VENUS®
Enjoy Innovations

Towards a brighter tomorrow

VENUS REMEDIES LIMITED ANNUAL REPORT 2015-16

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For a quarter of a century, we have done the grunt work. We've consistently invested in R&D. We've innovated unique, patented products. We've painstakingly built up a team that's high on passion, persistence and the will to be different. In the process, we've met global benchmarks and attained worldwide recognition. And after 25 years of building the most robust foundation possible,

We have arrived.

Now, we're geared up for our second inning, with strategic plans, breakthrough products, a great team and lofty visions in place. We are ready to make the past 25 years count and the next 25 years dazzle.

We are striving towards a brighter tomorrow!

Venus Remedies Limited

Among the world's 500 largest pharmaceutical manufacturing companies.

Among the world's ten leading fixed dosage injectables manufacturers.

Among India's top-50 pharmaceutical manufacturing companies.

Venus Remedies Limited (headquartered in Panchkula, India) provides remedy-defining formulations across more than 60 markets (regulated and emerging) through 11 marketing offices. The Company has three manufacturing units in Panchkula, Baddi (India) and Werne (Germany). The Company's units are certified with ISO 9001, ISO 14001, OHSAS 18001 accreditations, many international certifications such as EU GMP. Soudi Arabia GMP, WHO GMP among others and also approved by leading global regulatory authorities looking into product and quality excellence standards.

Mission 2020

- To establish Venus as a marketing company driven by research & technology.
- To enhance customer base while sustaining their loyalty and satisfaction.
- To create brand recognition among doctors for Venus products, as solutions for unmet medical needs.
- To build 'Elores' as Rs 100 crore brand in india.
- To secure our product presence in 60 countries around the world.
- To monetise IP wealth of the Company internationally.
- To make Venus as a debt free company.
- To grow with a highly skilled, motivated, committed, productive and self-progressive team.
- To ensure development of every department as a profit making enterprise.
- To be a globally admired pharma company for 'Made in Venus' quality and innovations.

3
Manufacturing facilities

75+
Product basket

15
Own brands

100+
Patents

1000+
Team size

45+
Global presence (nations)

500+
Market authorisations

65
Distributors

1500
Stockists

1000
Multi speciality hospitals

50000
Retailers

50000
Speciality doctors

1989

- Incorporated on September 15th, 1989 for manufacturing Intravenous Fluids.
- Listed on the BSE in 1995.

1996-2000

- Extended into direct exports to Nepal, U.A.E, South Africa, Sri Lanka, Kenya and Yemen.
- Widened the product range from intravenous fluids to liquid injections (vials), eyes and nasal drops (vials) and liquid injections (ampoules); later the Company introduced first and second generation cephalosporins.

2001-2005

- Filed two patents for products researched in-house.
- Introduced new fixed dose combinations of cephalosporins.
- Entered the critical care segment following the introduction of meropenem (latest generation carbapenem).

2006-2010

Listed in NSE in 2006.

Baddi unit was setup.

Acquired a manufacturing facility in Werne (Germany), the decisive first step in emerging as a multinational.

Received the ISO 9002 accredition for Baddi unit; Received the Columbian INVIMA certification.

Received the SyrianGMP certification.

Received accreditation from Zimbabwe.

Received the GMP certificate by the Ministry of Health and Medical Education of Iran.

Received certificate from the Pharmacy and Poisons Board, Ministry of Health, Kenya.

Received the GMP certification from Ethiopian authorities for four facilities (oncology liquid, oncology lyophilised, dry powder cephalosporin and dry powder carbapenems).

Received the GMP certification from Botswana.

Introduced the paediatric dose for meropenem in India.

Filed three patents for products researched in-house.

Signed an in-licensing agreement with University of Illinois, Chicago, for a product aimed at solid tumor detection.

Completed the national phase of five patents in 48 countries; filed a patent for the seventh research product.

Received the prestigious Emerging India Award from the Hon'ble Prime Minister of India, Dr. Manmohan Singh.

Received the EU-GMP for carbapenem and cephalosporin manufacturing facilities, the only Indian company with this certification.

Constructed the state-of-the-art Venus Medicine Research Centre and final phase of the Baddi unit.

Received EU GMP for Oncology

Received DSIR registration for the Venus Medicine Research Centre.

Received a patent for Tobracef from the South Africa Patent Office; patents for Potentox from South Korea and South Africa, the first-ever injectible FDC product patent (for Potentox) issued by the Indian Patent Office (IPO), Government of India.

Received approval from the Drug Controller General of India for the Phase I trial of its investigational new drug application of VRP 1620 for cancer detection.

Best Innovation Award from Indo-US Science and Technology Forum in collaboration with Lockheed Martin Foundation, FICCI and DST (Government of India) for Ampucare - our wound-healing solution.

Received (through Venus Pharma GmbH, Germany, the Company's (wholly-owned subsidiary) the Marketing Authorisation of Meropenem (carbapenem injection) for the European Union following registration in Portugal.

Our 25 year journey

VISION

- We are in the business of preserving and improving human life through innovation.
- We exist to provide value to our customers.

2011-2013

Developed six novel FDCs to treat mixed multi-bacterial infections causing life threatening diseases for the first time in the world.

Received four market authorisations from Portugal.

Filed for two new patent applications for Herbal Detoxifier Losenges formulation and Novel Conjugate for Drug Delivery.

Completed formulation studies of two herbal compositions for Acne and Arthritis; products are already under patent protection.

Completed one Phase II and two Phase III clinical trials for four researched products.

Received GCC-GMP to market its Oncology & Carbapenem range of products in Gulf.

Won QC-100 TQM under the Gold category given by Business Initiative Directions (BID) International Quality Convention 2011 held in Geneva. The Company won the Best Innovation Award from Indo-US Science & Technology forum in collaboration with Lockheed Martin Foundation, FICCI and DST (Government of India) for Research product Trois. Received the Pharmexcil Gold Patent award, 2011 Spotlight award for Annual Report and IMEA Award 2011.

Received four Market Authorisation grants and three patent approvals for research products from across the globe.

Launched two research products; Taxedol and Trois in the domestic markets.

Received seven patent grants for our research products including three USA patents for Elores, Potentox and Vancoplus.

Won BioSpectrum Product of the Year 2012 award for ACHNIL, Silver Patent award from Pharmexcil and Manufacturing Leadership Award.

Launched two research products, Elores and Ezenus in the domestic markets

Signed two out-licensing deals; one for Potentox with Adcock in South Africa and second, for Elores with Goodwills in South Korea

Our research product "Elores" was named as the No. 1 Innovation at the DST- Lockheed Martin India Innovation Growth Program 2013 and is being awarded a Gold medal in an award ceremony held at FICCI office in New Delhi from Mr. Montek Singh Ahluwalia, Deputy Chairman, Planning Commission of India

Our Research Centre, Venus Medicine Research Centre (VMRC) is accredited for Good Laboratory Practices (GLP) and norms on Organisation for Economic Co-operation and Development (OECD) Principles by National GLP and Compliance Monitoring Authority (NGCMA)

2013-14

Received patent for ELORES to fight `superbugs' from South Korea;signed deal for exclusive marketing rights with South Korean pharma giant

Elores awarded Gold Medal for being the best Innovation of 2013

Received Mexico patent for Potentox

"Venus Remedies among the Best Companies to Work for"

Received the Japanese patent for Elores, an antibiotic to fight superbugs

PIC/S GMP for all 9 units of Venus

Received GLP accreditation for its R&D centre

Became the first pharma firm to get marketing approval for meropenem in Gulf

Received the UBM India Pharma Award for Elores

Signed an MoU for Elores with South African pharmaceutical firm

Won the Innovative 100 Award for ELORES

Venus Medicine Research Centre, BabaFarid varsity sign MoU on research

Received the US patent for Achnil

Received the Indonesian GMP for its Baddi unit

Received marketing approval from Myanmar for its flagship product Elores

2014-15

Received marketing nod from Venezuela for Meropenem

Bagged Market Authorisation of Meropenem Injection from TGA, Australia

Received patent for Vancoplus from US

Received European patent for VMRC drug VRP008 to fight multi-drug resistant bacteria

Bagged its First Swiss MA for Gemcitabine

Joined hands with TEVA Canada for an upcoming Anti Cancer Drug

Entered into Singapore topical pain management market with marketing approval, patent for Trois

Received Market Authorisation for Meropenem from SWITZERLAND (SWISSMEDIC)

Received Indian Patent for Vancoplus

Research product 'Elores' named No 1 Innovation at DST Lockheed Martin India Innovation Growth Program and also awarded the Gold Medal

"We are betting big on India!"

Dear friends,

By convention, we are expected to state our numerical growth at the outset.

I decided to explain where our optimism is coming from instead.

There is one word for it, India.

A country. A market. A theme.

That we expect will continue to drive our numbers across the foreseeable future.

VISION

- We ensure product quality, safety, reliability and excellence.
- We manufacture medicines for patients, not for profit; profit follows

Betting on India

Why then are we betting bigger on India when we have grown many fold in the last 10 years? Why are we betting bigger on India when the country is already the world's 3rd largest economy (based on purchasing power parity)?

For important reasons.

Indians are increasing: In the decade ending 2011, India added about 18.14 crore people. The addition of 1.8 crore population every year will end up India being the most populated country in the world. According to the United Nations, India is set to replace China as the most populated country by 2022.

Indians are earning more: The per capita net national income in 2015-16 grew by 7.3% to Rs 93,231 from Rs 86,879 in 2014-15. This trend is expected to continue as India's GDP growth is estimated to grow by more than 7% over the medium term.

Low per capita spend: India's spend on drugs is amongst the lowest compared to top 15 pharma markets. The per capita spend has been around US$60-64 pa (between 2010 and 2014) as per World Bank. As the per capita income continues to grow led by good economic growth, disposable incomes are likely to go up and the per capita spend on drugs is set to increase.

