

**INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF DIALFORHEALTH INDIA LIMITED**

Report on the Standalone Financial Statements

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

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

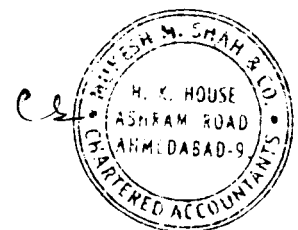
Our responsibility is to express an opinion on these Standalone financial statements based on our audit.

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

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

An audit involves performing procedures to obtain audit evidences about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Company's Directors, as well as evaluating the overall presentation of the financial statements.

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



Opinion

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

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2015;
- (b) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- (c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.
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, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - (e) On the basis of the written representations received from the directors as on 31st March, 2015 and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2015 from being appointed as a director in terms of section 164(2) of the Act.
 - (f) With respect to the other matters to be included in the Auditor's 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:
 - a. The Company does not have any pending litigations which would impact its financial position.
 - b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - c. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For MUKESH M. SHAH & CO.

Chartered Accountants

Firm Registration No.: 106625W

C.S. Shah

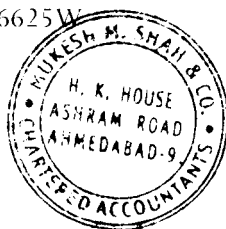
Chandresh S. Shah

Partner

Membership No.: 042132

Place: Ahmedabad

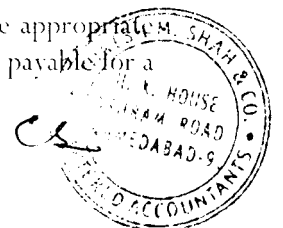
Date: 12/05/2015



ANNEXURE REFERRED TO IN THE INDEPENDENT AUDITORS' REPORT OF EVEN DATE TO THE MEMBERS OF DIALFORHEALTH INDIA LIMITED ON THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015.

Based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, we report that:

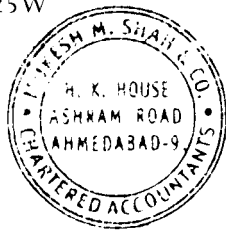
- 1) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
(b) Some of the fixed assets were physically verified during the year by the management in accordance with programme of verification, which in our opinion provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanations given to us no material discrepancies were noticed on such verification. In our opinion, the frequency of verification of the fixed assets is reasonable having regard to the size of the Company and the nature of its assets.
- 2) (a) The inventories have been physically verified by the management during the year.
(b) In our opinion, the procedures for the physical verification of inventory followed by management are reasonable and adequate in relation to the size of the company and the nature of its business.
(c) In our opinion and according to the information and explanation given to us, the company has maintained proper records of inventory. No material discrepancies were noticed on physical verification of inventory.
- 3) In respect of the an unsecured loan granted by the Company to a company covered in the register maintained under Section 189 of the Companies Act, 2013:
(a) The principal amount is repayable over a period of three years, while the interest is payable annually.
(b) In respect of the said loan and interest thereon, there is no overdue amount.
- 4) In our opinion, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of inventory and fixed assets and for the sale of goods and services. During the course of our audit, no major weakness has been noticed in the internal control system in respect of these areas.
- 5) The Company has not accepted any deposits from the Public within the meaning of the provisions of section 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed thereunder. Further, we are informed that no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any other Court or Tribunal.
- 6) In absence of any manufacturing activities carried out by the company, the requirement of maintenance of cost records under sub section 1 of section 148 of the Companies Act, 2013 are not applicable to the Company during the year under audit.
- 7) (a) According to the information and explanations given to us and on the basis of our examination of the books of account, the company has been regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Income-tax, Sales-tax, Service tax, Value added Tax, and any other material statutory dues during the year with the appropriate authorities. Moreover, as at 31st March, 2015, there are no such undisputed dues payable for a period of more than six months from the date they became payable.



- (b) According to the information and explanations given to us, there is no dues under dispute for Income tax, Sales tax, Excise duty and Service tax and other material statutory dues as at 31st March, 2015.
- (c) According to the information and explanations given to us, there is no amount required to be transferred to Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act, 1956 and rules made thereunder.
- 8) The accumulated losses at the end of the financial year has not exceeded fifty per cent of the net worth of the Company and has not incurred cash losses during the financial year and during the immediately preceding financial year.
- 9) As per the information and explanation given to us, the Company has not defaulted in repayment of dues to any banks or financial institutions or debenture holders during the year.
- 10) In our opinion and according to the information and explanations given to us, the Company has not given any guarantees for loans taken by any other companies; hence question of reporting under clause 3(x) of the order does not arise.
- 11) The Company has not availed any term loans during the year, hence, question of reporting under clause 3(xi) of the order does not arise.
- 12) To the best of our knowledge and based on information and explanations received from the management, no fraud on or by the Company has been noticed or reported during the period covered by our audit.

For MUKESH M. SHAH & CO.
Chartered Accountants
Firm Registration No.: 106625W

C.S. Shah
Chandresh S. Shah
Partner
Membership No.: 042132
Place: Ahmedabad
Date: 12/05/2015



Dialforhealth India Limited
Balance Sheet as at March 31, 2015

Particulars	Note No.	INR - Thousands	
		As at March 31	
		2015	2014
EQUITY AND LIABILITIES:			
Shareholders' Funds:			
Share Capital	1	250,000	250,000
Reserves and Surplus	2	(87,946)	(88,937)
		162,054	161,063
Non-Current Liabilities:			
Long Term Borrowings	3	124,176	132,176
Other Long Term Liabilities	4	356	356
Long Term Provisions	5	1,299	1,023
		125,831	133,555
Current Liabilities:			
Trade Payables	6	923	6,333
Other Current Liabilities	7	1,731	1,505
Short Term Provisions	8	165	88
		2,819	7,926
Total		290,704	302,544
ASSETS:			
Non-Current Assets:			
Fixed Assets:			
Tangible Assets	9	5,485	10,485
Non Current Investments	10	-	2,775
Long Term Loans and Advances	11	202,521	206,213
		208,006	219,473
Current Assets:			
Inventories	12	76,241	75,741
Trade Receivables	13	1,689	287
Cash and Bank Balances	14	4,013	6,340
Short Term Loans and Advances	15	711	669
Other Current Assets	16	44	34
		82,698	83,071
Total		290,704	302,544
Significant Accounting Policies	II		
Notes to the Financial Statements	1 to 36		

As per our report of even date

For Mukesh M. Shah & Co.

