

## Notes:

1. The financial results have been reviewed by the Audit Committee and taken on record by the Board of Directors at their meetings held on 13<sup>th</sup> November, 2014;
2. The Statutory Auditors have carried out a “Limited Review” of the stand-alone financial results of the Company for the quarter and half year ended 30<sup>th</sup> September, 2014.
3. During the quarter ended June 30, 2014, the Company had charged depreciation based on the remaining useful life of the assets as per then requirements of Schedule II of the Companies Act, 2013 ("the Act"). Consequent to this, depreciation charge for the quarter ended on June 30, 2014 was higher by Rs.347.49 Lacs and an amount of Rs.443.01 Lacs (net of deferred tax) had been adjusted against the opening balance of retained earnings in respect of assets wherein the remaining useful life of the assets is Nil, in accordance with the transitional provisions provided in Note 7(b) of Schedule II of the Act.

Pursuant to amendment to Schedule II notified by the Ministry of Corporate Affairs on August 29, 2014, the Company has reassessed the remaining useful life of assets based on internal and external technical evaluation and revised the useful life of assets with effect from April 1, 2014, taking into account the option provided in the amended Schedule II. Consequent to the above reassessment:

- depreciation charge for the quarter and six months ended September 30, 2014 is lower by Rs.344.60 lacs and by Rs 741.60 lacs, respectively, and;
  - out of the amount of Rs.443.01 Lacs (net of deferred tax) adjusted against the opening balance of retained earnings in the quarter ended June 30, 2014 as stated above, an amount of Rs.330.92 lacs (net off deferred tax), has been reversed during the current quarter ended September 30, 2014.
4. The Company has equity investments aggregating to 6,509.94 lacs in Dishman Pharmaceuticals & Chemicals (Shanghai) Co. Limited, a wholly owned subsidiary, and has unsecured loans to the subsidiary amounting to Rs.5,208.91 lacs as at September 30, 2014. The subsidiary has incurred net cash loss during the current quarter as well as during the previous period / year and its net worth has been significantly eroded as at September 30, 2014. However, the Management of the Company has concluded that these losses are temporary in nature and that there is no decline in the carrying amount of this long term investment in the subsidiary and also that the loans outstanding from the subsidiary are good for recovery, taking into account the strategic nature of the investment, the future business plans which include enhancement of the type of products to be manufactured by the subsidiary and the projections of the subsidiary. Accordingly, no provision is considered necessary by the Management of the Company at this stage in respect of the aforesaid investment in and the loans outstanding from the subsidiary.
  5. As per clause 41 of the listing agreement, the Company has opted to publish only consolidated financial results. The stand-alone financial results are available for perusal on the Company's website as well as on the stock exchanges' websites as stated below: [www.dishmangroup.com](http://www.dishmangroup.com), [www.bseindia.com](http://www.bseindia.com), and [www.nse-india.com](http://www.nse-india.com)
  6. Details of Number of Investor complaints for the quarter ended 30<sup>th</sup> September, 2014: beginning - NIL, received- 6, resolved – 6, pending- NIL as at 30<sup>th</sup> September, 2014;

7. The business segments of the Company comprise the followings:

<b>Segment</b>	<b>Description of the activity</b>
CRAMS	Contract Research and Manufacturing Segment under long term supply agreements
OTHERS	Bulk Drugs, Intermediates, Quats, Speciality Chemicals and Traded Goods

8. The figures for the previous period / year have been re-grouped / re-arranged wherever considered necessary.
9. Consolidated financial results comprise the results of the parent Company, Dishman Pharmaceuticals and Chemicals Limited and its subsidiaries viz. Dishman Europe Limited., Dishman USA Inc., Dishman International Trading (Shanghai) Co. Ltd., Dishman Switzerland Limited, Dishman Pharma Solutions AG, Switzerland, Dishman Pharmaceuticals & Chemicals (Shanghai) Co. Ltd., Innovative Ozone Services Inc. (IO<sub>3</sub>S), Dishman Netherlands B. V. (formerly known as “Pharma Syn B. V.”), Cohecie Fine Chemicals B.V. (formerly known as “Dishman Holland B.V.”), Carbogen Amcis Ltd. (formerly known as “Synprotec DCR Ltd.”), CARBOGEN AMCIS AG, Carbogen Amcis (India) Limited, Dishman Australasia Pty. Ltd., Dishman Care Ltd., Dishman Middle East (FZE), Dishman Japan Limited (85% holding by Dishman), two joint venture Companies., namely Schutz-Dishman Biotech Ltd.(22.33% holding by Dishman), and Dishman Arabia Ltd., (50% holding by Dishman) and one associate company namely, Bhadr-Raj Holdings Pvt. Ltd. (40% holding by Dishman) as per relevant Accounting Standards.

**On behalf of the Board of Directors**

Place: Ahmedabad  
Date: 13<sup>th</sup> November, 2014

**Arpit J Vyas**  
**Managing Director**  
**(DIN: 01540057)**