Increasing insurance coverage: In India, unlike US/EU, the spending of drugs is largely out of pocket, which accounts for around 90% of payments. In the Planning Commission's draft Twelve Five-Year Plan, the vision laid out for India's healthcare sector is universal health coverage. This would be achieved primarily through extensive insurance coverage, rising from 10% currently to 90%, partly through government hospitals or government payments.

Higher penetration: Around 2/3rd of India's population lives in rural areas, but rural markets contribute <20% of Indian Pharmaceutical sales. Moreover, the split of hospitals and doctors between rural and urban is skewed towards urban areas. With government's intention of universal health coverage, there is an immense opportunity for expansion of the Indian Pharmaceutical market.

Our strategy

Having painstakingly created a basket of 25 niche products, we are focused on monetising these assets through knowledge-based awareness among medical specialists and opinion makers. This we believe would lead to sustained prescription by medical experts.

In addition, we introduced the Passion Premier League (PPL), wherein 12 teams are created to promote a select set of product with targets to be achieved by the end of the year. This initiative fosters creativity in developing innovative marketing strategies to achieve the set target – nurturing healthy competition in the marketing unit. And we will continue to introduce such other initiatives that provide for individual development and organisational growth.

Message to shareholders

Having set a robust foundation comprising world-class infrastructure, cutting-edge technology, niche products and an energetic team, we are all set to make our second coming more productive and profitability. And enhance shareholder value.

Pawan Chaudhry
Chairman and Managing Director

Our business model

Research focus

Focus energies on developing 'remedy-defining' formulations in areas that demand in-depth knowledge of product chemistry and marked by low competition.

Segment focus

Maintain a strong present in niche high-growth therapeutic segments with the objective of emerging among the top-three global players in each.

Platform focus

Concentrate on the highly complex, high-investment injectable dosage forms, a segment addressed by only a handful of pharmaceutical players.

Reach out focus

Adopt a two-pronged strategy – direct marketing and partnering large pharmaceutical companies (case-to-case basis), with the objective to reduce the time and investment needed in creating a large distribution network.

Geographic focus

Establish a strong research-led presence in regulated markets for volume-driven and value-led growth.

VISION

- We work with passion, commitment and enthusiasm.
- We believe in hard work, productivity and continuous improvement.

Management discussion and analysis

Global economic review

In 2015, global economy activity remained subdued leading to 3.1% growth, marginally lower than in 2014. Preliminary data suggests that global growth during the second half of 2015 at 2.8% was weaker than forecasts on account of softer activity in United States, Japan and advanced Asian economies.Three key transitions influence the global outlook: gradual slowdown in China, freefalling crude prices and a gradual tightening in US monetary policy.

The World Economic Outlook forecasts global growth at 3.2% in 2016 and 3.5% in 2017, lower than its earlier estimates in January 2016. It has warned that if recovery remains slow it could have damaging effects on the social and political fabric of many countries. Growth in advanced economies is projected to remain modest at about 2%, the recovery hampered by weak demand, partly held down by unresolved crisis legacies, unfavorable demographics and low productivity. While emerging markets and developing economies will account for the largest share of world growth in 2016, prospects across countries remain uneven and generally weaker than over the past two decades. India remains a bright spot with strong growth and rising incomes.

	2014	2015	2016P	2017 P
Year-on-year growth				
Advanced economies (%)	1.8	1.9	1.9	2.0
Emerging market and developing economies (%)	4.6	4.0	4.1	4.6
World output (%)	3.4	3.1	3.2	3.5

Source: World Economic Outlook, April 2016

Indian economic overview

When the new government took the reins two years ago, Indian economy was showing tentative signs of stability. While a possible external sector crisis, triggered by the 'taper tantrum' was averted through steps taken by RBI, the economy needed series of structural changes to restore macroeconomic balance and enhance the long term growth potential.

Two years hence, amid a dim global backdrop, Indian economy has emerged as a 'relative' outperformer offering global investors a healthy mix of growth along with macroeconomic and political stability.

Fiscal 2015-16: Powered by a sharp rise in manufacturing and gains from benign crude oil prices, the Indian economy is expected to grow 7.6% in 2015-16 against 7.2% in 2014-15, despite the global turbulence and volatility. Manufacturing growth for 2015-16 is likely to be at 9.5%, much higher than the 5.5% growth in 2014-15.

Inflation measured by the Consumer Price Index (CPI), which was likely to average 6.5% in 2014-15 could decline to 5.0-5.5% in 2015-16, clearing the path for further monetary policy easing.

Assuming a further moderation in average annual price of crude petroleum and other commodities, the current account deficit is estimated at about 1.3% of GDP for 2014-15 and less than 1% of GDP in 2015-16.

Outlook: Given the macro economic scenario and assuming normal 2016 monsoons, it would not be unreasonable to believe that the Indian economy is set to register growth in excess of 7% for the third year in succession. Against an unsupportive global economic landscape and weak back-to-back monsoons, a 7.6% GDP growth in 2015-16 (as estimated by the Central Statistics Organisation) appears encouraging.

The global pharmaceutical industry

The unprecedented expansion of access to healthcare globally over the past ten years – ranging from hundreds of millions of people in low- and middle-income countries getting access via government programs and/or rising incomes to the reduction in the uninsured population in the United States is expected to result in a significant increase in the volume of medicines consumed globally.

Medicine use in 2020

The volume of medicines used globally is expected to reach 4.5 trillion doses by 2020 (up 24% from 2015). The largest pharmaceutical-using countries will be the pharmerging markets, with two-thirds of the global medicine volumes comprising of generic medicines. This dramatic increase in the utilisation of medicines will be due to broad-based health system expansions. Developed markets will continue to account for the majority of medicine spending due to higher prices per unit and the mix of newer medicines that bring meaningful clinical benefit to patients facing a wide range of diseases. The use of medicines in 2020 will include 943 New Active Substances introduced in the prior 25 years with new medicines weighed towards specialty and biologics.

Expected trends 2016-2020

- Surge of innovation emerging from the research and development pipeline, as well as a range of technology-enabled transformations that will expand the evidence-basis for interventions and bring measurable improvements to health outcomes by 2020
- Small molecule patent expiries will have a larger impact in the period 2016-2020 than in the prior five years (2011-2015)
- Cancer treatments represent the largest category of the 225 new medicines expected to be introduced within the next five years. Over 90% of expected new cancer treatments will be targeted therapies – those that use a cancer cell process, mechanism or genetic marker to select or deliver treatment – of which one-third will use a biomarker. An estimated one-third of cancer treatments will target rare cancers deemed orphan diseases

Over 50% of the world's population will consume more than 1 dose per person per day of medicines, up from one third of the world in 2005, driven by countries with large populations such as India, China, Brazil and Indonesia.

Medicine Spends Trends in 2020

63% Contribution of developed markets to global spending

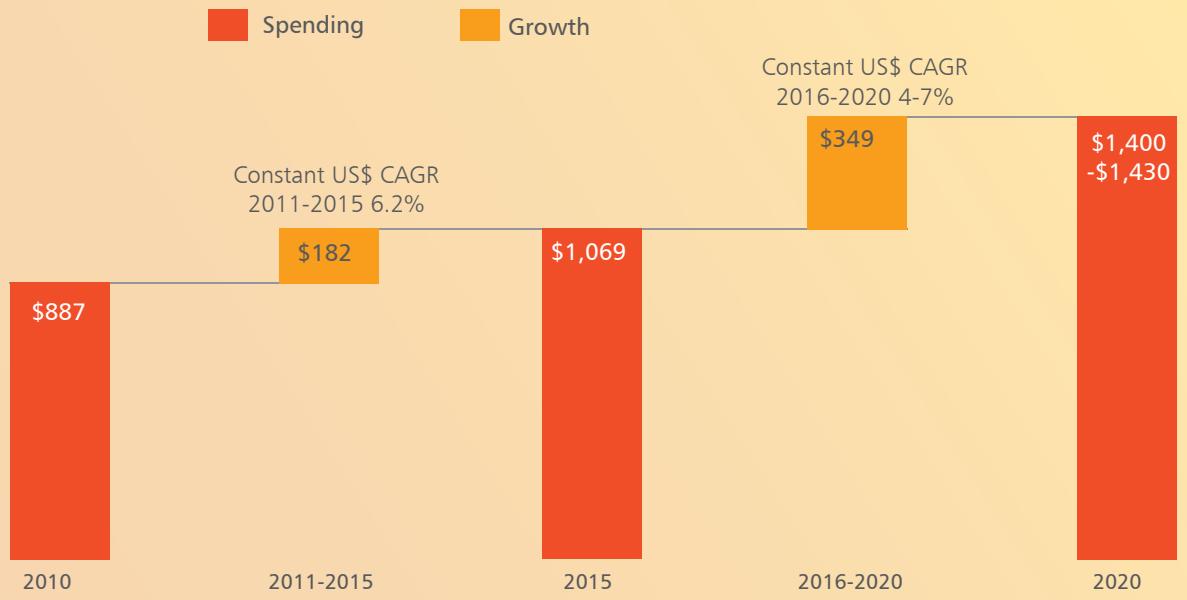
52% Proportion of original brands in the global spend

52% Proportion of global spending towards treating non-communicable ailments

VISION

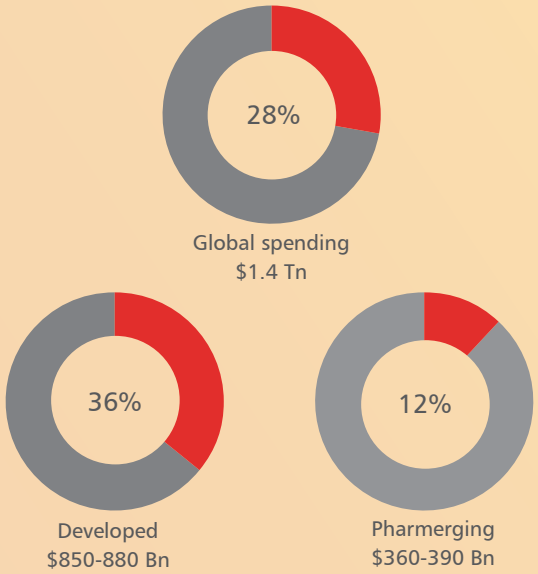
- We encourage and respect individual initiative, ability and creativity to develop people as the source of our strength.
- We practice honesty, integrity and ethics in all aspects of our business and strive to be the best corporate citizen.

