Chandavarkar	**122.53**	-
	Mr. Ameya A. Chandavarkar	**241.21**	-
	Ms. Nomita R. Chandavarkar	**127.87**	-
	Dr. Rahim H. Muljiani	**0.09**	-
	Dr. Satish S. Ugrankar	**9.04**	-
	Mr. Vinod G. Yennemadi	**0.31**	-
	Ms. Sandhya M. Chandavarkar	**435.50**	-
	Ms. Meera R. Chandavarkar	**769.26**	-
	Ms. Aditi C. Bhanot	**27.00**	-
	Leo Advisors Private Limited	**363.02**	-
	Virgo Advisors Private Limited	**242.01**	-
		2,765.80	-
9	**Buyback of Shares**		
	Mr. Mohan A. Chandavarkar	**1,115.23**	-
	Mr. Nandan M. Chandavarkar	**319.31**	-
	Mr. Ameya A. Chandavarkar	**628.59**	-
	Ms. Nomita R. Chandavarkar	**333.21**	-
	Dr. Satish S. Ugrankar	**22.34**	-
	Mr. Vinod G. Yennemadi	**1.22**	-
	Ms. Sandhya M. Chandavarkar	**1,134.90**	-
	Ms. Meera R. Chandavarkar	**2,005.11**	-
	Ms. Aditi C. Bhanot	**70.36**	-
	Leo Advisors Private Limited	**946.00**	-
	Virgo Advisors Private Limited	**630.67**	-
		7,206.94	-
10	**Loan granted**		
	Fair Deal Corporation Pharmaceutical SA (Pty) Ltd.	**-**	75.22

Note : * Including perquisites, contribution to Provident fund and other funds but excludes gratuity and compensated absences as the provision is computed for the Company as a whole and separate figures are not available.

Outstanding amount of Related Parties:

		31st March 2018 Rupees in lakhs	31st March 2017 Rupees in lakhs
1	**Outstanding balances receivable against sales included in Trade receivables**		
	FDC International Limited	**114.44**	257.91
2	**Outstanding balances against loan granted included in Current portion of Financial Assets – Loans**		
	Fair Deal Corporation Pharmaceutical SA (Pty) Ltd.	**281.09**	243.65
3	**Outstanding balances against interest on loan granted included in Current portion of Other Financial Assets**		
	Fair Deal Corporation Pharmaceutical SA (Pty) Ltd.	**40.42**	19.12
4	**Outstanding Reimbursement of expense receivable included in Other Current Assets**		
	Fair Deal Corporation Pharmaceutical SA (Pty) Ltd.	**19.23**	19.23
5	**Outstanding Reimbursement of expense payable included in Trade Payables**		
	FDC International Limited	**-**	2.72
6	**Outstanding balances payable included in Other Financial Liabilities**		
	Mr. Mohan A. Chandavarkar	**118.61**	116.10
	Mr. Ashok A. Chandavarkar	**94.89**	91.27
	Mr. Nandan M. Chandavarkar	**94.89**	93.17
	Mr. Ameya A. Chandavarkar	**71.17**	69.36
	Ms. Nomita R. Chandavarkar	**35.58**	34.72
	Dr. Rahim H. Muljiani	**2.00**	2.00
	Dr. Satish S. Ugrankar	**2.00**	2.00
	Mr. Girish C. Sharedalal	**-**	16.48
	Mr. Vinod G. Yennemadi	**2.00**	2.00
	Ms. Swati S. Mayekar	**2.00**	2.00
	Mr. Uday Kumar Gurkar	**2.00**	2.00
		425.14	431.10

Terms and conditions of transactions with related parties

The sales to related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. For the year ended 31st March 2018, the Company has not recorded any impairment of receivables relating to amounts owed by related parties (Previous year – Rs. Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

44. Pursuant to Ind AS 17 - "Leases", disclosure on leases is as follows:

The Company's significant leasing arrangements are in respect of godowns/ office premises taken on operating lease basis. The aggregate lease rentals payable are charged as Rent and shown under 'Other Expenses' (Refer note 33). Lease rent debited to Statement of Profit & Loss is Rs. 576.61 lakhs (Previous year – Rs. 52.76 lakhs).

These leasing arrangements, which are cancellable, range between 1 year and 5 years generally, or longer, and are usually renewable by mutual consent on mutually agreeable terms. There are certain agreements which provide for increase in rent. There are no sub-leases. Future minimum rent payable under non cancellable operating lease are as follows:

	31st March 2018 Rupees in lakhs	31st March 2017 Rupees in lakhs
Within 1 year	**526.50**	548.44
After 1 year but not more than 5 years	**1,733.06**	2,106.00
More than 5 years	**-**	153.56

45. Exceptional item

In the previous year ended 31st March 2017, pending legal case before the Hon'ble Supreme Court, relating to alleged overcharging, under the Drugs (Price Control) Order 1995, have been disposed of and the writ petition filed before the Hon'ble Supreme Court stands withdrawn. The Court has granted liberty to the Writ Petitioners to approach the appropriate High Courts for reliefs, challenging the impugned demand notice issued by Union of India.

The Company has approached Delhi High Court in this context. The Company had, out of abundant caution and based on a conservative and best estimate basis, made a provision of Rs. 588.41 lakhs during the previous year ended 31st March 2017. The Company has disclosed the same as exceptional item.

46. Revenue expenditure on research and development (including depreciation and amortisation) aggregating to Rs. 2,487.02 lakhs (Previous year - Rs. 2,543.08 lakhs) is included under relevant heads in the Statement of Profit and Loss.

47. Amount spent towards Corporate Social Responsibility activities are as under:

a. Gross amount required to be spent by the Company during the year is Rs. 415.97 lakhs (Previous year - Rs. 403.43 lakhs).

b. Amount spent during the year is given hereunder:

Rupees in lakhs

Sr. No.	Particulars of Activity	2017 - 2018	2016 - 2017
(i)	Construction/ acquisition of any asset	-	-
(ii)	On purpose other than (i) above	**117.94**	421.89
	Total	**117.94**	421.89

48. Details of Loans, Inter Corporate Deposits and Investments as required under Section 186(4) of the Companies Act 2013:

Rupees in lakhs

Particulars	31st March 2018		31st March 2017	
	Loan Given	Outstanding	Loan Given	Outstanding
Intercorporate Deposit given and utilised for business operation by recipient - Oboi Laboratories Limited (repayable within 12 months with interest @ 11% p.a.)	**25.00**	**25.00**	25.00	25.00
Loan given to joint venture for working capital/ business operations - Fair Deal Corporation Pharmaceutical SA (Pty) Ltd. (repayable on demand)	**-**	**281.09**	75.22	243.65
Investments Details required under Section 186(4) have been disclosed in note 3 and 9 of financial statements				

49. Disclosure on Specified Bank Note:

The disclosures regarding details of specified bank notes held and transacted during 8th November 2016 to 30th December 2016 has not been made since the requirement does not pertain to financial year ended 31st March 2018. Corresponding amounts as appearing in the audited Standalone Ind AS financial statements for the period ended 31st March 2017 have been disclosed.

Details of Specified Bank Notes (SBN) held and transacted during the period from 8th November 2016 to 30th December 2016 is given below:

Amount in Rupees

Particulars	SBNs	Other Denomination Notes	Total
Closing cash-in-hand on 8th November 2016	**1,262,500**	**806,513**	**2,069,013**
Add: Amount withdrawn from bank	-	3,707,000	3,707,000
Add: Permitted receipts	-	324,965	324,965
Less: Permitted payments	-	(2,854,996)	(2,854,996)
Less: Amount deposited in Banks	(1,262,500)	-	(1,262,500)
Closing cash-in-hand on 30th December 2016	**-**	**1,983,482**	**1,983,482**

50. The Company does not have any long-term contracts including derivative contracts for which there are any material foreseeable losses.

51. Standards issued but not yet effective:

Ind AS 115- Revenue from Contract with Customers ("Standard")

On 28th March 2018, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) Amendment Rules, 2018, notifying Ind AS 115 'Revenue from Contracts with Customers'.

Ind AS 115 establishes a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers. Ind AS 115 will supersede the current revenue recognition standard Ind AS 18 Revenue, Ind AS 11 Construction Contracts when it becomes effective.

The core principle of Ind AS 115 is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Specifically, the standard introduces a 5-step approach to revenue recognition:

Step 1 : Identify the contract(s) with a customer
Step 2 : Identify the performance obligation in contract
Step 3 : Determine the transaction price
Step 4 : Allocate the transaction price to the performance obligations in the contract
Step 5 : Recognise revenue when (or as) the entity satisfies a performance obligation

Under Ind AS 115, an entity recognises revenue when (or as) a performance obligation is satisfied, i.e. when 'control' of the goods or services underlying the particular performance obligation is transferred to the customer.

The Company is evaluating the impact of this Standard on its financial statements.

The Company has completed an initial assessment of the potential impact of the adoption of Ind AS 115 on accounting policies followed in its financial statements. The Company does not expect the impact of the adoption of the new standard to be material on its retained earnings and to its net income on an ongoing basis.

Ind AS 21 – The effect of changes in Foreign Exchange rates

The amendment clarifies on the accounting of transactions that include the receipt or payment of advance consideration in a foreign currency. The appendix explains that the date of the transaction, for the purpose of determining the exchange rate, is the date of initial recognition of the non-monetary prepayment asset or deferred income liability. If there are multiple payments or receipts in advance, a date of transaction is established for each payment or receipt. The Company is evaluating the impact of this amendment on its financial statements.

52. The comparative financial information of the Company for the year ended 31st March 2017 prepared in accordance with Ind AS included in these standalone Ind AS financial statements have been audited by auditors other than B S R & Co. LLP.

As per our report of even date attached

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No : 101248W/W-100022

VIKAS R. KASAT
Partner
Membership No : 105317

Place : Mumbai
Date : May 25, 2018

For and on behalf of the **Board of Directors of FDC Limited**
CIN : L24239MH1940PLC003176

MOHAN A. CHANDAVARKAR
Chairman and Managing Director
DIN: 00043344

ASHOK A. CHANDAVARKAR
Director
DIN: 00042719

SANJAY JAIN
Chief Financial Officer

VARSHARANI KATRE
Company Secretary

Place : Mumbai
Date : May 25, 2018

AUDITOR'S REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS OF FDC LIMITED

INDEPENDENT AUDITORS' REPORT

To the Members of FDC Limited

Report on the Audit of the Consolidated Ind AS Financial Statements

We have audited the accompanying consolidated Ind AS financial statements of FDC Limited (hereinafter referred to as "the Holding Company") and its subsidiaries FDC International Limited and FDC Inc (the Holding Company and its subsidiaries together referred to as "the Group"), and its joint venture Fair Deal Corporation Pharmaceuticals SA (Pty) Limited, which comprise the Consolidated Balance Sheet as at 31st March 2018, the Consolidated Statement of Profit and Loss (including other comprehensive income), Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement, for the year then ended, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statements").

Management's Responsibility for the Consolidated Ind AS Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated Ind AS financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated state of affairs, consolidated profit and other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group including its joint venture in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. The respective Board of Directors of the companies included in the Group and of its joint venture are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and its joint venture and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the financial statements, the respective Board of Directors of the companies included in the Group and of its joint venture are responsible for assessing the ability of the Group and of its joint venture to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditors' Responsibility

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

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

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

We are also responsible to conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of Group and of its joint venture to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the consolidated Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause Group and its joint venture to cease to continue as a going concern.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiaries and joint venture, the aforesaid consolidated Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group and its joint venture as at 31st March 2018, and their consolidated profit and other comprehensive income, consolidated statement of changes in equity and consolidated cash flows for the year ended on that date.

Other Matters

1 The comparative financial information of the Group and its joint venture for the year ended 31st March 2017 prepared in accordance with Ind AS included in these consolidated financial statements have been audited by the predecessor auditor who had audited the financial statements for the relevant periods. The report of the predecessor auditor on the comparative financial information and the opening balance sheet dated 26th May 2017 expressed an unmodified opinion.

2 We did not audit the financial statements of two subsidiaries included in the consolidated financial statements, whose financial statements reflect total assets of Rs. 2,015.68 lakhs as at 31st March 2018 as well as the total revenue of Rs. 2,274.81 lakhs and net cash inflows amounting to Rs. 273.96 lakhs for the year ended 31st March 2018. The consolidated financial statements also include the Group's share of net loss (and other comprehensive income) of Rs. 56.20 lakhs for the year ended 31st March 2018, as considered in the consolidated financial statements, in respect of one joint venture whose financial statements has not been audited by us. These financial statements and other financial information have been audited by other auditors whose reports have been furnished to us, and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and joint venture and our report in terms of sub-section (3) of Section 143 of the Act, insofar as it relates to the aforesaid subsidiaries and joint ventures is based solely on the reports of the other auditors.

   These subsidiaries and joint venture are located outside India and whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Company's management has converted the financial statements of such subsidiaries and joint ventures located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Company's management. Our opinion in so far as it relates to the balances and affairs of such subsidiaries and joint venture located outside India is based on the report of other auditors and the conversion adjustments prepared by the management of the Company and audited by us.

   Our opinion above on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiaries and joint venture, as noted in the 'other matters' paragraph, we report, to the extent applicable, that:

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated Ind AS financial statements.

b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements.

d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.

e) On the basis of the written representations received from the directors of the Holding Company as on 31st March 2018 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies, and joint venture, none of the directors of the Group companies and its joint ventures incorporated in India is disqualified as on 31st March 2018 from being appointed as a director in terms of Section 164(2) of the Act.

f) The internal financial controls with reference to financial statements is not applicable to FDC International Limited and FDC Inc foreign subsidiaries of the Holding Company and Fair Deal Corporation Pharmaceuticals SA (Pty) Limited foreign joint venture of the Holding Company. With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company the operating effectiveness of such controls, refer to our separate Report in “Annexure A”.

g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries and joint venture, as noted in the 'Other matters' paragraph:

i. The consolidated Ind AS financial statements disclose the impact of pending litigations on the consolidated financial position of the Group and its joint venture - Refer Note 41 to the consolidated Ind AS financial statements;

ii. The Group and its joint venture did not have any material foreseeable losses on long-term contracts including derivative contracts during the year ended 31st March 2018;

iii. There has been no delay in transferring amounts to the Investor Education and Protection Fund by the Holding Company during the year ended 31st March 2018; and

iv. The disclosures in the consolidated Ind AS financial statements regarding holdings as well as dealings in specified bank notes during the period from 8th November 2016 to 30th December 2016 have not been made since they do not pertain to the financial year ended 31st March 2018. However amounts as appearing in the audited consolidated financial statements for the period ended 31st March 2017 have been disclosed.