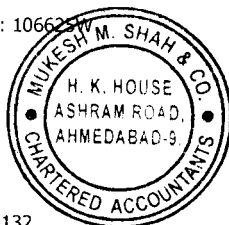
Chartered Accountants

Firm Registration Number: 106625W

C S Shah
Chandresh S. Shah
Partner

Membership Number: 042132

Ahmedabad, Dated: 12/05/2015



Jayesh K. Patel
Jayesh K. Patel
Chief Financial Officer

Urvi A. Kadakia
Urvi A. Kadakia
Company Secretary

Sharvil P. Patel
Sharvil P. Patel
Chairman
V. K. Sharma
V. K. Sharma
Director - Operation

For and on behalf of the Board

Dialforhealth India Limited
Statement of Profit and Loss for the year ended March 31, 2015

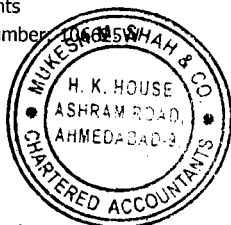
Particulars	Note No.	INR - Thousands	
		Year ended March 31	
		2015	2014
REVENUE:			
Revenue from Operations:			
Sale of Products	18	137,338	116,567
Other Operating Revenues	18	693	1,504
Revenue from Operations		138,031	118,071
Other Income	19	20,067	17,552
Total Revenue		158,098	135,623
EXPENSES:			
Purchases of Stock-in-Trade	20	122,499	112,337
Changes in Inventories of Stock-in-Trade	21	(500)	(12,779)
Employee Benefits Expenses	22	12,120	11,141
Finance Cost	23	353	283
Depreciation and Amortisation expenses	9 & 35	1,728	1,761
Other Expenses	24	13,546	17,649
Total Expenses		149,746	130,392
Profit before exceptional & extraordinary items and Tax		8,352	5,231
Less : Exceptional Items	25	4,275	-
Profit before Tax		4,077	5,231
Less: Tax Expense:			
Deferred Tax	34	-	-
Profit for the year		4,077	5,231
Basic & Diluted Earning per Equity Share [EPS] [in Rupees]	26	0.82	1.05
Significant Accounting Policies	II		
Notes to the Financial Statements	1 to 36		

As per our report of even date

For Mukesh M. Shah & Co.

Chartered Accountants

Firm Registration Number: 06015



C S Shah

Chandresh S. Shah
Partner

Membership Number: 042132

Ahmedabad, Dated: 12/05/2015

For and on behalf of the Board

Sharvil P. Patel
Sharvil P. Patel
Chairman

Jayesh K. Patel
Jayesh K. Patel
Chief Financial Officer

Unni A. Kadakia
Unni A. Kadakia
Company Secretary

V. K. Sharma
V. K. Sharma
Director - Operation

Dialforhealth India Limited
Cash Flow Statement for the year ended March 31, 2015

Particulars	INR-Thousand	
	Year ended March 31	
	2015	2014
A Cash flows from operating activities:		
Profit before Tax	4,077	5,231
Adjustments for:		
Depreciation	1,728	1,761
Provision for diminution in value of investments	2,775	-
Provision for doubtful advances	1,500	-
Loss on sale of assets	66	8
Provisions for employee benefits	353	(132)
Total	6,422	1,637
Operating profit before working capital changes	10,499	6,868
Adjustments for:		
[Increase]/ Decrease in inventories	(500)	(12,779)
[Increase]/ Decrease in short term advances	(42)	(56)
[Increase]/ Decrease in long term advances	1,547	(200,182)
[Increase]/ Decrease in other current assets	(10)	(6)
[Increase]/ Decrease in other trade receivables	(1,402)	(287)
Increase/ [Decrease] in trade payables	(5,410)	5,772
Increase/ [Decrease] in other current liabilities	226	531
Total	(5,591)	(207,007)
Cash generated from operations	4,908	(200,139)
Direct taxes paid [Net of refunds]	645	(429)
Net cash from operating activities	5,553	(200,568)
B Cash flows from investing activities:		
Sale of fixed Assets	136	-
Purchase of fixed assets	(16)	(459)
Net cash from investing activities	120	(459)
C Cash flows from financing activities:		
Proceeds from issue of Preference Share Capital	-	200,000
Proceeds from Long Term Borrowings	-	1,500
Repayment of Long Term Borrowings	(8,000)	-
Net cash from financing activities	(8,000)	201,500
Net increase in cash and cash equivalents	(2,327)	473
Cash and cash equivalents at the beginning of the year	6,340	5,867
Cash and cash equivalents at the end of the year	4,013	6,340

Notes to the Cash Flow Statement

- 1 All figures in brackets are outflows.
- 2 Previous year figures have been regrouped wherever necessary.
- 3 Cash and cash equivalents at the end [beginning] of the year includes Rs. Nil [Rs. Nil] not available for immediate use.

As per our report of even date

For Mukesh M. Shah & Co.

Chartered Accountants

Firm Registration Number: 106625W

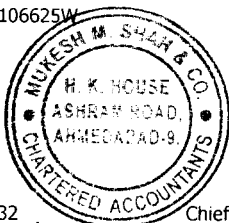
C S Shah

Chandresh S. Shah

Partner

Membership Number: 042132

Ahmedabad, Dated: 12/05/2015



Jayesh K. Patel
Jayesh K. Patel
Chief Financial Officer

Urvi A. Kadakia
Urvi A. Kadakia
Company Secretary

For and on behalf of the Board

Sharvil P. Patel
Sharvil P. Patel
Chairman

V. K. Sharma
V. K. Sharma
Director

Dialforhealth India Limited

I-Company Overview:

Dialforhealth India Limited [the Company] was incorporated on March 6, 2000. The company's registered office is situated at Zydus Tower, Satellite Cross Roads, Ahmedabad. The principal business of the company is to run retail pharmacy stores across India. The Company's shares are held by Cadila Healthcare Limited and its nominees [Holding Company].

