

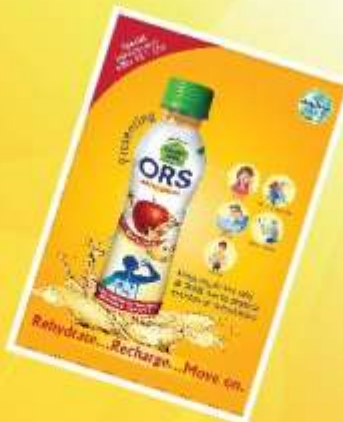


80th ANNUAL REPORT 2016 - 17



120TM
Years

of touching,
caring & healing





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TEN YEAR RECORD

(₹ in lakhs)

PARTICULARS	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Sales	23,050.68	19,192.25	17,062.11	14,440.37	14,209.16	14,038.22	10,775.39	9,374.55	9,607.61	8,566.20
Other Income	571.48	573.05	469.43	283.71	426.64	449.26	483.22	605.19	695.57	39.76
Total Income	23,622.16	19,765.30	17,531.54	14,724.08	14,635.80	14,487.48	11,258.61	9,979.74	10,303.18	8,605.96
Profit Before Tax (PBT)	3,313.50	3,456.19	2,638.69	2,125.34	1,779.43	1,889.00	1,608.22	1,926.49	1,868.03	994.37
Provision for Taxation:										
Current tax & short Provision of earlier years	1,167.18	1,163.76	920.00	715.00	589.93	650.00	416.43	750.37	735.71	173.49
Deferred Tax	(5.40)	(50.64)	7.18	(41.97)	(22.46)	(117.49)	(101.97)	(39.51)	(78.57)	194.77
Profit after Tax (PAT)	2,140.92	2,241.79	1,711.51	1,452.31	1,211.96	1,356.49	1,089.82	1,215.63	1,210.89	626.11
Dividend	321.54 [®]	562.68	511.54	467.69	438.46	438.46	443.81	454.50	521.05	224.00
Fixed Assets & Investments	3,965.73	3,304.04	3,056.03	2,960.08	4,790.09	5,394.60	10,069.30	6,823.21	1,861.74	2,228.89
Net Current Assets	9,183.93	8,935.12	7,569.22	7,487.71	5,502.08	4,970.80	3,270.05	3,326.39	7,862.96	1,563.27
Total	13,149.66	12,239.16	10,625.25	10,447.79	10,292.17	10,365.40	13,339.35	10,149.60	9,724.70	3,792.16
Represented by:										
Share Capital	292.31	292.31	292.31	292.31	292.31	292.31	303.00	303.00	310.17	320.00
Reserves	12,356.06	11,755.46	10,192.19	9,399.86	8,494.72	7,794.61	9,989.29	9,438.34	9,072.28	2,225.27
Net Worth	12,648.37	12,047.77	10,484.50	9,692.17	8,787.03	8,086.92	10,292.29	9,741.34	9,382.45	2,545.27
Loans	248.28	-	-	550.00	1,257.54	2,008.42	2,662.69	125.85	20.64	846.70
Deferred Tax Liability	253.01	191.39	140.75	205.62	247.60	270.06	384.37	282.41	321.61	400.19
Total	13,149.66	12,239.16	10,625.25	10,447.79	10,292.17	10,365.40	13,339.35	10,149.60	9,724.70	3,792.16
Earnings per share (₹) (before extraordinary items)	13.43	15.34	11.83	9.94	8.29	45.71	35.97	40.03	38.07	19.57
Book value per shares (₹)	88.27	82.43	71.74	66.32	62.46	276.67	339.58	329.50	340.95	79.54
Dividend (%)	192.50*	192.50	175.00	160.00	150.00	150.00	150.00	150.00	170.00	70.00

® This represents the amount of two interim dividends paid. Provision has not been considered for the proposed final dividend.

* Includes a final dividend of ₹ 1.65/- (82.50%) per Equity Share (F.V. ₹ 2/- each) recommended by the Board of Directors for the financial year ended 31, March 2017.

Corporate Information

Board of Directors	S Sambhu Prasad Dr. Pasumarthi S N Murthi Dr. H B N Shetty Dr. (Ms.) Marie Shiranee Pereira Dr. S Vydeeswaran G. Raghavan V Swaminathan	<i>Chairman & Managing Director</i> <i>Non-executive Director</i> <i>Non-executive Independent Director</i> <i>Non-executive Independent Director</i> <i>Non-executive Independent Director</i> <i>Non-executive Independent Director</i> <i>Non-executive Independent Director</i>
Key Managerial Personnel	K Kannan M Srinivasan	<i>Chief Financial Officer</i> <i>Company Secretary & Compliance Officer</i>
Management Team	S Jeyakanth Dr. J Ravichandran R Narayanan P Kannan	General Manager - Supply Chain Management General Manager - QC/QA/R&D General Manager - Sales General Manager - HR & Administration
Statutory Auditors	P S Subramania Iyer & Co. Chartered Accountants Chennai	
Bankers	HDFC Bank Limited Yes Bank Limited Punjab National Bank ICICI Bank Limited	
Registered Office	No.103 (Old No.42-45), Luz Church Road Mylapore, Chennai - 600 004. Telephone : 044-2499 4164 / 2499 4146 / 2499 4465 / 2499 4366 Fax : 044-2499 4585 E-mail : shares@amrutanjan.com Website : www.amrutanjan.com	
Corporate Identity Number	L24231TN1936PLC000017	
Factories	Alathur, Kancheepuram District, Tamil Nadu Uppal, Hyderabad Aranvoyal Village, Tiruvallur District, Tamil Nadu	
Registrar & Share Transfer Agent	Cameo Corporate Services Limited "Subramaniam Building" No.1, Club House Road, Chennai - 600 002. Telephone : 044-2846 0390 (5 Lines), Fax : 044-2486 0129 E-mail : investor@cameoindia.com	



Our Values

Commitment towards interests of all Stakeholders-customers, employees & community.

To achieve leadership position in all our businesses.

We never compromise in our ethics and this is reflected in all our actions.

We strive to provide a culture that accepts new ideas, embraces change and rejects bureaucracy and small-mindedness.

Chairman and Managing Director's Letter

Dear Valued Owners,

The stated vision of your Company is to “enhance the lives of consumers by offering innovative health care products”. A industry person once opined that it may be over reaching by a corporate to envision a vision of enhancing the lives of consumers. I think it is not so. Companies that offer products that improve the health, life style or even mitigate discomfort have a credible claim in stating that they have played a part in improving their customers' lives. Business can improve lives!

This vision is what drives our strategy and new product/business focus. In the recent past we entered fruit juices, sanitary napkin, electrolyte replacement and rehydration categories to name a few. Our brand Amrutanjan has been treating pain for more than a century and thereby improving consumers' quality life. Studies have shown that corporates that build business around a holistic vision and not just with a profit motive have generated sustained returns over long periods of time and have grown into global businesses There are many smaller companies (including yours) that can make the case. We wish to grow by focusing on the long-term delivery of consumers' needs and not just on quarterly profit and loss.

I am pleased to report a strong performance for your Company in the year 2016-17 in spite of unprecedented macro headwinds. Your Company saw its top line grow 20% from 192 cr the previous year to 230 cr this year. The revenue increase was aided by volume as well as growth in products launched in the prior years. This performance is a testament to the consumer centric product delivery approach chosen and executed by your management team.

This is a strong performance considering the adverse impact from note ban (demonetization) and political volatility in Tamil Nadu remained throughout the second half of the year, which are large selling months for the OTC business.

The salient features of the year in review are as follows

- OTC business revenue growth of 16% from 170 to 198cr
- Beverage business revenue growth of 30% from 22 to 29 cr.
- Our pain business continues to deliver strong volume growth on the back of the segmentation strategy rolled out in 2012.
- The roll on formats generated sales of 20 cr or 10% of the OTC revenue.
- Your sanitary napkin brand Comfy generated sales of 8.3 cr as compared to 3.0 cr the previous year.
- Introduction of Electrolyte health beverage in the ready to drink format
? This marks the beginning of our stated goals to deliver health care through beverages.
- We had a gross margin drop for the first time in 3 years but that was largely due to product improvement costs that were needed.
- There was also no growth in operating and net profits due to increased spend in brand investments and cost of sales.

Our focus is to scale up the brands that were recently launched. To do this we need to improve distribution and continuously increase brand investments. We are also increasing investments in Information Technology deployment in the Company to increase data availability for better managerial decision-making. Sales is a big area for IT function deployment. In the coming months we will see our entire AHCL work force move away from paper based order taking, seamlessly be connected with the Company's ERP system and provide insights to managers at various supply chain touch points that were previously not available. This should increase distribution efficiency and overall throughput per outlet.

As a 124-year Company founded by a freedom fighter, philanthropist and a visionary, giving is something that is built into our ethos. When our founder Dessodaraka Nageswararao Pantulugaru donated his personal land (Nageswararao Park next to corporate office) for 1 rupee so that citizens of Chennai can enjoy the green space with their families, he was making a strong statement for future managers to uphold and follow. Your Company's CSR activities also continue to build on these values.

We are confident about the outlook of the Company and are exited in working towards growing our brands and launching many new health care products in the future.

Sincerely,

S. Sambhu Prasad

Our products and services

“Pure Healthy Essence”

“Pure healthy Essence” connotes a naturally extracted essence with a deep action formula i.e. effective and without side effects.

Pure Healthy Essence means a pure, trusted natural extract derived from natural products through scientific research. Nature and science are combined to give healthy beauty.

Products in Pain Management



Amrutanjan Strong Pain Balm Double Power has the ability to kick out pain in no time. The gentle massage of strong balm instantly provides remedy for headaches and backaches.



Amrutanjan Aromatic balm is the pioneer in the pain category being the only successful unique aroma balm in the market. It is a soft and smooth balm. It is used for immediate relief from headaches. It is helpful in steaming and aroma therapy.



Amrutanjan Roll-on can be easily applied for quick relief from headaches. It is easy to carry and has a pleasant fragrance.



Amrutanjan Body Pain crème is used to get relief from general body pain which include neck, back, and knee. Body pain is generally caused due to excessive physical stress, sitting in same posture for long time etc.



Amrutanjan Joint-Muscle spray helps in instant relief from internal sports injury, sprains and minor rheumatic pain. It provides the cooling effect required in this kind of pain.



Back Pain Roll-on provides instant relief from back pain. Get instant and long lasting relief from back pain.

- Easy to use & apply
- Non-staining
- Non-messy
- Zero wastage

Products in Congestion Management



Amrutanjan Relief Cough & Cold Cold Rub is a complete natural remedy for cough and cold with soothing aroma which gets absorbed faster on the skin.



Amrutanjan Relief Cough and Cold Cough Syrup is effective for dry cough, allergic cough, smoker's cough and irritation caused by pollution. It is alcohol free and doesn't cause drowsiness. It dissolves the thick mucus and contains goodness of Vasaka and Yastimadhu.



Amrutanjan Relief Cough & Cold Nasal inhaler provides quick relief from nasal congestion when inhaled. It's the only inhaler enriched with Nilgiri oil.



Amrutanjan Relief Cough & Cold Swas Mint soothes throat and freshens breath. It contains refreshing mint which soothes the throat and gives cooling effect. It contains Nilgiri ka tel and citrus.

Products in Health Care & Hygiene



Amrutanjan Decorn Corn Caps provides quick soothing action for soft feet. It has ayurvedic medicine for corn removal in foot. It is quick acting and provides long lasting relief.



Comfy sanitary napkin offers triple benefits. It has got superior absorption, rash free and comes with the all new leak proof technology that ensure zero leak.



Amrutanjan Xpert Dermal Ointment for relief from rashes, itches, cracked heels and eczema.

Established in 1893, Amrutanjan has grown to become one of India's most trusted household brands. With a commitment to sound healthcare management using the perfect blend of science and nature, we at Amrutanjan believe that innovation, coupled with nature's essence, can enhance the living standards of people. We look to the purest ways of bettering your health, and with your best interests at heart, we are continuously striving towards delivering "pure healthy essence" through our wide range of products in pain, congestion, hygiene and beverage categories, so you can live a beautiful, healthy life.



NOTICE TO MEMBERS

NOTICE is hereby given that the Eightieth (80th) Annual General Meeting ("AGM") of Amrutanjan Health Care Limited will be held on Thursday, September 21, 2017 at 10.30 A.M. at Narada Gana Sabha (Sathguru Gnanananda Hall), No. 314 (Old No.254), T.T.K. Road, Chennai 600 018, to transact the following businesses:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2017 together with the reports of the Board of Directors and Auditors thereon.
2. To confirm payment of Interim Dividends of ` 2.20/- (Two Interim Dividends of ` 1.10/- each) per equity share of ` 2/- each and to declare a Final Dividend of ` 1.65/- per equity share of ` 2/- each for the financial year 2016-17.
3. To re-appoint Dr. Pasumarthi S N Murthi (DIN 00051303), Non-Executive Director, who retires by rotation and, being eligible, offers himself for re-appointment.
4. To consider and approve appointment of Statutory Auditors and fix their remuneration and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), M/s. B S R & Co. LLP, Chartered Accountants, Chennai (ICAI Firm Registration No. 101248W/W-100022) be and are hereby appointed as Statutory Auditors of the Company in place of the retiring Statutory Auditors M/s. P S Subramania Iyer & Co. to hold Office for a period of five(5) years from the conclusion of this Annual General Meeting(80th) till the conclusion of the Eighty Fifth (85th) Annual General Meeting of the Company to be held in the year 2022 (subject to ratification by the members at each AGM), on a remuneration to be decided by the Board of Directors on the recommendation of the Audit Committee".

SPECIAL BUSINESS:

5. Re-Appointment of Dr. H B N Shetty (DIN : 00015465) as an Independent Director

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

"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and such other applicable provisions of the Companies Act, 2013, the Companies (Appointment and Qualification of Directors), Rules, 2014 and the applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), Dr. H B N Shetty (DIN : 00015465), Independent Director of the Company who holds office upto the conclusion of this Annual General Meeting be and is hereby re-appointed as an Independent Director of the Company with effect from the conclusion of the Eightieth (80th) Annual General Meeting upto the conclusion of the Eighty Fifth (85th) Annual General Meeting and the appointment shall not be subject to retirement by rotation."

6. Re-Appointment of Dr. S Vydeeswaran (DIN : 06953739) as an Independent Director

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

"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and such other applicable provisions of the Companies Act, 2013, the Companies (Appointment and Qualification of Directors), Rules, 2014 and the applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), Dr. S Vydeeswaran (DIN : 06953739), Independent Director of the Company who holds office upto the conclusion of this Annual General Meeting be and is hereby re-appointed as an Independent Director of the Company with effect from the conclusion of the Eightieth (80th) Annual General Meeting upto the conclusion of the Eighty Fifth (85th) Annual General Meeting and the appointment shall not be subject to retirement by rotation."

7. Re-Appointment of Dr. (Ms.) Marie Shiranee Pereira (DIN : 05177560) as an Independent Director

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

"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and such other applicable provisions of the Companies Act, 2013, the Companies (Appointment and Qualification of Directors), Rules, 2014 and the applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), Dr. (Ms.) Marie Shiranee Pereira (DIN : 05177560), Independent Director of the Company who holds office upto the conclusion of this Annual General Meeting be and is hereby re-appointed as an Independent Director of the Company with effect from the conclusion of the Eightieth (80th) Annual General Meeting upto the conclusion of the Eighty Fifth (85th) Annual General Meeting and the appointment shall not be subject to retirement by rotation."



NOTICE TO MEMBERS (Contd.)

8. Approval of Remuneration payable to Cost Auditor:

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

"RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, the members hereby approve the remuneration of ₹ 1,00,000/- (Rupees One Lakh only) excluding applicable taxes and out of pocket expenses at actual to Mr. G Thangaraj (Registration No. 100464), Cost Accountant, who was appointed as the Cost Auditor to conduct the audit of cost records maintained by the Company for the financial year ended March 31, 2018."

BY ORDER OF THE BOARD
For Amrutanjan Health Care Limited

M Srinivasan
Company Secretary & Compliance Officer

Place : Chennai

Date : August 14, 2017

Registered Office:

Amrutanjan Health Care Limited

CIN: L24231TN1936PLC000017

No.103, Luz Church Road, Mylapore,

Chennai 600 004

Tel : 044-2499 4465; Fax : 044-2499 4585

Email : shares@amrutanjan.com

Website : www.amrutanjan.com

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY/PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF ONLY ON A POLL AND THE PROXY NEED NOT BE A MEMBER.
2. The instrument appointing the proxy, in order to be effective, must be deposited at the Company's Registered Office, duly completed, stamped and signed, not less than FORTY EIGHT (48) hours before commencement of the meeting. Proxies submitted on behalf of limited companies, societies etc, must be supported by appropriate resolutions/authority as applicable. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total voting share capital of the Company. In case a proxy is proposed to be appointed by a member holding more than 10% of the total voting share capital of the Company carrying voting rights, then such proxy shall not act as proxy for any other person or shareholder.
3. Corporate Members/FIIs/Financial Institutions intending to send their authorized representatives to attend the AGM are requested to send a duly certified copy of the Board resolution/such other documents authorizing their representatives to attend and vote at the AGM well in advance.
4. Members / proxies should bring duly filled Attendance Slips sent herewith to attend the meeting.
5. An Explanatory Statement pursuant to Section 102 (1) of the Companies Act, 2013 ("Act") relating to the Special Businesses to be transacted at the meeting is annexed hereto.
6. The Register of Members and the share transfer books will remain closed from **Friday, September 15, 2017 to Thursday, September 21, 2017 (both days inclusive)** for determining the names of members eligible for e-voting. Transfers received during book closure, if any, will be considered only after reopening of the Register of Members.
7. Members are requested to note that the Company's Equity Shares are under compulsory demat mode of trading. Members who have not yet dematerialized their physical share-holdings in the Company are advised to avail the facility of dematerialization of equity shares of the Company.
8. Members holding shares in electronic form are requested to intimate immediately any change in their address or bank mandates to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to advise any change in their address immediately to the Company/Registrars and Transfer Agents (RTA), M/s. Cameo Corporate Services Limited.
9. Members who hold shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to send the share certificates to the Company/RTA for consolidation into a single-folio.

NOTICE TO MEMBERS (Contd.)

10. Pursuant to the provisions of the Companies Act, 1956/2013, the amount which remains unclaimed for the period of seven (7) years from the date of declaration would be transferred to the "Investor Education and Protection Fund" (IEPF) constituted by the Central Government and the shareholders would not be able to make any claims to the amount of dividends transferred to the Fund. Accordingly, during the Financial Year 2016-17, the Company has transferred the unclaimed dividends pertaining to the Financial Years 2008-2009 (Final Dividend), 2009-2010 (Interim Dividend) amounting to ₹ 6,38,124/- and ₹ 3,41,085/- respectively to IEPF. Members who have not yet encashed their dividend warrants from the Financial Year 2009-2010 onwards are requested to make their claims to the Company immediately. The Company has provided / hosted the required details of unclaimed amounts on its website and also in the website of the Ministry of Corporate Affairs (MCA) in the relevant form every year.
11. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company / Registrars and Transfer Agents (RTA), M/s. Cameo Corporate Services Limited.
12. The members holding shares in demat format are requested to update their email addresses with their depository participant to ensure that the Annual Report and other documents reach you on your preferred email account in order to save paper and participate in the "Green Initiative" of the Ministry of Corporate Affairs.
13. All documents referred to in the Notice and Explanatory Statement are open for inspection at the Registered Office of the Company on all working days except Saturdays between 10.00 a.m. and 5.00 p.m. up to and including the date of the Annual General Meeting.
14. Members desirous of getting any information about the accounts and/or operations of the Company are requested to write to the Company at least seven (7) days before the date of Annual General Meeting to enable the Company to keep the information ready at the meeting.
15. In case of joint holders attending the 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 holding shares in physical form and desirous of making a nomination in respect of their shareholding in the Company, as permitted under Section 72 of the Companies Act, 2013, are requested to submit details to the RTA in the prescribed Form SH 13 for this purpose.
17. The Notice of the AGM along with the Annual Report 2016-17 is being sent by electronic mode to those Members whose e-mail addresses are registered with the Company/Depositories, unless any Member has requested for a physical copy of the same. For Members who have not registered their e-mail addresses, physical copies are being sent by the permitted mode.
18. Members may also note that the Notice of the Eightieth (80th) AGM and the Annual Report for 2016-17 will be available on the Company's website www.amrutanjan.com and also on the website of the Stock Exchanges respectively, www.nseindia.com and www.bseindia.com. The physical copies of the aforesaid documents will also be available at the Registered Office of the Company in Chennai for inspection during normal business hours on working days. Even after registering for e-communication, Members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost. For any communication, the shareholders may also send requests to the Company's investor e-mail id: shares@amrutanjan.com.
19. Subject to receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of the Meeting, i.e. **Thursday, September 21, 2017**.

20. VOTING THROUGH ELECTRONIC MEANS

Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended from time to time and Regulation 44 of SEBI LODR, the Company provides the Members the facility to exercise their right to vote at the 80th AGM by electronic means and the businesses may be transacted through e-voting services provided by Central Depository Services (India) Limited (CDSL).

Procedures for shareholders voting electronically are as under: (It forms part of the notice)

- (i) The e-voting period begins on **Monday, September 18, 2017 (9.00 a.m. IST) and ends on Wednesday, September 20, 2017 (5.00 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, **Thursday, September 14, 2017** may cast their votes electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by a member, he shall not be allowed to change it subsequently.
- (ii) The voting rights of Members shall be in proportion to their shares in the paid up equity share capital of the Company as on the cut-off date **September 14, 2017 (Thursday)**.
- (iii) Mr. P Sriram of M/s. P Sriram & Associates, Practising Company Secretary (Membership No. FCS 4862) has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- (iv) The Scrutinizer shall within a period of not exceeding three (3) working days from the conclusion of the e-voting period, unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against forthwith to the Chairman of the Company.



NOTICE TO MEMBERS (Contd.)

- (v) Voting is provided to the members through E-voting and at the Annual General Meeting of the Company. A member can opt for only one mode of voting i.e either through e-voting or at the Annual General Meeting of the Company.
- (vi) If a Member casts votes by both modes, then voting done through E-voting shall prevail.

The results shall be declared not later than two (2) days from the date of Annual General Meeting (AGM) of the Company. The results declared along with the Scrutinizers Report shall be placed on the Company's website **www.amrutanjan.com** and on the website of **CDSL** within forty eight (48) hours of AGM and communicated to the National Stock Exchange of India Limited where the shares of the Company are listed.

Instructions for shareholders voting electronically are as under:

- (i) The voting period commences on **Monday, September 18, 2017 (9.00 a.m. IST)** and ends on **Wednesday, September 20, 2017 (5.00 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 of **September 14, 2017 (Thursday)** may cast their votes electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by a member, he shall not be allowed to change it subsequently.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) The shareholders should log on to the e-voting website **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 the demat form and had logged on to **www.evotingindia.com** and voted on an earlier voting of any Company, then your existing password is to be used.
- (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) <ul style="list-style-type: none"> • Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field (Sequence number has been provided as Serial Number (SL No) in the Address Label. • In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
DOB	Enter the Date of Birth as recorded in your demat account or in the Company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the Company records for the said demat account or folio. <ul style="list-style-type: none"> • Please enter the DOB or Bank Details in order to login. If the details are not recorded with the depository or Company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (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.

NOTICE TO MEMBERS (Contd.)