Drivers of Spending Growth 2015-2020 (US$ bn)

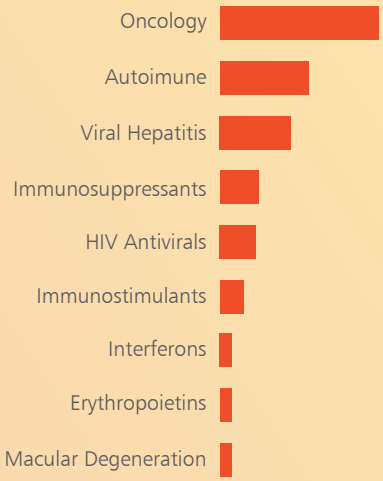


Source: IMS Health, Market Prognosis September 2015
Note: Growth in 2011-2015 was reduced by $100 bn and in 2016-2020 increased by $26 bn due to exchange rate effects.

Specialty share of spending 2020 US$



Leading specialty theraphy areas



	*Sales in 2020	CAGR 2016-2020
Oncology	$100-120 Bn	9-12%
Autoimune	$55-65 Bn	11-14%
Viral Hepatitis	$45-55 Bn	7-10%
Immunosuppressants	$20-30 Bn	11-14%
HIV Antivirals	$20-30 Bn	1-4%
Immunostimulants	$15-18 Bn	2-5%
Interferons	$7-9 Bn	0-3%
Erythropoietins	$7-9 Bn	0-3%
Macular Degeneration	$6-8 Bn	6-9%

**Sales represented in constant US dollars*
Source: IMS Health, IMS Therapy Prognosis, September 2015; IMS Institute for Healthcare
Note: Leading traditional therapy areas shown for 8 developed countries and 6 pharmerging countries (see Definitions & Methodologies section)

Indian pharmaceutical sector

The pharmaceutical market for India constitutes domestic (IPM - Indian pharmamarket) and exports markets. The IPM witnessed a healthy double digit growth over 2000-2015 driven by improving affordability, better health awareness, higher penetration of healthcare facilities and worsening lifestyles.

The IPM is significantly fragmented with the top-10 players accounting for a ~40% share of the market and top-25 companies accounting for a ~70% share of the market.The IPM comprises of over 5,000 pharma companies, 22,000 stockists/distributors and over 600,000 retailers.

The IPM is largely a branded generic market wherein drugs are sold by brand names. Acute therapy drugs account for a ~70% share of this segment. Acute drugs are those medications which are prescribed by doctors for only three to six weeks. Large global markets comparatively are more chronic in nature with ~60% contribution.

The IPM hasover the years largely been driven by a growth in volumes (60%+contribution) whereas new launches have contributed the balance (~30%). The price sensitivenature of IPM as well as high competition has restricted instances of price increases.

Budget 2016 for Pharma sector

Key announcement	Impact
Reduce weighted R&D deduction to 150% from April 2017 and 100% from April 2020	Negative for all pharma companies
10% tax rate for global income accrued from patent developed and filed in India	To benefit players who can commercialise patents on global basis
Customs duty on import of Molybdenum-99 has been removed	Positive for radio pharma players
An amount of Rs. 850crore allocated over next few years for several animal wellness programs	Positive for animal health players
Health cover of Rs.1lakh for BPL families with additional Rs.30,000 cover for senior citizens	Positive for healthcare providers

Source: World Economic Outlook, April 2016

Around two-thirds of India's population lives in rural areas but contribute < 20% to IPM sales. Moreover, the split of hospitals and doctors between rural and urban is skewed in favour of the latter. With the Central Government's intention to offer universal health coverage, there is an immense opportunity for the IPM segment to expand.

VISION

- We acknowledge our responsibilities towards our customers, employees, society at large and last, but not the least, our shareholders.
- We shall build Venus as a nation.

Demand drivers of the Indian Pharmaceutical industry

Accessibility

- Over USD200 billion to be spent on medical infrastructure in the next decade
- New business models expected to penetrate tier-2 and tier-3 cities
- Over 160,000 hospital beds expected to be added each year in the next decade
- India's generic drugs account for 20 per cent of global exports in terms of volume, making the country the largest provider of generic medicines globally

Acceptability

- Rising levels of education to increase acceptability of pharmaceuticals
- Patients to show greater propensity to self-medicate, boosting the OTC market
- Acceptance of biologics and preventive medicines to rise
- A skilled workforce as well as high managerial and technical competence
- Surge in medical tourism due to increased patient inflow from other countries

Affordability

- Rising income could drive 73 million households to the middle class over the next 10 years
- Over 650 million people expected to be covered by health insurance by 2020
- Government-sponsored programmes set to provide health benefits to over 380 million BPL people by 2017
- By 2017, the government plans to provide free generic medicines to half the population at an estimated cost of USD5.4 billion

Epidemiological factors

- Patient pool expected to increase over 20 per cent in the next 10 years, mainly due to rise in population
- New diseases and lifestyle changes to boost demand
- Increasing prevalence of lifestyle diseases

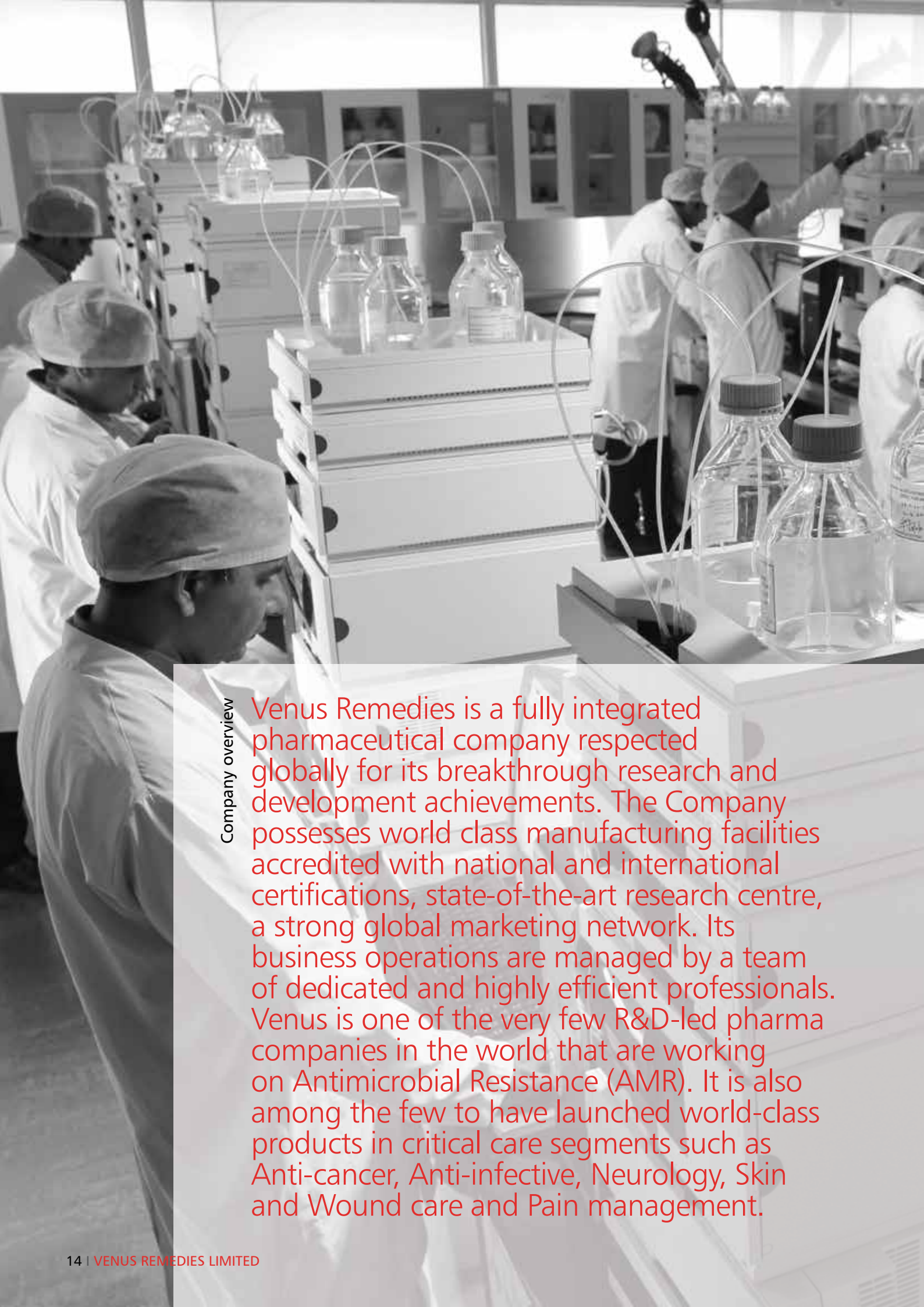
Outlook: The Indian pharmaceutical sector is one of the key 25 sector identified by the Government of India under the ambitious 'Make in India' initiative, which is likely to provide the necessary impetus to the sector in order to achieve its true potential.

The life style segments such as cardiovascular, anti-diabetes, anti-depressants and anti-cancers will continue to be lucrative and fast growing owing to increased urbanisation and change in lifestyle patterns. Going forward, better growth in domestic sales will depend on the ability of companies to align their product portfolio towards these chronic therapies as these diseases are on the rise.