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No: 101248W/W-100022

VIKAS R. KASAT
Partner
Membership No: 105317

Place : Mumbai
Date : May 25, 2018

Annexure A to the Independent Auditors' Report of even date on the consolidated Ind AS financial statements of FDC Limited– 31st March 2018

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

In conjunction with our audit of the consolidated Ind AS financial statements of the Company as of and for the year ended 31st March 2018, we have audited the internal financial controls with reference to financial statements of FDC Limited (hereinafter referred to as “the Holding Company”) as of that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls with reference to financial statements

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

Inherent Limitations of Internal Financial Controls with reference to financial statements

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

Opinion

In our opinion, the Holding Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at 31st March 2018, based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No: 101248W/W-100022

VIKAS R. KASAT
Partner
Membership No: 105317

Place : Mumbai
Date : May 25, 2018

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2018

	PARTICULARS	Note No.	31st March 2018 Rupees in lakhs	31st March 2017 Rupees in lakhs
I.	**ASSETS**			
	1. Non-current assets			
	(a) Property, plant and equipment	2	**66,851.57**	67,118.63
	(b) Capital work-in-progress	2	**988.54**	336.27
	(c) Other Intangible assets	2	**512.73**	686.70
	(d) Intangible assets under development	2	**295.94**	295.94
	(e) Financial assets			
	(i) Investments	3	**7,407.11**	5,448.69
	(ii) Loans	4	**565.63**	553.45
	(iii) Other financial assets	5	**33.54**	14.97
	(f) Income tax assets (net)	6	**1,204.06**	1,062.23
	(g) Other non-current assets	7	**429.44**	451.22
	Total Non-current assets		**78,288.56**	75,968.10
	2. Current assets			
	(a) Inventories	8	**16,048.86**	13,716.34
	(b) Financial assets			
	(i) Investments	9	**39,715.75**	43,652.70
	(ii) Trade receivables	10	**8,166.45**	7,606.20
	(iii) Cash and cash equivalents	11	**2,812.92**	2,710.45
	(iv) Bank balances other than Cash and cash equivalents	12	**117.58**	136.56
	(v) Loans	13	**374.21**	355.37
	(vi) Other financial assets	14	**540.36**	417.73
	(c) Other current assets	15	**4,348.53**	2,230.29
	Total Current assets		**72,124.66**	70,825.64
	TOTAL ASSETS		**150,413.22**	146,793.74
II.	**EQUITY AND LIABILITIES**			
	EQUITY			
	(a) Equity share capital	16	**1,751.89**	1,786.19
	(b) Other equity	17	**125,859.13**	125,233.54
	Total Equity		**127,611.02**	127,019.73
	LIABILITIES			
	1. Non-current liabilities			
	(a) Financial liabilities			
	(i) Borrowings	18	**60.45**	69.48
	(ii) Other financial liabilities	19	**152.10**	-
	(b) Provisions	24	**36.00**	36.00
	(c) Deferred tax liabilities (net)	20	**1,516.23**	1,736.97
	Total Non-current liabilities		**1,764.78**	1,842.45
	2. Current liabilities			
	(a) Financial liabilities			
	(i) Trade payables	21	**9,731.86**	7,510.01
	(ii) Other financial liabilities	22	**6,173.98**	5,625.69
	(b) Other current liabilities	23	**595.50**	785.79
	(c) Provisions	24	**2,756.94**	2,484.60
	(d) Current tax liabilities (net)	25	**1,779.14**	1,525.47
	Total Current liabilities		**21,037.42**	17,931.56
	TOTAL EQUITY AND LIABILITIES		**150,413.22**	146,793.74

Significant accounting policies	1.3	
The accompanying notes are an integral part of the consolidated financial statements	2 to 55	

As per our report of even date attached

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No : 101248W/W-100022

VIKAS R. KASAT
Partner
Membership No : 105317

Place : Mumbai
Date : May 25, 2018

For and on behalf of the **Board of Directors of FDC Limited**
CIN : L24239MH1940PLC003176

MOHAN A. CHANDAVARKAR
Chairman and Managing Director
DIN: 00043344

ASHOK A. CHANDAVARKAR
Director
DIN: 00042719

SANJAY JAIN
Chief Financial Officer

VARSHARANI KATRE
Company Secretary

Place : Mumbai
Date : May 25, 2018

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2018

	PARTICULARS	Note No.	2017-2018 Rupees in lakhs	2016-2017 Rupees in lakhs
I.	Revenue from operations	26	**108,308.57**	105,097.95
II.	Other income	27	**5,096.45**	5,022.19
III.	**Total Income (I+II)**		**113,405.02**	110,120.14
IV.	**Expenses:**			
	Cost of materials consumed	28	**27,710.97**	26,752.95
	Purchases of stock-in-trade		**8,049.58**	7,276.23
	Changes in inventories of finished goods, work-in-progress and stock-in-trade	29	**(552.93)**	(260.13)
	Excise duty		**801.62**	3,711.33
	Employee benefits expense	30	**21,666.63**	19,107.72
	Finance costs	31	**140.49**	140.97
	Depreciation and amortisation expense	32	**3,513.97**	3,462.04
	Other expenses	33	**27,963.74**	24,163.68
	Total expenses		**89,294.07**	84,354.79
V.	**Profit before Share of profit/ (loss) of joint venture, exceptional item and tax (III- IV)**		**24,110.95**	25,765.35
VI.	Share of profit/ (loss) of joint venture (net of tax)		**(47.72)**	5.81
VII.	**Profit before exceptional item and tax (V+VI)**		**24,063.23**	25,771.16
VIII.	Exceptional item	47	**-**	588.41
IX.	**Profit before tax (VII-VIII)**		**24,063.23**	25,182.75
X.	**Tax expense:**	25		
	(1) Current tax		**6,933.06**	6,857.94
	(2) Deferred tax		**(220.74)**	(334.41)
	(3) Tax adjustments for earlier years - Current tax		**-**	(193.98)
	Total tax expense		**6,712.32**	6,329.55
XI.	**Profit for the year (IX-X)**		**17,350.91**	18,853.20
XII.	**Other Comprehensive Income**	35		
	A (i) Items that will not be reclassified subsequently to profit or loss		**(54.94)**	2.36
	(ii) Income tax relating to items that will not be reclassified to profit or loss		**27.33**	10.19
	B (i) Items that will be reclassified to profit or loss		**204.13**	(92.90)
	(ii) Income tax relating to items that will be reclassified to profit or loss		**-**	-
	Other Comprehensive Income for the year (net of tax)		**176.52**	(80.35)
XIII.	**Total Comprehensive Income for the year (net of tax) (XI +XII)**		**17,527.43**	18,772.85
XIV.	**Earnings per equity share:**	34		
	Par value Re. 1 per share (Previous year - Re. 1 per share)			
	(1) Basic (Rs.)		**9.76**	10.60
	(2) Diluted (Rs.)		**9.76**	10.60

Significant accounting policies 1.3

The accompanying notes are an integral part of the consolidated financial statements 2 to 55

As per our report of even date attached

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No : 101248W/W-100022

For and on behalf of the **Board of Directors of FDC Limited**
CIN : L24239MH1940PLC003176

MOHAN A. CHANDAVARKAR
Chairman and Managing Director
DIN: 00043344

ASHOK A. CHANDAVARKAR
Director
DIN: 00042719

VIKAS R. KASAT
Partner
Membership No : 105317

SANJAY JAIN
Chief Financial Officer

VARSHARANI KATRE
Company Secretary

Place : Mumbai
Date : May 25, 2018

Place : Mumbai
Date : May 25, 2018

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2018

PARTICULARS		2017-2018 Rupees in lakhs	2016-2017 Rupees in lakhs
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before exceptional item and tax		**24,063.23**	25,771.16
Adjustments to reconcile profit before tax to net cash flows:			
Depreciation and amortisation expenses		**3,513.97**	3,462.04
Interest expense		**108.75**	98.96
Interest income		**(280.16)**	(314.66)
Net gain on disposal of property, plant and equipment		**(63.38)**	(104.99)
Dividend income		**(3,053.72)**	(750.03)
Net loss/ (gain) on sale of investments		**635.01**	(539.97)
Fair value gain on financial instruments		**(933.80)**	(3,060.70)
Share of loss/ (profit) of joint venture		**47.72**	(5.81)
Translation adjustment on consolidation		**172.96**	(27.57)
Unrealised foreign exchange (gain)/ loss on restatement		**(108.57)**	107.07
Provision for doubtful debts and advances (net)		**-**	47.66
Provision for doubtful debts no longer required, written back		**(4.19)**	-
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES		**24,097.82**	24,683.16
Working capital adjustments:			
Increase in inventories		**(2,332.52)**	(625.53)
Increase in trade receivables		**(531.81)**	(1,537.42)
Increase in financial assets		**(88.79)**	(104.12)
Increase in other assets		**(2,120.36)**	(326.51)
Increase in trade and other payables		**2,560.47**	265.05
Increase in provision		**193.38**	405.45
CASH GENERATED FROM OPERATIONS		**21,778.19**	22,760.08
Income tax paid (net)		**(6,793.89)**	(7,014.11)
CASH FLOW BEFORE EXCEPTIONAL ITEMS		**14,984.30**	15,745.97
Exceptional item paid (Refer note 47)		**-**	(297.47)
NET CASH FLOW GENERATED FROM OPERATING ACTIVITIES	**(A)**	**14,984.30**	15,448.50
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment and intangible assets		**(3,701.71)**	(2,610.70)
Proceeds from disposal of property, plant and equipment		**103.43**	152.94
Purchase of financial instruments		**(68,426.20)**	(50,176.67)
Proceeds from sale of financial instruments		**70,727.54**	37,319.11
Inter corporate deposits given/renewed		**(25.00)**	(25.00)
Repayment/Renewal of inter corporate deposit given		**25.00**	25.00
Increase in fixed and margin deposits		**(1.55)**	(8.66)
Loan given to joint venture		**-**	(75.22)
Dividend income		**3,053.72**	750.03
Interest received		**255.68**	294.05
NET CASH FLOW GENERATED FROM/ (USED IN) INVESTING ACTIVITIES	**(B)**	**2,010.91**	(14,355.12)
CASH FLOWS FROM FINANCING ACTIVITIES			
Buyback of Equity Shares		**(12,005.00)**	-
Expenses incurred for buyback of equity shares		**(115.31)**	-
Repayment of sales tax deferral loan		**(9.15)**	(11.16)
Dividend (including dividend distribution tax)		**(4,815.83)**	-
Amount deposited in bank accounts towards unpaid dividend		**1.96**	46.58
NET CASH FLOW (USED IN)/ GENERATED FROM FINANCING ACTIVITIES	**(C)**	**(16,943.33)**	35.42
NET INCREASE IN CASH AND CASH EQUIVALENTS	**(A)+(B)+(C)**	**51.88**	1,128.80
Net foreign exchange differences on cash and cash equivalents		**50.59**	(43.42)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR (Refer note 11)		**2,710.45**	1,625.07
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR (Refer note 11)		**2,812.92**	2,710.45

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2018

Notes to the Consolidated Cash Flow Statement:

1. Cash and cash equivalents consist of cash on hand and balance with banks. Cash and cash equivalents included in the consolidated cash flow statement comprise of the following Balance Sheet items:

Particulars	31st March 2018 Rupees in lakhs	31st March 2017 Rupees in lakhs
Cash on hand	**12.10**	16.18
Balances with banks:		
On current accounts	**1,570.82**	2,694.27
On deposit accounts (with original maturity of 3 months or less)	**1,230.00**	-
	2,812.92	2,710.45

2. The consolidated cash flow statement has been prepared under the indirect method as set out in Ind AS 7 - Statement of Cash Flows.

3. Reconciliation between the opening and closing balances in the Balance Sheet for liabilities arising from financing activities:

Rupees in lakhs

Particulars	Note No.	31st March 2017	Cash flows	Non-cash changes			31st March 2018
				Acquisition	Foreign exchange movement	Fair value change	
Borrowings Deferred sales tax loans	18	78.63	(9.15)	-	-	-	69.48

The accompanying notes are an integral part of the consolidated financial statements.

As per our report of even date attached

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No : 101248W/W-100022

VIKAS R. KASAT
Partner
Membership No : 105317

Place : Mumbai
Date : May 25, 2018

For and on behalf of the **Board of Directors of FDC Limited**
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SANJAY JAIN
Chief Financial Officer

VARSHARANI KATRE
Company Secretary

Place : Mumbai
Date : May 25, 2018

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH 2018

(A) Equity share capital

Particulars	No. in lakhs	Rupees in lakhs
Balance as at 1st April 2016	1,786.19	1,786.19
Changes during the year	-	-
Balance as at 31st March 2017	1,786.19	1,786.19
Less: 3,430,000 Equity Shares of Re. 1 each bought back	(34.30)	(34.30)
Balance as at 31st March 2018	**1,751.89**	**1,751.89**

(B) Other equity

Rupees in lakhs

Particulars	Reserves and Surplus				Other Comprehensive Income		Total Equity
	Retained Earnings	General Reserves	Securities Premium	Capital Redemption Reserve	Equity Instruments through OCI	Foreign Currency Translation Reserve	
Balances as at 1st April 2017	**81,590.60**	**43,515.06**	**72.90**	**-**	**31.20**	**23.78**	**125,233.54**
Profit for the year	**17,350.91**	**-**	**-**	**-**	**-**	**-**	**17,350.91**
Other Comprehensive Income/(Loss) for the year (Refer note 35)	**(51.63)**	**-**	**-**	**-**	**24.02**	**204.13**	**176.52**
Total Comprehensive Income for the year	**17,299.28**	**-**	**-**	**-**	**24.02**	**204.13**	**17,527.43**
Dividends (including dividend distribution tax)	**(4,815.83)**	**-**	**-**	**-**	**-**	**-**	**(4,815.83)**
Expenses for buyback of Equity Shares (Refer note 16)	**(115.31)**	**-**	**-**	**-**	**-**	**-**	**(115.31)**
Premium paid on buyback of Equity Shares	**-**	**(11,897.80)**	**(72.90)**	**-**	**-**	**-**	**(11,970.70)**
Transfer from General Reserve on Equity Shares bought back	**-**	**(34.30)**	**-**	**34.30**	**-**	**-**	**-**
Balances as at 31st March 2018	**93,958.74**	**31,582.96**	**-**	**34.30**	**55.22**	**227.91**	**125,859.13**

Rupees in lakhs

Particulars	Reserves and Surplus				Other Comprehensive Income		Total Equity
	Retained Earnings	General Reserves	Securities Premium	Capital Redemption Reserve	Equity Instruments through OCI	Foreign Currency Translation Reserve	
Balances as at 1st April 2016	62,756.66	43,515.06	72.90	-	(0.61)	116.68	106,460.69
Profit for the year	18,853.20	-	-	-	-	-	18,853.20
Other Comprehensive Income/(Loss) for the year (Refer note 35)	(19.26)	-	-	-	31.81	(92.90)	(80.35)
Total Comprehensive Income for the year	18,833.94	-	-	-	31.81	(92.90)	18,772.85
Balances as at 31st March 2017	81,590.60	43,515.06	72.90	-	31.20	23.78	125,233.54

The accompanying notes are an integral part of the consolidated financial statements.