II-Significant Accounting Policies:

1 Basis of Accounting:

The financial statements are prepared under the historical cost convention on the "Accrual Concept" of accountancy in accordance with the accounting principles generally accepted in India and they comply with the Accounting Standards prescribed under section 133 of the Companies Act, 2013 read with Rule 7 of the Companies [Accounts] Rules, 2014 and other pronouncement issued by the Institute of Chartered Accountants of India [ICAI], to the extent applicable, and with the applicable provisions of the Companies Act, 2013.

2 Use of Estimates:

The preparation of Financial Statements in conformity with the Accounting Standards generally accepted in India requires, the management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities as at the date of the financial statements and reported amounts of revenues and expenses for the reporting period while actual results could differ from these estimates. Any revision to accounting estimates is recognised prospectively in current and future periods.

3 Fixed Assets and Depreciation:

- A** Fixed Assets are stated at historical cost of acquisition/ construction less accumulated depreciation and impairment loss. Cost [Net of Input tax credit received/ receivable] includes related expenditure and pre-operative & project expenses for the period up to completion of construction/ assets are put to use.
- B** Depreciation on tangible assets is provided on "straight line method" based on the useful lives as prescribed under Schedule II of the Companies Act, 2013.
- C** Depreciation on additions/ disposals of the fixed assets during the reporting period is provided on pro-rata basis according to the period during which assets are put to use.
- D** Where the actual cost of purchase of an asset is below Rs. 10,000/-, the depreciation is provided @ 100%.

4 Borrowing Costs:

- A** Borrowing costs that are directly attributable to the acquisition/ constructions of a qualifying asset are capitalised as part of the cost of such assets, up to the date, the assets are ready for their intended use.
- B** Other Borrowing costs are recognised as an expense in the period in which they are incurred.

5 Expenditure during construction period:

The expenditure incurred for/ incidental to the establishment of retail shops are shown under "Pre operative and project expenses pending allocation". The said expenditure are allocated to fixed assets upon commencement of operation by the respective retail shop.

6 Investments:

Long term and strategic investments are stated at cost, less any diminution in the value other than temporary.

7 Inventories:

Trading Goods are valued at lower of cost [Net of Input tax credit availed] and net realisable value.

8 Revenue Recognition:

- A** Revenue from sale of goods is recognised when significant risk and rewards of ownership of the goods have been passed on to the buyer.
- B** Service income is recognised as per the terms of the contract with the customers when the related services are performed or the agreed milestone are achieved and are net of service tax wherever applicable.
- C** Interest income is recognised on time proportionate method.
- D** Revenue in respect of other income is recognised when no significant uncertainty as to its determination or realisation exists.

9 Employee Benefits:

A Defined Contribution Plans:

The Company contributes on a defined contribution basis to Employees' Provident Fund towards post employment benefits, all of which are administered by the respective Government authorities, and has no further obligation beyond making its contribution, which is expensed in the period to which it pertains.

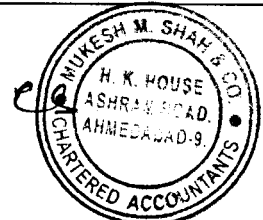
B Defined Benefit Plans:

The gratuity scheme is administered through the Life Insurance Corporation of India [LIC]. The liability for the defined benefit plan of Gratuity is determined on the basis of an actuarial valuation by an independent actuary at the reporting period end, which is calculated using projected unit credit method.

Actuarial gains and losses which comprise experience adjustment and the effect of changes in actuarial assumptions are recognised in the Statement of Profit and Loss.

C Leave Liability:

The employees of the company are entitled to leave as per the leave policy of the company. The liability on account of accumulated leave as on last day of the reporting period is recognised [net of the fair value of plan asset as at the balance sheet date] at present value of the defined obligation at the balance sheet date based on the actuarial valuation carried out by an independent actuary using projected unit credit method.



II - Significant Accounting Policies-Continued:

10 Provision for Bad and Doubtful Debts/ Advances:

Provision is made in accounts for bad and doubtful debts/ advances which in the opinion of the management are considered doubtful of recovery.

11 Taxes on Income:

A Tax expenses comprise of current and deferred tax.

B Current tax is measured at the amount expected to be paid on the basis of reliefs and deductions available in accordance with the provisions of the Income Tax Act, 1961.

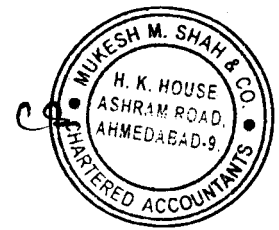
C Deferred tax reflects the impact of current reporting period timing differences between accounting and taxable income and reversal of timing differences of earlier reporting periods. Deferred tax is measured based on the tax rates and laws that have been enacted or substantively enacted as of the balance sheet date. Deferred tax assets are recognised only to the extent there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised and are reviewed at each balance sheet date.

12 Leases:

Leases are classified as operating leases where the lessor effectively retains substantially all the risks and benefits of the ownership of the leased assets. Operating lease payments are recognised as expenses in the statement of Profit and Loss as on a straight line basis over the lease term.

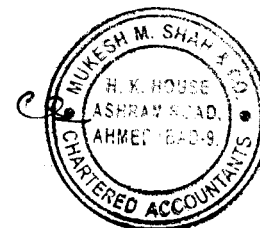
13 Provisions, Contingent Liabilities and Contingent Assets:

Provision is recognised when the company has a present obligation as a result of past events and it is probable that the outflow of resources will be required to settle the obligation and in respect of which reliable estimates can be made. A disclosure for contingent liability is made when there is a possible obligation, that may, but probably will not require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision/ disclosure is made. Contingent assets are not recognised in the financial statements. Provisions and contingencies are reviewed at each balance sheet date and adjusted to reflect the correct management estimates.