As per Pharmexcil (Pharmaceuticals Export Promotion Council of India), both the domestic as well exports are expected to grow at >16% CAGR over 2013-20.

Over the long term, the prospects appear promising. According to the PwC – CII report, the Indian pharma industry is on a good growth path and is likely to be in the top 10 global markets in value term by 2020.

The Indian pharmaceutical sector is one of the key 25 sector identified by the Government of India under the ambitious 'Make in India' initiative, which is likely to provide the necessary impetus to the sector in order to achieve its true potential.



Company overview

Venus Remedies is a fully integrated pharmaceutical company respected globally for its breakthrough research and development achievements. The Company possesses world class manufacturing facilities accredited with national and international certifications, state-of-the-art research centre, a strong global marketing network. Its business operations are managed by a team of dedicated and highly efficient professionals. Venus is one of the very few R&D-led pharma companies in the world that are working on Antimicrobial Resistance (AMR). It is also among the few to have launched world-class products in critical care segments such as Anti-cancer, Anti-infective, Neurology, Skin and Wound care and Pain management.

01 Business driver

Research and development

Manu Chaudhary *Jt. Managing Director*

VENUS MEDICINE RESEARCH CENTRE (VMRC) REPRESENTS THE BACKBONE OF VENUS REMEDIES. DEDICATED TO FORMULATIONS RESEARCH, THIS INNOVATION CENTRE DEVELOPED REMEDY-DEFINING FORMULATIONS.

VMRC focuses on the development of novel solutions that plug the gap between challenging ailments and available molecules. It focuses on critical care and super specialty segment, including anti-infective {Anti-Microbial Resistance (AMR)}, anticancer, neurology, pain management and Skin & wound care.

VMRC has become one of the 8th pharmaceutical companies and top 25 Testing Labs of India to have received GLP approval.

Infrastructure

The Research Centre comprises high-tech testing laboratories, which are at par with stringent cGLP standards. These laboratories cover microbiology, toxicology, molecular biology, biochemistry, pharmacognosy and biotechnology, addressing tissue culture, stability and chemical analyses. These units are equipped with sophisticated equipment including an international standard animal house approved by the Committee for the Purpose of Control and Supervision on Experiments on Animals (CPCSEA). The Centre also has a Cell Culture Molecular Biology (CCMB) laboratory, making it one of few Indian pharmaceutical companies with this facility, accelerating the testing cancer drugs. The research centre is recognised by DSIR for the development of globally competitive technologies with high commercial potential.

Capabilities

The Company's research programme is home to over 60 scientists and support staff; 60% of the team comprises PhDs and post-doctorates, while 40% are postgraduates. The research strength is sub-divided into dedicated teams to ensure focused delivery across the value chain.

Mission 2020

- To make VMRC as an independent profit center by monetising at least one research product per year internationally.
- To sustain a team of highly skilled, productive, motivated, dedicated and multi-disciplinary people who are able to work with full commitment for the success of VMRC.
- To publish at least 150 papers of research products in peer reviewed journals.
- To create an IP wealth of US$ 1 billion by filling, maintaining & protecting intellectual property worldwide.
- To participate in different international conferences & seminars for creating global brand value of VMRC.
- To ensure higher brand recognition among doctors for research products as preferred solution for unmet medical needs.
- To recognise as center of excellence for providing best Innovations.
- To achieve the best customer satisfaction by providing high quality, competitive and timely services.
- To create international business center for commercialisation of IP wealth & opportunity creation.
- To establish VMRC as the best place to work by continuous technology & human resource upgradation.

Analytical research division: The division develops novel formulation methods, mitigating the challenges of analytical development.

Chemical and stability testing division: The team enhances product quality through stability tests as per ICH guidelines. It provides validated analytical services, addressing global quality and regulatory requirements.

Pre-clinical division: The team handles all pre-clinical trials and toxicological studies in a GLP environment. Vet pathologists catalyse the preparation of requisite disease models in vivo through compliance with established OECD guidelines.

Clinical research services: The team is involved in Phase-I, II, III, IV and BA/BE studies monitoring (as per GCP norms) for research products.

Natural product research: The team specialises in screening natural products, which can be used for drug development as per pharmacopoeial and medicinal standards.

Office of research support: The wing bridges the gap between research and marketing through field force interactions. It trains the marketing team in various product aspects.

Department of Scientific Affairs: Bridges the gap between research and marketing through interactions with the field force, training marketing teams, addressing queris raised by the PMT team and designing experiments for research value-additions.

Process development and technology transfer: The team facilitates the transfer of technology to scale a successful molecule from the laboratory to pilot and commercial scale.

Key Areas of Research

The R&D team focuses on developing novel solutions that plug gaps between challenging ailments and available molecules in uncluttered therapeutic spaces.

Novel Drug Delivery System (NDDS): Venus has developed nanotechnology based sustained release and target delivery formulations. This has helped the Company to develop formulations with reduced side-effects and adverse drug reactions in diverse and challenging therapeutic areas. NDDS improves drug potency to give a sustained therapeutic effect and provide greater safety.

Development of novel Antibiotic Adjuvant Entity (AAE) to combat growing resistance: AAE is a technology developed to enable existing antibiotics to be effective even in various multi-drug resistant infections. Venus has been using this technology in its various novel antibiotics which are effective against the toughest carbapenemase resistant Metallobetalactamses, quinolones and aminoglycoside set of antibiotics.

Target based Oncology Drug Delivery: The team is working on target-based drug delivery for cancer treatment. The Company has designed a platform technology with a novel concept of triple conjugate i.e., Drug-Protein-Polymer-Conjugate (DPPC) for the purpose. Based on specificity of the target organ, various components of DPPC can be rationally selected.

Developing Diagnostic devices for early detection: The team has come up with two early detection techniques - one for Typhoid that will help diagnose the disease within few minutes as compared the traditional 48 hours detection time; the other namely VRP1620 will facilitate cancer detection through simple X-ray in a few hours as opposed to the conventional 12-15 days.

02 Business driver

Plant operations

An edge above

- All operations are carried out under a luminar air flow work-station to provide 100% quality assurance
- For aseptic filling and terminal sterilisation, the Company interlocked lines along with automatic controls and designs
- Circumvented contamination and cross-contamination through facilities like change rooms, pass boxes and airlocks
- Maintained an integrated vial and ampoule line for tunnel sterilisation, filling, washing, external cleaning and sealing operations
- Installed comprehensive ventilation systems in critical and unclassified areas

VENUS HAS THREE MANUFACTURING UNITS, TWO IN INDIA AND ONE IN GERMANY. THIS MULTINATIONAL CAPABILITY ENABLES IT TO OFFER CLIENTS AN UNPARALLELED VALUE PROPOSITION: CUTTING-EDGE TECHNOLOGY AT OPTIMISED COSTS. THE COMPANY MANUFACTURES 75+ PRODUCTS AT ITS FACILITIES, OF WHICH 15 ARE RESEARCH-BASED PRODUCTS.

Operating facilities

Nine manufacturing units100mn units injectable manufacturing capacity 20 plus GMP approvals

Panchkula	Baddi	Germany
Manufacturing site for large volume parenterals (capacity 7.5 million units per annum)	Production unit of small volume parenterals, for super speciality segments (capacity 92.5 million units per annum)	Situated in the heart of Europe, a strategic advantage
Parenteral facility for super specialty intravenous fluids with state-of-the-art laboratories	Manufactures complex and novel formulations for oncology injections, oncology lyophilised, lyophilised injections, pre-filled syringes and cephalosphorins, among others	Engages in out-licencing CTDs site variation projects, testing and batch release for Europe and warehousing and logistics support
Accredited with WHO-GMP, ISO 9001, ISO 14001 and OHSAS 18001, Ukrain-GMP	Accredited with more than 15 GMPs from regulated and emerging markets,such as EU-GMP, Saudi Arabia-GMP, Ukrain GMP, Columbia-GMP among others	Accredited with EU-GMP; possesses world-class QA, QC laboratories
Products manufactured include Mebatic, Calridol, Moximicin, Neurotol, Glutapep, among others	Manufactures key brands namely Doxol, Paxol, Citabol, Epirol, Ronem, Immunox, Pimcef, Fejet, Parin-E, Vanconex, Elores, Supime, Tobracef, Vancoplus, Potentox, Septiloc, Acnano, Sulbactomax, Ampucare, Neurotol, Achnil, Meropenem and Pirotum among others.	Batch release facility for local manufacturers and pharma exporters and four dedicated packaging sections, customising product packaging into local languages
Locational advantage in manufacturing strategic products like antibiotics and plasma expenders, among others	Warehousing capacity handles 1,900 pallets	Warehousing capacity of 3,000 pallets under controlled temperatures

2015-16 in retrospect

Operational strengthening initiatives

- Implemented process improvements for reducing blending time
- Increased the validation batch sizes for key products which strengthened man-machine productivity
- Shifted the energy fuel from diesel to furnace oil which optimised energy costs
- Installed capacitors and energy meters to monitor and optimise energy consumption at various units in the manufacturing facilities
- Installed a Nitrogen Facility at Unit I, Panchkula
- Updated operational systems and processes as per the revised Pharmacopia guidelines

Asset-building initiatives

- Upgraded the Micro Lab with cutting-edge technology in line with the cGMP standards.
- Invested in small process automation for improving product quality and machine productivity
- Implemented Data Matrixing on Secondary and Tertiary Packing material. Initiated supplies to France, Denmark, Saudi Arabia, Ukraine and Georgia, among others
- Invested in larger storage space for archiving files.

Our 2016-17 blueprint

- Procurement of technologically superior HPLCs.
- Automation solution across diverse manufacturing areas for enhancing productivity
- Undertake measure to maximiseutilisation of plant capacities
- Ensure that the facilities and processes are compliant for successful reputed accreditation audits.