As per our report of even date attached

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No : 101248W/W-100022

VIKAS R. KASAT
Partner
Membership No : 105317

Place : Mumbai
Date : May 25, 2018

For and on behalf of the **Board of Directors of FDC Limited**
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Place : Mumbai
Date : May 25, 2018

1. COMPANY OVERVIEW, SIGNIFCANT ACCOUNTING POLICIES AND ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

1.1 CORPORATE INFORMATION

FDC Limited (the Company) is a public company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. Its shares are listed on two recognised stock exchanges BSE and NSE in India. The registered office of the company is located at Waluj, Dist. Aurangabad, Maharashtra.

The Company is principally engaged in the business of Pharmaceuticals.

The consolidated financial statements were authorised for issue in accordance with a resolution of the Board of directors on 25th May 2018.

1.2 BASIS OF PREPARATION

Statement of compliance

These consolidated financial statements have been prepared in accordance with the Indian Accounting Standards (referred to as “Ind AS”) as prescribed under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules as amended from time to time.

Basis of preparation

These consolidated financial statements have been prepared on historical cost basis, except for certain financial instruments which are measured at fair value at the end of each reporting period, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The consolidated financial statements are prepared in INR and all values are rounded to the nearest lakhs (INR 00,000), except when otherwise stated.

1.3 BASIS OF CONSOLIDATION

The consolidated financial statements include the financial statements of FDC Limited (“the Company” or the parent company) and all of its subsidiaries (together referred to as “the Group”) and its joint venture entity. The subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

The consolidated financial statements of the Group have been consolidated on a line-by-line basis by adding together like items of assets, liabilities, income and expenses. In the preparation of consolidated financial statements, all significant intra-group transactions and accounts are eliminated. Unrealised profits, if any, on items carried in inventories are also eliminated from the consolidated financial statements. Unrealised losses resulting from intra-group transactions have also been eliminated but only to the extent that there is no evidence of impairment.

The Group's interests in equity accounted investees comprise interests in joint venture entity. A joint venture is an arrangement in which the Group has joint control and has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities. The Group accounts for its share of interests in the joint venture entity using the equity method. The interest in joint venture is initially recognised at cost which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's share of profit or loss and OCI of equity-accounted investees until the date on which significant influence or joint control ceases.

The financial statements of the parent and its subsidiaries have been consolidated using uniform accounting policies. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with Group's accounting policies. The financial statements of all subsidiaries and joint venture company are drawn upto the same date as the parent company.

1.4 SIGNIFICANT ACCOUNTING POLICIES

a. CURRENT VERSUS NON-CURRENT CLASSIFICATION

The Group presents assets and liabilities in the Balance Sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:
- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. Based on the nature of products and the time between acquisition of assets for processing and their realisation in cash and cash equivalents, the Group has identified twelve months as its operating cycle for the purpose of current/ non-current classification of assets and liabilities.

b. REVENUE RECOGNITION

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

The recovery of excise duty flows to the Group on its own account since it is a liability of the manufacturer irrespective of whether the goods are sold or not. Accordingly, revenue is stated inclusive of excise duty.

However, goods and service tax (GST), sales tax or value added tax (VAT) is not received by the Group on its own account. Rather, it is tax collected on value added to the commodity by the seller on behalf of the government. Accordingly, it is excluded from revenue.

The specific recognition criteria described below must also be met before revenue is recognised.

Sale of products

Revenue from the sale of products is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, usually on delivery of the goods. Revenue from sale of products is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts, volume rebates and cash discounts.

Profit share revenues

The Group has certain marketing arrangements based on the profit sharing model whereby the Group sells its products to the business partner on price agreed upon agreement and is also entitled for profit share over and above its sale price. Revenue from the sale of goods to the partner is recognised upon delivery of products to them and additional amount representing the profit share component is recognised as revenue in the period which corresponds to the ultimate sales of the products made by business partners only when the collectability of the profit share becomes probable and a reliable measurement of the profit share is available.

Sales returns

The Group accounts for sales returns by recording an allowance for sales returns concurrent with the recognition of revenue at the time of a product sale. This allowance is based on the Group's estimate of expected sales returns towards expiry, breakages and damages. The estimate of sales returns is determined primarily by the Group's historical experience of sales returns trends with respect to the shelf life of various products.

Interest income

For all debt instruments measured either at amortised cost, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Group estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

Dividends

Revenue is recognised when the Group's right to receive the payment is established, which is generally when shareholders approve the dividend.

Other Income

Other income is accounted for on accrual basis except where the receipt of income is uncertain.

c. PROPERTY, PLANT AND EQUIPMENT

The items of Property, plant and equipment including Capital-work-in-progress are stated at cost net of accumulated depreciation and accumulated impairment losses, if any. Cost comprises of the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met.

When significant parts of plant and equipment are required to be replaced at regular intervals, the Group depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognised in the Statement of Profit and Loss as incurred. In respect of additions to/ deletions from the property, plant and equipment, depreciation is provided on pro-rata reference to the month of addition/ deletion of the assets.

Subsequent expenditure related to an item of property, plant and equipment is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss.

Depreciation method and estimated useful lives

FDC Limited

The Company, based on technical assessment made by technical expert and management estimate, depreciates certain items of plant and equipment over estimated useful lives which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

Estimated useful life of the assets is as follows:

Nature of Tangible Assets	Useful Life (No. of Years)
Plant & Machinery	7.5 to 15
Building	30 to 60
Laboratory Testing Machines	10
Office Equipments	5 to 10
Furniture, Fixtures & Fittings	10
Computers & Peripherals	3 to 6
Vehicles	6
Electrical Installations	10
Leasehold Land	Amortised over the period of lease ranging from 30 to 99

Assets costing less than Rs. 5,000 are depreciated at the rate of hundred per cent.

Subsidiaries

Depreciation is provided on cost less estimated residual value of fixed assets over their expected useful lives following reducing balance method/ straight line method.

Impairment of assets

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/ external factors. An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is greater of the asset's fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of the money and risks specific to the assets. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

After recognition of impairment loss, the depreciation charge for the asset is adjusted in future periods to allocate the asset's revised carrying amount, less its residual value (if any), on straight line basis over its remaining useful life.

A previously recognised impairment loss is increased or reversed depending on changes in circumstances. However, the carrying value after reversal is not increased beyond the carrying value that would have prevailed by charging usual depreciation if there was no impairment.

d. INTANGIBLE ASSETS

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets with finite life at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in the Statement of Profit and Loss in the period in which the expenditure is incurred.

The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the amount of the asset and are recognised in the Statement of Profit and Loss when the asset is de-recognised.

FDC Limited

A summary of the policy applied to the Company's intangible assets is as follows:

Nature of Intangible Assets	Useful Life (No. of years)	Amortisation method used
Software & Trademarks	5 to 10	Amortised on straight-line basis

e. FINANCIAL INSTRUMENTS

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value. Further, in the case of financial assets not recorded at fair value through profit or loss, transactions costs that are attributable to the acquisition of the financial assets are also recognised.

Subsequent measurement

For purpose of subsequent measurements, financial assets are classified in following categories:

(a) Debt instruments at amortised cost
A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are integral part of EIR. The EIR amortisation is included in Other Income in the Statement of Profit and Loss.

(b) Debt instruments at fair value through Other Comprehensive Income
A financial asset is subsequently measured at fair value through Other Comprehensive Income (OCI) if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movement is recognised in the OCI. However, the Group recognises any interest income or impairment losses in the Statement of Profit and Loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the OCI to Statement of Profit and Loss.

(c) Debt instruments at fair value through profit or loss
A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss. Debt instruments included within FVTPL category are measured at fair value with all changes recognised in the Statement of Profit and Loss.

(d) Equity instruments
All equity investments in scope of Ind AS 109 are measured at fair value. For all equity instruments, the Group may make an irrevocable election to present in Other Comprehensive Income subsequent changes in the fair value. All fair value changes on the instrument, excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to Statement of Profit and Loss, even on sale of investment. However, the Group may transfer the cumulative gain or loss within equity. The Group has made such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised when:

- The rights to receive cash flows from the asset has expired, or
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a `pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

The continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Impairment of financial assets

In accordance with Ind AS 109, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

(a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance

(b) Financial assets that are equity instruments and are measured as at FVTOCI

(c) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 18

The Group follows 'simplified approach' for recognition of impairment loss allowance on Trade Receivables and Other Receivables.

The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Group determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

As a practical expedient, the Group uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

ECL impairment loss allowance (or reversal) recognised during the period is recognised as income/ expense in the Statement of Profit and Loss. This amount is reflected under the head 'Other Expenses' in the Statement of Profit and Loss. The balance sheet presentation for various financial instruments is described below:

Financial assets measured as at amortised cost, contractual revenue receivables:
ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the Balance Sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Group does not reduce impairment allowance from the gross carrying amount.

Equity instruments measured at FVTOCI:
Since financial assets are already reflected at fair value, impairment allowance is not further reduced from its value. Rather, ECL amount is presented as 'accumulated impairment amount' in the OCI.

For trade receivables only, the Group applies the simplified approach permitted by Ind AS 109 financial instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

Financial liabilities

Initial recognition and measurement

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include trade and other payables and borrowings including bank overdrafts.

Subsequent measurement

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Group that are not designated as instruments in hedge relationships as defined by Ind AS 109.

Gains or losses on liabilities held for trading are recognised in the Statement of Profit and Loss.

Financial guarantee contracts

Financial guarantee contracts issued by the Group are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

f. FAIR VALUE MEASUREMENT

The Group measures financial instruments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 - Quoted (unadjusted) market prices in active markets/ declared buyback NAV for identical assets or liabilities

Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the consolidated financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

g. INVENTORIES

Raw materials and packing materials are valued at lower of cost and net realisable value, cost of which includes duties and taxes (net of GST, CENVAT and VAT, wherever applicable) and is arrived at on weighted average cost basis. Cost of imported raw materials and packing materials lying in bonded warehouse includes customs duty. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost.

Finished products including traded goods and work-in-progress are valued at lower of cost and net realisable value. Cost is arrived at on weighted average cost basis. Cost of finished products and work-in-progress includes material cost, labour, direct expenses, production overheads and excise duty, where applicable.
Net realisable value is the estimated selling price in the ordinary course of business less estimated costs of completion and the estimated costs necessary to make the sale.

h. FOREIGN CURRENCY TRANSLATION/ TRANSACTIONS

The Group's consolidated financial statements are presented in Indian Rupees (INR) which is the parent company's functional currency. For each entity, the Group determines the functional currency and items included in the financial statements of each entity are measured using that functional currency.

Transactions in foreign currency are recorded at the rates prevailing on the date of the transaction.

Monetary assets and liabilities denominated in a foreign currency outstanding at the year end are restated at the year end exchange rates. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction; and non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

Exchange difference arising on the settlement of monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognised as income or expense in the year in which they arise.

Exchange differences arising out of settlement and restatement of foreign exchange monetary items are taken to the Statement of Profit and Loss. The exchange differences arising on translation of non-monetary items is recognised in line with the gain or loss of the item that gave rise to translation difference.

The financial statements of the foreign subsidiaries and the joint venture company are translated into Indian Rupees as follows:

- Income and expense items except opening and closing inventories are translated at the average exchange rate for the year. Opening and closing inventories are translated at the rates prevalent at the commencement and close respectively of the accounting period.
- All assets and liabilities are translated using the closing exchange rate.
- The differences arising on elimination of monetary intra-group balances and transactions are taken to the Consolidated Statement of Profit and Loss.
- The differences on translation including those arising on elimination of non-monetary intra-group balances and transactions are taken to Other Comprehensive Income (OCI).
- On disposal of a foreign operation, the component of OCI relating to that particular foreign operation is recognised in the Statement of Profit and Loss.
- On disposal or partial disposal of the foreign subsidiary, the foreign exchange differences recognised in OCI is reclassified to the Statement of Profit and Loss.

In accordance with Ind AS 101, the Group has elected to deem foreign currency translation differences that arose prior to the date of transition to Ind AS, i.e., 1st April 2015, in respect of all foreign operations to be nil at the date of transition. From 1st April 2015 onwards, such exchange differences are recognised in OCI and accumulated in equity.

i. GOVERNMENT GRANTS

Grants and subsidies from the government are recognised when there is reasonable assurance that the grant/subsidy will be received and all attaching conditions will be complied with.

Government grants related to revenue is recognised on a systematic basis in the Statement of Profit and Loss over the periods necessary to match them with the related costs which they are intended to compensate.

Government grants relating to specific fixed assets is recognised as income in equal amounts over the expected useful life of the related asset.

j. EMPLOYEE BENEFITS

Defined contribution plans

The Group's contribution to recognised provident fund, family pension fund and superannuation fund is defined contribution plan and is charged to the Statement of Profit and Loss on accrual basis. The Group recognises contribution payable to the provident fund scheme as an expenditure, when an employee renders the related service. There are no other obligations other than the contribution payable to the respective trusts.

The Group fully contributes all ascertained liabilities to the FDC Limited Gratuity Trust (the Trust). Trustees administer contributions made to the Trust and contributions are invested in a scheme with Life Insurance Corporation of India as permitted by laws of India.

Defined benefit plans

Contribution to gratuity fund is defined benefit obligation and is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year.

Remeasurement of the net defined liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest income) are recognised in Other Comprehensive Income. Remeasurements are not reclassified to the Statement of Profit and Loss in subsequent periods. Net interest and other expenses related to defined benefit plans are recognised in the Statement of Profit and Loss.

Other employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. The Group has other long-term employee benefits in the nature of leave encashment. The liability in respect of leave encashment is provided for on the basis of an actuarial valuation on projected unit credit method at the end of financial year.

k. RESEARCH AND DEVELOPMENT

Research costs are expensed as incurred. Development expenditures on an individual project are recognised as an intangible asset when the Group can demonstrate technical and commercial feasibility of making the asset available for use.

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortisation and accumulated impairment losses. Amortisation of the asset begins when development is complete and the asset is available for use. It is amortised over the period of expected future benefit. Amortisation expense is recognised in the Statement of Profit and Loss unless such expenditure forms part of carrying value of another asset.

l. LEASE ACCOUNTING

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

Group as a lessee

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Group is classified as a finance lease.

Finance leases are capitalised at the commencement of the lease at the inception date fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in `Finance Costs' in the Statement of Profit and Loss, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with the Group's general policy on the borrowing costs. Contingent rentals are recognised as expenses in the periods in which they are incurred.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Group will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

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

Group as a lessor

Leases in which the Group does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease.

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Group to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Group's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

m. EARNING PER SHARE

Basic earning per share is computed by dividing the net profit after tax attributable to equity shareholders for the year by the weighted average number of equity shares outstanding during the year.

Diluted earning per share is computed by dividing the net profit after tax attributable to equity shareholders for the year by the weighted average number of equity shares outstanding during the year as adjusted for the effects of all dilutive potential equity shares, if any.

n. TAXATION

Current tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities in accordance with the relevant tax laws. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date in the countries where the group operates and generates taxable income.

Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the balance sheet approach on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date using the tax rates and the tax laws enacted or substantively enacted at the reporting date.

Deferred tax assets are recognised for carry forward of unused tax credits and unused tax losses to the extent that it is probable that taxable profit will be available against which unused tax credits and unused tax losses can be recognised. At each balance sheet date, the Group reassesses unrecognised deferred tax assets and is recognised to the extent that it is probable that future taxable profit will be available for their realisation.

Current and Deferred tax for the year

Current and deferred tax are recognised in the Statement of Profit and Loss, except, when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

Minimum Alternate Tax (MAT)

Minimum Alternate Tax (MAT) paid as per Indian Income Tax Act,1961 is in the nature of unused tax credit which can be carried forward and adjusted when the Group will pay normal income tax during the specified period. Deferred tax assets on such tax credit is recognised to the extent probable that the unused tax credit can be utilised in the specified future period. The net amount of tax recoverable from, or payable to, the authority is included as part of receivables or payables in the Balance Sheet.

o. PROVISIONS

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the Statement of Profit and Loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost. Provisions are reviewed at each balance sheet and adjusted to reflect the current best estimates.

p. CONTINGENT LIABILITIES AND CONTINGENT ASSETS

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Group does not recognise a contingent liability but discloses its existence in the consolidated financial statements.

A contingent asset is not recognised unless it becomes virtually certain that an inflow of economic benefits will arise. When an inflow of benefits is probable, contingent asset is disclosed in the consolidated financial statements.

Contingent liabilities and contingent assets are reviewed at each balance sheet date.

q. SEGMENT REPORTING

Based on "Management Approach" as defined in Ind AS 108 - Operating Segments, the Chief Operating Decision Maker evaluates the Group's performance and allocates the resources based on an analysis of various performance indicators by business segments.

The Group prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Group as a whole.

r. CASH AND CASH EQUIVALENTS

Cash and cash equivalents in the Balance Sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the Cash Flow Statement, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management.

s. CASH DIVIDEND TO EQUITY HOLDERS

The Group recognises liability to make cash distribution to equity holders of the parent company when the distribution is authorised and the distribution is no longer at the discretion of the Group. As per the law, distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

1.5 SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of consolidated financial statements in conformity with Ind AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenue, expenses, assets and liabilities and the disclosure of contingent assets and liabilities as at the date of the financial statements and the results of operations during the reported period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

Sales returns

Revenue from sale of products is recognised when significant risks and rewards of ownership are transferred to customers, which coincides with dispatch of goods to customers. However, the Group needs to accept goods returned from its customers towards expiry, breakages and damages. Accordingly, the Group has made provision based on the historical sales return trends with respect to the shelf life of various products.

Impairment of financial assets

The Group recognises loss allowances on financial assets using expected credit loss model which is equal to the 12 months expected credit losses or full-time expected credit losses.

The Group follows 'Simplified approach' for recognition of loss allowance on trade receivables under which Group does not track changes in credit risk. Rather, it recognises loss allowance based on lifetime expected credit losses at each reporting date, right from its initial recognition.

The Group uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward looking estimates are analysed.

Defined benefit plans (Gratuity Benefits)

The cost of the defined benefit plan and other post-employment benefits and the present value of such obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include determination of the discount rate, future salary increases, mortality rates and attrition rate. Due to the complexities involved in the valuation and its long term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

Fair value measurement of financial instruments

When the fair value of financial assets and liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the discounted cash flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

Taxes

There are many transactions and calculations undertaken during the ordinary course of business for which the ultimate tax determination is uncertain. Where the final tax outcome of these matters is different from the amounts initially recorded, such differences will impact the current and deferred tax provisions in the period in which the tax determination is made. Deferred tax assets are recognised only to the extent that it is probable that future taxable profits will be available against which the assets can be utilised. The assessment of probability involves estimation of a number of factors including future taxable income.

Provision against obsolete and slow-moving inventories

The Group reviews the condition of its inventories and makes provision against obsolete and slow-moving inventory items which are identified as no longer suitable for sale or use. The Group estimates the net realisable value for such inventories based on the latest invoice prices and current market conditions. The Group carries out an inventory review at each balance sheet date and makes provision against obsolete and slow-moving items. The Group reassesses the estimation on each balance sheet date.

The provision against obsolete and slow-moving inventories requires the use of judgements and estimates. Where the expectation is different from the original estimate, such difference will impact on the carrying value of inventories and the write-down of inventories recognised in the periods in which such estimates have been changed.

CONSOLIDATED NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2018

2. Property, plant and equipment & Other Intangible assets

Rupees in lakhs

PARTICULARS	GROSS CARRYING VALUE					DEPRECIATION/ AMORTISATION					NET CARRYING VALUE	
	As at 31.03.2017	Additions	Deletions/ Adjustments	Translation gain/(loss)	**As at 31.03.2018**	As at 31.03.2017	For the year	Deletions/ Adjustments	Translation loss/ (gain)	**As at 31.03.2018**	**As at 31.03.2018**	As at 31.03.2017
PROPERTY, PLANT AND EQUIPMENT												
Leasehold land	333.26	-	-	-	**333.26**	15.79	7.60	-	-	**23.39**	**309.87**	317.47
Leasehold improvements	3.99	381.33	-	-	**385.32**	0.29	30.55	-	-	**30.84**	**354.48**	3.70
Freehold land *$	41,544.78	-	-	-	**41,544.78**	-	-	-	-	**-**	**41,544.78**	41,544.78
Buildings**	13,185.81	43.29	25.53	41.29	**13,244.86**	858.03	413.68	1.35	2.07	**1,272.43**	**11,972.43**	12,327.78
Plant and machinery	7,986.77	808.91	1.62	0.93	**8,794.99**	2,431.96	1,322.44	1.01	0.50	**3,753.89**	**5,041.10**	5,554.81
Laboratory testing machines	2,128.77	449.46	7.84	-	**2,570.39**	634.60	283.38	7.04	-	**910.94**	**1,659.45**	1,494.17
Electrical installations	873.47	176.29	(0.28)	-	**1,050.04**	355.59	136.08	1.16	-	**490.51**	**559.53**	517.88
Furniture, fixtures and fittings	1,558.27	583.51	(2.20)	-	**2,143.98**	604.55	257.52	(0.74)	-	**862.81**	**1,281.17**	953.72
Office equipments	1,654.14	359.37	(0.75)	-	**2,014.26**	724.82	393.38	(0.62)	-	**1,118.82**	**895.44**	929.32
Vehicles	308.49	19.84	2.11	-	**326.22**	135.70	62.27	2.11	-	**195.86**	**130.36**	172.79
R&D assets												
Freehold land	449.09	-	-	-	**449.09**	-	-	-	-	**-**	**449.09**	449.09
Buildings	1,120.24	-	-	-	**1,120.24**	35.44	30.63	-	-	**66.07**	**1,054.17**	1,084.80
Equipments	2,387.77	159.12	11.80	-	**2,535.09**	692.90	333.23	(2.36)	-	**1,028.49**	**1,506.60**	1,694.87
Furniture and fixtures	135.39	92.22	5.57	-	**222.04**	61.94	69.24	2.24	-	**128.94**	**93.10**	73.45
Total of Property, plant and equipment (A)	**73,670.24**	**3,073.34**	**51.24**	**42.22**	**76,734.56**	**6,551.61**	**3,340.00**	**11.19**	**2.57**	**9,882.99**	**66,851.57**	67,118.63
Previous year	70,637.12	3,172.84	75.95	(63.77)	73,670.24	3,256.42	3,325.46	28.00	(2.27)	6,551.61	67,118.63	67,380.70
INTANGIBLE ASSETS												
Marketing Rights/ Trademarks	59.39	-	-	-	**59.39**	47.53	2.46	-	-	**49.99**	**9.40**	11.86
Software	854.84	-	-	-	**854.84**	180.00	171.51	-	-	**351.51**	**503.33**	674.84
Total of Intangible assets (B)	**914.23**	**-**	**-**	**-**	**914.23**	**227.53**	**173.97**	**-**	**-**	**401.50**	**512.73**	686.70
Previous year	226.20	688.03	-	-	914.23	90.95	136.58	-	-	227.53	686.70	135.25
TOTAL (A+B)	**74,584.47**	**3,073.34**	**51.24**	**42.22**	**77,648.79**	**6,779.14**	**3,513.97**	**11.19**	**2.57**	**10,284.49**	**67,364.30**	67,805.33
Previous year	70,863.32	3,860.87	75.95	(63.77)	74,584.47	3,347.37	3,462.04	28.00	(2.27)	6,779.14	67,805.33	67,515.95
Capital work-in-progress											**988.54**	336.27
Intangible assets under development											**295.94**	295.94

* Freehold land of Rs. 640.66 lakhs (Previous year - Rs. 640.66 lakhs) includes cost of unquoted fully paid shares in various co-operative housing societies.

** Building of Rs. 3,272.60 lakhs (Previous year - Rs. 3,272.60 lakhs) includes cost of unquoted fully paid shares in various co-operative housing societies.

$ Freehold land includes Rs. 817.49 lakhs for which registration in the name of the Company is under process.

2. Property, plant and equipment & Other Intangible assets

Rupees in lakhs

PARTICULARS	GROSS CARRYING VALUE					DEPRECIATION/ AMORTISATION					NET CARRYING VALUE	
	As at 31.03.2016	Additions	Deletions/ Adjustments	Translation gain/(loss)	**As at 31.03.2017**	As at 31.03.2016	For the year	Deletions/ Adjustments	Translation loss/ (gain)	**As at 31.03.2017**	**As at 31.03.2017**	As at 31.03.2016
PROPERTY, PLANT AND EQUIPMENT												
Leasehold land	333.26	-	-	-	**333.26**	8.04	7.75	-	-	**15.79**	**317.47**	325.22
Leasehold improvements	3.99	-	-	-	**3.99**	0.22	0.07	-	-	**0.29**	**3.70**	3.77
Freehold land *$	41,993.87	-	449.09	-	**41,544.78**	-	-	-	-	**-**	**41,544.78**	41,993.87
Buildings**	14,320.04	27.48	1,099.26	(62.45)	**13,185.81**	428.96	441.90	11.01	(1.82)	**858.03**	**12,327.78**	13,891.08
Plant and machinery	5,878.58	2,183.14	73.63	(1.32)	**7,986.77**	1,212.68	1,243.41	23.68	(0.45)	**2,431.96**	**5,554.81**	4,665.90
Laboratory testing machines	1,938.09	207.08	16.40	-	**2,128.77**	334.21	305.62	5.23	-	**634.60**	**1,494.17**	1,603.88
Electrical installations	843.77	32.27	2.57	-	**873.47**	180.80	175.99	1.20	-	**355.59**	**517.88**	662.97
Furniture, fixtures and fittings	1,451.85	106.80	0.38	-	**1,558.27**	327.58	277.24	0.27	-	**604.55**	**953.72**	1,124.27
Office equipments	1,470.94	184.74	1.54	-	**1,654.14**	346.59	379.00	0.77	-	**724.82**	**929.32**	1,124.35
Vehicles	309.55	-	1.06	-	**308.49**	62.51	74.25	1.06	-	**135.70**	**172.79**	247.04
R&D assets												
Freehold land	-	-	(449.09)	-	**449.09**	-	-	-	-	**-**	**449.09**	-
Buildings	34.78	-	(1,085.46)	-	**1,120.24**	9.28	15.67	(10.49)	-	**35.44**	**1,084.80**	25.50
Equipments	1,935.14	411.55	(41.08)	-	**2,387.77**	314.38	371.91	(6.61)	-	**692.90**	**1,694.87**	1,620.76
Furniture and fixtures	123.26	19.78	7.65	-	**135.39**	31.17	32.65	1.88	-	**61.94**	**73.45**	92.09
Total of Property, plant and equipment (A)	**70,637.12**	**3,172.84**	**75.95**	**(63.77)**	**73,670.24**	**3,256.42**	**3,325.46**	**28.00**	**(2.27)**	**6,551.61**	**67,118.63**	**67,380.70**
INTANGIBLE ASSETS												
Marketing Rights/ Trademarks	59.39	-	-	-	**59.39**	44.05	3.48	-	-	**47.53**	**11.86**	15.34
Software	166.81	688.03	-	-	**854.84**	46.90	133.10	-	-	**180.00**	**674.84**	119.91
Total of Intangible assets (B)	**226.20**	**688.03**	**-**	**-**	**914.23**	**90.95**	**136.58**	**-**	**-**	**227.53**	**686.70**	**135.25**
TOTAL (A+B)	**70,863.32**	**3,860.87**	**75.95**	**(63.77)**	**74,584.47**	**3,347.37**	**3,462.04**	**28.00**	**(2.27)**	**6,779.14**	**67,805.33**	**67,515.95**
Capital work-in-progress											**336.27**	1,738.02
Intangible assets under development											**295.94**	254.40

* Freehold land of Rs. 640.66 lakhs (Previous year - Rs. 640.66 lakhs) includes cost of unquoted fully paid shares in various co-operative housing societies.

** Building of Rs. 3,272.60 lakhs (Previous year - Rs. 3,289.99 lakhs) includes cost of unquoted fully paid shares in various co-operative housing societies.

$ Freehold land includes Rs. 817.49 lakhs for which registration in the name of the Company is under process.

3. Investments

		Non-Current	
		31st March 2018 Rupees in lakhs	31st March 2017 Rupees in lakhs
UNQUOTED			
Investments stated at amortised cost			
Investments in Government Securities (Refer note below)			
National Savings Certificates		**0.07**	0.07
35 (Previous year - 35) Govt. of India G.P. Notes - face value of Rs. 2,000		**0.02**	0.02
		0.09	0.09
Investments stated at fair value through other comprehensive income			
Investments in fully paid-up Equity Instruments		**0.63**	0.63
	(A)	**0.72**	0.72
Investments stated at fair value through profit and loss			
Investments in units of Mutual Funds		**5,250.14**	3,591.08
	(B)	**5,250.14**	3,591.08
	Sub-Total (C) = (A+B)	**5,250.86**	3,591.80
QUOTED			
Investments stated at amortised cost			
Investments in fully paid-up Bonds		**1,951.17**	1,675.84
	(D)	**1,951.17**	1,675.84
Investments stated at fair value through other comprehensive income			
Investments in fully paid-up Equity Instruments		**205.08**	181.05
	(E)	**205.08**	181.05
	Sub-Total (F) = (D+E)	**2,156.25**	1,856.89
	Total (C+F)	**7,407.11**	5,448.69
Aggregate book value of quoted investments		**2,156.25**	1,856.89
Aggregate market value of quoted investments		**2,156.25**	1,856.89
Aggregate value of unquoted investments		**5,250.86**	3,591.80
Aggregate amount of impairment in value of investments		**-**	-

Note: National Savings Certificates of the value of Rs. 0.04 lakhs (Previous year – Rs. 0.04 lakhs) and Government of India G.P. Notes of the value of Rs. 0.02 lakhs (Previous year – Rs. 0.02 lakhs) have been lodged with the Excise authorities. National Savings Certificates of Rs. 0.03 lakhs (Previous year – Rs. 0.03 lakhs) have been lodged with the Sales tax authorities.