Dialforhealth India Limited
Notes to the Financial Statements

	INR - Thousands	
	As at March 31	
	2015	2014
Note: 1-Share Capital:		
Authorised:		
5,000,000 [as at March 31, 2014: 5,000,000] Equity Shares of Rs.10/- each	50,000	50,000
2,000,000 [as at March 31, 2014: 2,000,000] 5% Non-cumulative Redeemable Preference Shares of Rs.100/- each	200,000	200,000
	250,000	250,000
Issued, Subscribed and Paid-up:		
5,000,000 [as at March 31, 2014: 5,000,000] Equity Shares of Rs.10/- each, fully paid-up	50,000	50,000
2,000,000 [as at March 31, 2014: 2,000,000] 5% Non-cumulative Redeemable Preference Shares of Rs.100/- each	200,000	200,000
	250,000	250,000
Total	250,000	250,000
A There is no change in the number of equity shares as at the beginning and end of the year. Number of equity shares at the beginning and at the end of year	5,000,000	5,000,000
B The reconciliation of the number of Preference Shares outstanding is as under: Number of shares at the beginning of the year	2,000,000	-
Add: Shares issued during the year	-	2,000,000
Number of shares at the end of the year	2,000,000	2,000,000
C The Company has equity shares and preference shares. All equity shares rank pari passu and carry equal rights with respect to voting and dividend. In the event of liquidation of the Company, the equity shareholders shall be entitled to proportionate share of their holding in the assets remained after distribution of all preferential amounts.		
D All Preference shares are redeemable on completion of fifth year from the respective date of its issue, May 17, 2013, for 1,500,000 shares and August 1, 2013 for 500,000 shares.		
E The Preference shares shall carry a preferential right with respect to dividend on the paid up capital in the event of distribution of profits by the company. In case of winding up of the Company, preference shareholders shall be entitled to rank as regards repayment of capital and dividend up to the commencement of winding up, in priority to equity shares.		
F All Equity shares of Rs. 10/- each, fully paid held by Holding Company, Cadila Healthcare Limited and its nominees		
Number of Shares	5,000,000	5,000,000
% to total share holding	100%	100%
G All Preference shares of Rs. 100/- each, fully paid held by Holding Company, Cadila Healthcare Limited		
Number of Shares	2,000,000	2,000,000
% to total share holding	100%	100%
Note: 2-Reserves and Surplus:		
Surplus in statement of Profit and Loss:		
Balance as per last Balance Sheet	(88,937)	(94,168)
Less: Additional depreciation upon revision in useful lives of tangible assets [Refer Note-35]	3,086	-
Add: Profit for the year	4,077	5,231
Balance as at the end of the year	(87,946)	(88,937)
Total	(87,946)	(88,937)
Note: 3-Long Term Borrowings:		
Loans and advances from Related Parties [Unsecured] [*]	124,176	132,176
Total	124,176	132,176
[*] Details of Loans and Advances from Related Parties [Refer Note-33 for relationship] are as under:		
a Cadila Healthcare Limited-Holding Company [Interest free loan without specific repayment terms]	124,176	132,176
Note: 4-Other Long Term Liabilities:		
Others [Unsecured]	356	356
Total	356	356
Note: 5-Long Term Provisions:		
Provision for Employee Benefits	1,299	1,023
Total	1,299	1,023



Dialforhealth India Limited
Notes to the Financial Statements

Note: 5-Long Term Provisions-Continued:

Disclosure pursuant to Accounting Standard-15 [Revised] "Employee Benefits":

Defined benefit plan and long term employment benefit

A General description:

Leave wages [Long term employment benefit]:

The employees of the company are entitled to leave as per the leave policy of the company. The leave wages are payable to all eligible employees for each day of accumulated leave on death or on resignation or upon retirement on attaining superannuation age.

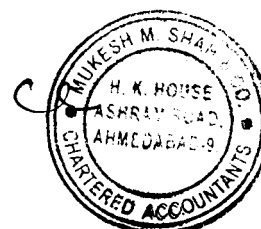
Gratuity [Defined benefit plan]:

The Company has a defined benefit gratuity plan. Every employee who has completed continuous services of five years or more gets a gratuity on death or resignation or retirement at 15 days salary [last drawn salary] for each completed year of service. The scheme is funded with an insurance company in the form of a qualifying insurance policy.

INR - Thousands

As at March 31

	2015			2014		
	Med. Leave	Leave Wages	Gratuity	Med. Leave	Leave Wages	Gratuity
B Change in the present value of the defined benefit obligation:						
Opening defined benefit obligation	18	1,006	1,322	21	1,084	1,228
Interest cost	1	76	99	1	86	98
Current service cost	21	129	171	1	118	157
Past Service liability	235					
Benefits paid	-	(95)	(77)	-	(57)	(36)
Actuarial [gains]/ losses on obligation	(91)	-	99	(5)	(225)	(125)
Closing defined benefit obligation	184	1,116	1,614	18	1,006	1,322
C Change in the fair value of plan assets:						
Opening fair value of plan assets	-	-	1,571	-	-	1,457
Expected return on plan assets	-	-	130	-	-	134
Contributions by employer	-	-	17	-	-	25
Benefits paid	-	-	(77)	-	-	(36)
Actuarial gains/ [losses]	-	-	(7)	-	-	(9)
Closing fair value of plan assets	-	-	1,634	-	-	1,571
Total actuarial [losses]/ gains to be recognised	(91)	-	106	(5)	(225)	(116)
D Actual return on plan assets:						
Expected return on plan assets	-	-	130	-	-	134
Actuarial [losses]/ gain on plan assets	-	-	(7)	-	-	(9)
Actual return on plan assets	-	-	123	-	-	125
E Amount recognised in the balance sheet:						
Liabilities at the end of the year	184	1,116	1,614	18	1,006	1,322
Fair value of plan Assets at the end of the year	-	-	(1,634)	-	-	(1,571)
Difference	184	1,116	(20)	18	1,006	(249)
Unrecognised past Service cost	-	-	-	-	-	-
Liabilities / [Assets] recognised in the Balance Sheet	184	1,116	(20)	18	1,006	(249)
F Expenses / [Incomes] recognised in the statement of Profit and Loss:						
Current service cost	21	129	171	1	118	157
Past Service liability	235					
Interest cost on benefit obligation	1	76	99	1	86	98
Expected return on plan assets	-	-	(130)	-	-	(134)
Net actuarial [gains]/ losses in the year	(91)	-	106	(5)	(225)	(116)
Net expenses/ [benefits]	166	205	246	(3)	(21)	5
G Movement in net liabilities recognised in Balance Sheet:						
Opening net liabilities	18	1,006	(249)	21	1,084	(229)
Expenses as above [P & L Charge]	166	205	246	(3)	(21)	5
Employer's contribution	-	(95)	(17)	-	(57)	(25)
Liabilities/ [Assets] recognised in the Balance Sheet	184	1,116	(20)	18	1,006	(249)



Dialforhealth India Limited
Notes to the Financial Statements

Note: 5-Long Term Provisions-Continued:

	INR - Thousands					
	As at March 31					
	2015		2014			
	Med. Leave	Leave Wages	Gratuity	Med. Leave	Leave Wages	Gratuity
H Principal actuarial assumptions as at Balance sheet date:						
Discount rate	7.80%	7.80%	7.80%	9.10%	9.10%	9.10%
[The rate of discount is considered based on market yield on Government Bonds having currency and terms consistence with the currency and terms of the post employment benefit obligations]						
Expected rate of return on plan Assets	0.00%	0.00%	8.75%	0.00%	0.00%	9.25%
[The expected rate of return assumed by the Insurance company is generally based on their Investment patterns as stipulated by the Government of India]						
Annual increase in salary cost	7.50%	7.50%	7.50%	7.50%	7.50%	7.50%
[The estimates of future salary increases considered in actuarial valuation, taking into account inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market]						
I The categories of plan assets as a % of total plan assets are:						
Insurance Plan	0.00%	0.00%	100.00%	0.00%	0.00%	100.00%
J Amount recognised in current and previous four years:						

Gratuity:

	As at March 31				
	2011	2012	2013	2014	2015
Defined benefit obligation	891	949	1,228	1,322	1,614
Fair value of Plan Assets	890	1,140	1,436	1,571	1,634
Deficit/ [Surplus] in the plan	1	(191)	(208)	(249)	(20)
Actuarial Loss/ [Gain] on Plan Obligation	178	(104)	45	(125)	99
Actuarial Loss/ [Gain] on Plan Assets	17	-	-	(9)	(7)

The expected contributions for Defined Benefit Plan for the next financial year will be in line with FY 2014-15.

INR - Thousands

As at March 31

2015 2014

Note: 6-Trade Payables:

Micro, Small and Medium Enterprises:[*]	-	-
Others	923	6,333
Total	923	6,333

[*] Disclosure in respect of Micro, Small and Medium Enterprises:

- A Principal amount remaining unpaid to any supplier as at the year end
- B Interest due thereon
- C Amount of interest paid by the Company in terms of section 16 of the MSMED Act, along with the amount of the payment made to the supplier beyond the appointed day during the year
- D Amount of interest due and payable for the period of delay in making payment [which have been paid but beyond the appointed day during the period] but without adding the interest specified under the MSMED Act
- E Amount of interest accrued and remaining unpaid at the end of the year
- F Amount of further interest remaining due and payable in succeeding years

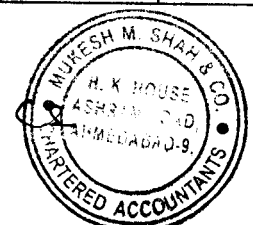
The above information has been compiled in respect of parties to the extent to which they could be identified as Micro, Small and Medium Enterprises on the basis of information available with the Company.

Note: 7-Other Current Liabilities:

Other Payables:		
Provision for Expenses	1,297	1,320
Payable to Statutory Authorities	434	185
Total	1,731	1,505

Note: 8-Short Term Provisions:

Provision for Employee Benefits	165	88
Total	165	88

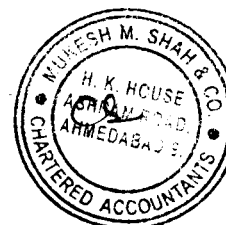


Dialforhealth India Limited
Notes to the Financial Statements

Note: 9-Fixed Assets:

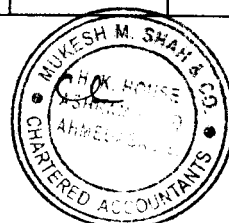
Tangible Assets:	INR-Thousands				
	Plant and Equipment	Furniture and Fixtures	Vehicles	Office Equipment	Total
Gross Block:					
As at March 31, 2013	621	22,317	831	3,897	27,666
Additions	36	367	-	56	459
Disposals	(122)	-	-	-	(122)
As at March 31, 2014	535	22,684	831	3,953	28,003
Additions	6	-	-	10	16
Disposals	(456)	(1,753)	-	(182)	(2,391)
As at March 31, 2015	85	20,931	831	3,781	25,628
Depreciation:					
As at March 31, 2013	504	13,032	263	2,072	15,871
Depreciation for the year	64	1,431	79	187	1,761
Disposals	(114)	-	-	-	(114)
As at March 31, 2014	454	14,463	342	2,259	17,518
Adjusted to Retained Earnings [Refer Note-35]	39	1,609	-	1,438	3,086
Depreciation for the year [Refer Note-35]	13	1,553	122	40	1,728
Disposals	(442)	(1,574)	-	(173)	(2,189)
As at March 31, 2015	64	16,051	464	3,564	20,143
Net Block:					
As at March 31, 2014	81	8,221	489	1,694	10,485
As at March 31, 2015	21	4,880	367	217	5,485

	Nos. [*]	Face Value	INR - Thousands	
			As at March 31	
			2015	2014
Long Term Investments [Valued at cost]:				
Trade Investments in Equity Instruments			-	2,775
Total			-	2,775
Details of Trade Investments [Valued at cost]:				
Investment in Equity Instruments of Subsidiary Companies [Unquoted]:				
In fully paid-up equity shares of:				
Dialforhealth Greencross Limited	250,000	10	2,500	2,500
Dialforhealth Unity Limited	27,500	10	275	275
Total			2,775	2,775
Less: Provision for diminution in value of investments [Refer Note-25]			(2,775)	-
Total [Aggregate Book Value of Investments]			-	2,775