03 Business driver

Quality assurance

VENUS'S PASSION FOR QUALITY IS REFLECTED IN ITS ABILITY TO ALIGN ITS ORGANISATION-WIDE OPERATIONS TO GLOBAL STANDARDS ENABLING IT TO SECURE GLOBAL AND NATIONAL ENDORSEMENTS – ITS MANUFACTURING FACILITIES HAVE THUS FAR OBTAINED MORE THAN 20 GMP APPROVALS

The Company's quality discipline is spearheaded by an apex-level team and further broken down into dedicated cross-functional teams at the shop floor level.

Venus' prudent investment towards ushering in state-of-the-art quality control and analytical laboratories facilitates the undertaking stringent tests across the entire operational process – from raw materials to in-process and finished products.

The team conducts stability checks for different environmental parameters as per ICH guidelines. Venus has also invested in microbiology laboratories to conduct microbial limit testing, bacterial endotoxin testing and sterility testing, among others.

The Company ensures round-the-clock video surveillance at the manufacturing sites and warehousing facilities. Periodic audits ensure strict adherence to procedural discipline.

The Company's Validation Master Plan (VMP) addresses the stated validation and qualification strategy. Quality verifications of all manufactured products ensure that they are in line with established international benchmarks. It is the job of the VMP to outline and coordinate the qualification and validation activities. Besides, it also allocates the responsibilities in this regard and assists in critical path planning.

To strengthen its quality commitment, the Company implemented the Process Analytical Technology (PAT) which facilitated in reducing production cycle time, improved manufacturing efficiency, and minimised internal product rejection.

In addition, the team implemented the quality risk management programme which facilitated in systematically analysing products and processes to ensure that the best scientific rationale is in place. This initiative also facilitated in identifying important knowledge gaps in skills and processes

2015-16, quality strengthening initiatives

- Revised and updated all plant related SOPs to comply with the current regulatory guidelines and cGMP standards.
- Implemented data matrixing on Seconday and Tertiary Packing material; it facilitated in initiating product supplies to various international destinations.
- Provided in-depth training to the team on business critical processes implemented in the manufacturing facilities

2016-17, the priorities

The team is working to ensure that the plant and processes are compliant with the demanding TGA, MCC standards.

04 Business driver

Marketing

In the competitive pharmaceuticals industry, success is derived from the ability to market products in growing volumes across large, regulated and quality-respecting markets as an effective counter to price-based competition.

At Venus, we entered into business-strengthening alliances with pharmaceutical leaders enjoying deep distribution networks in the geographies of our focus. This made it possible for our key product brands to enhance their presence, offtake and relevance with speed and efficiency.

Global presence

Venus enjoys a global footprint across 60 nations globally largely through its marketing alliances for its niche products.

The Company out-licensed Elores to a South Korean pharmaceutical company to address a multi-million dollar opportunity in that country. In addition, the Company entered into an exclusive agreement with Adcock Ingram for Potentox which. Adcock commands a major share in South Africa's pharmaceutical market and expects to transform our product into a leading brand in this nation.

In addition, the Company has forged more than 50 alliances with pharmaceutical majors for the seamless post-registration launch of its products in Europe, Africa, Middle East, South East Asia and Australia.

Domestic marketing

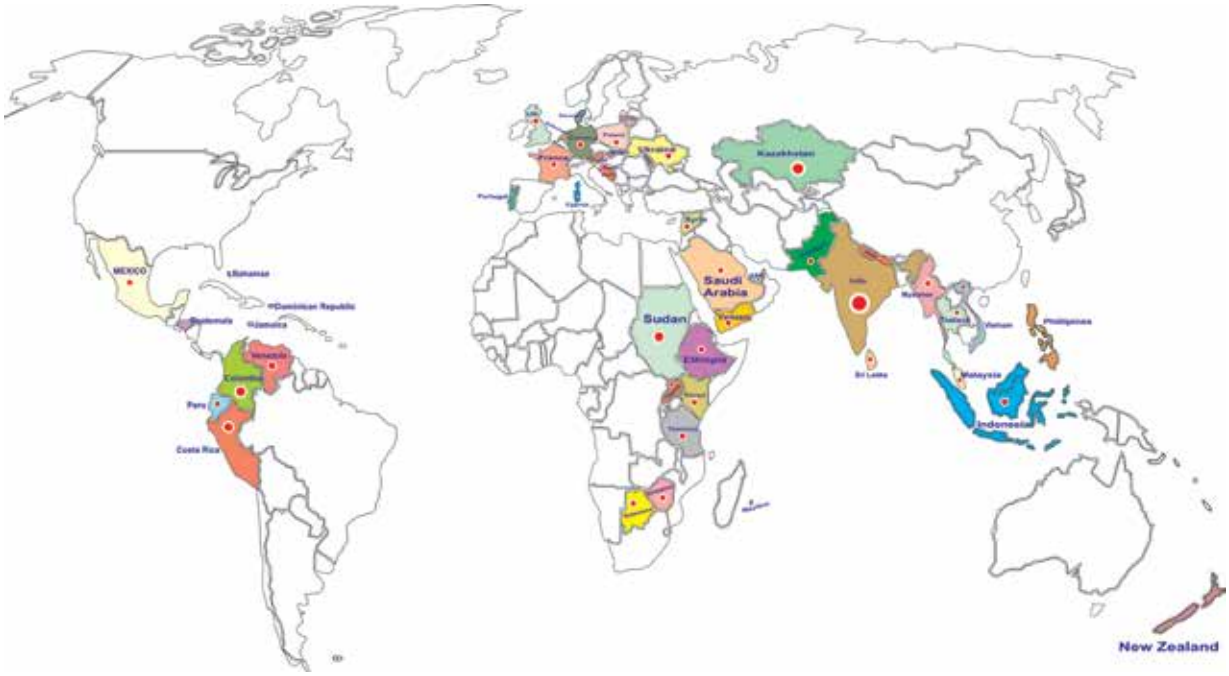
The Company enjoys a pan-India presence serviced by a robust distribution network comprising 1500 stockists, 50000 chemists and 50000 medical practitioners. The Company's 500+ member marketing team focuses on widening the Company's presence across the Indian market. The Company possesses a robust supply chain, making it possible to deliver products across India within a short time. Besides, the automated field staff reporting system facilitates prompt decision-making.

The Company enjoys strategic alliances with leading Indian pharmaceutical companies. The Company's products find acceptance among 200 leading Indian hospitals, providing a sales platform for research products.

The Company has developed high value Oncology patent-protected products which translated into the forging of new alliances for South Africa, Australia and Algeria Markets.

Venus's key brand Elores finds acceptance in more than 110 major hospitals across Indian metros and enjoys shelf space across leading hospitals in Tier-I and II cities.

Our global presence



Our India presence

05 Business driver

Knowledge capital

Venus' global superiority is built around the foundation of its intellectual capital. This capital comprises a rich mix of experience and youthfulness with the objective to create a 'centre of excellence'.

The Company's 1000+ strong team comprised members from diverse nationalities, cultures, backgrounds and experience, working towards continuous growth.

Venus fostered all-round team development. Its prudent people strategies facilitated member growth in chosen fields to develop competence in technical and managerial areas that grew overall individual personality. Some of its people-centric initiatives include:

- Created an environment that nurtures talent
- Created a balanced authority-responsibility structure that encouraged decision-making and entrepreneurship
- Created a challenging work culture, which rewarded and motivated individuals
- Institutionalised a transparent performance management system that rewarded star performers and encouraged others to perform better.

Training: The Company institutionalised a multi-hierarchical team, extending from shop-floor operations to personality development. Venus' rigorous induction guidance followed by an annual structured training programme covered every team member. The Company encouraged team members to participate in national and international conferences/ seminars/ workshops. PhD and MPhil degrees were awarded to staff members under different collaborations with educational institutions. The Company practiced a unique training philosophy – 'understand and impart' - which involved understanding and imparted knowledge to others. The training programme ensured the transmission of experience and methods specific to the Company across hierarchies, enabling the organisation to develop uniform expertise. Cross-functional teams were created to address challenging projects, which widened their knowledge and allowed the Company to handpick the next generation of leaders.

Performance management: Venus Service Commission (VSC) as an independent body for impartial consideration on all service matters with final authority in people-related issues. Moreover, management heads and other department heads interacted with team members for a dispassionate appraisal of their performance, self-development and other people issues.

14%
Proportion of the Venus team which comprised women

17,500+
Manhours of training in 2015-16

06 Business driver

Internal control systems and their adequacy

At Venus, we maintain a system of well-established policies and procedures for internal control of operations and activities. We continuously strive to integrate the entire organisation from strategic support functions like finance, human resources, and regulatory affairs to core operations like research, manufacturing and supply chain. The internal audit function is further strengthened in consultation with statutory auditors for monitoring statutory and operational issues.

The Company has an internal audit team whose prime objective is to test the adequacy and effectiveness of all internal control systems and suggest improvements. Significant issues are brought to the attention of the audit committee for periodical review.

The enterprise-wide risk evaluation and validation process is carried out regularly by the Board of Directors.

Moreover, the Company has obtained ISO 9001 certifications and adheres to the standard operating procedures relevant to our manufacturing and operating activities.

The enterprise-wide risk evaluation and validation process is carried out regularly by the Board of Directors.

Business risks and its mitigation

Risk management at Venus is an essential part of the business model, concerned with moderating the adverse influence of risks and threats on the Company's business goals. The Company uses its 25 year old experience to assuage its shareholders from harboring any angst about growth prospects.

The Company adopts an intensive and well formulated risk management approach in tandem with prudential standards, well-thought-out reporting and effective control mechanisms.The strength of this framework has been enhanced by a combination of centrally issued policies and procedures which are executed divisionally.

01

Growth risk: How is the Company growing its business?