4. Loans

	Non-Current	
	31st March 2018 Rupees in lakhs	31st March 2017 Rupees in lakhs
Unsecured, considered good		
Loans/advances to employees	**11.24**	15.89
Security deposits	**554.39**	537.56
	565.63	553.45

5. Other financial assets

	Non-Current	
	31st March 2018 Rupees in lakhs	31st March 2017 Rupees in lakhs
Unsecured, considered good		
Margin money deposits	**33.54**	14.97
	33.54	14.97

6. Income tax assets (net)

	31st March 2018 Rupees in lakhs	31st March 2017 Rupees in lakhs
Income tax paid [Net of Provision - Rs. 19,375.92 lakhs (Previous year - Rs. 19,824.41 lakhs)]	**1,204.06**	1,062.23
	1,204.06	1,062.23

7. Other non-current assets

	31st March 2018 Rupees in lakhs	31st March 2017 Rupees in lakhs
Unsecured, considered good		
Capital advances	**382.16**	406.06
Prepaid expenses	**47.28**	45.16
	429.44	451.22

8. Inventories (valued at lower of cost and net realisable value)

	31st March 2018 Rupees in lakhs	31st March 2017 Rupees in lakhs
Raw materials [Including Stock in transit Rs. 94.06 lakhs (Previous year - Rs. 23.04 lakhs)]	**4,756.94**	3,448.25
Packing materials [Including Stock in transit Rs. 21.96 lakhs (Previous year - Rs. 16.57 lakhs)]	**1,652.11**	1,181.21
Work-in-progress	**2,164.97**	1,471.33
Finished goods/ Stock-in-trade [Including Stock in transit Rs. 12.30 lakhs (Previous year - Rs. 98.66 lakhs)]	**7,474.84**	7,615.55
	16,048.86	13,716.34

During the year ended 31st March 2018 - Rs. 322.34 lakhs (Previous year - Rs. 366.48 lakhs) was recognised as write down to inventories.

9. Investments

	Current	
	31st March 2018 Rupees in lakhs	31st March 2017 Rupees in lakhs
UNQUOTED		
Investments stated at fair value through profit and loss		
Investments in Mutual Funds	**39,715.75**	43,088.93
Investments in fully paid-up Non Convertible Debentures	**-**	563.77
	39,715.75	43,652.70
Aggregate book value of quoted investments	**-**	-
Aggregate market value of quoted investments	**-**	-
Aggregate amount of unquoted investments	**39,715.75**	43,652.70
Aggregate amount of impairment in value of investments	**-**	-

10. Trade receivables

		31st March 2018 Rupees in lakhs	31st March 2017 Rupees in lakhs
Unsecured, considered good		**8,166.45**	7,606.20
Doubtful		**107.08**	111.27
	(A)	**8,273.53**	7,717.47
Less : Provision for doubtful debts	(B)	**107.08**	111.27
	(A-B)	**8,166.45**	7,606.20

Note: There are no trade or other receivables which are due from directors or other officers of the Group either severally or jointly with any other person or from firms or private companies respectively in which any director is a partner, a director or a member.
For terms and conditions relating to related party receivables, refer note 44.
Trade receivables are non-interest bearing and are generally on terms of 8 to 120 days.

11. Cash and cash equivalents

	31st March 2018 Rupees in lakhs	31st March 2017 Rupees in lakhs
Cash on hand	**12.10**	16.18
Balances with banks:		
On current accounts	**1,570.82**	2,694.27
On deposit accounts (with original maturity of 3 months or less)	**1,230.00**	-
	2,812.92	2,710.45

12. Other bank balances

	31st March 2018 Rupees in lakhs	31st March 2017 Rupees in lakhs
Margin money deposits*	**6.96**	23.98
On unpaid dividend account	**110.62**	112.58
	117.58	136.56

* Margin money deposits are given as security against bank guarantee.

13. Loans

	Current	
	31st March 2018 Rupees in lakhs	31st March 2017 Rupees in lakhs
Unsecured, considered good		
Loans to related parties (Refer note 44)	**281.09**	243.65
Inter corporate deposits	**25.00**	25.00
Loans/advances to employees	**47.31**	66.14
Security deposits	**20.81**	20.58
	374.21	355.37

14. Other financial assets

	Current	
	31st March 2018 Rupees in lakhs	31st March 2017 Rupees in lakhs
Unsecured, considered good		
Interest accrued on investments and others	**76.68**	49.26
Export benefit receivable	**463.68**	368.47
	540.36	417.73

15. Other current assets

	31st March 2018 Rupees in lakhs	31st March 2017 Rupees in lakhs
Unsecured, considered good		
Advances to suppliers	**744.13**	664.53
Reimbursement of expenses receivable from FDC SA (Pty) Ltd	**19.23**	19.23
Prepaid expenses	**508.18**	530.64
Balances with statutory/ government authorities	**3,076.99**	1,015.89
Unsecured, considered doubtful		
Balances with statutory/ government authorities	**25.69**	25.69
	4,374.22	2,255.98
Less: Allowance for doubtful advances	**25.69**	25.69
	4,348.53	2,230.29

Break-up of Financial assets carried at amortised cost

	Non-Current		Current	
	31st March 2018 Rupees in lakhs	31st March 2017 Rupees in lakhs	**31st March 2018 Rupees in lakhs**	31st March 2017 Rupees in lakhs
Investments (Refer note 3)	**1,951.26**	1,675.93	**-**	-
Loans (Refer note 4 and 13)	**565.63**	553.45	**374.21**	355.37
Trade receivables (Refer note 10)	**-**	-	**8,166.45**	7,606.20
Cash and cash equivalents (Refer note 11)	**-**	-	**2,812.92**	2,710.45
Other Bank balances (Refer note 12)	**-**	-	**117.58**	136.56
Other Financial assets (Refer note 5 and 14)	**33.54**	14.97	**540.36**	417.73
Total Financial assets carried at amortised cost	**2,550.43**	2,244.35	**12,011.52**	11,226.31

16. Share capital

		31st March 2018 Rupees in lakhs	31st March 2017 Rupees in lakhs
Authorised share capital			
294,200,000 (Previous year - 294,200,000) Equity shares of Re.1 each		**2,942.00**	2,942.00
3,000 (Previous year - 3,000) 8% Non-Cumulative Redeemable Preference shares of Rs. 100 each		**3.00**	3.00
	Total	**2,945.00**	2,945.00
Issued share capital			
177,548,084 (Previous year - 180,978,084) Equity shares of Re.1 each, fully paid-up		**1,775.48**	1,809.78
	Total	**1,775.48**	1,809.78
Subscribed and paid-up share capital			
174,403,084 (Previous year - 177,833,084) Equity shares of Re.1 each, fully paid-up		**1,744.03**	1,778.33
Add: 3,145,000 (Previous year - 3,145,000) Equity shares forfeited		**7.86**	7.86
	Total	**1,751.89**	1,786.19

Notes:

a. Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period

	31st March 2018		31st March 2017	
	No. in lakhs	**Rupees in lakhs**	No. in lakhs	Rupees in lakhs
At the beginning of the period	**1,778.33**	**1,778.33**	1,778.33	1,778.33
Less: Share capital bought back	**34.30**	**34.30**	-	-
Outstanding at the end of the period	**1,744.03**	**1,744.03**	1,778.33	1,778.33

b. Terms/ rights attached to equity shares

The Company has one class of equity shares having a par value of Re. 1 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian rupees. The final dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

During the year ended 31st March 2018, the amount of per share dividend proposed as distribution to equity shareholders is Rs. Nil (Previous year - Rs. 2.25).

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company. The distribution will be in proportion to the number of equity shares held by the shareholders.

c. Aggregate number of bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date

	31st March 2018 No. in lakhs	31st March 2017 No. in lakhs
Equity shares bought back by the Company	**64.30**	50.87

The Board of Directors, at its meeting on 7th February 2018, has approved proposal of the Company to buyback its fully paid-up equity shares of face value of Re. 1 each from the eligible equity shareholders of the Company for an amount not exceeding Rs. 120.05 crores. The buyback offer comprised of buyback of 3,430,000 Equity Shares of face value of Re. 1 each aggregating 1.93% of the paid-up equity share capital of the Company at a price of Rs. 350/- per equity share. The buyback was offered to all eligible equity shareholders of the Company as on the Record Date (i.e. 27th February 2018) on a proportionate basis through the "Tender offer" route in accordance with SEBI (Buyback of Securities) Regulations, 1998. The Company concluded the buyback procedures on 29th March 2018 and 3,430,000 shares were extinguished. The buyback has been funded from the Securities Premium and General Reserve. In accordance with Section 69 of the Companies Act, 2013, the Company has credited 'Capital Redemption Reserve' with an amount of Rs. 34.30 lakhs, being amount equivalent to the nominal value of the Equity Shares bought back as an appropriation from General Reserve.

d. Details of shareholders holding more than 5% shares in the Company

	31st March 2018 No. of Shares	%	31st March 2017 No. of Shares	%
Equity shares of Re. 1 each fully paid				
Meera Ramdas Chandavarkar	**33,624,370**	**19.28**	34,189,260	19.23
Sandhya Mohan Chandavarkar	**19,031,473**	**10.91**	19,355,730	10.88
Mohan Anand Chandavarkar	**18,701,621**	**10.72**	19,020,258	10.70
Leo Advisors Private Limited	**15,863,730**	**9.10**	16,134,016	9.07
Virgo Advisors Private Limited	**10,575,918**	**6.06**	10,756,110	6.05
Ameya Ashok Chandavarkar	**10,540,983**	**6.04**	10,720,580	6.03

As per records of the Company, including its register of shareholders/ members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

17. Other equity

		31st March 2018 Rupees in lakhs	31st March 2017 Rupees in lakhs
Capital Redemption Reserve			
Opening Balance		**-**	-
Add: Transfer from General Reserve on buy back of Equity Shares		**34.30**	-
Closing Balance	(A)	**34.30**	-
Securities Premium			
Opening Balance		**72.90**	72.90
Less: Premium paid on buy back of Equity Shares		**(72.90)**	-
Closing Balance	(B)	**-**	72.90
General Reserve			
Opening Balance		**43,515.06**	43,515.06
Less: Premium paid on buy back of Equity Shares		**(11,897.80)**	-
Less: Transfer to Capital Redemption Reserve on buyback of Equity Shares		**(34.30)**	-
Closing Balance	(C)	**31,582.96**	43,515.06
Retained Earnings			
Opening Balance		**81,590.60**	62,756.66
Add: Profit for the year		**17,350.91**	18,853.20
Less: Remeasurement losses of defined benefit plans		**(51.63)**	(19.26)
Less: Dividend on Equity Shares (including Dividend distribution tax)		**(4,815.83)**	-
Less: Expenses relating to buyback of Equity Shares*		**(115.31)**	-
Closing Balance	(D)	**93,958.74**	81,590.60
Foreign Currency Translation Reserve (Other Comprehensive Income)			
Opening Balance		**23.78**	116.68
Add/ (Less): Movement during the year		**204.13**	(92.90)
Closing Balance	(E)	**227.91**	23.78
FVTOCI Reserve (Other Comprehensive Income)			
Opening Balance		**31.20**	(0.61)
Add: Net gain on Equity Shares carried at fair value through OCI		**24.02**	31.81
Closing Balance	(F)	**55.22**	31.20
Total (A+B+C+D+E+F)		**125,859.13**	125,233.54

*Refer note 16

Nature of reserves:

(a) Capital Redemption Reserve

As per Companies Act, 2013, capital redemption reserve is created when company purchases its own shares out of free reserves or securities premium. A sum equal to the nominal value of the shares so purchased is transferred to capital redemption reserve.

(b) Securities Premium

Securities premium reserve is used to record the premium on issue of shares. The reserve is utilised in accordance with the provision of the Companies Act, 2013.

(c) General Reserve

The General reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the General reserve is created by a transfer from one component of equity to another and is not item of other comprehensive income.

(d) Foreign Currency Translation Reserve

Exchange differences arising on translation of the foreign operations are recognised in other comprehensive income as described in accounting policy and accumulated in a separate reserve within equity. The cumulative amount is reclassified to profit or loss when the net investment is disposed-off.

18. Borrowings

	Non-Current	
	31st March 2018 Rupees in lakhs	31st March 2017 Rupees in lakhs
Deferred sales tax loans (unsecured) (Refer note below)	**69.48**	78.63
Less: Amount disclosed under "Other financial liabilities" (Refer note 22)	**9.03**	9.15
	60.45	69.48

Note: Under various schemes of Government of Maharashtra, the Company was entitled to interest free Sales tax deferral incentives for its units at Waluj and Sinnar. These are repayable in annual instalments over a period of 9-13 years commencing after a period of 10-12 years from the year of availment of deferred sales tax loan.

19. Other financial liabilities

	Non-Current	
	31st March 2018 Rupees in lakhs	31st March 2017 Rupees in lakhs
Equalisation of lease rent	**152.10**	-
	152.10	-

20. Deferred tax liabilities (net)

	31st March 2018 Rupees in lakhs	31st March 2017 Rupees in lakhs
Deferred tax liability		
Depreciation	**2,362.37**	2,528.02
Less: Deferred tax asset		
Provision for doubtful debts/ advances	**46.39**	47.40
Liabilities disallowed under Section 43B of the IT Act, 1961	**645.93**	596.82
Expenses debited in Statement of Profit & Loss but allowed for tax purpose in the following year	**153.82**	146.83
	846.14	791.05
Net deferred tax liability	**1,516.23**	1,736.97

21. Trade payables

	31st March 2018 Rupees in lakhs	31st March 2017 Rupees in lakhs
Trade payables (Refer notes below)	**9,731.86**	7,510.01
	9,731.86	7,510.01

Note:

(a) As per the information available with the Company, there are no Micro, Small and Medium Enterprises, as defined in the Micro, Small, Medium Enterprises Development Act 2006, to whom the Company owes dues on account of principal amount together with interest and accordingly no additional disclosure have been made. The Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the Auditors.

(b) Terms and conditions of above trade payables:
Trade payables are non-interest bearing and are normally settled on 90-360 days terms.

22. Other financial liabilities

	Current	
	31st March 2018 Rupees in lakhs	31st March 2017 Rupees in lakhs
Other financial liabilities carried at amortised cost		
Current maturities of long-term borrowings (Refer note 18)	**9.03**	9.15
Unpaid dividend (Refer note below)	**110.62**	112.59
Sundry deposits	**1,183.14**	1,145.59
Employee benefit payable	**3,604.26**	3,136.40
Due to directors	**425.13**	410.99
Equalisation of lease rent	**13.50**	-
Book overdraft	**262.23**	281.72
Other payables (includes disputed liabilities, trade advances, etc.)	**566.07**	529.25
	6,173.98	5,625.69

Note: There are no amounts due and outstanding to be credited to Investor Education and Protection Fund. There has been no delay in transferring amounts required to be transferred to the Investor Education and Protection Fund.