Dialforhealth India Limited
Notes to the Financial Statements

	INR - Thousands	
	As at March 31	
	2015	2014
Note: 11-Long Term Loans and Advances:		
[Unsecured, Considered Good unless otherwise stated]		
Security Deposits	1,716	3,093
Loans and Advances to Related Parties [*]:		
Considered good	200,000	201,500
Considered doubtful [Refer Note-25]	1,500	-
	201,500	201,500
Less: Provision for doubtful advance [Refer Note-25]	1,500	-
	200,000	201,500
Other Loans and Advances:		
Balances with Custom/ Central Excise/ Sales Tax Authorities	78	78
Advance payment of Tax	600	1,245
Advances recoverable in cash or in kind or for value to be received:		
Considered Good	127	297
Considered doubtful	128	128
	255	425
Less : Provision for doubtful advances	128	128
	127	297
	805	1,620
Total	202,521	206,213
[*] Details of loans pursuant to Section 186(4) of Companies Act, 2013 (#):		
Name of the party and relationship with the party to whom loan given:		
A Subsidiary Company:		
a Dialforhealth Unity Limited [Interest free loan] [Refer Note-25]	1,500	1,500
B Fellow Subsidiary Company:		
a Biochem Pharmaceutical Industries Limited [Interest bearing loan]	200,000	200,000
Total	201,500	201,500
(#) Loans which are outstanding as at March 31, 2015.		
Notes:		
a All the above loans have been given for business purposes.		
b The loans are repayable within a tenure of 3 years.		
Note: 12-Inventories:		
[The Inventory is valued at lower of cost and net realisable value]		
Stock-in-Trade	76,241	75,741
Total	76,241	75,741
Note: 13-Trade Receivables:		
[Unsecured, considered good]		
Outstanding for a period exceeding six months from the date they are due for payment	-	-
Others - Considered good	1,689	287
Total	1,689	287
Note: 14-Cash and Bank Balances:		
Balances with Banks	3,460	5,433
Cash on Hand	553	907
Total	4,013	6,340
Note: 15-Short Term Loans and Advances:		
[Unsecured, Considered Good]		
Advances recoverable in cash or in kind or for value to be received	711	669
Total	711	669
Note: 16-Other Current Assets:		
Prepaid Expenses	44	34
Total	44	34
Note : 17-Contingent Liabilities and commitment [to the extent not provided for]		
	-	-

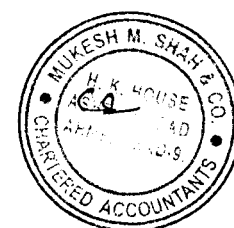


Dialforhealth India Limited
Notes to the Financial Statements

	INR - Thousands	
	Year ended March 31	
	2015	2014
Note: 18-Revenue from Operations:		
Details of Gross Sales under broad heads:		
Sale of Pharmaceuticals Products	137,338	116,567
Total	137,338	116,567
Other Operating Revenues:		
Miscellaneous Income	693	1,504
Total	693	1,504
Note: 19-Other Income:		
Interest Income [Gross]	20,067	17,552
Total	20,067	17,552
Note: 20-Purchase of Stock-in-Trade:		
Purchase of Stock-in-Trade [*]	122,499	112,337
Total	122,499	112,337
[*] It is not possible to furnish relevant information in respect of business carried on through Retail shops in view of varied nature of items dealt in by the Company.		
Note: 21-Changes in Inventories:		
Stock-in-Trade[*]		
Stock at commencement	75,741	62,962
Less: Stock at close	76,241	75,741
Total	(500)	(12,779)
[*] It is not possible to furnish relevant information in respect of business carried on through Retail shops in view of varied nature of items dealt in by the Company.		
Note: 22-Employee Benefit Expense:		
Salaries and wages	11,077	10,068
Contribution to provident and other funds [*]	633	651
Staff welfare expenses	410	422
Total	12,120	11,141
[*] The Company's contribution towards the defined contribution plan		
Note : 23-Finance Cost:		
Interest Expenses - Others	3	23
Bank Commission and Charges	350	260
Total	353	283
Note : 24-Other Expenses:		
Power & fuel	861	869
Rent	6,555	6,942
Collaboration fees	629	1,373
Repairs to Others	336	477
Insurance	178	184
Rates and Taxes [Excluding Taxes on Income]	190	1,869
Housekeeping Expenses	1,985	2,717
Legal and Professional Charges	116	87
Travelling Expenses	90	139
Other Marketing Expenses	708	886
Freight and forwarding on sales	423	416
Net Loss on Assets sold/ discarded	66	8
Miscellaneous Expenses	1,409	1,682
Total	13,546	17,649



Dialforhealth India Limited			
Notes to the Financial Statements			
		INR - Thousands	
		Year ended March 31	
		2015	2014
Note : 24-Other Expenses-Continued:			
[*] The Company has taken various shops under operating lease or leave and license agreement. The lease terms in respect of such premises are on the basis of individual agreement entered into with the respective landlords. The Company has given refundable interest free security deposits in accordance with the agreed terms. The lease payments are recognised on a straight line basis over the lease term and disclosed under "Rent" and "Collaboration fees". [Refer Note-31]			
[**] Miscellaneous Expenses include Payment to the auditors [Including Service Tax]:			
a Auditor		129	124
b For taxation matters		67	62
c For Other Services		5	8
d Total		201	194
Note: 25-Exceptional Items:			
A Provision for diminution in value of investments:			
i Dialforhealth Greencross Limited [Accumulated losses exceeded by more than 75% of investment value as at March 31, 2015, hence not considered as temporary]		2,500	-
ii Dialforhealth Unity Limited [Accumulated losses exceeded investments value as at March 31, 2015, hence not considered as temporary]		275	-
iii Total		2,775	-
B Provision for doubtful advances:			
i Dialforhealth Unity Limited [Accumulated losses exceeded investments value as at March 31, 2015, hence not considered as temporary]		1,500	-
Total		4,275	-
Note: 26-Calculation of Earnings per Equity Share [EPS]:			
The numerators and denominators used to calculate the basic and diluted EPS are as follows:			
A Profit after tax attributable to Shareholders	INR-Thousands	4,077	5,231
B Dividend on Non-cumulative Preference shares	INR-Thousands	-	-
C Profit after tax attributable to Equity Shareholders	INR-Thousands	4,077	5,231
D Basic and weighted average number of Equity shares outstanding during the year	Numbers	5,000,000	5,000,000
E Nominal value of equity share	INR	10	10
F Basic and Diluted EPS	INR	0.82	1.05
Note: 27-Value of Imports calculated on CIF basis			
		-	-
Note: 28-Expenditure in Foreign Currency			
		-	-
Note: 29-Earnings in Foreign Exchange			
		-	-
Note: 30-Remittances made on account of dividend in Foreign currency			
		-	-
Note: 31-Operating Lease:			
The company has taken shops on long term operating leases. Lease payments are recognised in Statement of Profit and Loss under "Rent" and "Collaboration Fees" in Note 24.			
Lease payments recognised in the Statement of Profit and Loss		7,184	8,315
Future minimum lease payable under operating lease for each of the following periods:			
Not later than one year		5,584	8,078
Later than one year but not later than five years		10,152	18,127
Later than five years		810	1,877