- (xii) Click on the EVSN for the relevant 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 print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xviii) If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) **Note for Non-Individual Shareholders & Custodians:**
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves as Corporate and Custodians respectively.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details they should create compliance user using the admin login and password. The Compliance user would be able to link the depository account(s) / folio numbers on which they wish to vote.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xx) 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.

BY ORDER OF THE BOARD
For Amrutanjan Health Care Limited

M Srinivasan
Company Secretary & Compliance Officer

Place : Chennai
Date : August 14, 2017

Registered Office:
Amrutanjan Health Care Limited
CIN: L24231TN1936PLC000017
No.103, Luz Church Road, Mylapore,
Chennai 600 004
Tel : 044-2499 4465; Fax : 044-2499 4585
Email : shares@amrutanjan.com
Website : www.amrutanjan.com



NOTICE TO MEMBERS (Contd.)

EXPLANATORY STATEMENT

Pursuant to Section 102(1) of the Companies Act, 2013, the following explanatory statement sets out all the material facts relating to the Special Businesses mentioned under Item Nos. 5-8 of the accompanying notice.

Item No. 5 - Re-appointment of Dr. H B N Shetty (DIN : 00015465)

Dr. H B N Shetty (DIN: 00015465) joined the Board of the Company on July 31, 2003. Earlier he has served as a Collector in various places and was in charge of many Government departments viz., Labour and Industry and retired as Education Secretary in the Government of Tamil Nadu. After his retirement, he was appointed as Vice-Chairman, State Appellate Tribunal, Land Reforms with the rank of a High Court Judge. He was appointed as an Independent Director in the first term for a period of three consecutive years from the conclusion of Seventy Seventh (77th) Annual General Meeting.

The Nomination and Remuneration Committee has recommended the re-appointment of Dr. H B N Shetty, as an Independent Director for a second term of five (5) years commencing from the conclusion of this AGM (80th) upto the conclusion of the Eighty Fifth (85th) AGM in 2022 and the Board in its meeting held on August 14, 2017, approved the re-appointment subject to the members' approval.

Pursuant to the provisions of Section 149 and other applicable provisions of the Companies Act, 2013, an Independent Director shall hold office for a term up to five consecutive years on the Board of a Company, and shall be eligible to be reappointed for another term of five years subject to passing of special resolution and disclosure in the Board's report and in the opinion of the Board, fulfil the conditions specified in the Companies Act, 2013 and the other applicable provisions and rules thereof.

Dr. H B N Shetty has given a declaration under Section 149(6) & Schedule IV of the Companies Act, 2013 to the Company declaring his Independence. The terms and conditions of re- appointment would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day excluding Saturday upto the date of AGM.

The Board after considering the skill, knowledge, immense experience, active participation in the meetings and the fulfilment of the conditions specified in the Companies Act, 2013 and the Rules framed thereunder, recommends the re-appointment of Dr. H B N Shetty as it would be of immense benefit for the Company and is desirable to continue to avail his services as an Independent Director of the Company.

Except Dr. H B N Shetty, none of the other Directors or Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise in the resolution set out in Item No. 5.

The Board recommends passing the resolution set out in Item No. 5 of this Notice as special resolution.

Item No. 6 - Re-appointment of Dr. S Vydeeswaran (DIN : 06953739)

Dr. S Vydeeswaran (DIN: 06953739) joined the Board of the Company on September 22, 2014. He is a Master of Science and a Doctorate possessing appropriate skills, excellent experience and knowledge, inter alia, in the field of synthetic organic chemistry and pharmaceutical formulations of both allopathic and ayurvedic products. He has served in Chemical, Pharmaceutical Companies in production, research and quality control under various capacities as research officer and production manager. He was appointed as an Independent Director for a period of three consecutive years from the conclusion of Seventy Seventh (77th) Annual General Meeting.

The Nomination and Remuneration Committee has recommended the re-appointment of Dr. S Vydeeswaran, as an Independent Director for a second term of five (5) years commencing from the conclusion of this AGM (80th) upto the conclusion of the Eighty Fifth (85th) AGM in 2022 and the Board in its meeting held on August 14, 2017, approved the re-appointment subject to the members' approval.

Pursuant to the provisions of Section 149 and other applicable provisions of the Companies Act, 2013, an Independent Director shall hold office for a term up to five consecutive years on the Board of a Company, and shall be eligible to be reappointed for another term of five years subject to passing of special resolution and disclosure in the Board's report and in the opinion of the Board, fulfil the conditions specified in the Companies Act, 2013 and the other applicable provisions and rules thereof.

Dr. S Vydeeswaran has given a declaration under Section 149(6) & Schedule IV of the Companies Act, 2013 to the Company declaring his Independence. The terms and conditions of re- appointment would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day excluding Saturday upto the date of AGM.

The Board after considering the skill, knowledge, immense experience, active participation in the meetings and the fulfilment of the conditions specified in the Companies Act, 2013 and the Rules framed thereunder, recommends the re-appointment of Dr. S Vydeeswaran as it would be of immense benefit for the Company and is desirable to continue to avail his services as an Independent Director of the Company.

Except Dr. S Vydeeswaran, none of the other Directors or Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise in the resolution set out in Item No. 6.

The Board recommends passing the resolution set out in Item No. 6 of this Notice as special resolution.

NOTICE TO MEMBERS (Contd.)

Item No. 7 - Re-appointment of Dr. (Ms.) Marie Shiranee Pereira (DIN : 05177560)

Dr. (Ms.) Marie Shiranee Pereira (DIN: 05177560) joined the Board of the Company on November 2, 2011. She has varied and extensive research experience. She was appointed as an Independent Woman Director in first term for a period of three consecutive years from the conclusion of Seventy Seventh (77th) Annual General Meeting.

The Nomination and Remuneration Committee recommended the re-appointment of Dr. (Ms.) Marie Shiranee Pereira, as an Independent Woman Director for a second term of five (5) years commencing from the conclusion of this AGM (80th) upto the conclusion of the Eighty Fifth (85th) AGM in 2022 and the Board in its meeting held on August 14, 2017, approved the re-appointment subject to the members' approval.

Pursuant to the provisions of Section 149 and other applicable provisions of the Companies Act, 2013, an Independent Director shall hold office for a term up to five consecutive years on the Board of a Company, and shall be eligible to be reappointed for another term of five years subject to passing of special resolution and disclosure in the Board's report and in the opinion of the Board, fulfil the conditions specified in the Companies Act, 2013 and the other applicable provisions and rules thereof.

Dr. (Ms.) Marie Shiranee Pereira has given a declaration under Section 149(6) & Schedule IV of the Companies Act, 2013 to the Company declaring her Independence. The terms and conditions of re- appointment would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day excluding Saturday upto the date of AGM.

The Board after considering the skill, knowledge, immense experience, active participation in the meetings and the fulfilment of the conditions specified in the Companies Act, 2013 and the Rules framed thereunder, recommends that the re-appointment of Dr. (Ms.) Marie Shiranee Pereira would be of immense benefit for the Company and is desirable to continue to avail her services as an Independent Woman Director of the Company.

Except Dr. (Ms.) Marie Shiranee Pereira, none of the other Directors or Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise in the resolution set out in Item No. 7.

The Board recommends passing the resolution set out in Item No. 7 of this Notice as special resolution.

Item No.8 - Cost Auditor Remuneration

Pursuant to the provisions of Section 148 of the Companies Act, 2013 and Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the Company is required to appoint a cost auditor to conduct the audit of the cost records of the applicable products of the Company. As per the Rules, remuneration payable to the cost auditor is required to be approved by the members of the Company in the Annual General Meeting. The Board of Directors of the Company at its meeting held on August 14, 2017 had considered and approved the appointment of Mr. G Thangaraj, Cost Accountant (Registration No: 100464) as the Cost Auditor of the Company for the financial year 2017-18 at a remuneration of ` 1,00,000/- (Rupees One Lakh only) excluding applicable taxes and out of pocket expenses at actual that may be incurred.

Copies of relevant resolution of the Audit Committee and Board are available for inspection of the members on any working day of the Company between 9.00 a.m. and 5.00 p.m. at the Registered office of the Company.

The Board of directors accordingly recommends the resolution set out in Item No. 8 of the accompanying Notice for the approval of members.

BY ORDER OF THE BOARD
For Amrutanjan Health Care Limited

Place : Chennai
Date : August 14, 2017

M Srinivasan
Company Secretary & Compliance Officer

Registered Office:
Amrutanjan Health Care Limited
CIN: L24231TN1936PLC000017
No.103, Luz Church Road, Mylapore,
Chennai 600 004
Tel : 044-2499 4465; Fax : 044-2499 4585
Email : shares@amrutanjan.com
Website : www.amrutanjan.com



NOTICE TO MEMBERS (Contd.)

DETAILS OF DIRECTORS SEEKING RE-APPOINTMENT AT THE ANNUAL GENERAL MEETING

Name of the Director & DIN	Dr. Pasumarthi S N Murthi (DIN 00051303)	Dr.H B N Shetty (DIN 00015465)	Dr. S Vydeeswaran (DIN 06953739)	Dr. (Ms.) Marie Shiranee Pereira (DIN 05177560)
Category	Non-Executive Director	Non-Executive Independent Director	Non-Executive Independent Director	Non-Executive Independent Director
Date of Birth & Age	11 th August, 1934; 83 years	11 th April, 1932; 85 years	8 th September, 1946; 70 years	7 th January, 1963; 54 years
Date of Original Appointment	5 th August, 1989	31 st July, 2003	22 nd September, 2014	2 nd November, 2011
Qualifications	B.Sc., MBBS, FRCS (Edin UK) FIMSA	M.A. (Chemistry), M. L., Ph.D	M.Sc, P.h.D in Organic Chemistry, FICS	M.Phil, , Ph.D
Expertise in Specific Functional Area	Retd. Consultant Surgeon with wide experience in the field of Medicine. He is the only Medical expert on the Board of Amrutanjan Health Care Limited and advises on any medical issues relating to the products of the Company;	Retired IAS officer	Synthetic Organic Chemistry and Pharmaceutical formulations	Research Experience
List of other Companies in which Directorships held	Nil	Nil	Nil	Nil
Chairmanship/ Membership of Committees of Board of Directors of other Companies	Nil	Nil	Nil	Nil
Shareholding	3,32,195 equity shares	Nil	Nil	Nil
Relationship with other Directors	Not related to any other Director of Amrutanjan Health Care Limited	Not related to any other Director of Amrutanjan Health Care Limited	Not related to any other Director of Amrutanjan Health Care Limited	Not related to any other Director of Amrutanjan Health Care Limited

BOARD'S REPORT

Your Directors have pleasure in presenting the Eightieth (80th) Annual Report of the Company along with the Audited financial statements for the year ended March 31, 2017.

1. FINANCIAL RESULTS

Your Directors are pleased to furnish below the financial results for the year ended 31st March 2017.

Particulars	For the Current Year ended 31 st March, 2017		For the Previous Year ended 31 st March, 2016	
Profit before Interest and Depreciation		33,52,43,372		37,16,81,969
Less: Interest	43,22,886		8,16,418	
Depreciation & Amortisation	<u>2,64,84,761</u>	<u>3,08,07,647</u>	<u>2,52,46,566</u>	<u>2,60,62,984</u>
Profit Before exceptional items		30,44,35,725		34,56,18,985
Exceptional items		-		-
Profit before tax		30,44,35,725		34,56,18,985
Provision for taxation				
- Income Tax		(11,23,00,000)		(11,40,00,000)
- Deferred Tax		(5,39,893)		(50,64,169)
- Short Provision for Income Tax of earlier years		(44,17,901)		(23,76,350)
Profit after tax before extraordinary items		<u>18,71,77,931</u>		<u>22,41,78,466</u>
Extraordinary items		<u>2,69,13,784</u>		<u>-</u>
Net Profit		21,40,91,715		22,41,78,466
Add:				
Transfer from Profit & Loss Account		-		-
- Surplus from previous year brought forward		66,18,34,132		51,05,07,169
Profit for Appropriation		<u>87,59,25,847</u>		<u>73,46,85,635</u>
Appropriations:				
General Reserve		-		50,00,000
Interim Dividend Paid		3,21,53,694		5,62,68,963
Tax on Interim Dividend		65,45,736		1,15,82,540
Balance Profit Carried to Balance Sheet		<u>83,72,26,417</u>		<u>66,18,34,132</u>
		<u>87,59,25,847</u>		<u>73,46,85,635</u>



BOARD'S REPORT (Contd.)

2. PERFORMANCE OF YOUR COMPANY

Your Company witnessed a 20.11% growth in turnover during the financial year 2016-17 with total Gross Sales of ₹ 230.51 Crores as against ₹ 191.92 Crores during the previous financial year.

OTC and Beverages Business – Performance At Glance

	2016-17	2015-16	CHANGE %
Production-Tonnes	824.93	709.02	16.35
- Kilo Ltrs	6183.25	5308.85	16.47
Sales Volume - Tonnes	733.21	695.37	5.44
- Kilo Ltrs	6294.04	5048.70	24.67
Sale Value (in Crore)	230.51	191.92	20.11
Operating EBITDA (in Crore)	36.21	37.17	(2.58)
Operating EBITDA Margin (%)	15.71	19.37	(18.90)

3. CAPITAL RETURN POLICY

Your Company has recently announced a "Capital Return Policy" which reaffirms the commitment of the management to ensure sustainable return to all its shareholders. The policy is available at the Web link <https://www.amrutanjan.com/pdf/CRP.pdf>.

4. DIVIDEND

The Board of Directors after considering the profits projected for the year 2016-17, had declared and paid two interim dividends during the year. Details of the Interim Dividend paid and the final dividend recommended are as below:

i. Interim Dividend:

S. No.	Date of Board Meeting approving the Dividend	Rate of Dividend (in ₹)	% of Interim Dividend to Face Value	Total Amount of Interim Dividend (in ₹)	Date of Payment
1.	November 10, 2016	1.10	55	1,60,76,847	November 23, 2017
2.	February 9, 2017	1.10	55	1,60,76,847	February 22, 2017
	TOTAL	2.20	110	3,21,53,694	

The Company has borne the entire dividend distribution tax of ₹ 65,45,736 towards the two interim dividends paid to the equity shareholders.

ii. Final Dividend:

The Board has proposed a final dividend of ₹ 1.65/- per equity share of face value of ₹ 2/- each, subject to the approval of the shareholders' in the upcoming Eightieth (80th) Annual General

Meeting. The members whose names appear on the Register of Members as on the record date, i.e., **Thursday, September 14, 2017** will be paid the final dividend within 30 days of the Shareholders approval.

5. AMOUNT CARRIED FORWARD TO RESERVES

No amount was carried forward to reserves for the year ended March 31, 2017.

6. SHARE CAPITAL

Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

- Issue of equity shares with differential rights as to dividend, voting or otherwise;
- Issue of shares (including Sweat Equity Shares and ESOS) to employees of the Company under any scheme;

7. FIXED DEPOSITS

During the year under review, your Company did not accept any deposits within the meaning of provisions of Chapter V (Acceptance of Deposits by Companies) of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014 and was not holding any amount under Fixed Deposit Account as on March 31, 2017.

8. FINANCE

The cash and cash equivalent as at March 31, 2017 was ₹ 47.47 Crores. The Company continues to focus on judicious management of its working capital, receivables, inventories and other working capital parameters were kept under strict check through continuous monitoring.

9. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 read with Companies (Meetings of Board and its Powers) Rules, 2014 and Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 [SEBI LODR] are given in Notes to the Financial Statements.

10. MANAGEMENT DISCUSSION AND ANALYSIS (MDA)

In terms of regulation 34 and Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI LODR), the MDA report of the Company capturing the performance, industry trends and other material changes with respect to your Company are presented in "ANNEXURE A" of this Report.

BOARD'S REPORT (Contd.)

11. CORPORATE GOVERNANCE

Your Company has complied with the requirements of regulation 34 read with Schedule V of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (SEBI LODR). All the Directors and Senior Managerial Personnel have affirmed in writing their compliance with the Code of Conduct adopted by the Company. The annual report of the Company contains a certificate by the Chairman & Managing Director in terms of SEBI Listing Regulations on the compliance declarations received from the Directors and the Senior Management personnel.

A separate section on Corporate Governance practices followed by the Company, together with a certificate from the Practicing Company Secretary confirming Compliance, forms an integral part of this Report as "ANNEXURE B".

12. DIRECTORS & KEY MANAGERIAL PERSONNEL

(a) Retirement by Rotation

In accordance with the provisions of the Companies Act, 2013 ("ACT") and the Articles of Association of the Company, Dr. Pasumarthi S N Murthi (DIN : 00051303), Non- Executive Director retires by rotation at the upcoming Eightieth (80th) Annual General Meeting and being eligible, offers himself for reappointment.

The resolution seeking approval of the members for re-appointment of Dr. Pasumarthi S N Murthi (DIN : 00051303) has been incorporated in the Notice of the Annual General Meeting along with brief details about him.

(b) Independent Directors :

The Nomination and Remuneration Committee at its meeting held on August 14, 2017, have recommended for re-appointment of Dr. H B N Shetty (DIN : 00015465), Dr. S Vydeeswaran (DIN : 06953739) and Dr. (Ms.) Marie Shiranee Pereira (DIN: 05177560) as Independent Directors, for second term of five (5) consecutive years effective from the conclusion of the ensuing 80th AGM till the conclusion of 85th AGM (2022).

The resolutions seeking approval of the members for the re-appointment of the above Directors have been incorporated in the Notice convening the Eightieth (80th) Annual General Meeting of the Company along with brief details about them.

The Independent Directors of the Company have submitted a declaration under Section 149(7) of the Act that each of them meets the criteria of independence as provided in Section 149(6) of the Act and there has been no change in the circumstances which may affect their status as Independent Director during the year.

The terms and conditions of appointment of the Independent Directors are placed on the website of the Company

www.amrutanjan.com. The details of familiarization programmes conducted to the Independent Directors are available at the web link <https://www.amrutanjan.com/pdf/FR.pdf>.

During the year, the Non-Executive Directors of the Company had no pecuniary relationship or transactions with the Company, other than the sitting fees, commission and reimbursement of expenses incurred by them for the purpose of attending meetings of the Company.

(c) Key Managerial Personnel :

Pursuant to the provisions of Section 203 of the Act, the Key Managerial Personnel of the Company are – Mr. S Sambhu Prasad, Chairman & Managing Director, Mr. K Kannan, Chief Financial Officer and Mr. M Srinivasan, Company Secretary. There has been no change in the Key Managerial Personnel during the year.

13. BOARD MEETINGS

During the year, Four (4) meetings of the Board of Directors were held. The complete details of the meetings are furnished in the Corporate Governance Report. The intervening gap between any two Meetings was less than 120 days in compliance with the provisions of Section 173(1) of the Companies Act, 2013.

14. BOARD EVALUATION

Pursuant to the provisions of the Companies Act, 2013 read with Rule 8(4) of the Companies (Accounts) Rules, 2014 and SEBI LODR, the Board of Directors during the year carried out an annual performance evaluation of its own performance, the directors individually (without participation of the relevant director) and the Chairman.

The evaluation was carried through a structured methodology approved by the Nomination and Remuneration Committee. The criteria for performance evaluation have been detailed in the Corporate Governance Report.

15. REMUNERATION POLICY

The Remuneration policy of the Company with respect to appointment and remuneration of the Directors, Key Managerial Personnel and Senior Managerial Personnel of the Company including criteria for determining qualifications, positive attributes, independence of a Director and other related matters has been provided in the website of the Company - www.amrutanjan.com. The Nomination and Remuneration Committee has framed a Policy on Board diversity appropriate to the business requirements of the Company, which inter-alia specifies optimum combination of Executive Directors, Non-Executive Directors and Independent Directors, the recommendatory requirement for each of the directors to possess functional diversity and role of Nomination and Remuneration Committee to ensure that the Policy on Board



BOARD'S REPORT (Contd.)

diversity is considered while recommending the appointment of new directors on the Board of the Company.

16. VIGIL MECHANISM/ WHISTLE BLOWER POLICY

Pursuant to Section 177(9) of the Companies Act, 2013 read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014 and Regulation 22 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, the Board of Directors had approved the Policy on Vigil Mechanism/ Whistle Blower and the same was hosted on the web link <https://www.amrutanjan.com/pdf/Whistle%20Blower%20Policy.pdf>.

The Policy *inter-alia* provides for a direct access to the Chairman of the Audit Committee.

Your Company hereby affirms that no Director/ employee have been denied access to the Chairman of the Audit Committee and that no complaints were received during the year.

17. UNCLAIMED SHARES

The Company does not have any unclaimed shares in the demat suspense account or unclaimed suspense account pursuant to SEBI Listing Regulations. Detailed information is provided in the Corporate Governance Report.

18. STATUTORY AUDITORS & THEIR REPORT

M/s. P.S. Subramania Iyer & Co., Chartered Accountants, (ICAI Firm Registration No. 004104S), were appointed as Statutory Auditors of the Company at the Seventy Ninth (79th) AGM. In compliance with Section 139, 142 and other applicable provisions of the Companies Act, 2013 ("ACT") read with Companies (Audit and Auditors) Rules, 2014, the Audit Committee and the Board of Directors of the Company at their meetings held on August 14, 2017 respectively, recommended the appointment of M/s. B S R & Co. LLP, Chartered Accountants (ICAI Firm Registration No. 101248W/W-100022), as Statutory Auditors for a term of five (5) years commencing from the conclusion of this AGM (2017) upto the conclusion of the Eighty Fifth AGM (2022) subject to ratification by the members at every AGM.

The company has obtained written confirmation from M/s. B S R & Co. LLP, Chartered Accountants that their appointment, if made, would be in conformity with the limits specified in the Act and that they do not suffer from any disqualification under Section 141 of the Companies Act, 2013 and the rules made thereunder.

The Statutory Auditors' report to the shareholders on the financials for the year ended March 31, 2017 does not contain any qualification, observation or adverse comment.

19. COST AUDITOR

Pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014, the Board of

Directors at its meeting held on August 14, 2017 has appointed Mr. G Thangaraj (Registration No. 100464), Cost Accountant as the Cost Auditor to conduct the cost audit with respect to OTC business of the Company for the current financial year ending March 31, 2018. The remuneration has been fixed by the board based on the recommendation of the audit committee and is required to be approved by the members at the AGM. The notice convening the AGM contains the resolution with regard to this. He was also the cost auditor for the previous year ended March 31, 2017.

20. CORPORATE SOCIAL RESPONSIBILITY (CSR) INITIATIVES

The CSR activities carried out by your Company during the financial year 2016-17 were mainly focused on (a) Animal Welfare, (b) Promotion of Education (c) Empowerment of Women, (d) Health and Sanitation, (e) Infrastructure development and (f) Environmental Protection. These activities undertaken by the Company are in accordance with Schedule VII of the Companies Act, 2013, the CSR Policy of the Company and as per recommendations of the CSR Committee.

The CSR Committee met thrice (3) during the year to oversee the activities, programs and execution of initiatives as per the predetermined guidelines of the Board and approved the amount to be spent towards CSR. The Board takes pleasure to note that the Company has spent the entire amount that was mandatorily to be incurred towards the CSR spends for the year 2016-17. The CSR policy is available on the weblink <https://www.amrutanjan.com/pdf/ahcl-csr-policy.pdf>. The detailed report on CSR activities carried out during the year are given in "ANNEXURE C".

21. PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Companies Act, 2013 read with Rules framed thereunder are provided in "ANNEXURE D".