23. Other current liabilities

	31st March 2018 Rupees in lakhs	31st March 2017 Rupees in lakhs
Advance from customers	**153.42**	212.53
Statutory dues payable	**334.50**	521.88
Other payables (Refer note 46)	**107.58**	51.38
	595.50	785.79

24. Provisions

	31st March 2018 Rupees in lakhs	31st March 2017 Rupees in lakhs
For Employee benefits	**1,302.94**	1,030.60
For Others	**1,490.00**	1,490.00
	2,792.94	2,520.60

Rupees in lakhs

	Gratuity benefits	**Compensated absences**	**Sales returns**	**Total**
Balance as on 1st April 2017	**163.17**	**867.43**	**1,490.00**	**2,520.60**
Provision made during the year	**885.64**	**333.88**	**1,428.20**	**2,647.72**
Provision utilised during the year	**(723.68)**	**(223.50)**	**(1,428.20)**	**(2,375.38)**
Balance as on 31st March 2018	**325.13**	**977.81**	**1,490.00**	**2,792.94**
Current	**325.13**	**977.81**	**1,454.00**	**2,756.94**
Non-current	**-**	**-**	**36.00**	**36.00**

Rupees in lakhs

	Gratuity benefits	Compensated absences	Sales returns	Total
Balance as on 1st April 2016	139.97	767.73	1,178.00	2,085.70
Provision made during the year	193.20	298.35	1,619.83	2,111.38
Provision utilised during the year	(170.00)	(198.65)	(1,307.83)	(1,676.48)
Balance as on 31st March 2017	163.17	867.43	1,490.00	2,520.60
Current	163.17	867.43	1,454.00	2,484.60
Non-current	-	-	36.00	36.00

25. Current tax liabilities

	31st March 2018 Rupees in lakhs	31st March 2017 Rupees in lakhs
Tax payable [Net of Income Tax paid - Rs. 26,861.21 lakhs (Previous year - Rs. 21,008.45 lakhs)]	**1,779.14**	1,525.47
	1,779.14	1,525.47

Income tax expense recognised in Statement of Profit and Loss

	2017-2018 Rupees in lakhs	2016-2017 Rupees in lakhs
Current tax		
Current tax on profits for the year	**6,933.06**	6,857.94
Current tax on adjustments for earlier years	**-**	(193.98)
Deferred tax	**(220.74)**	(334.41)
	6,712.32	6,329.55

Income tax (expense)/ benefit recognised in Other Comprehensive Income

	2017-2018 Rupees in lakhs	2016-2017 Rupees in lakhs
Tax on Remeasurement losses on defined benefit plans	**27.33**	10.19
	27.33	10.19

Income tax expense reconciliation

	2017-2018 Rupees in lakhs	2016-2017 Rupees in lakhs
Profit before tax	**24,063.23**	25,182.75
Applicable tax rate	**34.608%**	34.608%
Tax as per applicable tax rate of parent company in India	**8,327.80**	8,715.25
Share of loss of joint venture	**47.72**	(5.81)
Current tax on adjustments for earlier years	**-**	(193.98)
Income not considered for tax purpose	**(323.17)**	(1,059.25)
Tax exempt income	**(1,064.14)**	(257.09)
Tax incentives	**(385.90)**	(735.62)
Additional allowances for capital loss/ (gain)	**219.76**	(175.25)
Others	**17.67**	48.29
Effect of tax rate of foreign subsidiaries (net)	**(127.42)**	(6.99)
Income tax expense charged to the Statement of Profit and Loss	**6,712.32**	6,329.55

Deferred tax expense/ (income) recognised in Statement of Profit and Loss

	2017-2018 Rupees in lakhs	2016-2017 Rupees in lakhs
Increase/ (Decrease) in Deferred tax liability		
Depreciation	**(165.65)**	(24.34)
	(165.65)	(24.34)
Less: Increase/ (Decrease) in Deferred tax asset		
Provision for doubtful debts/ advances	**(1.01)**	16.50
Provision for diminution in value of investments	**-**	(72.11)
Liabilities disallowed under Section 43B of the IT Act, 1961	**49.11**	33.83
Expenses debited in Statement of Profit and Loss but allowed for tax purpose in the following year	**6.99**	124.61
Provision for employee benefits	**-**	207.24
	55.09	310.07
Net deferred tax income recognised in Statement of Profit and Loss	**(220.74)**	(334.41)

Unrecognised deferred tax assets relate primarily to unabsorbed long term capital losses which expire 8 years after the year in which they originate as per Income Tax Act, 1961. These unexpired losses will expire based on the year of origination as follows:

	Unabsorbed Capital Losses Rupees in lakhs
31st March 2023	**338.51**
	338.51

Break-up of Financial liabilities carried at amortised cost

	Non-Current		Current	
	31st March 2018 Rupees in lakhs	31st March 2017 Rupees in lakhs	**31st March 2018 Rupees in lakhs**	31st March 2017 Rupees in lakhs
Borrowings (Refer note 18 and 22)	**60.45**	69.48	**9.03**	9.15
Trade payables (Refer note 21)	**-**	-	**9,731.86**	7,510.01
Other financial liabilities (Refer note 19 and 22)	**152.10**	-	**6,164.95**	5,616.54
Total Financial liabilities carried at amortised cost	**212.55**	69.48	**15,905.84**	13,135.70

26. Revenue from operations

	2017-2018 Rupees in lakhs	2016-2017 Rupees in lakhs
Sale of products (including excise duty)	**107,128.68**	104,375.57
Other operating revenue	**1,179.89**	722.38
	108,308.57	105,097.95
<u>Other operating revenue</u>		
Export incentive	**459.52**	490.86
Other miscellaneous receipts [Net of expenses directly attributable to such income Rs. Nil (Previous year - Rs. 0.97 lakhs)]	**720.37**	231.52
	1,179.89	722.38

27. Other income

	2017-2018 Rupees in lakhs	2016-2017 Rupees in lakhs
Income on financial asset carried at amortised cost		
Current investments	**21.89**	61.53
Non-current investments	**133.26**	36.20
Others (Refer note below)	**125.01**	216.93
Dividend income on		
Current investments	**3,053.72**	750.03
Net gain on sale of investments	**-**	539.97
Fair value gain on financial instruments at fair value through profit or loss	**933.80**	3,060.70
Net exchange gain on foreign currency transactions	**335.68**	129.37
Net gain on disposal of property, plant and equipment	**63.38**	104.99
Other non operating income (Includes Rental income, Miscellaneous provisions written back)	**429.71**	122.47
	5,096.45	5,022.19

Note: Interest on others includes interest on inter corporate deposits, fixed deposits, interest on income tax refunds, interest on delayed payments from debtors etc.

28. Cost of materials consumed

	2017-2018 Rupees in lakhs	2016-2017 Rupees in lakhs
Inventory at the beginning of the year	**4,629.46**	4,264.06
Add: Purchases	**29,490.56**	27,118.35
	34,120.02	31,382.41
Less: Inventory at the end of the year	**6,409.05**	4,629.46
	27,710.97	26,752.95

29. Changes in inventories of finished goods, work-in-progress and stock-in-trade

	2017-2018 Rupees in lakhs	2016-2017 Rupees in lakhs
Inventory at the end of the year		
Finished goods	**6,172.41**	6,155.07
Stock-in-trade	**1,302.43**	1,460.48
Work-in-progress	**2,164.97**	1,471.33
	9,639.81	9,086.88
Inventory at the beginning of the year		
Finished goods	**6,155.07**	5,712.26
Stock-in-trade	**1,460.48**	1,486.19
Work-in-progress	**1,471.33**	1,628.30
	9,086.88	8,826.75
	(552.93)	(260.13)
Change in Inventories		
Finished goods	**(17.34)**	(442.81)
Stock-in-trade	**158.05**	25.71
Work-in-progress	**(693.64)**	156.97
	(552.93)	(260.13)

30. Employee benefits expense

	2017-2018 Rupees in lakhs	2016-2017 Rupees in lakhs
Salaries, wages and bonus (Refer note 42)	**19,592.16**	17,284.23
Contribution to provident and other funds (Refer note 42)	**1,567.91**	1,362.77
Staff welfare expenses	**506.56**	460.72
	21,666.63	19,107.72

31. Finance costs

	2017-2018 Rupees in lakhs	2016-2017 Rupees in lakhs
Interest	**108.75**	98.96
Bank charges	**31.74**	42.01
	140.49	140.97

32. Depreciation and amortisation expense

	2017-2018 Rupees in lakhs	2016-2017 Rupees in lakhs
Depreciation on property, plant and equipment	**3,340.00**	3,325.46
Amortisation of intangible assets	**173.97**	136.58
	3,513.97	3,462.04

33. Other expenses

	2017-2018 Rupees in lakhs	2016-2017 Rupees in lakhs
Processing charges	**1,266.26**	947.16
Power, fuel and water charges	**2,200.02**	2,154.56
Repairs and maintenance		
Building	**482.26**	552.35
Plant and machinery	**607.74**	678.62
Others	**900.73**	735.24
Labour contract expenses	**1,153.74**	964.41
Stores and spares	**1,466.46**	1,062.55
Pharma Miscellaneous expenses	**1,637.18**	1,209.95
Rent (Refer note 45)	**576.61**	52.76
Rates and taxes	**103.14**	88.01
Insurance	**232.05**	195.64
Travelling and conveyance	**4,514.31**	4,284.54
Communication expenses	**202.23**	197.14
Carriage, freight and forwarding	**2,211.27**	2,326.32
Advertisement and sales promotion	**1,141.21**	1,066.53
Publicity expenses	**3,380.63**	2,254.14
Increase in excise duty on finished products	**-**	136.52
Sales tax/ Value added tax/ GST paid	**153.34**	108.14
Commission	**709.92**	680.92
Auditor's remuneration (including service tax):		
As Audit fee *	**34.00**	42.46
For other services	**3.26**	5.39
Out of pocket expenses *	**2.89**	2.57
Legal and Professional charges	**479.92**	460.49
Directors sitting fees	**6.27**	6.30
Bad debts	**3.99**	-
Provision for doubtful debts and advances (net)	**-**	47.66
Donation	**49.33**	0.89
CSR expenditure (Refer note 49)	**117.94**	421.89
Loss on sale of investments (net)	**635.01**	-
Miscellaneous expenses	**3,692.03**	3,480.53
	27,963.74	24,163.68

Note: * Includes payment for limited review to erstwhile auditors.

34. Earnings per share (EPS)

	2017-2018	2016-2017
Profit for the year (Rupees in lakhs)	**17,350.91**	18,853.20
Weighted average number of shares	**177,804,892**	177,833,084
Nominal value per share (Rupees)	**1.00**	1.00
Earnings per share - Basic (Rupees)	**9.76**	10.60
- Diluted (Rupees)	**9.76**	10.60

35. Components of Other Comprehensive Income:

During the year ended 31st March 2018

Rupees in lakhs

	Retained Earnings	FVTOCI Reserve	Foreign Currency Translation Reserve	Total
Remeasurement losses on defined benefit plans (net of tax)	**(51.63)**	**-**	**-**	**(51.63)**
Gain on FVTOCI financial assets (net)	**-**	**24.02**	**-**	**24.02**
Exchange differences in translating financial statements of foreign operations	**-**	**-**	**204.13**	**204.13**
	(51.63)	**24.02**	**204.13**	**176.52**

During the year ended 31st March 2017

Rupees in lakhs

	Retained Earnings	FVTOCI Reserve	Foreign Currency Translation Reserve	Total
Remeasurement losses on defined benefit plans (net of tax)	(19.26)	-	-	(19.26)
Gain on FVTOCI financial assets (net)	-	31.81	-	31.81
Exchange differences in translating financial statements of foreign operations	-	-	(92.90)	(92.90)
	(19.26)	31.81	(92.90)	(80.35)

36. Dividend distribution made and proposed:

The following dividends on equity shares were declared and paid by the Company during the year:	**31st March 2018 Rupees in lakhs**	31st March 2017 Rupees in lakhs
Final dividend for the year ended 31st March 2017 - Rs. 2.25 per equity share	**4,001.27**	-
Tax on final dividend	**814.56**	-
	4,815.83	-
The following dividend on equity shares are proposed by the Company:		
Proposed dividend for the year ended 31st March 2018 - Rs. Nil per equity share (Previous year - Rs. 2.25 per equity share)	**-**	4,001.24
Tax on proposed dividend	**-**	814.56
	-	4,815.80

Proposed dividends on equity shares are subject to approval at the annual general meeting and are not recognised as a liability (including tax thereon) as at 31st March 2017.

37. Financial Risk Management Objectives and Policies:

Risk Management is an integral part of the Group's plans and operations. While the Group has a proven ability to successfully take on challenges, the efforts are to become even more proactive in recognising and managing risks, through an organised framework. The Group recognises risk management as an integral component of good corporate governance and fundamental in achieving its strategic and operational objectives.

The Group through its Board of Directors has constituted a Risk Management Committee, consisting of majority of Board members. The Board has defined the roles and responsibilities of the Risk Management Committee and may delegate monitoring and reviewing of the Risk Management plan, to the Committee, and such other functions as it may deem fit.

Market Risk :
Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk. Financial instruments affected by market risk include deposits, FVTOCI investments and derivative financial instruments.

The Group has designed risk management frame work to control various risks effectively to achieve the business objectives. This includes identification of risk, its assessment, control and monitoring at timely intervals.

Interest Rate Risk :
Interest rate risk is the loss of fair value of future earnings of financial instruments because of changes in market interest rates. Investment committee manages and constantly reviews the interest rate movements in the market in order to optimise the Group's interest income. The Group does not have any exposure to any interest bearing debt instruments.

Foreign Currency Risk :
Foreign currency risk is the loss of fair value of future earnings of financial instruments because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities (when revenue or expense is denominated in a foreign currency).

Foreign Currency Sensitivity :

The following table demonstrate the sensitivity to a reasonably possible change in USD rate with all other variables held constant. The impact on the Group's profit before tax is due to changes in the fair value of monetary assets and liabilities. The Group's exposure to foreign currency changes for all other currencies is not material.

Particulars	Change in USD rate	Effect on Profit before tax Rupees in lakhs	Effect on Equity Rupees in lakhs
31st March 2018	**+1%** **-1%**	**18.88** **(18.88)**	**12.35** **(12.35)**
31st March 2017	+1% -1%	43.58 (43.58)	28.49 (28.49)

Credit Risk :

Credit risk is the risk of possible default by the counter party resulting in a financial loss. The Group manages its credit risk through various internal policies and procedure set forth for effective control over credit exposure. Major credit risk at the reporting date is from trade receivables. Trade receivables are managed by way of setting various parameters like credit limit, evaluation of financial condition before supply, supply terms, industry trends, ageing analysis.