Mitigation: Having created a basket of 15 niche products across therapies that address important unmet medical needs, the Company has drawn a blueprint to effectively monetising these assets for growing business profitably. As a first step towards this goal, the Company has focused its energies on strengthening its presence in the domestic market by creating awareness of its products at various knowledge-enhancing forums attended by pharmaceutical experts and opinion makers. In addition, the Company's field force is working on strengthening its relations with medical experts. These initiatives promise to grow business significantly over the medium term.

02

Profitability risk: What steps is the Company taking to strengthen business profitability?

Mitigation: The Company has adopted a two-pronged strategy for shoring profits and profitability.

The Company remains focused on marketing its in-house developed products that stand out in an otherwise cluttered generic space. This value-driven growth promises to enhance business profitability.

Cost optimisation has been a continuous journey at Venus. The Company continues to improve business processes and systems to comply with the revised GMP standards for improving productivity and optimising resource consumption. Further, the Company is also investment in small automation solutions that facilitate in sweating its assets better – optimising conversion costs

04

Pipeline risk: Does the Company have a strong product pipeline to sustain its growth momentum?

Mitigation: The Company possesses two growth drivers that promise to sustain business momentum going forward.

Filings: The Company has filed documents for product registrations across its global footprint – approval by the regulatory authorities on these documents allow Venus to market these products in those nations – making an important contribution to business growth.

Research: The R&D team is working on a pipeline of 10 novel formulations which are at various stages of development. These new products are also expected to add new verticals to the Company's revenue basket.

03

Geographic risk: Is the Company over dependent on any one nation for its revenue?

Mitigation: Venus enjoys a global presence across 45+ nations through alliances with leading global pharmaceutical companies and channel partners. In addition, the Company is strengthening its presence in India by growing its product awareness among medical practitioners and opinion makers – thereby diversifying its geographic risk. In doing so, the Company has ensured that no single nation accounts for more than 25% of the Company's topline.

Our Corporate Responsibility

Safety and Health standards

Venus maintains the highest safety and health standards. The Company is ISO14001:2004 (for environment management) and OHSAS18001:2007 (for safety and health) certified, and each team member has been trained to maintain these international standards.

The Company ensures that every team member is capable of handling emergency situations at all times. It organise regular classroom and practical training sessions through government-approved agencies. The Company's facilities are equipped with sophisticated fire fighting infrastructure. The Company conducts mock drills at it's facilities from time to time. Our critical areas (general warehouses and finished goods warehouses) are fitted with smoke sensors and multiple alarm systems.

During the year, Venus celebrated the Safety and Health week as well, going by the theme of "Working in Safe and Healthy Environment".

Health camps: Venus engages in health awareness camps, diabetes detection camps, ECG and Dieticians Program Camps offering free diagnoses and medical facilities. Many members benefited from such free consultancy by specialist doctors. We organized blood as well as organ donation camps in which 100 units of blood were collected by PGI Blood Bank and 50 of the members voluntarily pledged their organs.

Hospital operations: Every Venus employee contributes towards the maintenance and development of the Laxmi Devi Charitable Hospital in Sirsa district, Haryana. The hospital provides primary healthcare- doctors' advice and medicines – free of cost, to more than 20,000 patients annually.

Charitable Trust - Venus created the Hanuman Chaudhary Charitable Trust, funded by 0.50% of the annual salary of each Venus employee. The Trust provides healthcare services for public benefit.

Knowledge dissemination: The company organized various awareness programmes on anti microbial resistance and wise use of medicines

Promoting Education: Venus adopted some nearby schools where plantation, sanitary work was done and provided sports facilities. One of the schools was converted to a smart school and it imparts computer education to the students. Venus also conducted various awareness programs on health & hygiene with the view of protecting the environment, under the Swachh Bharat Mission.

Awareness Programme: The company undertakes initiatives to increase awareness of life-harming ailments. Venus Army has been actively visiting Govt. schools in and around Chandigarh to educate the students about the importance of Health and Sanitation. The Company has installed water tanks, constructed toilets etc. in various Govt. schools.

Manav Uthan Yojna: Venus employees contribute a part of their salaries towards Manav Uthan Yojna, a programme to support the weaker sections. This fund was utilized to distribute, beds, cycles, sewing machines, blankets etc. Medical benefit and education support was also provided to the children of the workers.

Green Cover: Venus encourages its team and visitors to plant trees. We have landscaped expansive areas within our manufacturing units with gardens, comprising various kinds of shrubs, herbs and decorative plants. The company has created an herbal garden at its Baddi unit comprising medicinal plants for ayurvedic use. The Venus Army undertook tree plantations at various medical institutions in North India, and has till date planted more than 1,500 trees.

Statutory Section

Director's report

To Dear Members,

Financial Highlights

₹ in Millions

Particulaurs	Standalone		Consolidated	
	2015-16	2014-15	2015-16	2014-15
Sales & Other Income	4,026.95	4518.75	4,182.68	4,639.91
Operating Surplus	795.55	869.33	811.60	891.79
Financial Charges	367.40	407.03	379.80	412.14
Depreciation	404.68	447.41	416.81	459.97
Profit before Tax	30.12	20.35	35.07	26.48
Profit After Tax (PAT)	12.04	45.48	16.99	51.61

Operations & Company's State of affairs

During the year under review, your Company achieved a turnover ₹4026.95 millions and earned the net profit of ₹ 12.04 million. There was decline in sale & profitability in 2015-16 due to stiff competition in generic product markets, loss of tenders, depreciation of currency of emerging markets.

The Company is fully integrated starting from research and development, markets, world class manufacturing facilities (accredited by national and international certifications), state-of-the-art research center (Venus Medicine Research Centre), strong marketing networks and competent manpower.

Extract of Annual Report

In accordance with Section 134(3)(a) of the Companies Act, 2013, an extract of the annual return in the prescribed format is appended as annexure-1 to the Board's report.

No. of meetings of the Board

The Board met 6 times during the financial year, the details are given in the Corporate Governance Report forms part of the Annual Report.

Directors' Responsibility Statement

Your Directors pursuant to Section 134(3)(c) of the Companies Act, 2013 state as follows:

i. in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;

ii. the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;

iii. the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

iv. the directors had prepared the annual accounts on a going concern basis;

v. the directors, in the case of a listed company, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.

vi. the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Declaration by Independent Directors

The Company has received necessary declaration from each independent director under section 149(6) of the Companies Act, 2013.

Policy on directors' appointment and remuneration

Policy on directors' appointment and remuneration provided under section 178(3) of the Companies Act, 2013, adopted by the Board and is appended as Annexure 2 to the Board's report as Nomination and remuneration Policy.

Auditors

At the Annual general Meeting held on December 30, 2014, M/S J.K. Jain & Associates, Chartered Accountants, were appointed as statutory auditors of the Company to hold office till the Annual General Meeting to be held in calender year 2017. In term of the provisions of section 139 of the Companies act, 2013, the appointment of auditors shall be placed for ratification every year. Accordingly the appointment of M/S J.K. Jain & Associates, Chartered Accountants as statutory auditors of the Company is placed for ratification by the shareholders.

M/s C.L. Bansal & Associates, Cost Accountants was appointed as Cost Auditor for the financial year 2015-2016.

Further the Company appointed M/s P. Chadha & Associates, Company Secretaries as the Secretarial Auditor of the Company for financial year 2015-16. The secretarial audit report for FY 2015-16 forms part of Annual Report.

Qualifications in the Statutory audit report and Secretarial audit report are mentioned in the respective reports which are the part of this Annual Report.

Internal Financial Control

The Company has appointed auditors for internal financial control. Auditors work in line with accounting standards. Various policies and SOPs have been formed for various process.

Particulars of Loan, Guarantee or investment

Company has provided guarantee/security under section 186 of the Companies Act, 2013 to banks for the credit facility provided to the company.

Particulars of Contract or Arrangements made with related parties and its disclosures

Particulars of Contracts or Arrangements made with related parties referred in section 188(1) of the Companies Act, 2013 disclosed in form AOC-2 as annexure-3 and related party disclosures also forms part of the notes to the financial statement in annual report.

Transfer to Reserves

During the period of review Company has not transferred any amount to Reserves & Surplus.

Dividend

The Board has not recommended the dividend for the year 2015-16.

Significant and material orders

There are no material changes or commitments, effecting the Financial position of the Company happening between the end of the Financial Year of the Company and date of this Report.

Significant and material orders passed by the regulators or courts or tribunals impacting the going concerns status and company`s operations in future

There are no significant and material orders passed by the regulatory or courts or tribunals impacting the company's operations in future.

Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo

The prescribed particulars as required under section 134(3)(m) of the Companies Act 2013 read with Companies (Accounts) Rules, 2014 are set out in the annexure-4 & 5 forming a part of this report.

Development and Implementation of Risk Management

The Company has in place comprehensive risk assessment and minimization procedures. The Company is exposed to inherent uncertainties owing to the sectors in which it operates. Many risks exist in a company's operating environment and they emerge on a regular basis. The risks faced by the Company and their minimization procedures are assessed categorically under the broad heads of High, Medium and Low risks. Further, the Company identifies risks and control systems are instituted to ensure that the risks in each business process are minimized/ mitigated. The Board provides oversight and reviews the Risk Management Policy on a regular basis.

Subsidiaries/Associates/Joint Ventures

The Company has no Joint Venture or Associates as defined in the Companies Act, 2013. The company has one wholly owned foreign subsidiary in the name of Venus Pharma GmbH in Germany, Company owned 100% holding in the subsidiary. The financial statement of the subsidiary forming part of this annual report in consolidated financial statement. Report on the performance and Financial position of the Subsidiary Company in the specified format AOC-1 is annexed to the Directors' Report as Annexure-6.

Corporate Social Responsibility

As per section 135 of the Companies Act, 2013, Company could not spent on CSR activities as Company's financial position was not viable in financial year 2015-16. During the year there was a sharp fall in the liquidity position of the company due to stiff competition in generic product markets, loss of tenders, depreciation of currency of emerging markets, dip in the sales in overseas markets etc.