22. SECRETARIAL AUDIT:

Pursuant to provisions of Section 204 of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, your Company has engaged the services of M/s. P. Sriram and Associates, Company Secretaries in Practice, Chennai to conduct the Secretarial Audit of the Company for the financial year ended March 31, 2017. The Secretarial Audit Report for the financial year ended March 31, 2017 in Form No. MR-3 is attached as "ANNEXURE E" to this Report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

23. EXTRACT OF ANNUAL RETURN

An extract of Annual Return in Form MGT-9 as on March 31, 2017 as per provisions of Section 92(3) of the Companies Act, 2013 is attached as "ANNEXURE F" to this Report.

BOARD'S REPORT (Contd.)

24. RELATED PARTY TRANSACTIONS

The related party transaction entered into during the financial year was on an arm's length basis. There was no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large. Particulars of Contracts or Arrangements with Related parties as referred to in Section 188(1) in Form AOC- 2 is attached as "ANNEXURE G".

25. CONSERVATION OF ENERGY/TECHNOLOGY ABSORPTION AND FOREIGN EARNINGS/OUTGO

Information as required under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 relating to Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo are furnished in "ANNEXURE H" to this Report.

26. DIRECTORS' RESPONSIBILITY STATEMENT

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(3)(c) & 134(5) of the Companies Act, 2013:

- I. that in the preparation of the annual financial statements for the year ended March 31, 2017, the applicable accounting standards had been followed along with proper explanation relating to material departures, if any;
- II. that the directors had selected such accounting policies and applied consistently and judgment and estimates have been made 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, 2017 and of the profit of the Company for the year ended on that date;
- III. that proper and sufficient care has been taken 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;
- IV. that the annual financial statements have been prepared on a going concern basis;
- V. that proper internal financial controls were followed by the Company and that such internal financial controls are adequate and were operating effectively.
- VI. that proper systems to ensure compliance with the provisions of all applicable laws were in place and that such systems were adequate and operating effectively.

27. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has a proper and adequate internal control system to ensure that all the assets of the Company are safeguarded and protected against any loss and that all the transactions are properly authorised and recorded. Information provided to management is reliable and timely and statutory obligations are adhered to. Details of the same are provided in the Management Discussion and Analysis Report attached.

28. ENVIRONMENTAL, SAFETY AND HEALTH

Your Company is committed to ensure sound Safety, Health and Environmental (SHE) performance related to its activities, products and services. The Company is taking continuous steps to develop Safer Process Technologies and Unit Operations. Your Company has been investing heavily in areas such as Process Automation for increased safety and reduction of human error element. Enhanced level of training on Process and Behavior based safety, adoption of safe & environmental friendly production process, Management System is done on a continuous basis. The Company is committed to continuously take further steps to provide a safe and healthy environment.

29. RISK MANAGEMENT POLICY :

Your Company has a Risk Management Policy adopted by the Board. Periodical in-house risk audits were conducted to detect and mitigate the risks in a timely and effective manner. Management Discussion and Analysis Report contain more details on the risk management practiced by the Company.

30. MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY

There were no material changes and commitments affecting the financial position of the Company between the closure of the financial year 2016-17 and the date of this report.

31. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS

Apart from the order passed by the Honorable National Company Law Tribunal (NCLT) dated July 13, 2017 approving the Scheme of Amalgamation of M/s. Amrutanjan Pharmaessense Private Limited with M/s. Amrutanjan Health Care Limited, there are no significant and material orders passed by the Regulators or Courts or Tribunals which would impact the going concern status of the Company and its future Operations.

32. ENHANCING SHAREHOLDERS VALUE

Your Company believes that its Members are among its most important stakeholders. Accordingly, your Company's operations are committed to the pursuit of achieving high levels of operating performance and cost competitiveness, consolidating and building



BOARD'S REPORT (Contd.)

for growth, enhancing the productive asset and resource base and nurturing overall corporate reputation. Your Company is also committed to creating value for its other stakeholders by ensuring that its corporate actions positively impact the socio-economic and environmental dimensions and contribute to sustainable growth and development.

33. PREVENTION OF SEXUAL HARASSMENT POLICY

The Company has in place a Prevention of Sexual harassment policy in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013. An Internal Complaints Committee has been set up to redress complaints received regarding sexual harassment. All

employees (permanent, contractual, temporary, trainees) are covered under this policy.

During the year 2016-2017, no complaints were received by the Company related to sexual Harassment.

34. ACKNOWLEDGMENT

The Directors wish to express their sincere appreciation to all the Government Departments, Bankers, Customers, Distributors, Suppliers and the shareholders for their co-operation and support extended during the year.

The Directors also wish to thank all the employees for their contribution, support and continued commitment throughout the year.

Place : Chennai

Date : 14th August, 2017

For and on behalf of the Board

S Sambhu Prasad
Chairman and Managing Director

Registered Office:

Amrutanjan Health Care Limited

CIN: L24231TN1936PLC000017

No.103, Luz Church Road, Mylapore, Chennai 600 004

Tel : 044-2499 4465 Fax : 044-2499 4585

Email : shares@amrutanjan.com

Website : www.amrutanjan.com

I. INDUSTRY STRUCTURE AND DEVELOPMENTS

Your Company operates primarily in the OTC (Over the Counter) category that is comprised of rubefacients, digestives, inhalers and acne preparations. This category has been witnessing a steady growth due to expansion of Rx brands into OTC and also overall increase in self-medication from consumers. Your Company's focus is on rubefacient(pain and congestion management) and inhaler categories.

Your Company also, during the past 3 years, successfully entered the women's hygiene (sanitary napkin) and fruit based non-carbonated beverage markets. The women's hygiene category is one of the fastest growing category driven by sanitary napkin products. The low per capita penetration of sanitary napkins amongst Indian women is aiding this double-digit growth of the category. The government and various self-help groups are also creating awareness among women with regards to personal hygiene and menstrual care.

Your Company's sales grew by double digits inspite of disruptive macro developments due to the note ban, regional political turmoil in the state of Tamil Nadu and subsequent destocking and disinvestment from the distributors and retailers.

7th to 6th among Top 10 Rubefacient Manufacturers All India (Source: Nielsen India)

We will continue to focus on understanding the consumer's needs and executing to gain a higher mind share and revenue share in the years to come.



Feminine Hygiene Category

The category penetration of sanitary napkins is only 16% and most women in semi urban and rural areas preferring to use traditional



methods like cloth to meet their menstrual needs. The government recognizing this health hazard has been steadily working towards awareness amongst consumers and has also recently provided benefits to the industry by reducing customs duty on key raw materials like SAP(super absorbent polymer) and wood pulp, in the recent



Pain Management

Your Company's flag ship brand, Amrutanjana, which boasts of a 124 year lineage, offers pain management solutions in the area of headache and body. Our strategy of segmenting the offerings based on intimate consumer needs buttressed by the distribution and brand investments have resulted in our brand moving up one spot among the competition as shown in the illustration. We have moved up one step ahead from

Comfy Sanitary Napkins

Features:

- 200% extra absorbent market of 100% the market leader of this category
- 200% extra absorbent than other leading brands
- 3 layer napkins, and leak protectors, dry for longer and bigger relief

Features	Benefits	Advantages
200% extra absorbent market of 100% the market leader of this category	Longer Napkins	30% extra absorbent than other leading brands
200% extra absorbent than other leading brands	3 layer Napkins	Leak protectors, dry for longer and bigger relief

The power to be you

budget.(source: ET June 2016) These sops should further aid industry in making the product more economically accessible to the rural consumers as price was a barrier to trials as many studies have shown. Amrutanjana Comfy Snug Fit Sanitary napkin was launched keeping the need gap of economic barriers to usage of sanitary napkins(due to higher priced existing products) at a price point of Rs20. The Comfy Snug Fit line of sanitary napkins were developed and marketed in a technical collaboration with a European Company to ensure delivery of economically priced product in combination with best in category performance metrics and healthy margins as well.



Management Discussion and Analysis Report (contd.)

COMFY SNUG FIT: The power to be you

Your Company also initiated a school education drive across rural public schools to educate the girl child in her health care needs. Comfy school drive was initiated to build health and hygiene related awareness among girls belonging to lower income strata families. Therefore we targeted government schools along the length and breadth of TN to begin with and distributed free Comfy sanitary napkin packs to school girls who have attained puberty. The following table shows the coverage details of the activity carried out so far:

Locations	No. of Govt. schools	Contacts made
Cuddalore	4	1200
Vellore	4	1700
Dharmapuri	4	1500
Kancheepuram	4	1650
Salem	4	1816
Erode	4	1784
Krishnagiri	4	1600
Pondicherry	4	1896
Thanjavore	4	1400
Trichy	4	1650
Total contacts	40	16196

Few snapshots from the fieldwork.



Distribution

Your Company reached 1 million outlets directly and indirectly with direct distribution servicing 2.4 lac outlets. We have the following goals for distribution and sales process:

- To increase direct distribution reach from 2.4 lac outlets to 3 lac outlets by end of FY 2018
- Deployment of Information technology to fully capture factory to consumer touch points in our supply chain
- Have clear goals and strategies to increase direct distribution: category, channel and town class wise
- We are under-represented in wholesale (compared to industry) with only 25% contribution to sales. We need to balance both wholesale and direct distribution routes to balance reach and costs.

Modern Format Focus

MT registered growth of 29% in the year 2016-17.

The Modern Trade (MT) sales have been steadily increasing year on year. (₹ in Lakhs)

2013-14	2014-15	2015-16	2016-17
607.87	766.85	1140.20	1468.94

Amrutanjan products are available in 5400 MT stores.

The Special visibility was done in the year 2016-17 also in 1000 outlets.

A special initiative has been taken to install giant display in 11 Spar Hyper Market stores which received great response from the consumers.

The acceptance of our Amrutanjan products with MT consumers have been increasing year after year and the new categories also well accepted by modern trade chains.

Exports

The sales in Africa and UAE markets have been steadily increasing year on year (Sales ` in lakhs)

Market	2013-14	2014-15	2015-16	2016-17
Africa	64	246	193	223
Middle East	30	89	34	63
South East Asia	31	10	14	8
Other Markets	27	13	16	20
Total	151	358	257	314

In 2016-17 we have entered Oman and UAE markets.

Our Tamil Nadu factory has been approved by Kenya and UAE governments last year.

Management Discussion and Analysis Report (contd.)



Beverages

Our honorable Prime Minister Narendra Modi famously quipped on why carbonated drink manufacturers don't infuse 2% fruit juice in their products. This statement captures the shift in consumer behavior towards healthy drink alternatives compared to carbonated products. Your Company's brand Fruitnik is well poised to capture this trend having grown sales from 22cr to 29 cr this year, expanded the distribution foot print beyond Tamil Nadu to Orissa, West Bengal and successfully introduced new seasonal flavors.

Keeping our stated vision to launch functional health focused drinks, we also introduced India's first ORS drink in a PET bottle.

The future for this business would entail distribution expansion, launching new variants both in the fruit juice line and health care line while continuously working towards margin expansion.

Amrutanjan Pain Services Business

Pain relief without surgery

Amrutanjan APMC which was started in 2011 is Chennai's first and only comprehensive pain management center, established by a 120-year old corporate. This is a specialized center for pain management that brings together medical specialists from various disciplines to formulate a customized allopathic cure for each patient.

We had recorded the highest revenue from this business since inception, in FY 2017 with sales of 208.9 lacs compared to 127.7 lacs the previous year. Our main focus continues to be treatment of knee pain using non-surgical means, followed by back pain therapy.

II. CORPORATE SOCIAL RESPONSIBILITY

Amrutanjan, in its continuous endeavor to aid the social cause, has undertaken the following projects that contribute to the society in the areas of animal welfare, women empowerment, rural health and infrastructure development. NGOs have the objectives, focus, know-how and commitment, but they need the financial support to achieve widespread social transformation. Amrutanjan has joined hands with

some of the NGOs to enable fulfill its CSR obligations for the year 2016-17.

1. "PEOPLE FOR ANIMALS"

"People for Animals" (PFA) is India's largest animal welfare network comprising of 26 hospitals, 165 units and 2.5 Lakh members. PFA



works to rescue and rehabilitate sick and needy animals. It organises shelters, ambulance services, sterilization programs, treatment camps and disaster rescue missions for animals. They also conduct education programs in schools to create awareness of animal welfare and protection, fight cases in court and lobby on animal issues in parliament.

Amrutanjan has been supporting the cause of Chennai unit of PFA year after year by donating out of its CSR funds.

2. "IIMPACT"

Established in 2003 by Alumni of IIM, Ahmedabad, IIMPACT is a registered NGO with a vision to create a positive impact on the education of girl children from socially and economically disadvantaged sections of society. It encourages and enables girl children to become



an independent thinker and learner. Over 60,000 girls are currently enrolled in IIMPACT's girl child education programme.

Like previous years, Amrutanjan has continued its financial support to IIMPACT during 2016-17.



Management Discussion and Analysis Report (contd.)

3. "PAYIR TRUST"



PAYIR is a grass-root not-for-profit organization based in Thenur village – located in one of the most backward districts (Perambalur) in Tamil Nadu. PAYIR focuses on a holistic approach towards achieving its mission of rural empowerment where all aspects of challenges in rural life are addressed.

The Thenur Base Center of PAYIR is constantly facing Power failure and extreme power fluctuations ranging from 130V to 270V. Many of their lab equipment(s), critical health care equipment(s), food processing machines, sewing machines, computers, lightings and even the UPS have been either damaged in the past or out of use many times due to voltage issues, making it ineffective in delivery of services to the rural community for whom their efforts are catered to. More importantly, for the 30 children (girls & boys) who reside there living in this farm, darkness was certainly a safety issue.

Considering this, on the request made by PAYIR, Amrutanjan has sponsored supply and installation of Solar electrification of all its facilities at its Thenur Base Center.

4. "SPARSHA TRUST"

Sparsha Trust is a registered, charitable trust started in the year 2005. The trust is working for the holistic development of needy and vulnerable children focused on promotion and facilitation of child Rights. It is committed for the identification, rescue and rehabilitation of children from 6 to 18 years old. These children were living in the streets, or were abandoned, deprived, out of school, drug-addicted, victims of sexual abuse, begging, rag picking, running away, forced to work or trafficked.



Amrutanjan's CSR support has been utilised by the Trust to purchase additional books for their library and to partly meet the tuition fees of their inmate children.

5. "ACCORD"



ACCORD is a registered trust which has been working with the tribal communities of Gudalur in Nilgiris District of Tamil Nadu for the past 30 years. It acts as the organizational back-up and support for Adivasi MunnetraSangam, an association of the four major tribal groups in Gudalur with nearly 15, 000 members.

It was reported by ACCORD that the present water sources in Kottaimeduvillage in the District are shallow, open and unprotected, increasing their susceptibility to waterborne disease, especially diarrhoea. At the request of ACCORD, Amrutanjan has supported to help deepening the existing water sources in Kottaimedu hamlet and laid down pipes that distribute this water to all the houses for their drinking, cooking and bathing needs. Considering the nutritive needs of the people, the support was extended to develop a fishing pond within the village limits itself and introduction of necessary fish populations in to it.

6. "MEDICAL RESEARCH FOUNDATION"

Amrutanjan has partnered with the famous eye hospital in Chennai, Sankara Nethralaya, in their mission to provide free cataract surgeries to indigent patients who come from economically poor background in rural areas with family income of less than Rs. 7,000/- per month. This joint mission has helped to successfully perform 50 surgeries to the needy patients.

7. "OTHER PROJECTS"

The other major projects that were benefitted out of CSR resources of the Company include,

- Provision of RO drinking water facility at Voorhee School, Vellore in Tamil Nadu;
- Donation to Slum Children Sports Talent and Education Development Society for purchasing a digital learning equipment with education contents for use in their supplementary study Centre in Chennai;
- Construction of drainage facility in Aranvoyal Village at Tiruvelore District in Tamil Nadu;

Management Discussion and Analysis Report (contd.)

- Operating a Primary Health Clinic in Bonded Labour Shed Village in Kodaikanal
- Donation to Venbha Trust, Tamil Nadu, used to remit tuition fee for the deserving poor children;
- Donation to Spastic Society of Karnataka to provide rehabilitation services to children with neuromuscular and developmental disabilities.

III. OPPORTUNITIES AND THREATS

OTC

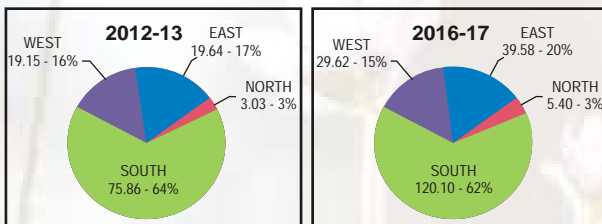
Your Company has grown sales at a CAGR of 13.54 % these past years on the back of core head ache pain management and new categories like beverages, women's hygiene and body pain management.

The drivers of growth can be summarized as follows:

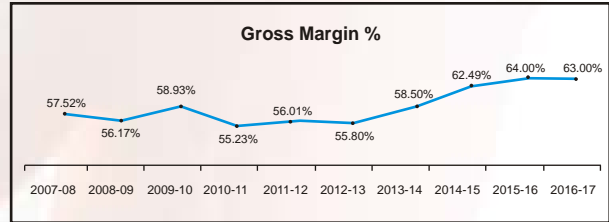
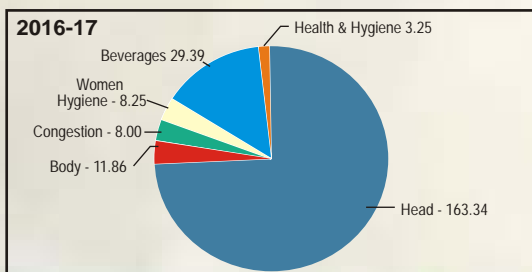
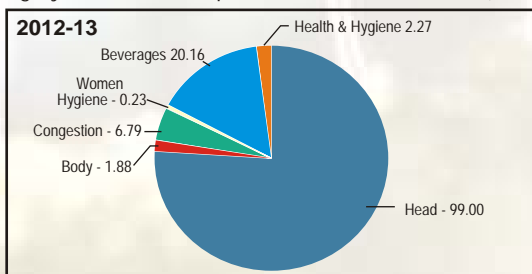
- Geographical expansion of core business
- Distribution expansion of new variants in strong markets
- Rural sales drive which currently lags competition
- Scaling up of new categories launched the past 3-5 years

Your Company has embarked on operating cost control efforts which have resulted in continuous improvement in the Gross margin.

Region wise Sales comparison 2012-13 Vs 2016-17 (` in Cr.)



Category wise Sales Comparison -2012-13 Vs 2016-17 (` in Cr.)



The following statement while repetitive holds good for the foreseeable future:

Our brand Amrutanjan with its 123 years of existence enjoys a position of trust and equity with consumers that is matched by none and has a core competitive advantage due to its platform of natural healing. This cannot be replicated by an allopathic brand. Our core execution capabilities have also been steadily improving as evidenced by data presented in sections above. Building a successful business for the long term is a marathon and not a sprint and we are continuously building on our strengths and working towards eliminating weaknesses.

SEGMENT WISE OR PRODUCT WISE PERFORMANCE

	` Lakhs	
	2016-2017	2015-16
OTC		
Sales	18772.07	16138.5
Segment Results	3595.86	3542.32
Capital Employed	7836.73	6409.05
BEVERAGES		
Sales	2892.04	2171.42
Segment Results	(320.90)	(245.74)
Capital Employed	1154.43	816.19

IV. RISK AND CONCERNS

The disruption to business from macroeconomic turbulence as evidenced by the note ban is an external factor risk that is always probable but could only have a short to medium term impact.

Internal risks that are omnipresent in all businesses are systematically identified and addressed by the Company. Impact due to regulatory rules, material cost hyperinflation, availability of critical raw materials are some of the concerns.

V. OUTLOOK

India has the dubious distinction of being the fastest growing large economy and also having one of the lowest per capita incomes in the world. This is translated into many categories having low penetration levels. Your Company is present today much more than before, in large categories with healthy growth rates due to lower penetration. By focusing on execution we could realize the macro economic growth outlook.



Management Discussion and Analysis Report (contd.)

VI. RISK MANAGEMENT SYSTEM

Risk Management has been given utmost importance in your Company. The risk audits were conducted initially by Internal Auditors and then by Head of the Departments. The training has been given to down the level Executives to conduct inter departmental audits based on the Risk register created by Professional consultants. Risk management system, driven by top management, is being strengthened on continuous basis.

VII. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

Policies and procedures have been defined for all key activities of the business. Automated Alert System have been created for statutory compliances and also for deviations with the use of advanced tools and technics.

Your Company has adequate internal control system supported by robust MIS, Internal Audit and periodic reviews to safeguard and protect all its assets against loss from unauthorized use or disposition. This further ensures that transactions are authorized, recorded and reported correctly. All the issues and observations raised/made by the internal auditors are suitably addressed, acted upon and followed up.

VIII. DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

The Company's Financial Performance with respect to operational performance can be enumerated as below.

	(` In Lakhs)	
	2016-2017	2015-2016
Sales from Operations	22,203.25	18,437.68
Other Income	571.48	573.05
Total Income	22,774.73	19,010.73
Total Expenditure	19,422.29	15,293.91
PBIDT	3,352.44	3,716.82
Depreciation	264.85	252.47
PBIT	3,087.59	3,464.35
Interest	43.23	8.16
PBT	3,044.36	3,456.18
Current / Earlier year Income Tax	1,167.18	1,163.76
Deferred Tax	(5.39)	(50.64)
PAT (Before Extraordinary Item)	1,871.79	2,241.78
Extraordinary Item	269.14	
PAT (After Extraordinary Item)	2,140.93	2,241.78
<i>Key Financial Ratios (expresses as %)</i>		
PBIDT/ Net Sales	15.10%	20.16%
PBIT/Sales	13.91%	18.79%
PBT/Total Income	13.37%	18.18%
PAT/Total Income (before extraordinary item)	8.22%	11.79%
PAT/Total Income (after extraordinary item)	9.40%	11.79%

IX. QUALITY AND SAFETY IN AMRUTANJAN

1. Our Quality Assurance is about safeguarding the consumer's well-being, by assuring that all operations associated with the manufacture of our products are of a standard that meets the consumer's expectations of safety and efficacy..
2. The processes we have built based on Quality, Food Safety Management Systems (ISO 9001 for OTC and ISO 22000 for our F&B divisions) and six sigma methodology ensures the quality and safety of our products provided to the consumers. The products are designed to inbuilt Quality and Safety and all our processes are centric to achieve it.
3. The Vendor Qualification, audits and continuous monitoring of inputs is the focus to achieve best Quality output and consumer satisfaction.
4. The design of the containers and packaging process ensures AHCL uniqueness and pilfer proof to avoid counterfeit products.
5. The production and inspection Excellencies are designed to ensure no unsafe and inferior quality products as an output from our manufacturing locations.

PATIENT SAFETY IN APMC

APMC has established a strong commitment to Patient Safety by utilizing FDA approved medical equipments & procedures in pain management. Our Patient Safety program is designed to align with our mission, vision, and values.

We have adopted the NABH guidelines as key drivers for Patient Safety in the organization. Appropriate policies and procedures have been developed, implemented and evaluated to meet these requirements. The primary focus of this plan is to prevent harm, and promote the safety of all patients, visitors, volunteers, physicians, and staff.

X. MATERIAL DEVELOPMENTS IN HUMAN RESOURCES / INDUSTRIAL RELATIONS FRONT, INCLUDING NUMBER OF PEOPLE EMPLOYED.

At Amrutanjan, Human Resources are the key assets responsible for its sustainable long term growth. Driven by your Company's philosophy of creating value for all its Stakeholders, we have continuously undertaken initiatives focused on Human Resources development & welfare.