Liquidity Risk:

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The Group manages liquidity risk by maintaining adequate reserves, by continuously monitoring forecast and actual cash flows and matching the maturity profiles of the financial assets and liabilities.

The table below summarises the maturity profile of the Group's financial liabilities based on contractual undiscounted payments.

Rupees in lakhs

Particulars	**31st March 2018**			31st March 2017		
	Less than 1 year	**More than 1 year**	**Total**	Less than 1 year	More than 1 year	Total
Trade payables	**9,731.86**	**-**	**9,731.86**	7,510.01	-	7,510.01
Borrowings	**9.03**	**60.45**	**69.48**	9.15	69.48	78.63
Other financial liabilities	**6,164.95**	**152.10**	**6,317.05**	5,616.54	-	5,616.54

38. Financial Instruments

Fair values

Set out below, is a comparison by class of the carrying amounts and fair value of the Group's financial instruments:

The carrying value and fair value of financial instruments by categories as at the balance sheet date were as follows:

Particulars	**Carrying Value**		**Fair Value**	
	31st March 2018 Rupees in lakhs	31st March 2017 Rupees in lakhs	**31st March 2018 Rupees in lakhs**	31st March 2017 Rupees in lakhs
Financial assets:				
FVTOCI financial investments	**205.71**	181.68	**205.71**	181.68
FVTPL financial investments	**44,965.89**	47,243.78	**44,965.89**	47,243.78
Total	**45,171.60**	47,425.46	**45,171.60**	47,425.46

The management assessed that cash and cash equivalents, trade receivables, loans, trade payables, other financial assets and other financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

The fair values of quoted equity instruments are derived from quoted market prices in active markets.

Reconciliation of fair value measurement of equity shares classified as FVTOCI assets:

	Total Rupees in lakhs
As at 1st April 2016	(0.61)
Re-measurement recognised in OCI	31.81
As at 31st March 2017	31.20
Re-measurement recognised in OCI	24.02
As at 31st March 2018	**55.22**

Fair value hierarchy

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.
Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly unobservable.

The following table represents the fair value hierarchy of Financial assets measured at fair value as on 31st March 2018:

Rupees in lakhs

Financial assets:	**As on 31st March 2018**	**Fair Value measurement at end of reporting period**		
		Level 1	**Level 2**	**Level 3**
Investments				
Mutual Funds	**44,965.89**	**44,965.89**	**-**	**-**
Non-Convertible Debentures	**-**	**-**	**-**	**-**
Quoted Equity Instruments	**205.08**	**205.08**	**-**	**-**
Unquoted Equity Instruments	**0.63**	**-**	**-**	**0.63**
Total	**45,171.60**	**45,170.97**	**-**	**0.63**

The following table represents the fair value hierarchy of Financial assets measured at fair value as on 31st March 2017:

Rupees in lakhs

Financial assets:	As on 31st March 2017	Fair Value measurement at end of reporting period		
		Level 1	Level 2	Level 3
Investments				
Mutual Funds	46,680.01	46,680.01	-	-
Non-Convertible Debentures	563.77	-	-	563.77
Quoted Equity Instruments	181.05	181.05	-	-
Unquoted Equity Instruments	0.63	-	-	0.63
Total	47,425.46	46,861.06	-	564.40

There have been no transfers between Level 1 and Level 2 during the period.

39. Capital Management

Capital includes equity attributable to the equity holders to ensure that it maintains an efficient capital structure and healthy capital ratios in order to support its business and maximise shareholder value. The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions or its business requirements. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes during the year ended 31st March 2018 and 31st March 2017.

The Group maintains a strong capital base and the primary objective of Group's capital management is to maximise the shareholder value.

The Group monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. Net debt is calculated as loans and borrowings less cash and cash equivalents. Based on this, the Group is debt free and would like to remain debt free.

The Group does not have any interest bearing loans and borrowings in the current year as well as previous year.

40. Consolidation of accounts:

The list of subsidiary companies and the joint venture company which are included in consolidation are as under:

Name of the Company	Country of Incorporation	Proportion of ownership interest/ voting power
FDC International Limited	United Kingdom	100% (Previous year – 100%)
FDC Inc.	United States of America	100% (Previous year – 100%)
Fair Deal Corporation Pharmaceutical SA (Pty) Ltd.	Republic of South Africa	49% (Previous year – 49%)

41. Contingent liabilities and commitments (to the extent not provided for):

	31st March 2018 Rupees in lakhs	31st March 2017 Rupees in lakhs
Contingent Liabilities		
a. Disputed tax matters		
Income tax (appealed by the Company)	**1,160.77**	1,198.71
Excise duty (appealed by the Company)	**116.02**	220.21
Sales Tax (appealed by the Company)	**120.46**	146.76
b. In respect of guarantees given by banks	**519.36**	284.12
c. Letter of credit issued by bankers	**303.15**	119.24
d. Estimated amount of duty payable on export obligation against outstanding advance licences	**25.36**	22.70
e. During the year 2013-14, the Company had received notices of demand (including interest) from the National Pharmaceutical Pricing Authority, Government of India on account of alleged overcharging in respect of certain formulations under the Drug (Prices Control) Order, 1995. The Company had filed writ petition before the Hon'ble Supreme Court of India for stay of demand and other matters. The Hon'ble Supreme Court then passed order restraining the Government from taking any coercive action against the Company. The said writ petition was disposed of in July 2016 with a liberty to the writ petitioners to approach the appropriate High Courts for relief, challenging the impugned demand notice issued by Union of India. The Company has filed a writ petition with Delhi High Court in August 2016 for which the Company has deposited 50% of overcharged amount with NPPA. The Company has also simultaneously filed revision petition with NPPA, hence, no provision is considered necessary in respect of the amount majorly being the interest component.	**517.02**	472.40
Commitments		
Estimated amount of capital contracts remaining to be executed and not provided for (net of advances paid)	**428.09**	358.88

Note:

The Company's pending litigations comprise of proceedings pending with Income Tax, Excise, Sales Tax Authorities and National Pharmaceutical Pricing Authority of India. The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed the contingent liabilities where applicable, in its consolidated financial statements. The Company does not expect the outcome of these proceedings to have a materially adverse effect on its financial statements. In respect of litigations, where the management assessment of a financial outflow is probable, the Company has made a provision of Rs. 2,250.00 lakhs as at 31st March 2018 (Previous year – Rs. 2,250.00 lakhs).

42. Disclosure of Employee benefits:

As per Ind AS 19 - "Employee Benefits", the disclosures as required by the Accounting Standard are given below:

Defined Contribution Plan

Contribution to Defined Contribution Plans are recognised as an expense for the year under Contribution to provident and other funds (Refer note 30) as under:

	2017-2018 Rupees in lakhs	2016-2017 Rupees in lakhs
Employer's Contribution to Provident Fund	**411.26**	362.70
Employer's Contribution to Pension Scheme	**477.00**	469.64
Employer's Contribution to Superannuation Fund	**63.85**	59.48

Defined Benefit Plan

The employees' gratuity fund scheme managed by trust is a defined benefit plan. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The Company irrevocably contributes funds to a separate Gratuity Trust which is recognised by Income tax authorities.

Rupees in lakhs

	Gratuity	
	Funded Plan	
	31st March 2018	31st March 2017
I. Change in Benefit Obligation		
Liability at the beginning of the year	**1,620.59**	1,442.40
Interest Cost	**108.09**	107.89
Current Service Cost	**171.51**	153.28
Past Service Cost	**70.61**	
Benefit Paid	**(155.08)**	(119.18)
Actuarial (gain)/ loss arising from changes in financial assumptions	**(33.14)**	44.63
Actuarial (gain)/ loss arising from changes in experience adjustments	**132.35**	(8.43)
Liability at the end of the year	**1,914.93**	1,620.59
II. Fair Value of Plan Assets		
Fair Value of Plan Assets at the beginning of the year	**1,457.42**	1,302.43
Return on Plan assets	**97.21**	97.42
Contributions	**170.00**	170.00
Benefit Paid	**(155.08)**	(119.18)
Actual gain/ (loss) on Plan Assets	**20.25**	6.75
Fair Value of Plan Assets at the end of the year	**1,589.80**	1,457.42
III. Amount recognised in the Consolidated Balance Sheet		
Liability at the end of the year	**(1,914.93)**	(1,620.59)
Fair Value of Plan Assets at the end of the year	**1,589.80**	1,457.42
Amount recognised in the Consolidated Balance Sheet	**(325.13)**	(163.17)
IV. Net Interest Cost for Current Period		
Interest Cost	**108.09**	107.89
Interest Income	**(97.21)**	(97.42)
Net Interest Cost for Current Period	**10.88**	10.47
V. Expense recognised in the Consolidated Statement of Profit and Loss		
Current Service Cost	**171.51**	153.28
Past Service Cost	**70.61**	-
Net Interest Cost for current period	**10.88**	10.47
Expense recognised in the Consolidated Statement of Profit and Loss	**253.00**	163.75
VI. Expense recognised in the Consolidated Other Comprehensive Income (OCI)		
Actuarial (gain)/ loss on Obligations for the period	**99.21**	36.20
Return on Plan Assets excluding Interest Income	**(20.25)**	(6.75)
Net Expense recognised in the Consolidated OCI	**78.96**	29.45

Rupees in lakhs

	Gratuity	
	Funded Plan	
	31st March 2018	31st March 2017
VII. Investment Details		
Government of India Assets	**112.27**	112.27
Corporate Bonds	**658.87**	570.14
State Government	**670.51**	621.21
Equity	**136.87**	136.87
Others	**11.28**	16.93
Total	**1,589.80**	1,457.42
VIII. Actuarial Assumptions		
Discount Rate Current	**7.18%**	6.67%
Rate of Return on Plan Assets Current	**7.18%**	6.67%
Employee Attrition rate	**15% to 30%**	15% to 30%
Salary Escalation Current	**7.00%**	7.00%
IX. Maturity Analysis of Projected Benefit Obligation from the Fund		
Projected Benefits payable in future years from the date of reporting:		
Within the next 12 months	**448.33**	356.18
Between 2 and 5 years	**1020.19**	849.50
Sum of 6 to 10 Years	**705.42**	595.34
Sum of 11 Years and above	**379.47**	343.88
X. Sensitivity Analysis for significant assumptions		
Benefit Obligation as at the end of the year	**1,914.93**	1,620.59
Increase/ (decrease) in Present Value of Benefit Obligation as at the end of the year:		
Effect of +1% change in Rate of Discounting	**(61.17)**	(54.68)
Effect of -1% change in Rate of Discounting	**66.29**	59.47
Effect of +1% change in Rate of Salary Increase	**62.62**	58.70
Effect of -1% change in Rate of Salary Increase	**(59.26)**	(55.01)
Effect of +1% change in Rate of Employee Turnover	**(3.90)**	(6.08)
Effect of -1% change in Rate of Employee Turnover	**3.90**	6.27

XI. Salary Escalation Rate

The estimates of future salary increase considered in actuarial valuation is taken on account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

XII. Basis used to determine Rate of Return on Plan Assets

The rate of return on Plan Assets is based on expectation of the average long term rate of return expected on investments of the fund during the estimated term of the obligations.

XIII. The Group expects to contribute Rs. 515.85 lakhs to gratuity in next year (Previous year – Rs. 334.68 lakhs).

The liability for leave encashment as at the year end is Rs. 871.17 lakhs (Previous year – Rs. 773.63 lakhs) and provision for sick leave as at the year end is Rs. 106.64 lakhs (Previous year – Rs. 93.80 lakhs).

43. Segment information:

Primary segment information
The Group is engaged in pharmaceutical business which as per Ind AS 108 - "Operating Segments" is considered the only business segment.

Secondary segment information
The principal geographical areas in which the Group operates are India and others. The country-wise segmentation is not relevant as exports to individual countries are not more than 10% of enterprise revenue.

The information related to secondary segment is as under:

Rupees in lakhs

Particulars		India	Others	Total
Segment Revenue	**2017-2018** 2016-2017	**93,641.68** 88,878.53	**14,666.89** 16,219.42	**108,308.57** 105,097.95
Carrying amount of Non-Current Assets by location of assets	**31st March 2018** 31st March 2017	**68,689.11** 68,532.94	**389.11** 355.82	**69,078.22** 68,888.76

Non Current Assets for this purpose consists of Property, plant and equipment, Intangible assets and Other non-current assets.

The Group does not have any customer with whom revenue from transactions is more than 10% of Group's total revenue.

44. Related party disclosures, as required by Ind AS 24 - "Related Party Disclosures" are given below:

Names of related parties where control exists irrespective of whether transactions have occurred or not:

Joint Venture Company
- Fair Deal Corporation Pharmaceutical SA (Pty) Ltd.