Due to liquidity problem, Company's bank debts are also under Corporate Debt Restructuring (CDR) mechanism.

Therefore, due to unfavourable financial health and being under debt restructuring as per CDR mechanism, Company could not spent on CSR activities.

Company has prepared CSR policy which is available on Company's website www.venusremedies.com

Board Evaluation

The evaluation of all the directors and board as a whole has made as per the Companies Act, 2013. Criteria and framework as adopted by the Board is explained in the Corporate Governance Report which forms part of the Annual Report.

Key Managerial Personnel

The Key Managerial Personnel (KMP) in the Company as per Section 2(51) and 203 of the Companies Act, 2013 are as follows:

Sr. No.	Names	Designation
1	Mr. Pawan Chaudhary	Managing Director
2	Mrs. Neha Kodan	Company Secretary
3	Mr. Pawan Chaudhury	CFO

During the year, the appointment of CFO was made.

Obligation of Company under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Company has adopted a policy for prevention of Sexual Harassment of Women at workplace and has set up Committee for implementation of said policy. During the year Company has not received any complaint of harassment.

Share Capital

- ISSUE OF SHARES WITH DIFFERENTIAL RIGHTS
  During the year under review, Company has not issued any shares with Differential Rights.
- ISSUE OF SWEAT EQUITY SHARE
  During the year under review, Company has not issued any Sweat Equity shares or Employee Stock Options.

Management Discussion and Analysis

A detailed report on the Management discussion and analysis is provided as a separate section in the annual report

Pledge of Promoter's Shareholding

The promoters have pledged 3730000 shares as collateral security to bank for credit facility sanctioned to the Company.

Change in the Nature of Business

There is no change in the nature of business of the Company

Deposits:

Company has not accepted any fixed deposits and no amount of principal or interest was outstanding.

Particulars of Employees:

The table containing the names and other particulars of employees in accordance with the provisions of section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personal) Rules, 2014, is appended as Annexure 7 to the Board's report.

Further, in FY 2015-16, no employee received remuneration of ₹ 60 lacs or more.

Corporate Governance

The company operates not only within the regulatory framework, but is also guided by broader business ethics. The idea is to ensure good conscience, transparency, integrity and openness which would lead to accountability of the persons in charge of the company and bring benefits to investors, customers, creditors, employees and the society at large. Corporate Governance Report is forming a part of this Annual Report.

Share/ warrants issued during the year

Company had not issued any share or warrant during the year.

Transfer of unpaid and Unclaimed Amounts to Investor Education and Protection Fund

In terms of Section 125 of the Companies Act, 2013, the Unclaimed Dividend of ₹1,230,540.00 relating to the financial years 2007-08 was transferred to the Investor Education and Protection Fund established by the Central Government. Unclaimed dividend for the year 2008-09 is due for transfer to the Investor Education and Protection Fund on 29.09.2016.

Disclosure of Accounting Treatment

The Company has followed prescribed Accounting Standards as laid down by the Institute of Chartered Accountants of India in preparation of its financial statements.

Vigil Mechanism/Whistle Blower Policy

Company has adopted Vigil Mechanism/ Whistle blower policy and same is available on Company Website www.venusremedies.com

Re-appointment

As per the provisions of the Companies Act, 2013. Mr. Ashutosh Jain (01336895) retires at the ensuing Annual General meeting and being eligible, seeks re-appointment. The Board recommends his re-appointment. The details of re-appointment are mentioned in the notice of meeting.

Committees of the Board:

Currently there are 4 committees of the Board. A detailed note on the Board and committee meeting forms the part of the Corporate Governance report. As per the provisions of the Companies Act, 2013 composition of the committees are as below:

Name of the Committee	Composition	Functions
Audit Committee	Mr. Jagdish Chander, Chairman Mr. Pawan Chaudhary Dr. S.K. Chadha	• Overseeing the Company's financial process and disclosure of financial information to ensure that the financial statement is correct; • Recommending the appointment and removal of external and internal auditor, fixation of audit fee and approval for payment of any services; • Reviewing with the management annual financial statement before submission to the Board; • Reviewing significant audit finding with the management and external and internal auditors, the adequacy of internal control system.; • Scrutiny of inter-corporate loans & Investments, if any; • Approval of related party transaction; • Discussing with internal auditors any significant finding and follow up on such issues; • Discussing with external auditors before the audit commences on the nature and scope of audit, as well as having post-audit discussion to ascertain any area of concern; • Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval; • Examining reasons for substantial default in the payment to depositors, debenture holders, shareholders and creditors, if any; • Recommendation for appointment, remuneration and terms of appointment of auditors; • To evaluation of internal financial controls and risk management systems; • To review the functioning of the whistle blower mechanism;

Name of the Committee	Composition	Functions
Nomination and remuneration committee	Mr. Jagdish Chander, Chairman Dr. S.K. Chadha Dr. Rupinder Tewari	• Formulation of 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; • Formulation of criteria for evaluation of Independent Directors and the Board; • Devising a policy on Board diversity; • Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the • Board their appointment and removal. The company shall disclose the remuneration policy and the evaluation criteria in its Annual Report; • Recommend to the Board their appointment and removal; • The Committee deals with all elements of the remuneration package of all Whole-time Directors and also administers the stock option plan of the Company; • Evaluate the Board performance.
Stake Holder Relationship Committee	Mr. Jagdish Chander, Chairman Mr. Peeyush Jain Dr. Rupinder Tewari	The stakeholders' Relationship Committee has bee constituted to approve transfer, transmission, sub-division, issue of duplicate/split/consolidation of shares/debentures, demat/remat and for redressal of Investor complaints on all matters.
Corporate Social Responsibility Committee	Dr. S.K. Chadha, Chairman Mr. Pawan Chaudhary Mr. Peeyush Jain	• To formulate and recommend to the board, a CSR which shall indicate the activities to be undertaken by the company as specified in schedule VII of the Companies Act 2013. • Recommend the amount to be incurred on CSR activities. • Monitor CSR activities of the Company time to time. • Prepare a transparent mechanism for ensuring implementation of project/ programs/ activities to be undertaken by the company.

All the policies mentioned in the report are available on our website www.venusredies.com

Acknowledgments

The Board sincerely thanks employees for their dedicated services at all levels. We also acknowledge the support and wise counsel extended to us by the bankers, government agencies, shareholders and investors at large, the advisers on our panel, all concerned regulatory authorities, our business associates, suppliers, the medical fraternity, patients and last but not the least, our shareholders for their unflinching support, constant guidance and trust in Venus Remedies Limited.

For and on behalf of Board of Directors

For VENUS REMEDIES LIMITED
Pawan Chaudhary
Chairman & Managing Director
DIN-00435503

Place: Panchkula
Date: 06-08-2016

Annexure 1

FORM NO. MGT 9

EXTRACT OF ANNUAL RETURN

As on financial year ended on 31.03.2016

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:

1.	CIN	L24232CH1989PLC009705
2.	Registration Date	15.09.1989
3.	Name of the Company	Venus Remedies Limited
4.	Category/Sub-category of the Company	Pharmaceutical manufacturing
5.	Address of the Registered office & contact details	SCO-857, Cabine no. 10, NAC Manimajra, NAC, Chandigarh. Phone: 0172-3933090, Fax: 0172-2565566, Website: www.venusrenmedies.com
6.	Whether listed company	Yes
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Link Intime India Pvt. Ltd. 44, Community Centre, 2nd Floor, Naraina Industrial, Phase-1, Near PVR Naraina, New Delhi-110028 Phone: 011-41410592, Fax: 011-41410591, email- delhi@linkintime.co.in

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	Pharmaceutical product manufacturing	210	100

III. Particulars of Holding, Subsidiary & Associate Companies

Sr. No.	Name & Address of the Company	CIN/GLN	Holding/Subsidiary/ Associate	% of shares held	Applicable section
1.	Venus Pharma GmbH AM bahnhof 1-3,D-59368, Werne, Germany	HRB19485	Subsidiary	100%	2(87)

VI. Share Holding Pattern (Equity Share Capital Breakup as percentage of Total Equity)

A. Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	1430000	0	1430000	12.50	1430000	0	1430000	12.50	0
b) Central Govt	0	0	0	0	0	0	0	0	0
c) State Govt(s)	0	0	0	0	0	0	0	0	0
d) Bodies Corp.	2300000	0	2300000	20.10	2300000	0	2300000	20.10	0
e) Banks / FI	0	0	0	0	0	0	0	0	0
f) Any other	0	0	0	0	0	0	0	0	0
Total shareholding of Promoter (A)	3730000	0	37300000	32.60	3730000	0	3730000	32.60	0
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	0	1200	1200	0.01	0	1200	1200	0.01	0
b) Banks / FI	18788	0	18788	0.16	51487	0	51487	0.45	0.29
c) Central Govt	0	0	0	0	0	0	0	0	0
d) State Govt(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIIs	66401	0	66401	0.58	66401	0	66401	0.58	0
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0	0	0	0	0	0
Sub-total (B)(1):	85189	1200	86389	0.75	117888	1200	119088	1.04	0.29
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	1530196	7400	1537596	13.44	784340	7900	792240	6.92	(6.52)
ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹1 lakh	4070853	228165	4282018	37.42	278038	4601447	4879485	42.65	5.23
ii) Individual shareholders holding nominal share capital in excess of ₹1 lakh	931790	0	931790	8.14	964519	0	964519	8.42	0.28
c) Others (specify)									
Non Resident Indians	399430	59600	459030	4.01	341977	0	341977	2.99	(1.02)
Overseas Corporate Bodies	0	0	0		0	0	0		0
Foreign Nationals	200	0	200	0.00	200	0	200	0.00	0
Clearing Members	125632	0	125632	1.10	299596	0	299596	2.62	1.52
Trusts	0	0	0	0					0
Foreign Bodies - D R	0	0	0	0	0	0	0	0	0
HUF	265537	100	265637	2.32	314883	0	314883	2.75	0.43
Sub-total (B)(2):-	7323638	295265	7618901	66.58	2983553	4609347	7592900	66.36	(0.22)
Total Public Shareholding (B)=(B)(1)+ (B)(2)	7408827	296465	7705290	67.34	7424850	285938	7711988	67.40	0.06
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0					0
Grand Total (A+B+C)	11145523	296465	11441988	100	11154850	287138	11441988	100	0