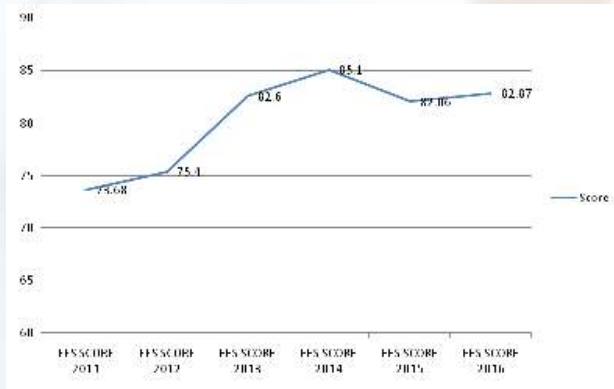
Your Company's HR initiatives are undergoing a significant transformation whereby we are continuously focusing on developing a performance oriented culture for long term business sustainability and living upto stakeholders expectation. During the year, your Company have engaged with employees on several activities to boost employee morale, channel their energies towards the objective of organizational goals and enhancing bonding among various departments.

The Company lays great emphasis on retention of its human talent. The Company invests in Human Resources intangibles from time to time by

Management Discussion and Analysis Report (contd.)

providing on the job training, In-house & external training programs and workshops related to technical / functional / behavioural / general and health & safety etc. which enhance the employees productivity & skills.

As in the past Amrutanjan has measured the engagement levels among employees through a survey called "PULSE" & HR has been working towards the improvement of certain areas of development based on the outcome of the PULSE survey.



The Company has a unique incentive scheme to motivate employees to perform "Better to Best" as an innovative way. Best performers were rewarded with shields & certificates which had given immense motivation amongst employees to perform better.

Amrutanjan has excellent relationship with its affiliated Union called the "Amrutanjan Health Care Limited Employees Union". The Union is being taken into confidence on Industrial relations issues whereby no conflict arises between the Union and your Management.

As on March 31, 2017, your Company had a total of 631 employees (includes OTC, Beverages and Amrutanjan Pain Management Centre)

Cautionary Statement

Statements in this Management Discussion and Analysis describing the Company's objectives, projections, estimates and expectations may be 'forward looking' within the ambit of applicable laws and regulations. Actual results, performance and achievements might differ substantially or materially from those expressed or implied. The Company's performance could also be affected due to the failure of monsoon which in turn may increase the input costs, major political and economic changes in India and changes in tax laws.

For and on behalf of the Board

S Sambhu Prasad
Chairman and Managing Director

Place : Chennai
Date : 14th August, 2017



The Report for the financial year ended March 31, 2017 on compliance by the Company with the Corporate Governance provisions as prescribed under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") is given below:

I. OUR PHILOSOPHY ON CODE OF GOVERNANCE

Amrutanjan is committed itself to honesty and accountability. The commitment is reflected in all business activities of the Company besides reflecting in its relations with the customers, suppliers, investors, government, etc. The Directors and the Senior Management Personnel are expected to conduct themselves in line with the standards observed in the Company's code of conduct both in letter and spirit. The Company recognizes that all the decisions and actions will be taken in accordance with the code of conduct and to enhance long-term shareholder value. Considerable emphasis is placed on accountability in decision making and ethics in implementing them. We aim at providing complete transparency in our operations.

II. BOARD OF DIRECTORS

a. Changes during the Year

There was no change in the Board of Directors during the financial year ended March 31, 2017.

b. Composition, Category, Size of the Board

The Board of Directors of the Company is adequately balanced and comprises of a Chairman-cum-Managing Director, Non- Executive and Independent Directors all of whom are professionals with considerable expertise and experience in pharmaceuticals, finance, accounts, administration and marketing. As on March 31, 2017, there are seven (7) Directors on the Board, out of which five (5) are Independent (constituting 71% of the Board's strength) which includes a Woman Director. The remaining two (2) Directors belong to Promoter Category, one being a Non-Executive Director and the other is the Executive Director designated as "Chairman cum Managing Director".

The directorships held by the Directors are within the limits prescribed under Section 165 of the Companies Act, 2013, ("ACT"). In compliance with Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, "SEBI LODR", none of the Independent Directors of the Company serve as a Independent Director in more than seven(7) listed entities or three(3) listed entities as the case may be; None of the Directors of the Board is a member of more than ten (10) Committees or a Chairman of more than five (5) Committees across all Companies in which he/she is a Director as per Regulation 26 of SEBI LODR. All Directors have made necessary disclosures as on March 31, 2017 regarding their Directorship and Committee positions occupied by them in other Companies.

The details of number of directorship, Committee membership, and attendance of each Director at the Board Meetings and the last Annual General Meeting of the Company are as follows:

Name of the Director	Category / Designation	No of Meetings of the Board Attended		No of Directorship held in other Companies#	No of Committee Membership held in other Companies ^	Whether attended Last AGM (September 22, 2016)
		Held	Attended			
S Sambhu Prasad	Chairman & Managing Director and Promoter	4	4	1	-	Yes
Dr. Pasumarthi S N Murthi	Non-Executive and Promoter Director	4	4	-	-	No
Dr. H B N Shetty	Non-Executive & Independent Director	4	4	1	-	Yes
Dr.(Ms.)Marie Shiranee Pereira	Non-Executive & Independent Director	4	4	-	-	Yes
Dr. S Vydeeswaran	Non-Executive & Independent Director	4	4	-	-	Yes
V Swaminathan	Non-Executive & Independent Director	4	4	1	-	Yes
G Raghavan	Non-Executive & Independent Director	4	4	1	-	Yes

1) Does not include Private and Foreign Companies and Section 8 Companies, but includes wholly owned subsidiary of the Company.

2) The directorship indicates the status of a member and not a Chairperson.

^ includes Membership of Audit Committee and Stakeholders' Relationship Committee as per Regulation 26 of the SEBI (LODR) Regulations

REPORT ON CORPORATE GOVERNANCE (Contd.)

c. Number and dates on which the Board meetings were held

During the Financial year 2016-17, the Board met four (4) times. The maximum time gap between any two board meetings was not more than 120 days. The Board Meetings were held on the following dates:

May 6, 2016	August 11, 2016	November 10, 2016	February 9, 2017
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d. Information supplied to the Board

The date of the Board Meeting(s) is informed to all Directors well in advance and detailed agenda notes are sent to each Director atleast seven(7) days before the Board Meeting. The agenda items inter-alia include Secretarial & Legal Compliance matters and financial reporting. Prior approval of the Board is obtained for circulating the agenda items with shorter notice for matters that form part of the Board and Committee agenda and are considered to be in the nature of Unpublished Price Sensitive Information (UPS I).

A business review presentation is made at each Board Meeting to appraise the Directors on the performance of the Company. The Board provides strategic direction in improving the performance of the Company. Quarterly results, minutes of sub-committees & subsidiary, general notices of interest received from directors, annual budgets, legal compliance report, dividend data, authorizations for various business purposes are also placed and reviewed by the Board along with the senior management team of the Company.

e. Code of Conduct

The Board of directors of the Company has laid down Code of Conduct for the Directors and Senior Management Personnel (SMP) of the Company. The Code is available on the website of the Company at the given link - <https://www.amrutanjan.com/pdf/CODE-OF-CONDUCT-OF-AHCL1.pdf>. All the Directors and Senior Managerial Personnel have re-affirmed compliance with the Code of Conduct on March 31, 2017. A declaration to this effect signed by the Chairman & Managing Director forms part of this report.

f. Compliance Structure

The Board also periodically reviews status of compliance of various laws applicable to the Company and also the initiatives taken to improve the standards of compliance adherence.

g. Familiarization Programme

The Company has a system in place pursuant to Regulation 25(7) of SEBI LODR to familiarize its Independent Directors about the operations and functions of the Company, its performance, the industry and business model of the Company and its subsidiary, major litigations, regulatory scenario, etc. The senior management team gives a brief presentation on these areas during the Board Meetings. The details of the system are available on the Company's web link <https://www.amrutanjan.com/pdf/FR.pdf>.

h. Meeting of Independent Directors

The Independent Directors met once during the last year to inter-alia discuss the following:

- i. Performance of Non-Independent Directors and the Board as a whole.
- ii. Performance of the Chairman of the Company, taking into account the views of the other Directors.
- iii. Quality, Quantity and timelines of flow of information between the Company and the Board necessary for the Board to perform their duties effectively.
- iv. Any other matter arising out of the Board meetings.

The evaluation was done on parameters such as attendance, level of engagement and contribution, independence of judgment, safeguarding the interest of the Company and its stakeholders. The Independent Directors expressed their satisfaction on the performance and effectiveness of the Board.

i. Prohibition of Insider Trading

Pursuant to provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015 as amended from time to time, to preserve the confidentiality and to prevent misuse of Unpublished Price Sensitive Information (UPS I), the Company has adopted a Code for Prohibition of Insider Trading which is applicable to the Directors/ Specified persons of the Company. The Code also provides for disclosures from Directors and Specified persons in this regard.

j. Performance Evaluation Criteria

In terms of the requirement under the Companies Act, 2013 and the Listing Regulations, the Board carried out evaluation of its own performance, the Directors individually and evaluation of working of the Committees of the Board during the financial year 2016-17. The structured evaluation process comprises of various aspects relating to the functioning of the Board and its Committees, number of Committees and their roles, frequency of meetings, level of participation, performance of duties and obligations and implementation of good corporate governance practices. The questionnaire of evaluation is a key part of the process of reviewing the functioning and effectiveness of each Board member.



REPORT ON CORPORATE GOVERNANCE (Contd.)

The key roles expected to be performed by the Independent Directors relate to governance, control and guidance. The performance indicators of the Independent Directors include contribution to improve corporate governance practices, active participation in Board /Committee meetings and commitment to long-term strategic planning.

The Board expressed satisfaction over the performance of all the Directors, its own and its Committees which reflected the overall engagement of the Directors, the Board and its Committees with the Company.

k. Shareholding of Non-Executive Directors

Sl.No	Name of the Non-executive Director	Category	No of shares held as on March 31, 2017
1.	Dr. Pasumarthi S N Murthi	Promoter	3,32,195
2.	Dr. H B N Shetty	Independent Director	-
3.	Dr. (Ms.)Marie Shiranee Pereira	Independent Director	-
4.	Dr. S Vydeeswaran	Independent Director	-
5.	G Raghavan	Independent Director	7,610
6.	V Swaminathan	Independent Director	250

III. AUDIT COMMITTEE

Composition

In Compliance of the provisions of Section 177 of the Companies Act, 2013 and in accordance with the provisions of Regulation 18 of SEBI (LODR) Regulations, 2015, the Company has a qualified and Independent Audit Committee consisting of four (4) Directors.

All the members of the Audit Committee are financially literate and possess accounting and related financial expertise and have good knowledge of finance and business management. The Committee is headed by Dr. H B N Shetty, Non- Executive & Independent Director, who was also present at the previous Annual General Meeting to answer the shareholder queries as mandated under Regulation 18 of the SEBI (LODR) Regulations, 2015. The meetings of the Audit Committee are attended by the Chief Financial Officer, Statutory Auditors, Internal Auditors and the Cost Auditor; wherever necessary; in the capacity of Invitee. The draft minutes of each Audit Committee meeting are placed in the meeting of the Board conducted on the same day. The Company Secretary is the Secretary to the Committee.

Terms of Reference

The terms of reference for the Audit Committee basically flows from and covers all the areas as stipulated under Section 177 of the Companies Act, 2013 read with Companies (Meeting of Board and its Powers) Rules, 2014 and Regulation 18 of SEBI (LODR) Regulations, 2015. This inter-alia includes the following:

- Oversight of Company's financial reporting processes.
- Reviewing the quarterly / annual financial results, financial statements before submission to the Board for approval, with particular reference to accounting policies & procedure, accounting standards, related party transactions.
- Recommending to the Board, the appointment / re-appointment of Statutory Auditors and Internal Auditors and fixation of audit fees.
- Approving internal audit plan and reviewing efficacy and adequacy of internal control systems /function.
- Discussion with internal auditors and review of internal audit reports at quarterly intervals.
- Discussions with external auditors about the scope of audit including the observations of the auditors.

The audit committee reviews the quarterly unaudited / audited annual financial results of the Company. The unaudited results are subjected to limited review by the statutory auditors of the Company. The statutory auditors are eligible to issue limited review report as the audit firm has been subjected to peer review process of Institute of Chartered Accountants of India (ICAI) and hold a valid certificate issued by the Peer Review Board of ICAI. The Audit Committee recommends payments to statutory auditors for audit and non-audit services/and for internal auditors. All mandatory information under Part C of Schedule II pursuant to Regulation 18 of SEBI LODR is reviewed by the Committee.

REPORT ON CORPORATE GOVERNANCE (Contd.)

Meetings & Attendance

During the year under review, the Audit Committee met four (4) times on May 6, 2016, August 11, 2016, November 10, 2016, February 9, 2017 and the attendance of the members are as below :

S.No	Name of the Member	Category	No of Audit Committee Meeting	
			Held	Attended
1.	Dr. H B N Shetty	Chairperson, Non-Executive & Independent Director	4	4
2.	S Sambhu Prasad	Member, Executive and Promoter Director	4	4
3.	Dr.(Ms.) Marie Shiranee Pereira	Member, Non-Executive & Independent Director	4	4
4.	V Swaminathan	Member, Non-Executive & Independent Director	4	4

IV. NOMINATION and REMUNERATION COMMITTEE

Composition & Attendance

Nomination and Remuneration Committee (NRC) has been constituted by the Board as per the requirements of Section 178(1) of the Companies Act, 2013 and Regulation 19 of SEBI (LODR) Regulations, 2015 which comprises of three (3) Directors. During the year under review, the Committee met once on May 6, 2016 which was chaired by Dr. H B N Shetty, Non- Executive & Independent Director. The Company Secretary is the Secretary to the Committee. The attendance of the members are as follows:

S.No	Name of the Member	Category	No of Meeting Attended
1.	Dr. H B N Shetty	Chairperson, Non-Executive & Independent Director	1
2.	Dr. Pasumarthi S N Murthi	Member, Non-Executive and Promoter Director	1
3.	Dr. S Vydeeswaran	Member, Non-Executive & Independent Director	1

Terms of Reference

The Remuneration Committee has been constituted to identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every director's performance.

The Committee is also authorized to formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the Remuneration of the Directors, Key Managerial Personnel and other Employees. The remuneration policy is in consonance with the existing industry practice and is also aligning with the provisions of the Companies Act, 2013. Chairman of the Committee is elected by the members for each meeting.

V) REMUNERATION TO NON-EXECUTIVE DIRECTORS

The disclosures with respect to remuneration paid to Mr. S Sambhu Prasad, Chairman & Managing Director, have been made in the Board's Report. Shareholders at the 78th Annual General Meeting held on September 18, 2015 approved a sum not exceeding 1% per annum of the net profits of the Company calculated in accordance with the provisions of Section 198 of the Companies Act, 2013 to be paid and distributed among some or all of the directors of the Company (other than the Executive Directors) in a manner decided by the Nomination and Remuneration Committee and this payment will be made with respect to the profits of the Company for each year.

The commission for Non-Executive Directors is determined based on the performance evaluation and recommendation of the Committee and finally approved by the Chairman & Managing Director. The criteria, inter-alia, includes attendance in Board & Committee meetings, participation as Chairman or Member in the Committees, contribution in corporate planning, etc. The commission & sitting fees paid for the year ended March 31, 2017 to the Non-Executive Directors are as follows:

S.No	Name of the Director	Commission (in ₹)	Sitting Fees (in ₹)	Net Amount (in ₹)
1.	Dr. Pasumarthi S N Murthi	2,50,000	1,10,000	3,60,000
2.	Dr. H B N Shetty	4,50,000	1,92,500	6,42,500
3.	Dr. (Ms.) Marie Shiranee Pereira	3,00,000	1,12,500	4,12,500
4.	Dr. S Vydeeswaran	3,50,000	1,47,500	4,97,500
5.	V Swaminathan	6,00,000	1,12,500	7,12,500
6.	G Raghavan	6,00,000	75,000	6,75,000
	TOTAL	25,50,000	7,50,000	33,00,000

No other remuneration was paid to Non-Executive Directors other than the above mentioned.



REPORT ON CORPORATE GOVERNANCE (Contd.)

VI. STAKEHOLDERS' RELATIONSHIP COMMITTEE

a) Composition & Attendance

The Stakeholders Relationship Committee (SRC) has been constituted by the Board as per the requirements of Section 178(5) of the Companies Act, 2013 and Regulation 20 of SEBI (LODR) Regulation, 2015 and comprises of three (3) Directors. During the year, the committee met four (4) times on May 6, 2016, August 11, 2016, November 3, 2016 and February 9, 2017 to review the grievances and approve transfers and transmissions. Dr. H B N Shetty, Non-Executive and Independent Director, was elected as the Chairman of all the meetings. The Company Secretary is the Secretary to the Committee. The attendance of the members is as follow :

S.No	Name of the Member	Category	No of Meeting held & Attended	
			Held	Attended
1.	Dr. H B N Shetty	Chairperson, Non-Executive & Independent Director	4	4
2.	Dr. S Vydeswaran	Member, Non-Executive & Independent Director	4	4
3.	Dr. Pasumarthi SN Murthi	Member, Non-Executive & Promoter Director	4	4

b) Terms of Reference

The terms of reference of the Stakeholders Relationship Committee includes:

- Review of the mechanism implemented for redressal of shareholders' and investors' grievances.
- Overseeing the performance of the Registrar and Transfer Agents of the Company and recommending measures for improvement in the quality of investor services.

The total number of complaints received and resolved to the satisfaction of the shareholders during the year under review was 8.

VII. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

Composition

The CSR Committee has been constituted in accordance with the provisions of Section 135 of the Companies Act, 2013 and consists of three (3) members. During the year, the committee met three (3) times on May 6, 2016, November 10, 2016, and February 9, 2017. Dr. H.B.N. Shetty was elected as Chairman in all the meetings. The Company Secretary is the Secretary to the Committee. The attendance of the members is as follows :

S.No	Name of the Member	Category	No of Meeting held & Attended	
			Held	Attended
1.	Dr. H B N Shetty	Chairperson, Non-Executive & Independent Director	3	3
2.	S Sambhu Prasad	Member, Executive & Promoter Director	3	3
3.	Dr. S Vydeswaran	Member, Non-Executive & Independent Director	3	3

Some of the key initiatives undertaken by the Company during the year under review are explained in "ANNEXURE C".

VIII. GENERAL BODY MEETINGS

Details of Annual General Meeting(s) held during the last three years are as under :

Year	AGM	Day / Date	Venue	Time	Special Resolutions Passed
2013-14	AGM	September 22, 2014	Narada Gana Sabha (Sathguru Gnananandha Hall), No:314 (Old No:254), T.T.K.Road, Chennai-18	10.30 A.M.	(a) Alteration of articles under Section 14 of the Companies Act, 2013. (b) Approval for borrowing money under Section 180(1)(c) in excess of the aggregate of paid up capital and free reserves. (c) Approval under Section 180(1)(a) to mortgage and charge movable / immovable properties. (d) Ratification in terms of Section 148 of the remuneration of the Cost Auditor
2014-15	AGM	September 18, 2015		10.15 A.M	Declaration of commission payable to the Non- Executive Directors for a sum not exceeding 1% per annum of the net profits of the Company.
2015-16	AGM	September 22, 2016		10.30 A.M	Approval for adoption of new Articles of Association under Section 14 of the Companies Act, 2013

No special resolution was passed by postal ballot during the previous year. The Company has no proposal currently to pass any special resolution through postal ballot.

REPORT ON CORPORATE GOVERNANCE (Contd.)

IX. MEANS OF COMMUNICATION

Your Company recognizes the importance of two way communication with shareholders and of giving a balanced report of results and progress and responds to questions and issues raised in a timely and consistent manner. Shareholders seeking information may contact the Company directly throughout the year. They also have an opportunity to ask questions in person at the Annual General Meeting.

A. Quarterly Results

The approved financial results are forthwith sent to the Stock Exchanges where the shares are listed and are displayed on the Company's website - www.amrutanjan.com and are generally published in nationwide English and vernacular language newspapers within forty eight hours of approval thereof.

B. News Releases, Presentations, etc.

Official news releases and presentations made to media, institutional investors, analysts, etc. are displayed on the Company's website www.amrutanjan.com

C. Website

The Company's website www.amrutanjan.com contains a separate dedicated section 'Investors' where shareholders information is available. Quarterly Results, Annual Reports, Code of Conduct and Ethics, Presentation to Investors and Shareholding Pattern are also available on the website in a user friendly and downloadable form.

D. Annual Report

The Annual Report containing inter-alia the Audited Annual Accounts, Board's Report, Auditors' Report, Corporate Governance Report and other important information is circulated to Members and others entitled thereto. The Management Discussion and Analysis Report forms part of the Annual Report.

E. Designated Exclusive Email ID:

The Company has designated the E-mail ID viz.: shares@amrutanjan.com exclusively for investor servicing. This E-mail ID has been displayed on the Company's website www.amrutanjan.com

X. GENERAL SHAREHOLDER INFORMATION

Particulars	Description								
AGM date, time and venue	21 st September, 2017 at 10.30 A.M. at Narada Gana Sabha, "Sathguru Gnananda Hall" No.314, TTK Road, Chennai 600 018, Tamilnadu								
Financial Year	2016-17								
Financial Calendar	<table border="1"> <tbody> <tr> <td>Quarter 1</td> <td>1st April to 30th June</td> </tr> <tr> <td>Quarter 2</td> <td>1st July to 30th September</td> </tr> <tr> <td>Quarter 3</td> <td>1st October to 31st December</td> </tr> <tr> <td>Quarter 4</td> <td>1st January to 31st March</td> </tr> </tbody> </table>	Quarter 1	1 st April to 30 th June	Quarter 2	1 st July to 30 th September	Quarter 3	1 st October to 31 st December	Quarter 4	1 st January to 31 st March
Quarter 1	1 st April to 30 th June								
Quarter 2	1 st July to 30 th September								
Quarter 3	1 st October to 31 st December								
Quarter 4	1 st January to 31 st March								
Date of Book Closure	September 15, 2017 to September 21, 2017								
Registered Office	No.103, (Old No.42-45) Luz Church Road, Mylapore, Chennai – 600 004								
Website	www.amrutanjan.com								

Listing on Stock Exchanges

The Company's shares are listed on the National Stock Exchange of India Limited (NSE), Exchange Plaza, 5th Floor, Plot No. C/1, G Block, Bandra-Kurla Complex, Bandra (E), Mumbai 400 051. The shares of the Company are also permitted to be traded under the permitted securities category on the Bombay Stock Exchange Limited (BSE). The Company has paid the Listing Fee to the National Stock Exchange and there are no dues pending.

S.No	Name of the Exchange	Scrip code
1.	Bombay Stock Exchange Limited	590006
2.	National Stock Exchange of India Limited	AMRUTANJAN
3.	ISIN for Dematerialized Equity shares (NSDL and CDSL)	INE098F01023



REPORT ON CORPORATE GOVERNANCE (Contd.)