Names of other related parties with whom transactions have taken place during the year:

Managerial Personnel

- Mr. Mohan A. Chandavarkar	Chairman and Managing Director
- Mr. Ashok A. Chandavarkar	Executive Director
- Mr. Nandan M. Chandavarkar	Joint Managing Director
- Mr. Ameya A. Chandavarkar	Executive Director
- Ms. Nomita R. Chandavarkar	Executive Director
- Dr. Rahim H. Muljiani	Independent Director
- Dr. Satish S. Ugrankar	Independent Director
- Mr. Girish C. Sharedalal (Resigned w.e.f. 01.04.2017)	Independent Director
- Mr. Vinod G. Yennemadi	Independent Director
- Ms. Swati S. Mayekar	Independent Director
- Mr. Uday Kumar Gurkar	Independent Director
- Mr. Sanjay Jain	Chief Financial Officer
- Ms. Varsharani Katre	Company Secretary

Relatives of Managerial Personnel
- Ms. Sandhya M. Chandavarkar, wife of Mr. Mohan A. Chandavarkar
- Ms. Mangala A. Chandavarkar, wife of Mr. Ashok A. Chandavarkar
- Ms. Meera R. Chandavarkar, mother of Ms. Nomita R. Chandavarkar
- Ms. Aditi C. Bhanot, daughter of Mr. Ashok A. Chandavarkar

Enterprises owned or significantly influenced by Managerial Personnel or their relatives
- Anand Chandavarkar Foundation
- Leo Advisors Private Limited
- Virgo Advisors Private Limited
- SFA Events Private Limited

Post-employment benefit plans:
- FDC Employees Gratuity Fund
- FDC Employees Superannuation Fund

Nature of transactions:

		2017-2018 Rupees in lakhs	2016-2017 Rupees in lakhs
1	**Interest income**		
	Fair Deal Corporation Pharmaceutical SA (Pty) Ltd.	18.36	10.33
2	**Sale of asset**		
	Mr. Sanjay Jain	-	123.00
3	**Donation paid**		
	Anand Chandavakar Foundation	8.00	-
4	**Sales Promotional expeses incurred**		
	SFA Events Private Limited	14.00	8.00
5	**Managerial remuneration***		
	Mr. Mohan A. Chandavarkar	211.03	200.43
	Mr. Ashok A. Chandavarkar	148.53	136.24
	Mr. Nandan M. Chandavarkar	175.54	164.32
	Mr. Ameya A. Chandavarkar	121.46	114.03
	Ms. Nomita R. Chandavarkar	59.31	58.62
	Dr. Rahim H. Muljiani	3.55	3.40
	Dr. Satish S. Ugrankar	2.60	2.60
	Mr. Girish C. Sharedalal	-	17.08
	Mr. Vinod G. Yennemadi	3.55	3.40
	Ms. Swati S. Mayekar	3.55	3.40
	Mr. Uday Kumar Gurkar	2.95	2.60
	Mr. Sanjay Jain	64.68	56.20
	Ms. Varsharani Katre	20.56	19.80
		817.31	782.12
6	**Dividend on equity shares paid**		
	Mr. Mohan A. Chandavarkar	427.96	-
	Mr. Nandan M. Chandavarkar	122.53	-
	Mr. Ameya A. Chandavarkar	241.21	-
	Ms. Nomita R. Chandavarkar	127.87	-
	Dr. Rahim H. Muljiani	0.09	-
	Dr. Satish S. Ugrankar	9.04	-
	Mr. Vinod G. Yennemadi	0.31	-
	Ms. Sandhya M. Chandavarkar	435.50	-
	Ms. Meera R. Chandavarkar	769.26	-
	Ms. Aditi C. Bhanot	27.00	-
	Leo Advisors Private Limited	363.02	-
	Virgo Advisors Private Limited	242.01	-
		2,765.80	-
7	**Buyback of Shares**		
	Mr. Mohan A. Chandavarkar	1,115.23	-
	Mr. Nandan M. Chandavarkar	319.31	-
	Mr. Ameya A. Chandavarkar	628.59	-
	Ms. Nomita R. Chandavarkar	333.21	-
	Dr. Satish S. Ugrankar	22.34	-
	Mr. Vinod G. Yennemadi	1.22	-
	Ms. Sandhya M. Chandavarkar	1,134.90	-
	Ms. Meera R. Chandavarkar	2,005.11	-
	Ms. Aditi C. Bhanot	70.36	-
	Leo Advisors Private Limited	946.00	-
	Virgo Advisors Private Limited	630.67	-
		7,206.94	-
8	**Loan granted**		
	Fair Deal Corporation Pharmaceutical SA (Pty) Ltd.	-	75.22

Note : * Including perquisites, contribution to Provident fund and other funds but excludes gratuity and compensated absences as the provision is computed for the Company as a whole and separate figures are not available.

Outstanding amount of Related Parties:

		31st March 2018 Rupees in lakhs	31st March 2017 Rupees in lakhs
1	**Outstanding balances against loan granted included in Current portion of Financial Assets – Loans**		
	Fair Deal Corporation Pharmaceutical SA (Pty) Ltd.	**281.09**	243.65
2	**Outstanding balances against interest on loan granted included in Current portion of Other Financial Assets**		
	Fair Deal Corporation Pharmaceutical SA (Pty) Ltd.	**40.42**	19.12
3	**Outstanding Reimbursement of expenses receivable included in Other Current Assets**		
	Fair Deal Corporation Pharmaceutical SA (Pty) Ltd.	**19.23**	19.23
4	**Outstanding balances payable included in Other Financial Liabilities**		
	Mr. Mohan A. Chandavarkar	**118.61**	116.10
	Mr. Ashok A. Chandavarkar	**94.89**	91.27
	Mr. Nandan M. Chandavarkar	**94.89**	93.17
	Mr. Ameya A. Chandavarkar	**71.17**	69.36
	Ms. Nomita R. Chandavarkar	**35.58**	34.72
	Dr. Rahim H. Muljiani	**2.00**	2.00
	Dr. Satish S. Ugrankar	**2.00**	2.00
	Mr. Girish C. Sharedalal	**-**	16.48
	Mr. Vinod G. Yennemadi	**2.00**	2.00
	Ms. Swati S. Mayekar	**2.00**	2.00
	Mr. Uday Kumar Gurkar	**2.00**	2.00
		425.14	431.10

Terms and conditions of transactions with related parties

The sales to related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. For the year ended 31st March 2018, the Group has not recorded any impairment of receivables relating to amounts owed by related parties (Previous year – Rs. Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

45. Pursuant to Ind AS 17 - "Leases", disclosure on leases is as follows:

The Group's significant leasing arrangements are in respect of godowns/ office premises taken on operating lease basis. The aggregate lease rentals payable are charged as Rent and shown under 'Other Expenses' (Refer note 33). Lease rent debited to Statement of Profit & Loss is Rs. 576.61 lakhs (Previous year – Rs. 52.76 lakhs).

These leasing arrangements, which are cancellable, range between 1 year and 5 years generally, or longer, and are usually renewable by mutual consent on mutually agreeable terms. There are certain agreements which provide for increase in rent. There are no sub-leases. Future minimum rent payable under non cancellable operating lease are as follows:

	31st March 2018 Rupees in lakhs	31st March 2017 Rupees in lakhs
Within 1 year	**526.50**	548.44
After 1 year but not more than 5 years	**1,733.06**	2,106.00
More than 5 years	**-**	153.56

46. Pursuant to the Ind AS 112 – "Disclosure of Interest in Other Entities", the disclosures relating to the Joint Venture Company is as follows:

Sr. No.	Name	Country of Incorporation	Percentage of Ownership Interest as on 31st March 2018	Percentage of Ownership Interest as on 31st March 2017
1.	Fair Deal Corporation Pharmaceutical SA (Pty) Ltd.	Republic of South Africa	**49%**	49%

Summarised financial information of the joint venture is given below:

	31st March 2018 Rupees in lakhs	31st March 2017 Rupees in lakhs
Non-current assets	**53.82**	89.47
Current assets [including Cash and cash equivalents – Rs. 5.05 lakhs (Previous year - Rs. 36.69 lakhs)]	**574.48**	516.82
Non-current liabilities	**-**	-
Current liabilities	**(874.85)**	(711.14)
Net Assets	**(219.55)**	(104.85)
Group's share of Net Assets (49%)	**(107.58)**	(51.38)
Carrying amount of interests in joint venture	**(107.58)**	(51.38)

The negative carrying amount of interests in Joint Venture is shown as "Other Payables" under "Other Current Liabilities" in the Consolidated Balance Sheet.

No contingent liabilities and capital commitments have been incurred as at 31st March 2018 in relation to the Group's interest in the joint venture alongwith the other venturers (Previous year – Rs. Nil).

	2017-2018 Rupees in lakhs	2016-2017 Rupees in lakhs
Revenue	**467.16**	541.76
Depreciation and amortisation	**4.03**	3.62
Interest expense	**34.84**	20.29
Income tax expense	**(1.52)**	5.57
Profit/ (Loss)	**(97.39)**	11.86
Other Comprehensive Income	**-**	-
Total Comprehensive Income/ (Loss)	**(97.39)**	11.86
Group's share of Profit/ (Loss) (49%)	**(47.72)**	5.81
Group's share of OCI (49%)	**-**	-
Group's share of Total Comprehensive Income/ (Loss) (49%)	**(47.72)**	5.81

47. Exceptional item

In the previous year ended 31st March 2017, pending legal case before the Hon'ble Supreme Court, relating to alleged overcharging, under the Drugs (Price Control) Order 1995, have been disposed of and the writ petition filed before the Hon'ble Supreme Court stands withdrawn. The Court has granted liberty to the Writ Petitioners to approach the appropriate High Courts for reliefs, challenging the impugned demand notice issued by Union of India.

The Company has approached Delhi High Court in this context. The Company had, out of abundant caution and based on a conservative and best estimate basis, made a provision of Rs. 588.41 lakhs during the previous year ended 31st March 2017. The Company has disclosed the same as exceptional item.

48. Revenue expenditure on research and development (including depreciation and amortisation) aggregating to Rs. 2,487.02 lakhs (Previous year - Rs. 2,543.08 lakhs) is included under relevant heads in the Consolidated Statement of Profit and Loss.

49. Amount spent towards Corporate Social Responsibility activities are as under:

a. Gross amount required to be spent by the Company during the year is Rs. 415.97 lakhs (Previous year - Rs. 403.43 lakhs).

a. Amount spent during the year is given hereunder:

Rupees in lakhs

Sr. No.	Particulars of Activity	2017-2018	2016-2017
(i)	Construction/ acquisition of any asset	-	-
(ii)	On purpose other than (i) above	117.94	421.89
	Total	**117.94**	421.89

50. Details of Loans, Inter Corporate Deposits and Investments as required under Section 186(4) of the Companies Act 2013:

Rupees in lakhs

Particulars	31st March 2018		31st March 2017	
	Loan Given	**Outstanding**	Loan Given	Outstanding
Intercorporate Deposit given and utilised for business operation by recipient - Oboi Laboratories Limited (repayable within 12 months with interest @ 11% p.a.)	**25.00**	**25.00**	25.00	25.00
Loan given to joint venture for working capital/ business operations - Fair Deal Corporation Pharmaceutical SA (Pty) Ltd. (repayable on demand)	**-**	**281.09**	75.22	243.65
Investments Details required under Section 186(4) have been disclosed in note 3 and 9 of the consolidated financial statements				

51. Disclosure on Specified Bank Note:

The disclosures regarding details of specified bank notes held and transacted during 8th November 2016 to 30th December 2016 has not been made since the requirement does not pertain to financial year ended 31st March 2018. Corresponding amounts as appearing in the audited Consolidated Ind AS financial statements for the period ended 31st March 2017 have been disclosed.

Details of Specified Bank Notes (SBN) held and transacted during the period from 8th November 2016 to 30th December 2016 is given below:

Amount in Rupees

Particulars	SBNs	Other Denomination Notes	Total
Closing cash-in-hand on 8th November 2016	**1,262,500**	**806,513**	**2,069,013**
Add: Amount withdrawn from bank	-	3,707,000	3,707,000
Add: Permitted receipts	-	324,965	324,965
Less: Permitted payments	-	(2,854,996)	(2,854,996)
Less: Amount deposited in Banks	(1,262,500)	-	(1,262,500)
Closing cash-in-hand on 30th December 2016	**-**	**1,983,482**	**1,983,482**

52. The Group does not have any long-term contracts including derivative contracts for which there are any material foreseeable losses.

53. Standards issued but not yet effective:

Ind AS 115- Revenue from Contract with Customers ("Standard")

On 28th March 2018, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) Amendment Rules, 2018, notifying Ind AS 115 'Revenue from Contracts with Customers'.

Ind AS 115 establishes a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers. Ind AS 115 will supersede the current revenue recognition standard Ind AS 18 Revenue, Ind AS 11 Construction Contracts when it becomes effective.

The core principle of Ind AS 115 is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Specifically, the standard introduces a 5-step approach to revenue recognition:

Step 1 : Identify the contract(s) with a customer
Step 2 : Identify the performance obligation in contract
Step 3 : Determine the transaction price
Step 4 : Allocate the transaction price to the performance obligations in the contract
Step 5 : Recognise revenue when (or as) the entity satisfies a performance obligation

Under Ind AS 115, an entity recognises revenue when (or as) a performance obligation is satisfied, i.e. when 'control' of the goods or services underlying the particular performance obligation is transferred to the customer.

The Company is evaluating the impact of this Standard on its financial statements.

Ind AS 21 – The effect of changes in Foreign Exchange rates

The amendment clarifies on the accounting of transactions that include the receipt or payment of advance consideration in a foreign currency. The appendix explains that the date of the transaction, for the purpose of determining the exchange rate, is the date of initial recognition of the non-monetary prepayment asset or deferred income liability. If there are multiple payments or receipts in advance, a date of transaction is established for each payment or receipt. The Company is evaluating the impact of this amendment on its financial statements.

54. The comparative financial information of the Company for the year ended 31st March 2017 prepared in accordance with Ind AS included in these consolidated Ind AS financial statements have been audited by auditors other than B S R & Co. LLP.

As per our report of even date attached

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No : 101248W/W-100022

VIKAS R. KASAT
Partner
Membership No : 105317

Place : Mumbai
Date : May 25, 2018

For and on behalf of the **Board of Directors of FDC Limited**
CIN : L24239MH1940PLC003176

MOHAN A. CHANDAVARKAR
Chairman and Managing Director
DIN: 00043344

ASHOK A. CHANDAVARKAR
Director
DIN: 00042719

SANJAY JAIN
Chief Financial Officer

VARSHARANI KATRE
Company Secretary

Place : Mumbai
Date : May 25, 2018

55. Additional information as required under Schedule III to the Companies Act, 2013 of Enterprises consolidated as Subsidiaries/ Joint Venture:

Rupees in lakhs

Name of the entity	31st March 2018								31st March 2017							
	Net Assets (Total Assets minus Total Liabilities)		Share in Profit or Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income		Net Assets (Total Assets minus Total Liabilities)		Share in Profit or Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As % of Consolidated Net Assets	Amount	As % of Consolidated Profit or Loss	Amount	As % of Consolidated Profit or Loss	Amount	As % of Consolidated Profit or Loss	Amount	As % of Consolidated Net Assets	Amount	As % of Consolidated Profit or Loss	Amount	As % of Consolidated Profit or Loss	Amount	As % of Consolidated Profit or Loss	Amount
Parent																
FDC Limited	98.81%	126,091.99	96.44%	16,733.50	100.00%	176.52	96.48%	16,910.02	99.27%	126,083.58	98.95%	18,654.55	100.00%	(80.35)	98.95%	18,574.20
Subsidiaries																
Foreign																
1. FDC International Limited	1.23%	1,574.48	3.84%	666.24	0.00%	-	3.80%	666.24	0.73%	933.43	1.03%	194.03	0.00%	-	1.03%	194.03
2. FDC Inc.	0.04%	52.13	-0.01%	(1.11)	0.00%	-	-0.01%	(1.11)	0.04%	54.10	-0.01%	(1.19)	0.00%	-	-0.01%	(1.19)
Joint Ventures (As per Proportionate Consolidation / investment as per the equity method)																
Foreign																
Fair Deal Corporation Pharmaceuticals SA (Pty) Ltd.	-0.08%	(107.58)	-0.27%	(47.72)	0.00%	-	-0.27%	(47.72)	-0.04%	(51.38)	0.03%	5.81	0.00%	-	0.03%	5.81
	100.00%	127,611.02	100.00%	17,350.91	100.00%	176.52	100.00%	17,527.43	100.00%	127,019.73	100.00%	18,853.20	100.00%	(80.35)	100.00%	18,772.85

As per our report of even date attached

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No : 101248W/W-100022

VIKAS R. KASAT
Partner
Membership No : 105317

Place : Mumbai
Date : May 25, 2018

For and on behalf of the **Board of Directors of FDC Limited**
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Chief Financial Officer

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Place : Mumbai
Date : May 25, 2018

FDC Limited

142-48, S. V. Road, Jogeshwari (W), Mumbai-4000 102
Phone 3071 9100 / 2673 9215