Dialforhealth India Limited
Notes to the Financial Statements

Note: 32-Segment Information:

A Primary Business Segment: Retail Trading in medicines/ cosmetics/ toiletries and providing business auxiliary services

		INR - Thousands		
		Business		
	Year ended March 31	Retail Business	Unallocated	Total
a Revenue:				
External Sales	2015	137,801	230	138,031
	2014	117,136	935	118,071
Inter Segment sales	2015	-	-	-
	2014	-	-	-
Total Revenue	2015	137,801	230	138,031
	2014	117,136	935	118,071
b Result:				
Segment Result	2015	(11,736)	15,813	4,077
	2014	(11,418)	16,649	5,231
Unallocated Income [net of Unallocated Expenses]	2015	-	-	-
	2014	-	-	-
Operating and Net (loss)/ gain from Ordinary Activities	2015	(11,736)	15,813	4,077
	2014	(11,418)	16,649	5,231
c Other Information:				
Assets	2015	90,104	200,000	290,104
	2014	97,024	204,275	301,299
Liabilities	2015	42,865	85,785	128,650
	2014	51,698	89,783	141,481
Capital expenditure	2015	16	-	16
	2014	459	-	459
Depreciation	2015	1,728	-	1,728
	2014	1,761	-	1,761
Non Cash expenses other than depreciation	2015	4,694	-	4,694
	2014	8	-	8

B Geographical segment:

Geographically the total business is within India only.

C Notes:

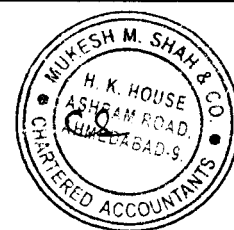
a The Company is organised into two main business segments, namely:

- Trading in Medicines/ Cosmetics/ Toiletries.
- Business Auxiliary Services

Segments have been identified and reported taking into account, the nature of products and services, the different risks and returns, the organisation structure, and the internal financial reporting systems.

b Segment revenue in each of the above segments primarily includes sales and services in the respective segments.

c Segment revenue, results, assets and liabilities include the respective amounts identifiable to each of the segments and amounts allocated on a reasonable basis.



Dialforhealth India Limited
Notes to the Financial Statements

Note: 33-Related Party Transactions:

A Name of the Related Party and Nature of the Related Party Relationship:

a Holding Company:

Cadila Healthcare Limited

b Subsidiary Companies:

Dialforhealth Greencross Limited

Dialforhealth Unity Limited

c Fellow Subsidiaries:

German Remedies Limited
Zyodus Wellness Limited
M/s. Zyodus Wellness-Sikkim, a Partnership Firm
Liva Pharmaceuticals Limited
Zyodus Technologies Limited
Biochem Pharmaceutical Industries Limited
Zyodus BSV Pharma Private Limited
M/s. Zyodus Healthcare, a Partnership Firm
Zyodus Lanka (Private) Limited [Sri Lanka]
Zyodus Healthcare Philippines Inc. [Philippines]
Zyodus International Private Limited [Ireland]
Zyodus Netherlands B.V. [the Netherlands]
ZAHL B.V. [the Netherlands]
ZAHL Europe B.V. [the Netherlands]
Bremer Pharma GmbH [Germany]
Etna Biotech S.R.L. [Italy]

Zyodus Pharmaceuticals (USA) Inc. [USA]
Nesher Pharmaceuticals (USA) LLC [USA]
Zyodus Healthcare (USA) LLC [USA]
Zyodus Noveltech Inc. [USA]
Hercon Pharmaceuticals LLC [USA]
Zyodus Healthcare S.A. (Pty) Ltd [South Africa]
Simayla Pharmaceuticals (Pty) Ltd [South Africa]
Script Management Services (Pty) Ltd [South Africa]
Zyodus France, SAS [France]
Zyodus Nikkho Farmaceutica Ltda. [Brazil]
Zyodus Pharma Japan Co. Ltd. [Japan]
Laboratorios Combix S.L. [Spain]
Zyodus Pharmaceuticals Mexico SA De CV [Mexico]
Zyodus Pharmaceuticals Mexico Services Company SA De C.V.[Mexico]
Zyodus Worldwide DMCC [Dubai]
Zyodus Discovery DMCC [Dubai]

d Directors and their relatives:

Dr. Sharvil P. Patel
Mr. V. K. Sharma
Mr. Harish Sadana

Chairman
Director - Operations
Director

e Enterprises significantly influenced by Directors and/ or their relatives:

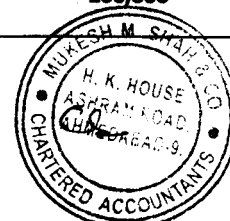
Cadmach Machinery Company Private Limited
MabS Biotech Private Limited
Zyodus Infrastructure Private Limited
Cadila Laboratories Private Limited
Pripan Investment Private Limited
Zest Aviation Private Limited
Zyodus Hospitals (Vadodra) Private Limited
Zyodus Hospitals (Rajkot) Private Limited

Zyodus Hospitals and Healthcare Research Private Limited
Western Ahmedabad Effluent Conveyance Company Private Limited
Zandra Infrastructure LLP
Zyodus Hospital LLP
M/s. C. M. C. Machinery
M/s. Cadam Enterprises
Zandra Herbs and Plantations LLP

B The following transactions were carried out with the related parties in the ordinary course of business:

a Details relating to parties referred to in items 33 - A [a, b & c]

Nature of Transactions	Value of the Transactions [INR-Thousands]			
	Holding Companies		Subsidiary/ Fellow Subsidiaries	
	2015	2014	2015	2014
Rent Paid:				
Cadila Healthcare Limited	121	121		
Issue of Share Capital:				
Cadila Healthcare Limited		200,000		
Finance:				
Interest Received:				
Biochem Pharmaceutical Industries Limited			20,000	17,511
Inter Corporate Loans given:				
Biochem Pharmaceutical Industries Limited				200,000
Inter Corporate Loans accepted:				
Cadila Healthcare Limited		1,500		
Inter Corporate Loans repaid:				
Cadila Healthcare Limited	8,000			
Outstanding:				
Payable:				
Cadila Healthcare Limited	124,176	132,176		
Receivable:				
Dialforhealth Unity Limited			1,500	1,500
Biochem Pharmaceutical Industries Limited			200,000	200,000