Market Price Data:

Stock Price data: Monthly High & Low during FY 2016-2017 in SENSEX

Month	Bombay Stock Exchange Ltd (BSE) (in ₹ per Share)		National Stock Exchange of India Ltd (NSE) (in ₹ per Share)	
	Month's high	Month's Low	Month's high	Month's Low
April 2016	453.00	414.00	453.25	414.00
May 2016	473.00	385.00	473.65	385.30
June 2016	424.50	390.20	425.00	390.00
July 2016	498.50	408.00	499.00	409.00
August 2016	479.00	426.55	480.00	427.00
September 2016	467.00	422.20	468.00	420.10
October 2016	662.00	440.00	661.30	439.80
November 2016	620.00	499.00	620.00	500.00
December 2016	592.90	511.00	593.50	510.00
January 2017	653.00	523.00	653.90	521.15
February 2017	643.95	517.00	645.00	562.00
March 2017	596.75	534.00	596.00	530.10

Registrar and Share Transfer Agents

Cameo Corporate Services Limited,
 'Subramaniam Building', No. 1, Club House Road, Chennai - 600 002,
 Telephone No.: (044) 28460390, Fax No.: (044) 28460129
 Email: investor@cameoindia.com

Share Transfer system:

Presently, the share transfers which are received in physical form are processed and the share certificates are returned within the stipulated period from the date of receipt, if the documents are clear in all respects. As on March 31, 2017, no Equity Shares were pending for transfer.

On a half-yearly basis the compliance with the share transfer formalities is audited by a Practising Company Secretary (PCS) in terms of Regulation 40(10) of SEBI (LODR) with the stock exchanges and a certificate to this effect is filed with the stock exchanges. Also reconciliation of share capital audit in terms of regulation 55A of SEBI (Depositories and Participants) Regulations, 1996 is taken up on a quarterly basis and the report of the PCS is filed with the stock exchanges certifying that the total listed capital of the Company is in agreement with the total number of shares in physical and dematerialized form and that there is no difference between the issued and the listed capital of the Company.

Distribution of Shareholding as on March 31, 2017

Shareholding	Shareholders		Share Amount	
	Numbers	% to total	₹	% to total
1 - 5000	18033	97.84	58,89,366.00	20.15
5001 - 10000	210	1.14	15,39,564.00	5.27
10001 - 20000	95	0.52	13,83,094.00	4.73
20001 - 30000	33	0.18	8,40,210.00	2.87
30001 - 40000	13	0.07	4,58,214.00	1.57
40001 - 50000	8	0.04	3,67,158.00	1.26
50001 - 100000	23	0.12	15,78,134.00	5.40
100001 and above	16	0.09	1,71,74,890.00	58.76
Total	18431	100.00	2,92,30,630.00	100.00

REPORT ON CORPORATE GOVERNANCE (Contd.)

Distribution of shares by category as on 31st March 2017

Category	No of shares held	Percentage(%)
Promoters	7321055	50.09
General public and others	5949125	40.70
Body corporate	661717	4.53
NRIs	210120	1.44
Banks/FI	25787	0.18
FII / FPI	45936	0.31
Trusts	1151	0.01
Clearing Member	10566	0.07
Mutual Funds	381998	2.61
Directors/ Relatives	7860	0.05
TOTAL	14615315	100.00

Dematerialization of shares and liquidity

The shares of the Company are in compulsory demat mode and are available for trading in the depository systems of both National Securities Depository Limited (NSDL) & Central Depository Services (India) Limited (CDSL). As on March 31, 2017, Equity shares representing **93.22%** of the total number of shares are in dematerialized form.

Particulars	As on March 31, 2017	% to Total Capital	As on March 31, 2016	% to Total Capital
Physical	991180	6.78	1150312	7.87
Demat	13624135	93.22	13465003	92.13
Total	14615315	100.00	14615315	100.00

Unclaimed Shares

The Company does not have any unclaimed shares in the demat suspense account or unclaimed suspense account pursuant to SEBI Listing Regulations.

Pursuant to the notification of Section 124(6) of the Companies Act, 2013 and Investor Education and Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, the Company is required to transfer shares in respect of which dividend has not been paid or claimed for seven (7) consecutive years or more. The Company has issued a notice to the shareholders concerned intimating them of the impending transfer of shares and has simultaneously published a notice in leading dailies.

The Company has uploaded the details of the same on its website (<https://www.amrutanjan.com/pdf/si.pdf>) for the benefit of its shareholders. Further, the corresponding shares will be transferred as per the requirements of the Investor Education and Protection Fund Rules as notified by the Ministry of Corporate Affairs from time to time. Members are requested to verify their status with the Company in this regard.

Dividend

The Board at its meeting(s) held on November 10, 2016 and February 9, 2017 had approved interim dividend of ₹ 2.20/- per equity share (₹ 1.1/- each per equity share of ₹ 2/- in each meeting) on the equity shares of the Company which was paid on November 23, 2016 and February 22, 2017.

Further, in the meeting held on May 16, 2017, the Board has recommended payment of final dividend of Rs. 1.65/- per equity share of Rs. 2/- each. The dividend if approved by the shareholders will be paid within 30 days from the date of declaration.

Unpaid / Unclaimed Dividends and Transfer to IEPF:

Pursuant to the provisions of Section 124 of the Companies Act, 2013, dividend for the financial year ended **2009-10/2010-11** and thereafter which remain unclaimed for a period of seven will be transferred to the Investor Education and Protection Fund (IEPF) of the Central Government.

During the year, the Company had transferred to IEPF an unclaimed dividend of ₹ **6,38,124** for the financial year ended **2008-2009 (Final Dividend)** and interim dividend amount of ₹ **3,41,085** for the financial year ended **2009-10 (Interim Dividend)**.

Further the details of unpaid and unclaimed dividends lying with the Company as on September 22, 2016 (date of last Annual General Meeting) has been uploaded on the website of the Company <https://www.amrutanjan.com/pdf/UC.pdf>.



REPORT ON CORPORATE GOVERNANCE (Contd.)

Plant Location

OTC Division		Beverage Division
Plot No.37, 38 & 39, SIDCO Pharmaceutical Complex, Alathur Village, Thiruporur Taluk, Kancheepuram District, Tamil Nadu 603 110	Plot No:14, Industrial Development Area, Uppal, Hyderabad- 500 039.	160/1-A, Aranvoyal Village, Tiruvallur Taluk & District Tamil Nadu - 602 025.

Address for correspondence:

For transfer/dematernalization of shares, payment of dividend and other queries relating to the shares may be addressed to:

For shares held in Physical form	For shares in Dematerialized mode
Cameo Corporate Services Limited, 'Subramaniam Building', No.1, Club House Road, Chennai 600 002 Tele No: (044) 28460390, Fax No. 044- 28460129 Email: investor@cameoindia.com	To the respective Depository participant of the Beneficial owners

XI. OTHER DISCLOSURES

- a. Details of transactions of material nature with any of the related parties as specified in Accounting Standard -18 issued by the Institute of Chartered Accountants of India have been reported in the notes on accounts.
- b. The Company has complied with all the requirements of regulatory authorities and no penalties / strictures were imposed on the Company by the Stock Exchanges or SEBI, or any Statutory Authority on any matter related to capital markets, during the last three years.
- c. The Company has adopted a Whistle Blower policy and has not denied access to any personnel to approach the Management or the Audit Committee on any issue.
- d. Details of compliance with Mandatory Requirements:
 - I. **Code of Conduct:** The Company has laid down procedures to be followed by the Members of the Board and Senior Management Personnel for ethical professional conduct.
 - II. **CEO / CFO Certification:** The CEO / CFO Certification of the Financial Statements and the Cash Flow Statement for the year under review forms part of the Annual Report.
 - III. A Certificate from Practising Company Secretary confirming compliance with the conditions of Corporate Governance as stipulated in 34(3) of SEBI (LODR) Regulations, 2015 forms part of this Report.
- e. The web link for policy on dealing with related party transactions is available at <https://www.amrutanjan.com/pdf/rpt.pdf>
- f. The Internal auditors of the Company directly submit their report to the Audit Committee every quarter.
- g. The Company has duly complied with the requirements of Regulations 17 to 27 and Clauses (b) to (i) of sub-regulation (2) of Regulation 46 of SEBI (LODR) Regulations, 2015.

REPORT ON CORPORATE GOVERNANCE (Contd.)

COMPLIANCE CERTIFICATE UNDER REGULATION 17(8) OF SEBI (LODR) Regulations, 2015

We, S Sambhu Prasad, Chairman and Managing Director and K Kannan, Chief Financial Officer of the Company, do hereby confirm and certify that:

1. We have reviewed financial statements and the cash flow statement for the year ended March 31, 2017 and to the best of our knowledge and belief that:
 - (i) these statements do not contain materially untrue statement or omit any material fact or contain statement that might be misleading;
 - (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
2. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year, which are fraudulent, illegal or violate the Company's code of conduct.
3. We accept responsibility for establishing and maintaining internal control for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and we 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 propose to take to rectify these deficiencies. In our opinion there are adequate internal controls over financial reporting.
4. We have indicated to the Auditors and the Audit Committee
 - (i) Significant changes in the internal control over financial reporting during the year;
 - (ii) Significant changes in accounting policies during the year and the same have been disclosed in the notes to the financial statements; and
 - (iii) That there are no 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.

For AMRUTANJAN HEALTH CARE LIMITED

Place : Chennai
Date : August 14, 2017

S SAMBHU PRASAD
Chairman & Managing Director

K KANNAN
Chief Financial Officer



REPORT ON CORPORATE GOVERNANCE (Contd.)

PRACTISING COMPANY SECRETARY CERTIFICATE ON CORPORATE GOVERNANCE

To the members of M/s. Amrutanjan Health Care Limited

We have examined the compliance of conditions of Corporate Governance by M/s. Amrutanjan Health Care Limited, for the year ended on March 31, 2017 as stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Regulations.

We further 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.

For P Sriram & Associates
Practising Company Secretary
P Sriram
Proprietor
C.P No: 3310

Place : Chennai
Date : August 14, 2017

DECLARATION ON CODE OF CONDUCT

As provided under SEBI (LODR) Regulations, 2015, I hereby declare that the Board Members and Senior Management have affirmed compliance with the Code of Conduct of Board of Directors and the Senior Management for the year ended March 31, 2017.

Place : Chennai
Date : August 14, 2017

S Sambhu Prasad
Chairman & Managing Director

ANNUAL REPORT ON CSR ACTIVITIES FOR THE FINANCIAL YEAR 2016-17

1. A brief outline of the Company's CSR Policy, including overview of projects, activities, programme proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs:

The Company's CSR Policy is to enhance the living standards of the Society, ensure social economic development, achieve environmental sustainability and to be a socially responsible citizen. In accordance with it, the main area of focus for the financial year 2016-17 was Animal Welfare, Health and Sanitation, Promoting Education, Environmental Protection, Empowerment of Women, Infrastructural development and ensuring availability of drinking water. The projects and programmes undertaken are within the framework of the Schedule VII of the Companies Act, 2013 and as per the policy of the Company. The CSR Policy and projects and programmes undertaken are available on the website under the following link: <http://amrutanjan.com/csr-policy>.

2. The Composition of the CSR Committee:

S.No	Name of the Director	Designation
1.	S Sambhu Prasad	Chairman and Managing Director
2.	Dr. H B N Shetty	Non- Executive Independent Director
3.	Dr. S Vydeeswaran	Non- Executive Independent Director

3. Average net profit of the Company for last three financial years: ₹ 27,21,20,833

4. Prescribed CSR Expenditure (2%) of the average net profit of the last 3 financial years : ₹ 54,42,417

5. Details of CSR spent during the financial year:

(a) Total amount to be spent for the financial year: ₹ 54,42,417

(b) Amount unspent, if any: **NIL**

(c) In case the company has failed to spend the entire amount, reasons thereof for not spending the amount : **Not applicable**

(d) Manner in which the amount spent during the financial year is detailed below (all amounts in Rupees) :

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
S. No	CSR project or activity identified.	Sector in which the Project is covered	Projects or programs (1) Local area or other (2) Specify the State and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise (in ₹)	Amount spent on the projects or Programs Sub-heads: (1) Direct expenditure on projects or programs. (2) Overheads: (in ₹)	Cumulative expenditure upto to the reporting period Amount spent: (in ₹)	Direct or through implementing agency
1.	People for Animals	Environment	Chennai, Tamil Nadu	14,00,000/-	14,00,000/-	14,00,000/-	Implementing agency
2.	Payir Trust	Rural Development & Environment	Perambalur District, Tamilnadu	12,00,000	12,00,000	26,00,000	Implementing agency
3.	IIMPACT	Women Empowerment	Jaunpur, Uttar Pradesh	5,00,000	5,00,000	31,00,000	Implementing agency
4.	Sparsha Trust	Education	Bengaluru, Karnataka	5,00,000	5,00,000	36,00,000	Implementing agency
5.	ACCORD	Drinking water	Kottaimedu, Nilgris, Tamilnadu	4,00,000	4,00,000	40,00,000	Implementing agency
6.	Construction of Drainage in Aranvoyal Village	Health and Sanitation & Environment	Tiruvallur District, Tamilnadu	3,33,000	3,33,000	43,33,000	Direct
7.	Medical Research Foundation	Health Care	1) Kolkata, West Bengal & 2) Chennai, Tamilnadu	2,50,000	2,50,000	45,83,000	Implementing agency



Annexure Forming part of the Board's Report

ANNEXURE - C

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
S. No	CSR project or activity identified.	Sector in which the Project is covered	Projects or programs (1) Local area or other (2) Specify the State and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise (in `)	Amount spent on the projects or Programs Sub-heads: (1)Direct expenditure on projects or programs. (2) Overheads: (in `)	Cumulative expenditure upto to the reporting period Amount spent: (in `)	Direct or through implementing agency
8.	Setting up of Reserve Osmosis Drinking water systems at Voorhee school	Drinking Water	Vellore, Tamilnadu	1,50,000	1,50,000	47,33,000	Direct
9.	Slum Children Sports Talent and Education Development Society	Promotion of sports & Education	Chennai, Tamilnadu	1,60,000	1,60,000	48,93,000	Implementing agency
10.	Bonded Labour Shed	Health Care	Kodaikanal, Tamilnadu	1,59,600	1,59,600	50,52,600	Implementing agency
11.	Venba Trust	Education	Mamallapuram, Tamilnadu	1,25,000	1,25,000	51,77,600	Implementing agency
12.	Spastic Society	Rehabilitation Services to Children with Neuro-Muscular Disorders & Developments	Bengaluru, Karnataka	1,20,000	1,20,000	52,97,600	Implementing agency
13.	Water facility for Govt. School at Alathur	Drinking Water	Kancheepuram District, Tamilnadu	63,000	63,000	53,60,600	Direct
14.	Installation of Metal Sheet partitions in class rooms at Panchayat Union Middle School	Education	Thiruvallur, Tamilnadu	61,110	61,110	54,21,710	Direct
15.	Samudayik Vikas Samiti	Women Empowerment	Delhi, India	51,000	51,000	54,72,710	Implementing agency
		TOTAL		54,72,710	54,72,710		

6. In case the Company has failed to spend the two per cent 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 - Not Applicable

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 hereby confirms that the CSR Policy is in compliance with CSR objectives and Policy of the Company which can be viewed on <https://www.amrutanjan.com/pdf/ahcl-csr-policy.pdf>.

S Sambhu Prasad
(Member)

Dr. H B N Shetty
(Chairman of CSR Committee)

Dr. S Vydeeswaran
(Member)

Annexure Forming part of the Board's Report

ANNEXURE - D

Particulars of Directors, Key Managerial Personnel and Employees for the year 2016-17

A) Disclosure as per Section 197 (12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Qualification Rules), 2014

S.No	Particulars	Details		
1.	The ratio of the remuneration of director to the median remuneration of the employees of the Company for the financial year	S Sambhu Prasad - 35 times (35:1)		
2.	The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year	Name	Designation	% Increase / (Decrease) in CTC
		S Sambhu Prasad	Chairman and Managing Director	(3.44 %)
		K Kannan	Chief Financial Officer	24.08 %
		M Srinivasan	Company Secretary	NA*
3.	The percentage increase in the median remuneration of employees in the financial year:	Approximately (3.84%)		
4.	The number of permanent employees on the rolls of the Company	631		
5.	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are exceptional circumstances for increase in the managerial remuneration:	Average increase in remuneration is around 18.55% for Employees other than Managerial Personnel and around 4.97% for Managerial Personnel		
6.	Affirmation that the remuneration is as per the remuneration policy of the Company	Yes		

* Remuneration of Mr. M Srinivasan, Company Secretary is not comparable since he had worked only part of the year in 2015-16.

B) Statement showing details of Employees of the Company as per Section 197(12) read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 :

The statement containing particulars of employees as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is provided in a separate annexure forming part of this report. Having regard to the provisions of Section 136(1) read with its relevant proviso of the Companies Act, 2013 the Annual Report excluding the aforesaid information is being sent to the members of the Company. The said information is available for inspection at the Registered Office of the Company during working hours and any member interested in obtaining such information may write to the Company Secretary and the same will be furnished without any fee.

For and on behalf of the Board

Place : Chennai
Date : August 14, 2017

S Sambhu Prasad
Chairman and Managing Director



Form No.MR-3

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2017
[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies
(Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members
Amrutanjan Health Care Limited
103, Old No. 42-45, Luz Church Road, Mylapore, Chennai-600 004

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s. Amrutanjan Health Care Limited (hereinafter called the "Company/AHCL"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2017 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2017 according to the provisions of:

- 1) The Companies Act, 2013 (the Act) and the rules made there under;
- 2) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- 3) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- 4) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment;
- 5) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - d) 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;
 - e) The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulation, 2015

Other Specific Laws applicable to the Company

- 1) Drug & Cosmetics Act, 1940.
- 2) Food Safety and Standards Act, 2006 and Rules 2011 with allied rules and regulations.
- 3) The Hazardous Wastes (Management and Handling) Rules 1989;
- 4) The Prevention of Food Adulteration Act, 1954;
- 5) The Legal Metrology Act, 2009;
- 6) The Legal Metrology (Packaged Commodities) Rules, 2011;

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Equity Listing Agreements entered into by the Company with National Stock Exchange of India Limited;

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

I further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. There were no change in the composition of the Board of Directors during the period under review.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. All decisions were carried out with unanimous approval of the Board and there was no instance of dissent voting by any member during the period under review.

Annexure Forming part of the Board's Report

I have examined the systems and processes of the Company in place to ensure the compliance with general laws including Labour Laws, Employees Provident Funds Act, Employees State Insurance Act & other State Laws, considering and relying upon representations made by the Company and its Officers for systems and mechanisms formed by the Company for compliance under these laws and other applicable sector specific Acts, Laws, Rules and Regulations applicable to the Company and its observance by them.

I further report that there are adequate systems and processes in the company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, on the operation of the Company and the rules made thereunder.

I further report that during the audit period, there were no specific events / actions having major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, etc. except for the resolution passed by the Board of Directors of the Company approving the Scheme of Amalgamation of Amrutanjan Pharmaessence Private Limited, its Wholly Owned Subsidiary with the Company.

For P Sriram & Associates

Place : Chennai
Date : 19th July, 2017

P SRIRAM
FCS No. 4862
C P No. 3310

Annexure A

To
The Members
Amrutanjan Health Care Limited
103, Old No. 42-45, Luz Church Road, Mylapore, Chennai – 600 004

My report of even date is to be read along with this supplementary testimony.

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

For P Sriram & Associates

Place : Chennai
Date : 19th July, 2017

P SRIRAM
FCS No. 4862
C P No. 3310



FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN

As on financial year ended 31.03.2017

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

I. REGISTRATION & OTHER DETAILS:

S.No	Particulars	Details
1.	CIN	L24231TN1936PLC000017
2.	Registration Date	September 9, 1936
3.	Name of the Company	AMRUTANJAN HEALTH CARE LIMITED
4.	Category/Sub-category of the Company	Public Limited Company – Limited by Shares Indian Non- Government Company
5.	Address of the Registered office & contact details	No.103, (Old no.42-45) Luz Church Road, Mylapore, Chennai – 600 004 Email :shares@amrutanjan.com, Phone : 044-24994465, Fax: 044-24994585
6.	Whether listed company	Yes
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	M/s. Cameo Corporate Services Limited, "Subramanian Building", 1, Club House Road, Chennai-600002 Email : investor@cameoindia.com, Phone: 044-28460390, Fax: 044-24860129

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the Company
1.	Ayurvedic Pain Balms	21003	85.70%
2.	Beverages	10304	12.75%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S. No.	Name and Address of the Company	CIN/GLN	Subsidiary	% of shares held	Applicable Section
1.	AMRUTANJAN PHARMAESSENCE PRIVATE LIMITED*	U24232TN2011PTC078918	SUBSIDIARY	100%	Section 2(87) of the Companies Act, 2013

* The Subsidiary Company got merged with the Holding Company pursuant to the sanction of the Scheme of Amalgamation ("Merger") by the National Company Law Tribunal (NCLT) vide its order dated July 13, 2017.

Annexure Forming part of the Board's Report

IV. SHARE HOLDING PATTERN (Equity Shares Capital Breakup as per Total Equity)

A) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year [As on April 1, 2016]				No. of Shares held at the end of the year [As on March 31, 2017]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	7268885	106160	7375045	50.46	7318845	2210	7321055	50.09	(0.37)
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	-	-	-	-	-	-	-	-	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
Directors and their Relatives	-	-	-	-	-	-	-	-	-
Sub – total (A) (1):	7268885	106160	7375045	50.46	7318845	2210	7321055	50.09	(0.37)
(2) Foreign									
a) NRIs- Individuals	-	-	-	-	-	-	-	-	-
b) Other - Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks/ FI	-	-	-	-	-	-	-	-	-
e) Any Other...	-	-	-	-	-	-	-	-	-
Sub – total(A) (2):-	-	-	-	-	-	-	-	-	-
Total Shareholding of Promoter (A) = (A1)+(A2)	7268885	106160	7375045	50.46	7318845	2210	7321055	50.09	(0.37)
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	297415	500	297915	2.04	381998	-	381998	2.61	0.57
b) Banks / FI	23440	250	23690	0.16	25537	250	25787	0.18	0.02
c) Central Govt / State Govt(s)	-	-	-	-	-	-	-	-	-
d) Venture Capital Funds	-	-	-	-	-	-	-	-	-
e) Insurance Companies	-	-	-	-	-	-	-	-	-
f) FIs	-	-	-	-	-	-	-	-	-
g) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
h) Qualified Foreign Investor	-	-	-	-	-	-	-	-	-
i) Others -Foreign Portfolio Investor	-	-	-	-	45936	-	45936	0.31	0.31
Sub-total (B)(1):-	320855	750	321605	2.20	453471	250	453721	3.10	0.90



Annexure Forming part of the Board's Report

Category of Shareholders	No. of Shares held at the beginning of the year [As on April 1, 2016]				No. of Shares held at the end of the year [As on March 31, 2017]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
2. Non-Institutions									
a) Bodies Corp.	655210	2610	657820	4.50	659107	2610	661717	4.53	0.03
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals	-	-	-	-	-	-	-	-	-
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	3995669	1040457	5036126	34.46	4101581	992662	5094243	34.86	0.40
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	827292	-	827292	5.66	670439	-	670439	4.59	(1.07)
c) Others (specify)									
Trust	501	-	501	0.00	1151	-	1151	0.00	0.00
Non Resident Indian	178689	335	179024	1.22	209785	335	210120	1.44	0.21
Clearing Members	9193	-	9193	0.06	10566	-	10566	0.07	0.01
Hindu Undivided Families	208709	-	208709	1.43	192303	-	192303	1.32	(0.11)
Any Other Total									
Sub-total (B)(2):-	397092	335	397427	2.72	413805	335	414140	2.83	0.11
Total Public Shareholding (B)=(B)(1)+ (B)(2)	6196118	1044152	7240270	49.54	6298403	995857	7294260	49.91	0.37
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	13465003	1150312	14615315	100.00	13617248	998067	14615315	100.00	

Annexure Forming part of the Board's Report

B) Shareholding of Promoter-

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year (As on April 1, 2016)			Shareholding at the end of the year (As on March 31, 2017)			% change in shareholding 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.	S Sambhu Prasad	2407490	16.47	-	2419980	16.56	-	0.09
2.	S Leela Bhramara	1482875	10.15	-	1495365	10.23	-	0.09
3.	S Ramayamma	1114905	7.63	-	1127395	7.71	-	0.09
4.	P Nageswaramma	927580	6.35	-	940070	6.44	-	0.09
5.	Ramalingam Ganti	365320	2.50	-	365320	2.50	-	-
6.	Pasumarthi S N Murthi	332195	2.27	-	332195	2.27	-	-
7.	P Sathyanarayana	324420	2.22	-	324420	2.22	-	-
8.	Arikirevula Ramaa Prabhakar	287100	1.96	-	287100	1.96	-	-
9.	Radhakrishna S (Executor of the Estate of Smt. S Kamakshamma)	62450	0.43	-	-	-	-	(0.43)
10.	S Nageswara Rao	43710	0.30	-	2210	0.02	-	(0.28)
11.	Ramaa Prabhakar Arikirevula (Joint with Prabhakar Arikirevula)	27000	0.18	-	27000	0.18	-	-
	Total	7375045	50.46	-	7321055	50.09	-	-



Annexure Forming part of the Board's Report

C) Change in Promoters' Shareholding (please specify, if there is no change) (Annexure A)

S.No.	Shareholder's Name	Shareholding at Beginning of Year (April 1, 2016)		Date	Increase/Decrease in shareholding	% of Increase/Decrease in shareholding		Reason	Cumulative Shareholding during the year (01/04/2016 to 31/03/2017)	
		No. of Shares	% of Total Shares of the Company			No. of shares	% of change		No. of Shares	% of Total Shares of the Company
1.	S Sambhu Prasad	2407490	16.47	03.11.2016	Increase	12490	0.09	Transmission	2419980	16.56
2.	S Leela Bhramara	1482875	10.15	03.11.2016	Increase	12490	0.09	Transmission	1495365	10.23
3.	S Ramayamma	1114905	7.63	03.11.2016	Increase	12490	0.09	Transmission	1127395	7.71
4.	P Nageswaramma	927580	6.35	03.11.2016	Increase	12490	0.09	Transmission	940070	6.43
5	Radhakrishna S* Executor to the Estate of Smt. S.Kamakshamma	62450	0.43	03.11.2016	Decrease	62450	(0.43)	Transmission	-	-
6.	S Nageswara Rao	43710	0.30	23.05.2016	Decrease	41500	(0.28)	Sale	2210	0.02

* Reduction in shareholding owing to transmission of shares

There was no change in the shareholding of other Promoters.

Annexure Forming part of the Board's Report

D) Shareholding Pattern of top ten Shareholders:

(Other than Directors, Promoters and Holders of GDRs and ADRs):(Annexure B)

S. No.	Shareholder's Name	Shareholding at Beginning of Year (April 1, 2016)		Date	Increase/ Decrease in shareholding	% of Increase/ Decrease in shareholding	Reason	Cumulative Shareholding during the year (01/04/2016 to 31/03/2017)	
		No. of Shares	% of Total Shares of the Company					No. of Shares	% of Total Shares of the Company
1.	Sundaram Mutual Fund A/c Sundaram Smile	295915	2.02	20-05-2016	100000	0.68	Purchase	395915	2.71
				09-09-2016	(5915)	(0.04)	Sale	390000	2.67
				21-10-2016	(2000)	(0.01)	Sale	388000	2.65
				28-10-2016	(933)	(0.00)	Sale	387067	2.65
				04-11-2016	(7069)	(0.04)	Sale	379998	2.60
				Closing balance					
2.	Kedia Securities Private Limited	288478	1.97	08-07-2016	(50000)	(0.34)	Sale	238478	1.63
				15-09-2016	(100000)	(0.68)	Sale	138478	0.95
				30-09-2016	77187	0.53	Purchase	215665	1.48
				07-10-2016	(15665)	(0.10)	Sale	200000	1.37
				25-11-2016	(3258)	(0.02)	Sale	196742	1.35
				13-01-2017	(21199)	(0.15)	Sale	175543	1.20
				20-01-2017	(5543)	(0.03)	Sale	170000	1.16
				10-02-2017	(2398)	(0.01)	Sale	167602	1.15
				17-02-2017	(718)	(0.00)	Sale	166884	1.14
				24-02-2017	(10238)	(0.07)	Sale	156646	1.07
				03-03-2017	(22742)	(0.16)	Sale	133904	0.92
				10-03-2017	(13511)	(0.09)	Sale	120393	0.82
				24-03-2017	(1695)	(0.01)	Sale	118698	0.81
Closing balance						118698	0.81		
3.	Rajashekar Swaminathan Iyer (combined 4 folios with same PAN)	409609	2.80	07-10-2016	(255000)	1.74	Sale	154609	1.06
				07-10-2016	255000	1.74	Purchase	409609	2.80
				Closing balance					409609
4.	Dipak Kanayalal Shah (combined 2 folios with same PAN)	210000	1.43	05-08-2016	(210000)	(1.43)	Sale	-	-
				05-08-2016	210000	1.43	Purchase	210000	1.43
				Closing balance					210000
5.	Vijay Kishanlal Kedia	156853	1.07	13-05-2016	(100000)	0.68	Sale	56853	0.39
				24-06-2016	(595)	0.00	Sale	56258	0.38
				08-07-2016	(56258)	0.38	Sale	-	-
				Closing balance					-



Annexure Forming part of the Board's Report

D) Shareholding Pattern of top ten Shareholders:
(Other than Directors, Promoters and Holders of GDRs and ADRs):(Annexure B)

6.	Arvinda Yashwantraï Kanani JT1: Kapil Yashwantraï Kanani	50830	0.35						
	Closing Balance							50830	0.35
7.	Meenakshinarayanan Investments (P) Ltd	50000	0.34						
	Closing Balance							50000	0.34
8.	Katneni Mohini Rajyalakshmi	50000	0.34						
	Closing Balance							50000	0.34
9.	Mrs. Estelle D'souza JT1 : Miss Katherine Symons JT2 : Mr. Everard Symons JT3 : Mr. Hilaire D'souza	44400	0.30						
	Closing Balance							44400	0.30
10.	Shri Puranchandra H. Kanani. JT1 : Girish V Sheth.	41500	0.28						
	Closing Balance							41500	0.28
11.	Edelweiss Custodial Services Ltd (Combined 2 folios with same PAN)	-	-	13-01-2017	130045	0.89	Purchase	130045	0.89
				20-01-2017	1041	0.00	Purchase	131086	0.90
				27-01-2017	(314)	(0.00)	Sale	130772	0.89
				03-02-2017	2133	0.01	Purchase	132905	0.91
				10-02-2017	(2290)	(0.01)	Sale	130615	0.89
				17-02-2017	580	0.00	Purchase	131195	0.90
				24-02-2017	(75)	(0.00)	Sale	131120	0.90
				10-03-2017	555	0.00	Purchase	131675	0.90
				10-03-2017	(892)	0.00	Sale	130783	0.89
				17-03-2017	100	0.00	Purchase	130883	0.90
	Closing Balance							130883	0.90

Annexure Forming part of the Board's Report

E) Shareholding of Directors and Key Managerial Personnel: (Annexure C)

S. No.	Shareholder's Name	Shareholding at Beginning of Year (April 1, 2016)		Date	Increase/Decrease in Share Holding	% of Increase/Decrease in Share Holding	Reason	Cumulative Shareholding during the year (01/04/2016 to 31/03/2017)	
		No. of Shares	% of Total Shares of the Company					No. of Shares	% of Total Shares of the Company
1.	S Sambhu Prasad	2407490	16.47	03.11.16	Increase	0.09	Transmission	2419980	16.56
2.	Dr. Pasumarthi S N Murthi	332195	2.27	-	-	-	-	332195	2.27
3.	G Raghavan	7360	0.05	29.6.16	Increase	0.00	Purchase	7610	0.05
4.	V Swaminathan	250	0.00	-	-	-	-	250	0.00
5.	Kannan K	670	0.00	-	-	-	-	670	0.00
6.	Kannan K	65	0.00	-	-	-	-	65	0.00
7.	M Srinivasan	-	-	-	-	-	-	-	-
	TOTAL	2748030	18.79	-	-	-	-	2760770	18.88

V) INDEBTEDNESS - Indebtedness of the Company including interest outstanding /accrued but not due for payment. (in `)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year (April 1, 2016)				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	-	-
Change in Indebtedness during the financial year				
* Addition #	8,50,00,000	-	-	8,50,00,000
* Reduction	6,01,71,522	-	-	6,01,71,522
Net Change	2,48,28,478	-	-	2,48,28,478
Indebtedness at the end of the financial year (March 31, 2017)				
i) Principal Amount #	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	-	-

Includes ` 2,50,00,000 moved from subsidiary Company (refer note:39)



Annexure Forming part of the Board's Report

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Sl.No.	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount (in ₹)
		S Sambhu Prasad, MD	
1.	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	1,09,64,731	1,09,64,731
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	2,90,113	2,90,113
	(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, specify...	15,00,000	15,00,000
5.	Others, please specify	-	-
	Total (A)	1,27,54,844	1,27,54,844
	Ceiling as per the Act	1,72,60,481	1,72,60,481

B. Remuneration to other directors

Sl. No.	Particulars of Remuneration	Name of Directors						Total Amount (in ₹)
		Dr. Pasumarthi S N Murthi	Dr. H B N Shetty	Dr. (Mrs) Marie Shiranee Pereira	Dr. S Vydeeswaran	G Raghavan	V Swaminathan	
1.	Independent Directors							
	Sitting Fee for attending board committee meetings	-	1,92,500	1,12,500	1,47,500	75,000	1,12,500	6,40,000
	Commission	-	4,50,000	3,00,000	3,50,000	6,00,000	6,00,000	23,00,000
	Others, please specify	-	-	-	-	-	-	-
	Total (1)	-	6,42,500	4,12,500	4,97,500	6,75,000	7,12,500	29,40,000
2.	Other Non-Executive Directors							
	Sitting Fee for attending board committee meetings	1,10,000	-	-	-	-	-	1,10,000
	Commission	2,50,000	-	-	-	-	-	2,50,000
	Others, please specify	-	-	-	-	-	-	-
	Total (2)	3,60,000	-	-	-	-	-	3,60,000
	Total (B)=(1+2)	3,60,000	6,42,500	4,12,500	4,97,500	6,75,000	7,12,500	33,00,000
	Total Managerial Remuneration (A + B)	-	-	-	-	-	-	1,60,54,844
	Overall Ceiling as per the Act	-	-	-	-	-	-	2,07,12,577

Annexure Forming part of the Board's Report

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD (in `)

Sl.No.	Particulars of Remuneration	Key Managerial Personnel		
		CS	CFO	Total
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	17,17,170	24,76,214	41,93,384
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
	(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, specify...	-	-	-
5	Others - Variable pay	1,34,170	3,50,308	4,84,478
	Total	18,51,340	28,26,522	46,77,862

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

During the year ended 31st March, 2017, no penalties were levied or punishment / compounding fee imposed by the Regional Director / Court on the Company / Directors / Officers in Default.

ANNEXURE-G

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 Company with related parties referred to in sub-section (1) section 188 of the Companies Act, 2013 including arms length transactions under third proviso thereto

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

The Company during the year entered into a lease agreement with Amrutanjan Pharmaessense Private Limited (Wholly Owned Subsidiary). The Related Party Transaction entered into was on an arm's length basis.

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

The transactions entered into by the Company during the year 2016-17 with related parties on an arm's length basis were not material in nature.

For and on behalf of the Board

Place : Chennai
Date : August 14, 2017

S Sambhu Prasad
Chairman and Managing Director



Annexure Forming part of the Board's Report

ANNEXURE - H

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE INFLOW AND OUTGO, ETC

Information as per Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(33) of the Companies (Accounts) Rules, 2014 for the financial year ended March 31, 2017.

(A) CONSERVATION OF ENERGY				
(i)	The steps taken or impact on conservation of energy	The manufacturing process adopted by the Company is not power intensive. During the year, we have taken initiatives to increase the through put – by reducing manpower through automation.		
(ii)	The steps taken by the Company for utilising alternate sources of energy			
(iii)	The capital investment on energy conservation equipment			
(B) TECHNOLOGY ABSORPTION				
(i)	The efforts made towards technology absorption	The technology for the Manufacture of topical analgesic gel format had been developed and transferred to the production. We have developed and improved the efficacy of the existing pain balms. Efforts are also being made to improve the other products and processes.		
(ii)	The benefits derived like product improvement, cost reduction, product development or import substitution;	Under the OTC and F&B Divisions, a number of new products have been developed and launched by utilizing the in house R&D expertise/infrastructure.		
(iii)	In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)	—		
	(a) The details of technology imported;			
	(b) The year of import			
	(c) Whether the technology been fully absorbed;			
(iv)	The expenditure incurred on Research and Development	Expenditure	2016-17	2015-16
			(` in Lakhs)	
		Capital	14.36	11.56
		Recurring	93.03	43.38
		Total	107.40	54.94
		% of R& D expense to Sales	0.47	0.29
(C) FOREIGN EXCHANGE EARNINGS AND OUTGO				
	The Foreign Exchange earned in terms of actual inflows	Foreign Exchange	2016-17	2015-16
			(` in Lakhs)	
	during the year and the Foreign Exchange outgo during the year in terms of actual outflows	Earnings	428.93	262.23
		Outgo	204.74	134.17

For and on behalf of the Board

S Sambhu Prasad
Chairman and Managing Director

Place : Chennai
Date : August 14, 2017

Registered Office:
Amrutanjan Health Care Limited
CIN: L24231TN1936PLC000017
No.103, Luz Church Road, Mylapore, Chennai 600 004
Tel : 044-2499 4465 Fax : 044-2499 4585
Email : shares@amrutanjan.com
Website : www.amrutanjan.com



Financial Statements



Independent Auditor's Report

To the Members of Amrutanjan Health Care Limited

Report on the Financial Statements

We have audited the accompanying financial statements of Amrutanjan Health Care Limited ('the Company') which comprise the Balance Sheet as at 31st March, 2017 the Statement of Profit and Loss and the Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in

the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion and the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2017, and its profit and its 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, 2016 ('the Order'), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013 we give in the Annexure A, a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
2. As required by section 143 (3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this report are in agreement with the books of account.
 - d) In our opinion, the afore said 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 written representations received from the Directors, as on 31st March 2017, and taken on record by the Board of Directors, none of the Directors are disqualified as on 31st March 2017, from being appointed as a Director in terms of 164(2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in 'Annexure B', and



Independent Auditor's Report - (Contd.)

- 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 Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanation given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 28 (c) – (f) to the financial statements;
 - ii. The Company does not have any 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.
 - iv. The Company has provided requisite disclosures in Note 37 to the financial statements as to holdings as well as dealings in Specified Bank Notes during the period from November 8, 2016 to December 30, 2016. Based on audit procedures and relying on the management representation, we report that the disclosures are in accordance with books of account maintained by the Company and as produced to us by the management.

For P.S.SUBRAMANIA IYER & CO.
Chartered Accountants
Firm Registration No: 004104S

V.Swaminathan
Partner
Membership No : 22276

Place: Chennai
Date: 14.08.2017

Annexure to the Independent Auditors' Report

The Annexure referred to in Independent Auditor's Report to the members of the Company on the financial statements for the year ended March 31, 2017, we report that :

- i) a) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;
- (b) The Fixed Assets have been physically verified by the management in a phased manner, designed to cover all the items over a period of three years, which in our opinion, is reasonable having regard to the size of the Company and nature of its business. Pursuant to the program, a portion of the fixed asset has been physically verified by the management during the year and no material discrepancies between the books records and the physical fixed assets have been noticed.
- (c) According to the information and the explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- ii) The Inventory has been physically verified at reasonable intervals by the management and no material discrepancies were noticed.
- (iii) The Company has granted unsecured loan to a Company covered in the register maintained under section 189 of the Companies Act, 2013.
- (a) In our opinion, the rate of interest and other terms and conditions on which the loans had been granted to the body corporate listed in the register maintained under section 189 of the Act were not, prima facie, prejudicial to the interests of the Company.
- (b) The terms of arrangement do not stipulate any repayment schedule for principal. However, interest is charged under Section 186 of the Act and received.
- (c) As there are no schedules for repayment of principle and Interest, we are unable to offer our views regarding their overdue position.
- (iv) In our opinion and according to the information and explanations given to us, the Company has not made any loans, investments, guarantees and securities under section 185 and 186 of the Companies Act, 2013.
- (v) The Company has not accepted any deposits from the public and hence 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 Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
- (vi) We have broadly reviewed the books of accounts maintained by the Company pursuant to the rules made by Central government for the maintenance of Cost Records u/s 148(1) of the Act and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of records.
- (vii) a) According to the information and explanations given to us the Company is regular in depositing undisputed statutory dues including provident fund, employees state insurance, investor education and protection fund, income tax, sales tax, service tax, customs duty, excise duty, cess and other statutory dues with the appropriate authorities. No undisputed amount payable in respect of income tax, service tax, sales tax, customs duty and excise duty were outstanding, as at 31st March 2017 for a period of more than six months from the date they became payable.
- b) According to the information and explanations given to us, details of dues of income tax, sales tax, wealth tax, service tax, customs duty, excise duty, cess, which have not been deposited on account of any dispute are given below :

Statute	Nature of Dues	Amount ₹	Period	Forum where dispute is pending
Central Excise Act	Excise Duty	8,89,155	2000-2001	CESTAT
Central Excise Act	Excise Duty	29,65,328*	2011-2012	Commissioner (Appeals)
Service Tax	Service Tax & Penalty	1,06,79,603	08/10 to 06/11	CESTAT
Service Tax	Service Tax & Penalty	1,06,92,932	07/11 to 02/12	CESTAT

*Net of amount paid under protest

- (viii) According to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings to any financial institutions, banks, government or debenture holders during the year.
- (ix) The Company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable.
- (x) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have not come across any instance of fraud on or by the Company, noticed or reported during the year, nor have we been informed of such case by the Management.



Annexure to the Independent Auditors' Report (Contd.)

- (xi) According to the information and explanations given to us and based on our examinations 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.
- (xiii) According to the information and explanations given to us and based on our examinations of the records of the Company, all transactions with the related parties are in compliance with section 177 and 188 of the Act where applicable and the details of such transactions have been disclosed in the Financial Statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us and based on our examinations 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 under review.
- (xv) According to the information and explanations given to us and based on our examinations of the records of the Company, the Company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable.
- (xvi) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For P.S.SUBRAMANIA IYER & CO.
Chartered Accountants
Firm Registration No: 004104S

V.Swaminathan
Partner
Membership No : 22276

Place: Chennai
Date: 14.08.2017

Annexure B to the Auditor's Report

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

We have audited the internal financial controls over financial reporting of Amrutanjan Healthcare Limited ("the Company") as of March 31, 2017 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ('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 over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the

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

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

Meaning of Internal Financial Controls over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with 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 over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For P.S.SUBRAMANIA IYER & CO.
Chartered Accountants
Firm Registration No: 004104S

Place: Chennai
Date: 14.08.2017

V.Swaminathan
Partner
Membership No : 22276

**BALANCE SHEET AS AT 31 MARCH 2017**

	Note No.	As at 31st March, 2017 ₹	As at 31st March, 2016 ₹
EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share Capital	3	2,92,30,630	2,92,30,630
(b) Reserves and Surplus	4	123,56,06,297	117,55,46,376
(2) Non-Current Liabilities			
(a) Long-term borrowings		-	-
(b) Deferred tax liabilities (net)	5	2,53,00,557	1,91,38,877
(c) Other Long term Liabilities	6	46,93,953	41,97,861
(d) Long Term Provision	7	1,46,74,370	73,03,431
(3) Current Liabilities			
(a) Short Term Borrowings	8	2,48,28,478	-
(b) Trade payables	9	13,95,23,748	9,07,21,206
(c) Other current liabilities	10	15,24,09,683	14,29,63,191
(d) Short term Provisions	11	9,61,451	1,82,52,250
TOTAL		<u>162,72,29,167</u>	<u>148,73,53,822</u>
ASSETS			
(1) Non-current assets			
(a) Fixed assets	12		
(i) Tangible assets		29,79,49,008	22,28,94,516
(ii) Intangible assets		10,11,356	10,76,412
(iii) Capital Work in progress		68,03,839	71,60,464
(iv) Intangible assets under development		10,30,500	10,30,500
(b) Non Current Investments	13	8,97,78,346	9,82,41,915
(c) Long term Loans and advances	14	96,24,913	19,71,05,756
(d) Other non current assets	15	4,88,67,075	1,32,61,992
(2) Current assets			
(a) Current investments		-	-
(b) Inventories	16	10,02,57,285	7,90,77,905
(c) Trade receivables	17	36,33,65,745	26,17,74,906
(d) Cash and cash equivalents	18	47,46,91,902	47,95,31,172
(e) Short-term loans and advances	19	19,65,94,031	8,99,67,732
(f) Other Current assets	20	3,72,55,167	3,62,30,552
TOTAL		<u>162,72,29,167</u>	<u>148,73,53,822</u>
Significant accounting policies	2		

The accompanying notes form an integral part of Financial Statements
As per our Report of even date

For **P S Subramania Iyer & Co.,**

Chartered Accountants

V Swaminathan

Partner

Membership No.22276

Place : Chennai

Date : 14th August 2017

S Sambhu Prasad

Chairman & Managing Director

K Kannan

Chief Financial Officer

M Srinivasan

Company Secretary

Dr. H B N Shetty

Director

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2017

	Note No.	Year ended 31st March, 2017	Year ended 31st March, 2016
Revenue from operations	21	222,03,24,519	184,37,68,344
Other Income	22	5,71,47,556	5,73,05,114
Total Revenue		<u>227,74,72,075</u>	<u>190,10,73,458</u>
Expenses:			
Cost of materials consumed	23	71,75,91,018	58,58,90,020
Purchase of Stock-in-Trade		16,19,19,720	6,26,79,807
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	24	(1,95,51,526)	33,67,112
Employee benefit expense	25	32,94,74,368	28,01,23,136
Financial costs	26	55,32,192	20,01,546
Depreciation and amortization expense		2,64,84,761	2,52,46,566
Other expenses	27	75,15,85,817	59,61,46,286
Total Expenses		<u>197,30,36,350</u>	<u>155,54,54,473</u>
Profit before extraordinary items and tax		30,44,35,725	34,56,18,985
Extraordinary items		2,69,13,784	-
Profit before tax		<u>33,13,49,509</u>	<u>34,56,18,985</u>
Tax expense:			
Current tax		(11,23,00,000)	(11,40,00,000)
Deferred tax		(5,39,893)	(50,64,169)
Short provision for Income Tax of earlier years		(44,17,901)	(23,76,350)
Profit after tax for the year		<u>21,40,91,715</u>	<u>22,41,78,466</u>
Earning per equity share:	43		
Basic and Diluted		13.43	15.34
Significant accounting policies	2		

The accompanying notes form an integral part of Financial Statements
As per our Report of even date

For P S Subramania Iyer & Co.,
Chartered Accountants
V Swaminathan
Partner
Membership No.22276

S Sambhu Prasad
Chairman & Managing Director

Dr. H B N Shetty
Director

K Kannan
Chief Financial Officer

Place : Chennai
Date : 14th August 2017

M Srinivasan
Company Secretary



CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2017

	Year ended March 31, 2017	Year ended March 31, 2016
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before tax and extraordinary items	33,13,49,509	34,56,18,985
Adjustments for:		
Depreciation & Amortisation	2,64,84,761	2,52,46,566
Interest received	(3,36,78,177)	(3,38,14,074)
Income from Investments	(83,52,428)	(89,26,731)
Amortisation of Premium on Investments	1,05,485	1,05,744
Dividend received	(48,071)	(5,213)
Rent receipts	(1,94,200)	(1,93,200)
Profit on sale of Fixed Assets	(4,32,249)	(75,15,480)
Interest paid	43,22,886	8,16,418
Operating Profit before Working Capital Changes	31,95,57,516	32,13,33,015
Adjustments for:		
Trade & other receivables	(9,81,66,959)	(5,00,34,922)
Inventories	(63,98,167)	(69,34,030)
Trade payables	5,32,20,665	6,41,17,213
Cash generated from operations	26,82,13,055	32,84,81,276
Direct Taxes Paid	(14,02,59,519)	(11,48,98,387)
Net Cash from operating activities	12,79,53,536	21,35,82,889
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of fixed assets	(3,82,15,824)	(2,19,53,670)
Sale / Transfer of fixed assets	4,90,476	93,80,000
Sundry Deposits	(9,25,00,000)	-
Loan / advances from / (to) subsidiary company	(24,44,176)	(2,68,05,921)
Fixed deposit with banks withdrawn/(placed) (under lien)	(51,62,087)	1,48,85,411
Interest received	4,40,16,269	3,80,98,197
Dividend received	48,071	5,213
Rent received	1,94,200	1,93,200
Net Cash (used in) / generated from Investing Activities	(9,35,73,071)	1,38,02,430

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2017

	Year ended March 31, 2017	Year ended March 31, 2016
C. CASH FLOW FROM FINANCING ACTIVITIES		
Increase / (Decrease) in Long Term Loan	-	-
Increase / (Decrease) in Short Term Loans	6,93,663	-
Dividend paid (including interim Dividend & Dividend Tax)	(3,86,99,430)	(10,99,41,548)
Interest paid	(73,33,165)	(8,16,418)
Net Cash (used in) / generated from financing Activities	<u>(4,53,38,932)</u>	<u>(11,07,57,966)</u>
Net Increase / (Decrease) in cash & cash equivalents	<u>(1,09,58,467)</u>	<u>11,66,27,353</u>
Cash and cash equivalents opening balance	42,42,03,276	30,60,53,805
Cash and cash equivalents closing balance	41,32,44,809	42,26,81,158
Notes :		
1. Cash and Cash equivalent comprise of:	As at 31st March, 2017	As at 31st March, 2016
Cash in hand	7,59,642	7,69,910
Cheques in hand	7,81,65,485	5,35,57,269
Balances with banks : in Current Accounts	1,68,69,779	2,39,37,351
in Deposit Accounts	31,74,49,903	34,44,16,628
	41,32,44,809	42,26,81,158
Add : Deposits (under lien)	5,33,47,073	4,64,86,508
Dividend Accounts	81,00,020	1,03,63,506
Cash and Cash equivalents (As per Note 18)	<u>47,46,91,902</u>	<u>47,95,31,172</u>
2. Cash flow statement has been prepared under the indirect method as setout in Accounting Standard - 3 notified under the Companies (Accounting Standard) Rules 2006.		
3. Purchase of fixed assets includes movements of capital work-in-progress during the year.		
4. Previous year's figures have been re-grouped/reclassified wherever applicable.		