Dialforhealth India Limited
Notes to the Financial Statements

Note: 33-Related Party Transactions:

A Name of the Related Party and Nature of the Related Party Relationship:

a Holding Company:

Cadila Healthcare Limited

b Subsidiary Companies:

Dialforhealth Greencross Limited

Dialforhealth Unity Limited

c Fellow Subsidiaries:

German Remedies Limited

Zydus Pharmaceuticals (USA) Inc. [USA]

Zydus Wellness Limited

Nesher Pharmaceuticals (USA) LLC [USA]

M/s. Zydus Wellness-Sikkim, a Partnership Firm

Zydus Healthcare (USA) LLC [USA]

Liva Pharmaceuticals Limited

Zydus Noveltech Inc. [USA]

Zydus Technologies Limited

Hercon Pharmaceuticals LLC [USA]

Biochem Pharmaceutical Industries Limited

Zydus Healthcare S.A. (Pty) Ltd [South Africa]

Zydus BSV Pharma Private Limited

Simayla Pharmaceuticals (Pty) Ltd [South Africa]

M/s. Zydus Healthcare, a Partnership Firm

Script Management Services (Pty) Ltd [South Africa]

Zydus Lanka (Private) Limited [Sri Lanka]

Zydus France, SAS [France]

Zydus Healthcare Philippines Inc. [Philippines]

Zydus Nikkho Farmaceutica Ltda. [Brazil]

Zydus International Private Limited [Ireland]

Zydus Pharma Japan Co. Ltd. [Japan]

Zydus Netherlands B.V. [the Netherlands]

Laboratorios Combix S.L. [Spain]

Z AHL B.V. [the Netherlands]

Zydus Pharmaceuticals Mexico SA De CV [Mexico]

Z AHL Europe B.V. [the Netherlands]

Zydus Pharmaceuticals Mexico Services Company SA De C.V.[Mexico]

Bremer Pharma GmbH [Germany]

Zydus Worldwide DMCC [Dubai]

Etna Biotech S.R.L. [Italy]

Zydus Discovery DMCC [Dubai]

d Directors and their relatives:

Dr. Sharvil P. Patel

Chairman

Mr. V. K. Sharma

Director - Operations

Mr. Harish Sadana

Director

e Enterprises significantly influenced by Directors and/ or their relatives:

Cadmach Machinery Company Private Limited

Zydus Hospitals and Healthcare Research Private Limited

MabS Biotech Private Limited

Western Ahmedabad Effluent Conveyance Company Private Limited

Zydus Infrastructure Private Limited

Zandra Infrastructure LLP

Cadila Laboratories Private Limited

Zydus Hospital LLP

Pripan Investment Private Limited

M/s. C. M. C. Machinery

Zest Aviation Private Limited

M/s. Cadam Enterprises

Zydus Hospitals (Vadodra) Private Limited

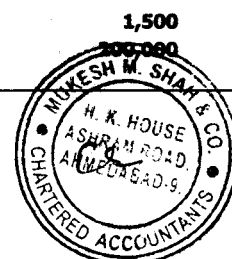
Zandra Herbs and Plantations LLP

Zydus Hospitals (Rajkot) Private Limited

B The following transactions were carried out with the related parties in the ordinary course of business:

a Details relating to parties referred to in items 33 - A [a, b & c]

Nature of Transactions	Value of the Transactions [INR-Thousands]			
	Holding Companies		Subsidiary/ Fellow Subsidiaries	
	Year ended March 31,			
	2015	2014	2015	2014
Rent Paid:				
Cadila Healthcare Limited	121	121		
Issue of Share Capital:				
Cadila Healthcare Limited		200,000		
Finance:				
Interest Received:				
Biochem Pharmaceutical Industries Limited			20,000	17,511
Inter Corporate Loans given:				
Biochem Pharmaceutical Industries Limited				200,000
Inter Corporate Loans accepted:				
Cadila Healthcare Limited		1,500		
Inter Corporate Loans repaid:				
Cadila Healthcare Limited	8,000			
Outstanding:				
Payable:				
Cadila Healthcare Limited	124,176	132,176		
Receivable:				
Dialforhealth Unity Limited			1,500	1,500
Biochem Pharmaceutical Industries Limited			100,000	200,000



Dialforhealth India Limited
Notes to the Financial Statements

Note: 33-Related Party Transactions-Continued:

b Details relating to persons referred to in Note 33-A [d] above:

	INR - Thousands	
	Year ended March 31	
	2015	2014
Remuneration:		
Mr. V. K. Sharma	2,352	2,003
	As at March 31	
Outstanding remuneration payable:		
Mr. V. K. Sharma	2015	<u>2014</u>
	158	151

c There are no transactions with parties referred to in Note 33-A [e]

Note: 34-Deferred Tax:

The Company has unabsorbed depreciation as well as carried forward losses under tax laws, resulting in to deferred tax assets. However, considering principle of prudence, deferred tax assets are not recognised in absence of virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realised.

Note : 35

Effective from April 1, 2014, the Company has started providing depreciation on tangible assets on "straight line method" over the revised remaining useful lives of the tangible assets in alignment with useful lives prescribed in Schedule II to the Companies Act, 2013. Consequently, the depreciation charge for the year ended March 31, 2015 is lower by Rs. 10 Thousands. Further, an amount of Rs. 3,086 Thousands has been recognised in the opening balance of retained earnings which relate to the carrying amount of tangible assets whose revised remaining useful life was Nil as at April 1, 2014.

Note : 36

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

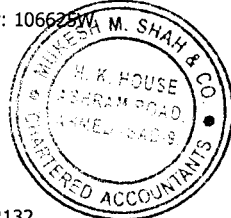
Signatures to Significant Accounting Policies and Notes 1 to 36 to the Financial Statements

As per our report of even date

For Mukesh M. Shah & Co.

Chartered Accountants

Firm Registration Number: 1066257A



C S Shah

Chandresh S. Shah
Partner

Membership Number: 042132

Ahmedabad, Dated: 12/05/2015

For and on behalf of the Board

Spatel
Sharvil P. Patel
Chairman

Jayesh K. Patel
Jayesh K. Patel
Chief Financial Officer

U A Kadakia
U A. Kadakia
Company Secretary

V. K. Sharma
V. K. Sharma
Director - Operation