As per our Report of even date

For P S Subramania Iyer & Co.,
Chartered Accountants
V Swaminathan
Partner
Membership No.22276

Place : Chennai
Date : 14th August 2017

S Sambhu Prasad
Chairman & Managing Director

K Kannan
Chief Financial Officer

M Srinivasan
Company Secretary

Dr. H B N Shetty
Director



NOTES TO FINANCIAL STATEMENTS

1. BACKGROUND

Amrutanjan Health Care Limited was established in the year 1893 and specializing in Ayurvedic balm for headaches, cold and cough. The Company is a public limited company and is listed on the National Stock Exchange (NSE).

2. SIGNIFICANT ACCOUNTING POLICIES

2.1. Basis for preparation

These financial statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention on accrual basis. These financial statements have been prepared to comply in all material aspects with the accounting standards notified under Section 133 and the other relevant provisions of the Companies Act, 2013.

2.2. Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles in India requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period reported. Actual results could differ from those estimates. Any revision to accounting estimate is recognized prospectively – Current and future periods.

2.3. Revenue recognition

Revenue is recognized only when it can be reliably measured and it is reasonable to expect ultimate collection.

Sale of goods: Sales are recognized when the substantial risks and rewards of ownership in the goods are transferred to the buyer as per the terms of the contract and are recognized net of excise duty.

Sale of Services: Income from services are recognized as and when the services are rendered.

Other Income: Dividend income is recognized when right to receive is established. Interest income is recognized on time proportion basis taking into account the amount outstanding and rate applicable.

Insurance claims and scrap sales proceeds are accounted on cash basis

2.4. Tangible Assets

Tangible Assets are stated at acquisition cost, net of accumulated depreciation and accumulated impairment losses, if any. Subsequent expenditures related to an item of fixed asset are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance. Items of fixed assets that have been retired from active use and are held for disposal are stated at the lower of their net book value and net realisable value and are shown separately in the financial statements. Any expected loss is recognised immediately in the Statement of Profit and Loss. Losses arising from the retirement of, and gains or losses arising from disposal of fixed assets.

The Company has given effect to the useful life of assets for the purpose of computation of depreciation as per Schedule II of the Companies Act, 2013. Additions made during the year was depreciated pro-rata from the date of addition. Freehold / Leasehold lands are not depreciated. Assets costing ₹ 5,000 or less are fully depreciated in the year of purchase.

2.5. Intangible Assets

Intangible Assets are stated at acquisition cost, net of accumulated amortization and accumulated impairment losses, if any. Intangible assets are amortised on a written down value method as per the prescribed Accounting Standards. A rebuttable presumption that the useful life of an intangible asset will not exceed ten years from the date when the asset is available for use is considered by the management. The amortisation period and the amortisation method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortisation period is changed accordingly. Gains or losses arising from the retirement or disposal of an intangible asset are determined as

NOTES TO FINANCIAL STATEMENTS - (contd.)

the difference between the net disposal proceeds and the carrying amount of the asset and recognised as income or expense in the Statement of Profit and Loss.

2.6. Borrowing Costs

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. All other borrowing costs are recognised in Statement of Profit and Loss in the period in which they are incurred.

2.7. Impairment

Assessment is done at each Balance Sheet date as to whether there is any indication that an asset (tangible and intangible) may be impaired. For the purpose of assessing impairment, the smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets, is considered as a cash generating unit. If any such indication exists, an estimate of the recoverable amount of the asset/cash generating unit is made. Assets whose carrying value exceeds their recoverable amount are written down to the recoverable amount. Recoverable amount is higher of an asset's or cash generating unit's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. Assessment is also done at each Balance Sheet date as to whether there is any indication that an impairment loss recognised for an asset in prior accounting periods may no longer exist or may have decreased.

2.8. Investments

Investments that are readily realisable and are intended to be held for not more than one year from the date, on which such investments are made, are classified as current investments. All other investments are classified as long term investments. Current investments are carried at cost or fair value, whichever is lower. Long-term investments are carried at cost. However, provision for diminution is made to recognise a decline, other than temporary, in the value of the investments, such reduction being determined and made for each investment individually.

Investment property: Investment in buildings that are not intended to be occupied substantially for use by, or in the operations of, the Company, have been classified as investment property. Investment properties are carried at cost less accumulated depreciation.

2.9. Inventories

Inventories are stated at lower of cost and net realisable value. Cost is determined using the weighted average cost method method. The cost of finished goods and work in progress comprises raw materials, direct labour, other direct costs and related production overheads. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

2.10. Lease Assets

As a lessee:

Leases under which the Company assumes substantially all the risks and rewards of ownership are classified as finance leases. Such assets are capitalized at fair value of the asset or present value of the minimum lease payments at the inception of the lease, whichever is lower. Lease payments are apportioned between finance charges and reduction of the lease liability at the implicit rate of return. Finance charges are charged to the Statement of Profit and Loss.

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased term, are classified as operating leases. Operating lease payments are recognised as an expense in the Statement of Profit and Loss.



NOTES TO FINANCIAL STATEMENTS - (contd.)

As a lessor:

The Company has leased certain tangible assets and such leases where the Company has substantially retained all the risks and rewards of ownership are classified as operating leases. Lease income on such operating leases are recognised in the Statement of Profit and Loss on a straight line basis over the lease term which is representative of the time pattern in which benefit derived from the use of the leased asset is diminished. Initial direct costs are recognised as an expense in the Statement of Profit and Loss in the period in which they are incurred.

2.11. Foreign currency transactions

Foreign currency transactions are recorded at the exchange rates prevailing on the date of the transactions. Monetary assets and liabilities denominated in foreign currencies as at the balance sheet date are translated at the closing exchange rates on that date. Exchange difference arising on foreign exchange transactions during the year and on restatement of monetary assets and liability are recognized in the Statement of Profit and Loss of the year.

2.12. Retirement and other employee benefits

a. Provident fund:

Eligible employees receive benefits from the provident fund, which is a defined contribution plan. Both the employee and the Company make monthly contributions to the provident fund plan equal to specified percentage of the covered employee's basic salary. The Company has no further obligations under the plan beyond its monthly contributions.

b. Gratuity:

The Company provides for gratuity, a defined benefit retirement Plan (the "Gratuity Plan") covering eligible employees. The Plan provides payment to vested employees at retirement, death or termination of employment, of an amount based on the respective employee's salary and the tenure of employment with the Company. The Company provides the gratuity benefit through annual contribution to a fund managed by the Life Insurance Corporation (LIC). Under this scheme the settlement obligation remains with the Company although the LIC administers the scheme and determines the contribution premium required to be paid by the Company Gratuity, which is a defined benefit scheme, is accrued based on an actuarial valuation at the balance sheet date carried out by an independent actuary.

c. Compensated absence:

Provision for compensated absence is made by the Company based on an actuarial valuation as at the balance sheet date of the unavailed leave standing to the credit of employees in accordance with the service rules of the Company.

2.13. Accounting for Taxes on Income

Tax expense for the period, comprising current tax and deferred tax, are included in the determination of the net profit or loss for the period. Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the taxation laws prevailing in the respective jurisdictions.

Deferred tax is recognized for all the timing differences, subject to the consideration of prudence in respect of deferred tax assets. Deferred tax assets are recognised and carried forward only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. At each Balance Sheet date, the group reassesses unrecognized deferred tax assets, if any.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognized amounts and there is an intention to settle the asset and the liability on a net basis. Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off assets against liabilities representing current tax and where the deferred tax assets and the deferred tax liabilities relate to taxes on income levied by the same governing taxation laws.

NOTES TO FINANCIAL STATEMENTS - (contd.)

Minimum Alternative Tax (MAT) credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Company will pay normal income tax during the specified period.

2.14. Provisions and Contingent Liabilities

Provisions: Provisions are recognised when there is a present obligation 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 there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance sheet date and are not discounted to its present value.

Contingent Liabilities: Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only 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 arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made, is termed as a contingent liability. If the probability of resources is remote, no provision or disclosure is made. Contingent assets are not recognized in the financial statements.

2.15. Segment Reporting

The accounting policies adopted for segment reporting are in conformity with the accounting policies adopted for the Company. Further, inter-segment revenue have been accounted for based on the transaction price agreed to between segments which is primarily market based. Revenue and expenses have been identified to segments on the basis of their relationship to the operating activities of the segment. Revenue and expenses, which relate to the Company as a whole and are not allocable to segments on a reasonable basis, have been included under "Unallocated corporate expenses".

2.16. Cash and Cash Equivalents

In the cash flow statement, cash and cash equivalents includes cash in hand, demand deposits with banks, other short-term highly liquid.

2.17. Earnings Per Share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Earnings considered in ascertaining the Company's earnings per share is the net profit for the period after deducting preference dividends and any attributable tax thereto for the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares, that have changed the number of equity shares outstanding, without a corresponding change in resources. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.



NOTES TO FINANCIAL STATEMENTS - (contd.)

Particulars	As at March 31, 2017	As at March 31, 2016
3 Share Capital		
a Authorised Share Capital: 2,50,00,000 (2,50,00,000) Equity Shares of ₹ 2/- (₹ 2/-) each	5,00,00,000	5,00,00,000
b Issued, Subscribed and Fully Paid up Share Capital 1,46,15,315 (1,46,15,315) Equity Shares of ₹ 2/- (₹ 2/-) each	2,92,30,630	2,92,30,630
c Reconciliation of Shares		
Number of Equity at the beginning of year	1,46,15,315	1,46,15,315
Add : Issued during the Year	-	-
Less: Buy Back	-	-
Number of Equity at the end of the year	1,46,15,315	1,46,15,315

d Number of Shares held by share holders more than 5% of total Shares

Name of the Share holder	As on 31st March 2017		As on 31st March 2016	
	No. of Shares	% held	No. of Shares	% held
Mr. Sambhu Prasad S	2419980	16.56%	2407490	16.47%
Ms. Leela Bhramara	1495365	10.23%	1242425	8.50%
Ms. Ramayamma S	1127395	7.71%	1114905	7.63%
Ms. Nageswaramma P	940070	6.23%	927580	6.35%

e Equity share bought back (during 5 years preceding March 31, 2017) :

Period ended	No. of Shares	Face Value Per Share	Face Value of Shares Bought back
March 31, 2017	-	-	-
March 31, 2016	-	-	-
March 31, 2015	-	-	-
March 31, 2014	-	-	-
March 31, 2013	-	-	-

Terms / Rights / restrictions attached to shares :

The Company has only one type of equity shares. Every shareholder is entitled to one vote per share.

NOTES TO FINANCIAL STATEMENTS - (contd.)

Particulars	March 31, 2017	March 31, 2016
4 Reserves and Surplus		
a) Capital redemption reserve	27,69,370	27,69,370
b) General Reserve		
Opening balance	51,09,42,874	50,59,42,874
Add: transferred from Statement of Profit & Loss	-	50,00,000
Less : Adjustment on amalgamation (refer note 39)	(11,53,32,364)	-
Closing balance	<u>39,56,10,510</u>	<u>51,09,42,874</u>
c) Contingency reserve	-	-
d) Surplus in Statement of Profit & Loss		
Opening balance	66,18,34,132	51,05,07,169
Add : Current year surplus	21,40,91,715	22,41,78,466
Less : Transfer to general reserve	-	(50,00,000)
Less : Interim Dividends - Paid [` 2.20/- per share (previous year ` 3.85/ per share)]	(3,21,53,694)	(5,62,68,963)
Less : Tax on Interim Dividends	(65,45,736)	(1,15,82,540)
Closing Balance	<u>83,72,26,417</u>	<u>66,18,34,132</u>
TOTAL	<u>123,56,06,297</u>	<u>117,55,46,376</u>
5 Deferred tax liabilities (Net)	March 31, 2017	March 31, 2016
Deferred tax liability arising from timing differences in respect of fixed assets	2,66,76,873	1,93,73,260
Deferred tax asset arising from timing differences in respect of expenses /provisions	(13,76,316)	(2,34,383)
Net Deferred Tax Liability	<u>2,53,00,557</u>	<u>1,91,38,877</u>
6 Other long term liabilities	March 31, 2017	March 31, 2016
Rent Deposits	3,77,692	3,79,600
Caution deposits from customers	43,16,261	38,18,261
	<u>46,93,953</u>	<u>41,97,861</u>
7 Long-term Provisions	March 31, 2017	March 31, 2016
Provision for employee benefits		
Provision for gratuity	88,21,486	29,86,009
Provision for compensated absences	58,52,884	43,17,422
	<u>1,46,74,370</u>	<u>73,03,431</u>



NOTES TO FINANCIAL STATEMENTS - (contd.)

Particulars	March 31, 2017	March 31, 2016
8 Short term borrowings		
Working Capital Demand Loan - Banks	-	-
Cash Credit from Banks*	2,48,28,478	-
	<u>2,48,28,478</u>	<u>-</u>
* secured by hypothecation of specific plant and machinery, inventories and book debts and lien on specific fixed deposits		
9 Trade Payables	March 31, 2017	March 31, 2016
Due to Micro Small and Medium Enterprises	29,52,309	29,35,507
Due to Others	13,65,71,439	8,77,85,699
	<u>13,95,23,748</u>	<u>9,07,21,206</u>
The details of amounts outstanding to Micro, Small and Medium Enterprises based on available information with the Company is as under :		
Principal amount due and remaining unpaid	-	-
Interest due on above and the unpaid interest	29,52,309	29,35,507
Interest paid	-	-
Interest due and payable for the period of delay	-	-
Interest accrued and remaining unpaid	16,802	24,462
Amount of further interest remaining due and payable in succeeding years	-	-
10 Other current liabilities	March 31, 2017	March 31, 2016
Current maturities of long term debt	-	-
Interest accrued but not due on borrowings	-	-
Other payables		
- Creditors for capital goods	26,23,475	13,16,527
- Creditors for expenses	11,58,85,843	10,87,04,693
- Other liabilities	2,14,50,345	1,76,28,465
Due to directors	43,50,000	49,50,000
Unclaimed dividend	81,00,020	1,03,63,506
	<u>15,24,09,683</u>	<u>14,29,63,191</u>
11 Short Term Provisions	March 31, 2017	March 31, 2016
Provision for employee benefits		
Provision for gratuity	2,34,407	34,56,754
Provision for compensated absences	7,27,044	8,78,791
	<u>9,61,451</u>	<u>43,35,545</u>
Other Provisions		
Provisions for income tax (net of advance tax)	-	1,39,16,705
	<u>-</u>	<u>1,39,16,705</u>
	<u>9,61,451</u>	<u>1,82,52,250</u>

NOTES TO FINANCIAL STATEMENTS - (contd.)

12 Fixed Assets

(in ₹)

Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As on 1 April 2016	Addition/ Adjustments	Deletion	As on 31 March 2017	As on 1 April 2016	Addition/ Adjustments	Deletion	As on 31 March 2017	As on 31 March 2017	As on 31 March 2016
I. Tangible Assets										
a) Own assets										
Land	2,07,22,931	24,53,040	-	2,31,75,971	-	-	-	2,31,75,971	2,07,22,931	
Buildings & Roads	15,58,42,012	3,35,86,599	-	18,94,28,611	4,23,25,900	98,36,301	-	13,72,66,410	11,35,16,112	
Plant And Machinery	17,58,49,636	6,53,19,990	-	24,11,69,626	10,04,21,730	1,57,39,083	-	12,50,08,813	7,54,27,906	
Furniture, Fittings & Lab Equipments	1,11,35,203	13,02,482	-	1,24,37,685	70,56,926	12,91,899	-	40,88,860	40,78,277	
Vehicles	1,33,54,416	-	14,35,476	1,19,18,940	69,92,197	9,07,524	13,35,249	53,54,468	63,62,219	
Computers	58,72,589	13,72,838	-	72,45,427	32,81,476	10,91,745	-	28,72,206	25,91,113	
	38,27,76,787	10,40,34,949	14,35,476	48,53,76,260	16,00,78,229	2,88,66,552	13,35,249	29,77,66,728	22,26,98,558	
b) Leasehold assets										
Building	4,50,000	-	-	4,50,000	2,54,042	13,678	-	1,82,280	1,95,958	
	38,32,26,787	10,40,34,949	14,35,476	48,58,26,260	16,03,32,271	2,88,80,230	13,35,249	29,79,49,008	22,28,94,516	
II. Intangible Assets										
Goodwill	-	-	-	-	-	-	-	-	-	
Non-Compete Fees	-	-	-	-	-	-	-	-	-	
Computer software	45,59,791	2,22,238	-	47,82,029	34,83,379	2,87,294	-	10,11,356	10,76,412	
	45,59,791	2,22,238	-	47,82,029	34,83,379	2,87,294	-	10,11,356	10,76,412	
Grand Total (I + II) As per Last Balance Sheet	38,77,86,578	10,42,57,187	14,35,476	49,06,08,289	16,38,15,650	2,91,67,524	13,35,249	29,89,60,364	22,39,70,928	
As per Last Balance Sheet	25,84,14,210	13,26,43,980	32,71,612	38,77,86,578	12,80,34,894	3,78,49,583	20,68,827	22,39,70,928	13,03,79,316	
Capital Work-In-Progress										
Intangible assets under development										
								68,03,839	71,60,464	
								10,30,500	10,30,500	

Adjustment includes value of assets transferred from Subsidiary Company (refer note no. 39)



NOTES TO FINANCIAL STATEMENTS - (contd.)

Particulars	Face Value	March 31, 2017 ₹	March 31, 2016 ₹
13 Non Current Investments			
Investment Property (at Cost less accumulated depreciation)			
Cost of Land & Building given on operating Lease		-	1,05,40,847
Less: Accumulated Depreciation		-	(26,82,763)
Net Block		-	78,58,084
Non-Trade Investments (Unquoted) :			
National Savings Certificates (Deposited with the Collector of Central Excise, Chennai)	5,500	5,500	5,500
5 Equity Shares in Capexil (Agencies) Ltd. of ₹ 1,000/- each fully paid	5,000	5,000	5,000
60,800 Equity Shares of ₹ 1/- each in Madras Stock Exchange Ltd.	60,800	1,60,000	1,60,000
50,000 Equity Shares of ₹ 10/- each in Amrutanjan Pharmaessence Private Limited out of which 4 fully paid-up equity shares are held in the name of nominees (Refer Note No.39)	5,00,000	-	5,00,000
Non-Trade Investments (Quoted) :			
1,006 Equity Shares in NTPC Ltd of ₹ 10/- each fully paid	10,060	62,372	62,372
190 Equity Shares in Punjab National Bank of ₹ 2/- each fully paid	1,900	14,820	14,820
20 Equity Shares in Dewan Housing Finance Ltd of ₹ 10/- each fully paid	10	2,244	2,244
50000 (8.23%) Tax Free Bonds of Indian Railway Finance Corporation Limited of ₹ 1,000/- each	5,00,00,000	5,00,00,000	5,00,00,000
2,100 (Zero Coupon) Bonds of NABARD of ₹ 20,000 each	4,20,00,000	2,24,70,000	2,24,70,000
16,800 (10.24%) Debentures of L & T Finance Limited of ₹ 1,000/- each	1,68,00,000	1,70,58,410	1,71,63,895
Total		8,97,78,346	9,82,41,915
Quoted Investments - Cost		8,96,07,846	8,97,13,331
- Market Value		8,97,31,329	8,97,83,485
Unquoted Investments - Cost		1,70,500	6,70,500
14 Long Term Loans and advances			
Unsecured, Considered good			
		March 31, 2017	March 31, 2016
		₹	₹
Advance to subsidiary Company		-	19,71,05,756
Advance Tax (Net of Provision)		96,24,913	-
		96,24,913	19,71,05,756
15 Other Non Current assets			
		March 31, 2017	March 31, 2016
		₹	₹
Balance with excise authorities, paid under protest		33,77,762	33,77,762
Sundry deposits (Refer Note No.41)		3,00,00,000	-
Security deposits		1,54,89,313	98,84,230
		4,88,67,075	1,32,61,992

NOTES TO FINANCIAL STATEMENTS - (contd.)

Particulars	March 31, 2017 ₹	March 31, 2016 ₹
16 Inventories		
Raw Materials	1,54,26,818	2,73,68,840
Work In Progress	15,52,392	-
Finished Stock	5,82,50,865	3,43,76,889
Packing Materials	2,50,27,210	1,73,32,176
	10,02,57,285	7,90,77,905
17 Trade Receivables		
	March 31, 2017 ₹	March 31, 2016 ₹
<i>Unsecured, Considered good</i>		
Outstanding for a period exceeding 6 months	7,40,58,241	6,91,88,930
Others	28,93,07,504	19,25,85,976
	36,33,65,745	26,17,74,906
<i>Unsecured, Considered Doubtful</i>		
Outstanding for a period exceeding 6 months	3,04,79,696	1,49,78,811
Provision for Doubtful Debts	(3,04,79,696)	(1,49,78,811)
	36,33,65,745	26,17,74,906
18 Cash & Cash equivalents		
	March 31, 2017 ₹	March 31, 2016 ₹
Cash in Hand	7,59,642	7,69,910
Cheques in Hand	8,48,70,882	5,35,57,269
Balance with Banks		
Current Accounts	1,01,64,382	2,39,37,351
Fixed Deposits with maturity of less than 3 months	-	-
Other Bank Balances :		
Fixed Deposits with maturity of less than 12 months	83,72,460	11,00,000
Fixed Deposits with maturity of more than 12 months	30,90,77,443	34,33,16,628
Fixed Deposits under lien @	5,33,47,073	4,64,86,508
Unclaimed Dividend Accounts	81,00,020	1,03,63,506
	47,46,91,902	47,95,31,172
@ Marked as lien against credit facilities availed		
19 Short-term loans and advances		
	March 31, 2017 ₹	March 31, 2016 ₹
<i>Unsecured and considered good</i>		
Deposits and Balances with excise authorities	4,35,25,423	2,47,50,640
Sundry Deposits (Refer Note No.41)	6,25,00,000	-
Other advances	9,05,68,608	6,52,17,092
	19,65,94,031	8,99,67,732
20 Other current assets		
	March 31, 2017 ₹	March 31, 2016 ₹
Interest accrued on Investments / Deposits	3,72,55,167	3,62,30,552
	3,72,55,167	3,62,30,552



NOTES TO FINANCIAL STATEMENTS - (contd.)

Particulars	Year Ended March 31, 2017	Year Ended March 31, 2016
21 Revenue from operations		
Sale of Products		
Export Sales	4,28,93,067	2,62,23,402
Domestic Sales	<u>226,21,74,570</u>	<u>189,30,01,612</u>
	230,50,67,637	191,92,25,014
Less: Excise Duty paid	<u>(10,56,33,343)</u>	<u>(8,82,32,365)</u>
	219,94,34,294	183,09,92,649
Other operating revenues	<u>2,08,90,225</u>	<u>1,27,75,695</u>
	<u>222,03,24,519</u>	<u>184,37,68,344</u>
22 Other Income		
	Year Ended March 31, 2017	Year Ended March 31, 2016
Interest Income	3,36,78,177	3,38,14,074
Dividend Income	48,071	5,213
Net gain / (loss) on sale of investment	-	-
Rent Receipt (refer note : 44)	59,200	1,93,200
Income from investments	83,52,428	89,26,731
Profit on sale of assets	4,32,249	75,15,480
Scrap sales	40,31,329	27,97,674
Excess provision written back (Net)	19,71,181	-
Exchange Difference - (Net)	2,17,845	4,37,556
Other Income	<u>83,57,076</u>	<u>36,15,186</u>
	<u>5,71,47,556</u>	<u>5,73,05,114</u>
23 Cost of Materials consumed		
	Year Ended March 31, 2017	Year Ended March 31, 2016
Opening Stock of Raw Materials & Packing Materials	4,47,01,016	3,43,04,315
Add : Opening Stock moved from Subsidiary Company	88,17,536	-
Purchases of Raw Materials & Packing Materials	<u>70,45,26,494</u>	<u>59,62,86,721</u>
	75,80,45,046	63,05,91,036
Less: Closing Stock of Raw Materials & Packing Materials	<u>4,04,54,028</u>	<u>4,47,01,016</u>
Consumption of Raw & Packing Materials	<u>71,75,91,018</u>	<u>58,58,90,020</u>

NOTES TO FINANCIAL STATEMENTS - (contd.)

Particulars	Year Ended March 31, 2017	Year Ended March 31, 2016
24 Changes in inventories of finished goods, work-in-progress and Stock-in-Trade		
Opening Stock		
Finished Goods	3,43,76,889	3,78,39,560
Process Stock	-	-
Add : Opening Stock moved from Subsidiary Company	59,63,677	-
	<u>4,03,40,566</u>	<u>3,78,39,560</u>
Closing stock		
Finished Goods	5,82,50,865	3,43,76,889
Process Stock	15,52,392	-
	<u>5,98,03,257</u>	<u>3,43,76,889</u>
(Increase) / Decrease in Stock	(1,94,62,691)	34,62,671
Excise Duty on Increase / (Decrease) on Finished Goods	(88,835)	(95,559)
	<u>(1,95,51,526)</u>	<u>33,67,112</u>
25 Employee benefit expenses		
	Year Ended March 31, 2017	Year Ended March 31, 2016
Salaries & Wages	28,18,32,545	24,17,03,419
Contribution to Provident & Other Funds	2,94,82,453	2,13,71,184
Staff Welfare expenses	1,81,59,370	1,70,48,533
	<u>32,94,74,368</u>	<u>28,01,23,136</u>
26 Financial Costs		
	Year Ended March 31, 2017	Year Ended March 31, 2016
Interest Expenses	43,22,886	8,16,418
Bank charges	12,09,306	11,85,128
	<u>55,32,192</u>	<u>20,01,546</u>



NOTES TO FINANCIAL STATEMENTS - (contd.)

Particulars	Year Ended March 31, 2017	Year Ended March 31, 2016
27 Other Expenses		
Power & Fuel	1,66,43,007	1,63,49,241
Repairs & Maintenance :		
Building	20,21,612	6,54,684
Machinery	41,58,958	46,71,987
Others	50,99,991	46,56,749
Consumables	93,81,092	75,00,313
Freight and Transport Charges	7,25,41,834	4,82,81,047
Advertisement	27,62,78,623	20,82,38,034
Selling Expenses	9,60,57,504	8,70,03,141
Commission on Sales	14,61,491	14,77,028
Bad debts	-	-
Sales Tax	11,80,10,904	10,01,27,295
Rates and Taxes	41,30,535	40,98,294
Insurance	52,26,774	43,34,272
Travelling Expenses	4,82,98,379	4,01,52,790
Conveyance	66,45,442	50,29,953
Retainer & Consultancy	1,24,00,578	76,19,134
Security Charges	1,33,63,056	86,79,175
Rent (refer note : 44)	96,42,318	87,46,413
Printing & Stationery	24,09,478	26,99,038
Postage & Telegrams	15,92,122	20,51,554
Communication Expenses	84,29,050	75,95,456
Legal Expenses	63,52,413	12,50,250
Research & Development Expenses	93,04,096	43,38,147
CSR Expenditure	54,72,710	43,76,667
Donations	26,136	59,236
Auditor's Remuneration :		
Audit Fees	15,50,000	12,00,000
Tax Representation	4,75,000	1,85,394
Other services (including limited review fees)	6,53,644	5,16,539
Out of Pocket expenses	21,280	33,280
Cost Audit Fees	1,00,000	1,00,000
Directors Sitting Fees	7,50,000	5,70,000
Commission to Non-Executive Directors	25,50,000	25,50,000
Lease Rent	18,91,243	22,11,163
EDP Expenses	20,33,420	19,22,958
Advances written off	-	16,26,206
Miscellaneous Expenses	66,13,127	52,40,848
	<u>75,15,85,817</u>	<u>59,61,46,286</u>

NOTES TO FINANCIAL STATEMENTS - (contd.)

28. Monies for which the Company is contingently liable :

- a. Bonds executed in favour of Collector of Central Excise, Chennai – ₹ 8,00,000/- (₹ 8,00,000)
- b. Guarantees/Letter of Credit issued on behalf of Company by Banks – ₹ 4,81,90,391/- (₹ 2,07,44,251/-)
- c. Appeals filed in respect of disputed demands :

	2016-17 ₹	2015-16 ₹
Excise Duty	61,62,430	61,62,430
Service Tax	2,35,50,688	2,23,52,480
Income Tax	50,31,844	50,31,844

Includes ₹ 83,19,736/- paid under protest.

- d. Lease Rent in respect of lease hold land has been revised by the Government of Tamil Nadu with retrospective effect from November 2001 and the arrears on this account up to 31st March 2017 is ₹ 7,71,76,279/-. The Company has contested the said revision before the Madras High Court in a writ petition. The Company has made provision of ₹ 10,34,200/- towards the above.
- e. Claims against the Company not acknowledged as debts : ₹ 3,03,18,530/- (₹ 0/-)
- f. Balances with excise authorities include a sum of ₹ 79,45,555/- being input credit taken on services which is yet to be adjusted in payment of excise duty in view of decision pending with concerned authorities on this matter in earlier years
- 28.a) The Board of Directors have recommended a final dividend of ₹ 1.65/- per Equity Share of face value of ₹ 2/- each for the financial year ended 31, March 2017. The dividend will be paid / despatched to shareholders within 30 days from the date of approval in the ensuing Annual General Meeting.

29. Estimated amount of capital expenditure commitments ₹ Nil (₹ 10,00,00,000/-)

30. a. The Company has transferred ₹ 9,79,209/- (₹ 15,34,314/-) of unclaimed dividend to Investor Education and Protection Fund during the year.
- b. Unclaimed Dividend amounting to ₹ 27,034/- (₹ 27,034/-) is pending on account on litigation among claimants.

31. The Company has spent ₹ 54,72,710 towards CSR expenditure for such activities specified in Schedule VII of Companies Act, 2013.

32. CIF Value of Imports

	2016-17 ₹	2015-16 ₹
a. Raw & Other Materials	1,75,59,128	1,09,10,747
b. Capital Goods	13,40,980	-
Total	1,89,00,108	1,09,10,747

33. Expenditure in foreign currency

a. Travelling Expenses	8,11,190	5,63,537
b. Others	7,62,782	19,42,383
Total	15,73,972	25,05,920

34. Earnings in foreign currency

Export Sales (F.O.B Value)	4,28,93,067	2,62,23,402
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35. Turnover & Stock

Class of Goods	Opening Stock ₹	Purchases ₹	Sales ₹	Closing Stock ₹
Amrutanjan Pain Balm	2,62,20,271	-	175,89,60,197	3,93,31,716
Inhaler & Others	33,33,460	-	7,21,66,893	24,09,063
Agency Products	40,11,546	9,37,75,827	14,43,71,599	55,65,513
Beverages	8,11,612	6,81,43,893	29,39,41,423	1,02,65,283
Chemical Division	-	-	3,56,27,525	22,31,682
	3,43,76,889	16,19,19,720	230,50,67,637	5,98,03,257



NOTES TO FINANCIAL STATEMENTS - (contd.)

36. Details of Raw Materials Consumed

	2016-17 Value ₹	2015-16 Value ₹
KARPOOR POWDER	1,19,97,707	1,06,14,640
PUDINAKAPHOOL	15,38,62,602	12,56,30,912
NILGIRI KATEL	4,06,75,056	3,14,80,446
CHAHAKATEL	1,18,55,606	94,64,078
PUDINAKATEL	38,38,645	33,19,014
GANJNI KATEL	39,61,162	34,16,260
HARD PARAFFIN (N)	1,30,90,177	1,24,99,856
SOFT PARAFFIN	1,94,30,328	1,84,93,803
GANDHAPURATEL	1,92,41,071	1,64,72,197
MICRO WAX	65,91,498	55,65,965
TURPENTINE KATEL	28,58,493	25,23,048
DALCHINI KATEL	24,00,555	20,00,810
ETHOXILATED LANOLIN	16,10,878	12,72,517
NILGIRI KATEL (DD)	19,02,544	14,90,287
LAVANG KATEL	40,74,070	33,79,050
MANGO PULP	2,33,55,475	2,89,69,933
SUGAR	2,28,60,652	1,73,57,862
APPLE CONCENTRATE	24,16,030	11,85,449
CHEMICALS	2,37,02,634	-
OTHERS	3,42,08,249	1,20,43,378
TOTAL	40,39,33,432	30,71,79,505

37. DISCLOSURE ON SPECIFIED BANK NOTES (SBNs):

During the year, the Company had specified bank notes or other denomination note as defined in the MCA notification G.S.R.308(E) dated March 31,2017 on the details of Specified Bank Notes (SBN) held and transacted during the period from November 8,2016 to December 30, 2016, the denomination wise SBNs and other notes as per the notification is given below:

Particulars	SBNs*	Other denomination notes	Total
Closing Cash in hand as on 08.11.2016	12,00,500	37,308	12,37,808
(+) Permitted receipts	-	15,01,494	15,01,494
(-) Permitted payments	-	7,17,567	7,17,567
(-) Amount deposited in Banks	12,00,500	-	12,00,500
Closing Cash in hand as on 30.12.2016	-	8,21,235	8,21,235

* For the purposes of this Clause, the term 'Specified Bank Notes' shall have the same meaning provided in the notification of the Government of India, in the Ministry of Finance. Department of Economic Affairs number S.O.3407(E), dated the 8th November,2016."

NOTES TO FINANCIAL STATEMENTS - (contd.)

38. Segment Reporting

(In ₹)

Primary Business Segments	OTC Products		Beverages		Others		Net Total	
	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16
(a) Revenue :								
External Sales	187,71,66,604	161,38,49,546	28,92,53,207	21,71,43,103	5,39,04,708	1,27,75,695	222,03,24,519	184,37,68,344
Inter Segment Sales	-	-	-	-	-	-	-	-
Total Revenue	187,71,66,604	161,38,49,546	28,92,53,207	21,71,43,103	5,39,04,708	1,27,75,695	222,03,24,519	184,37,68,344
(b) Result	35,95,85,612	35,42,31,683	(3,20,89,822)	(2,45,74,231)	(2,73,62,782)	(1,65,55,666)	30,01,33,008	31,31,01,786
Less : Unallocated expenditure net of unallocated income							(64,91,218)	(94,12,401)
Operating Profit							29,36,41,790	30,36,89,385
Interest expense							(43,22,886)	(8,16,418)
Interest Income and Income from Investments							4,20,30,605	4,27,46,018
Profit before Tax							33,13,49,509	34,56,18,985
Provision for taxation :								
- Income Tax							(11,23,00,000)	(11,40,00,000)
- Deferred Tax							(5,39,893)	(50,64,169)
- Short Provision of Income Tax of earlier years							(44,17,901)	(23,76,350)
- Extraordinary Items (net of tax)							-	-
Profit after Tax							21,40,91,715	22,41,78,466
(c) Segment Assets								
Unallocated Assets	102,18,01,691	83,58,15,565	18,84,42,899	13,57,38,916	7,05,81,318	35,90,310	128,08,25,908	97,51,44,791
Total Assets	102,18,01,691	83,58,15,565	18,84,42,899	13,57,38,916	7,05,81,318	35,90,310	162,72,29,167	148,73,53,821
(d) Segment Liabilities								
Unallocated Liabilities	23,81,28,752	19,49,10,343	7,30,00,290	5,41,20,262	3,30,77,377	-	34,42,06,419	24,90,30,605
Total Liabilities	23,81,28,752	19,49,10,343	7,30,00,290	5,41,20,262	3,30,77,377	-	36,23,92,240	28,25,76,815
(e) Capital expenditure								
Unallocated Capital expenditure	2,37,30,916	7,68,88,828	1,69,06,262	45,62,956	92,000	86,050	4,07,29,178	8,15,37,834
(f) Depreciation								
Unallocated Depreciation	1,65,05,278	2,18,83,064	35,02,286	26,45,385	64,77,197	4,70,678	2,64,84,761	2,49,99,127
(g) Significant non-cash items								
	-	-	-	-	-	-	-	-

The Company has disclosed business segment as the primary segment and is organised in to three main business segments namely OTC products, beverages & Others

The Company caters mainly to the needs of the domestic market and as such there are no reportable geographical segments.

Segment Revenue, Segment Results, Segment Assets and Segment Liabilities include the respective amounts identifiable to each of the segments as also amounts allocated on a reasonable basis. Other unallocable expenditure includes revenues and expenses which are not directly identifiable to the individual segments as well as expenses which relate to the Company as a whole.



NOTES TO FINANCIAL STATEMENTS - (contd.)

39. Amrutanjan Pharmaessense Private Limited (transferor Company) manufacturers of bulk drugs has been amalgamated with Amrutanjan Health Care Limited (transferee Company) manufacturers of pain balm products, with effect from 1st July 2016 in terms of the scheme of amalgamation sanctioned by National Company Law Tribunal, Chennai as per Order dated 13th July 2017.

The amalgamation has been accounted for under the “pooling interest method” as prescribed by AS-14 notified u/s.133 of Companies Act,2013. Accordingly the assets and liabilities of Amrutanjan Pharmaessense Pvt Ltd as at 01.07.2016 has been taken over at their book value. The balance lying in the statement of Profit & Loss account has been transferred to the surplus in the General Reserve account of the transferee Company.

Since the subsidiary Company amalgamated as aforesaid was wholly owned by the Company, no shares were exchanged to effect the amalgamation.

40. Previous year figures are not comparable with current year in view of the amalgamation of Amrutanjan Pharmaessense Pvt Ltd with effect 01st July 2016.

41. Sundry Deposits includes ₹ 3,00,00,000/- each with DHFL & HDFC Ltd and ₹ 3,25,00,000 with PNB Housing Finance Ltd

42. Related Party Disclosures

(i) List of related parties and relationships :

a) Parties where control exists – subsidiaries

Amrutanjan Pharmaessense Private Limited
(amalgamated with Amrutanjan Health Care Ltd w.e.f.01.07.2016)

b) Key Management Personnel :

Sri S. Sambhu Prasad, Chairman & Managing Director

(ii) Transactions with related parties mentioned in (a) above :

Nature of Transaction

Loans /Advances (granted) / recovered

Rent Received

Interest Received

Purchase of Fixed Assets

Outstanding as on 31st Mar 2017

Loans /Advances Receivable

Investments

Interest Receivable

(iii) Transactions with related parties mentioned in (b) above :

Remuneration

Dividend Paid

Amount payable as on 31st Mar 2017

2016-2017

₹

(24,44,176)

45,000

7,54,128

-

-

-

-

-

1,27,54,844

53,01,120

15,00,000

2015-2016

₹

(2,68,05,921)

1,80,000

7,56,236

-

-

19,71,05,756

5,00,000

7,56,236

1,32,09,544

1,50,46,813

21,00,000

NOTES TO FINANCIAL STATEMENTS - (contd.)

43. Earnings Per Share

	2016-17	2015-16
(a) Numerator-Profit as per P & L a/c before extraordinary item (in ₹)	19,62,99,471	22,41,78,466
(b) Numerator-Profit as per P & L a/c after extraordinary item (in ₹)	21,40,91,715	22,41,78,466
(c) Denominator- Weighted average number of Equity shares outstanding	1,46,15,315	1,46,15,315
(d) Earnings per share (Basic and Diluted) before extraordinary item (in ₹)	13.43	15.34
(e) Earnings per share (Basic and Diluted) after extraordinary item (in ₹)	14.65	15.34
(f) Nominal value of shares (in ₹)	2.00	2.00

44. The Company's significant leasing arrangements are in respect of operation leases for premises. These leasing arrangements are not non-cancellable and are usually renewable by mutual consent on mutually agreeable terms. The aggregate lease rentals payable are charged as Rent in the profit and loss account. (refer note .27)

The Company has also given certain land and building on operating lease. The rental income on such lease is included in rental receipt (refer note. 22)

45. Employee Benefits

	2016-17 ₹	2015-16 ₹
a) Defined Benefit Plans - As per Actuarial valuation on March 31, 2017		
Gratuity		
A Expense recognised in the statement of Profit & Loss Account for the year ended March 31, 2017		
1 Current service cost	14,00,814	31,42,157
2 Interest Cost	9,62,577	16,38,573
3 Past Service Cost	-	-
4 Expected return on plan assets	(5,75,739)	14,25,849
5 Net actuarial (gain) / loss recognised during the year	17,75,944	(1,15,82,967)
6 Total Expense	35,63,597	(82,28,086)
B Actual return on plan assets		
1 Expected return on plan assets	5,75,739	14,25,849
2 Actuarial gain / (loss) on plan assets	1,50,636	(1,70,105)
3 Actual return on plan assets	7,26,375	-
C Net Asset/ Liability recognised in the Balance Sheet		
1 Present value of obligation	1,66,33,167	1,33,25,521
2 Fair value of plan assets	82,40,736	1,74,37,149
3 Funded status [surplus/(deficit)]	(83,92,431)	41,11,628
4 Net Assets / (Liability) recognised in the Balance Sheet	(83,92,431)	41,11,628
D Change in Present value of the Obligation during the year ended March 31, 2017		
1 Present value of obligation as at April 1, 2016	1,33,25,521	2,21,52,204
2 Current service cost	14,00,814	31,42,157
3 Interest Cost	9,62,577	16,38,573
4 Past Service Cost	-	-
5 Benefits paid	(9,82,326)	(18,54,341)
6 Actuarial (gain) / loss on obligation	19,26,581	(1,17,53,072)
7 Present value of obligation as at March 31, 2016	1,66,33,167	1,33,25,521



NOTES TO FINANCIAL STATEMENTS - (contd.)

	2016-17 ₹	2015-16 ₹
E Change in Assets during the year ended March 31, 2017		
1 Fair Value of plan assets as at April 1, 2016	1,74,37,149	1,60,41,172
2 Expected return on plan assets	5,75,739	14,25,849
3 Adjustment to opening balance	(1,19,40,462)	-
4 Contributions made	30,00,000	19,94,574
5 Benefits paid	(9,82,326)	(18,54,341)
6 Actuarial gain / (loss) on plan assets	1,50,636	(1,70,105)
7 Fair Value of plan assets as at March 31, 2017	82,40,736	1,74,37,149
F Major categories of plan assets as a percentage of total plan - 100% Qualifying Insurance Policy		
G Actuarial Assumptions		
1 Discount rate	7.50%	7.50%
2 Expected rate of return on plan assets	8.85%	8.00%
3 Salary Escalation	5.00%	5.00%

b) Gratuity is administered through Group gratuity scheme with Life Insurance Corporation of India. The expected return on plan assets is based on market expectation at the beginning of the year, for the returns over the entire life of the related obligation

Leave Salary

The defined benefit obligations which are provided for but not funded as on 31-03-2017 is ₹ 65,79,927 (₹ 51,96,213).

46. Previous Year Figures

Previous year figures have been regrouped wherever necessary to comply with current year's classification.

As per our Report of even date

For P S Subramania Iyer & Co.,
Chartered Accountants
V Swaminathan
Partner
Membership No.22276

Place : Chennai
Date : 14th August 2017

S Sambhu Prasad
Chairman & Managing Director

K Kannan
Chief Financial Officer

M Srinivasan
Company Secretary

Dr. H B N Shetty
Director

Notes



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Notes

A series of horizontal dotted lines for writing notes, overlaid on a background image of a hand reaching towards a small white flower.



**Amrutanjan's
Initiative to Offer Sanitary Napkins
at affordable price to Women**



In India, only 12% of women use sanitary napkins
Research shows that 70% of Indian women do not afford to buy
sanitary napkins and more than 20% of adolescent girls miss
school because of menstrual issues.

For Headache



For Body Pain



For Congestion



For Women Hygiene



For Health & Hygiene



Amrutanjan Health Care Limited

CIN: L24231TN1936PLC000017

Registered Office: No.: 103, (Old No. 42-45), Luz Church Road, Mylapore, Chennai - 600 004.

Tel: 044-2499 4465 Fax: 044-2499 4585 Website: www.amrutanjan.com