B) Shareholding of Promoter & Promoter Group

SN	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% 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	Mr. Pawan Chaudhary	680000	5.94	100	680000	5.94	100	0
2	Mrs. Manu Chaudhary	750000	6.55	100	750000	6.55	100	0
3	Promoter Group Company Sunev Pharma Solutions Ltd.	2300000	20.10	100	2300000	20.10	100	0

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

SN	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
	Pawan Chaudhary				
	At the beginning of the year	680000	5.95	680000	5.95
	At the end of the year	680000	5.95		
	Manu Chaudhary				
	At the beginning of the year	750000	6.55	750000	6.55
	At the end of the year	750000	6.55		
	Sunev Pharma Solutions Ltd.				
	At the beginning of the year	2300000	20.10	2300000	20.10
	At the end of the year	2300000	20.10		

D) Shareholding Pattern of top ten Shareholders:

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

SN	For Each of the Top 10 Shareholders	Shareholding Increase/decrease during the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1.	Girish Kumar Sharda				
	Opening Balance			79015	0.69
	As on 17.04.15 Acquired	985	0.009	80000	0.70
	As on 24.04.15 Acquired	6000	0.052	86000	0.75
	As on 01.05.15 Acquired	8700	0.076	94700	0.83
	As on 08.05.15 Acquired	12999	0.113	107699	0.94
	As on 22.05.15 Acquired	11500	0.10	119199	1.04
	As on 29.05.15 Acquired	4500	0.03	123699	1.08
	As on 05.06.15 Acquired	26327	0.23	150026	1.31
	Closing Balance			150026	
2	Vivek Bharti				
	Opening Balance			65000	0.57
	Closing Balance			65000	0.57
3	Fiducian India Fund				
	Opening Balance			61401	
	Closing Balance			61401	0.54
4	Girdhar lal Sharda				0.54
	Opening Balance			106350	0.93
	As on 17.04.15 Acquired	650	0.006	107000	0.94

SN	For Each of the Top 10 Shareholders	Shareholding Increase/decrease during the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
	As on 22.06.15 Acquired	2000	0.017	109000	0.95
	As on 18.09.15 sold	(500)	0.004	108500	0.95
	As on 31.12.15 sold	(7236)	0.063	101264	0.88
	As on 01.01.16 sold	(964)	0.008	100300	0.88
	As on 08.01.16 sold	(17327)	0.151	82973	0.72
	As on 15.01.16 sold	(12000)	0.105	70973	0.62
	As on 20.01.16 sold	(5000)	0.436	65973	0.58
	As on 05.02.16 sold	(4897)	0.427	61076	0.53
	Closing Balance			61076	0.53
5	Girdharlal Girish Sharda HUF				
	Opening Balance as on 01.04.2015			43500	0.38
	As on 24.04.15 Acquired	2000	0.017	45500	0.40
	As on 15.05.15 Acquired	2000	0.017	47500	0.42
	As on 29.05.15 Acquired	2000	0.017	49500	0.43
	As on 05.06.15 Acquired	1993	0.017	51493	0.45
	Closing Balance as on 31.03.216			51493	0.45
6	Rahul Dhruv				
	Opening Balance as on 01.05.2015			15700	0.14
	As on 08.05.15 Acquired	300	0.002	16000	0.14
	As on 15.05.15 Acquired	12600	0.110	28600	0.25
	As on 05.06.15 Acquired	1100	0.009	29700	0.26
	As on 18.09.15 Acquired	6600	0.057	36300	0.32
	As on 09.10.15 Acquired	10533	0.092	46833	0.41
	As on 23.10.15 Acquired	2200	0.019	49033	0.43
	Closing Balance as on 31.03.2016			49033	0.43
7	Dolly Khanna				
	Opening Balance as on 01.04.2015			117865	1.03
	As on 17.04.15 Acquired	9320	0.081	127185	1.11
	As on 08.05.15 Acquired	7831	0.068	135016	1.18
	As on 03.0715 Acquired	2044	0.018	137060	1.20
	As on 24.07.15 Acquired	2000	0.017	139060	1.22
	As on 25.09.15 Sold	(1500)	0.013	137560	1.20
	As on 09.10.15 Sold	(2000)	0.017	135560	1.18
	As on 16.10.15 Sold	(2000)	0.017	133560	1.17
	As on 23.10.15 Sold	(1500)	0.013	132060	1.15
	As on 30.10.15 Sold	(2000)	0.017	130060	1.14
	As on 06.11.15 Sold	(1000)	0.008	129060	1.13
	As on 13.11.15 Sold	(1000)	0.008	128060	1.12
	As on 20.11.15 Sold	(7500)	0.065	120560	1.05
	As on 27.11.15 Sold	(1000)	0.008	119560	1.04
	As on 04.12.15 Sold	(3000)	0.026	116560	1.02
	As on 11.12.15 Sold	(2000)	0.017	114560	1.00
	As on 18.12.15 Sold	(3500)	0.030	111060	0.97
	As on 31.12.15 Sold	(3500)	0.030	107560	0.94
	As on 15.01.16 Sold	(4500)	0.039	103060	0.90
	As on 22.01.16 Sold	(1000)	0.008	102060	0.89
	As on 12.02.16 Sold	(6500)	0.056	95560	0.83
	As on 19.02.16 Sold	(4000)	0.034	91560	0.80
	As on 26.02.16 Sold	(9000)	0.078	82560	0.72
	As on 04.03.16 Sold	(7500)	0.065	75060	0.65
	As on 11.03.16 Sold	(1500)	0.013	73560	0.64

SN	For Each of the Top 10 Shareholders	Shareholding Increase/decrease during the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
	As on 18.03.16 Sold	(18650)	0.162	54910	0.48
	As on 25.03.16 Sold	(5200)	0.045	49710	0.43
	As on 31.03.16 Sold	(4200)	0.036	45510	0.40
	Closing Balance			45510	0.40
8	K. Mohan				
	Opening Balance			65226	0.57
	As on 24.04.15 Acquired	10	0.00	65236	0.57
	As on 07.08.15 Acquired	10000	0.087	75236	0.66
	As on 21.08.15 Acquired	997	0.008	76233	0.66
	As on 28.08.15 Acquired	3767	0.032	80000	0.70
	As on 16.10.15 Acquired	5000	0.043	85000	0.74
	As on 26.02.16 Sold	40000	0.349	45000	0.39
	Closing Balance			45000	0.39
9	Tarish Investment and Trading Pvt. Ltd.				
	Opening Balance			44000	0.38
	Closing Balance			44000	0.38
10	Satish Shamji Bheda				
	Opening Balance			NIL	
	As on 10.07.15 Acquired	5000	0.004	5000	0.04
	As on 17.07.15 Acquired	4000	0.034	9000	0.08
	As on 24.07.15 Acquired	10000	0.087	19000	0.17
	As on 31.07.15 Acquired	1000	0.009	20000	0.17
	As on 07.08.15 Acquired	5000	0.004	25000	0.22
	As on 31.10.15 Acquired	200	0.001	25200	0.22
	As on 20.11.15 Acquired	200	0.001	25400	0.22
	As on 11.12.15 Acquired	400	0.003	25800	0.23
	As on 18.12.15 Acquired	197	0.001	25997	0.23
	As on 31.12.15 Acquired	16431	0.14	42428	0.37
	As on 08.01.1 Acquired	200	0.001	42628	0.37
	Closing Balance			42628	0.37

E) Shareholding of Directors and Key Managerial Personnel:

SN	Shareholding of each Directors and each Key Managerial Personnel	Shareholding Increase/decrease during the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
	At the beginning of the year				
	1. Mr. Pawan Chaudhary (Managing Director)	680000	5.94	680000	5.94
	2. Mrs. Manu Chaudhary (Joint Managing Director)	750000	6.55	750000	6.55
	3. Neha Kodan (Company Secretary)	NIL	NIL	NIL	NIL
	At the end of the year				
	1. Mr. Pawan Chaudhary (Managing Director)	680000	5.94	680000	5.94
	2. Mrs. Manu Chaudhary (Joint Managing Director)	750000	6.55	750000	6.55
	3. Neha Kodan (Company Secretary)	NIL	NIL	NIL	NIL

V) Indebtedness

Indebtedness of the Company including interest outstanding/accrued but not due for payment for the financial year 2015-16:

(₹ in million)

Particulars	Secured Loans	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	2676.06	428.73	-	3104.79
ii) Interest due but not paid	26.14	84.67	-	110.81
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	2702.2	513.40	-	3215.6
Change in Indebtedness during the financial year				
* Addition	38.59	51.33	-	89.92
* Reduction	10.12	-	-	10.12
Net Change	28.47	51.33		79.8
Indebtedness at the end of the financial year				
i) Principal Amount	2704.53	428.73	-	3133.26
ii) Interest due but not paid	39.5	136.00	-	175.5
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	2744.03	564.73	-	3308.76

Remuneration of directors and key managerial personnel-

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

SN.	Particulars of Remuneration	Name of MD/WTD/ Manager				Total Amount (₹ In lacs)
		Pawan Chaudhary	Manu Chaudhary	Peeyush Jain	Ashutosh Jain	
1	Gross salary					
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	62.72	60.44	36.38	33.12	192.66
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	1.36	-	0.53	-	1.89
	(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, please specify	-	-	-	-	
	Total (A)	64.08	60.44	36.91	33.12	194.55
	Ceiling as per the Act	As per the Companies Act 2013				

B. Remuneration to other directors

SN.	Particulars of Remuneration	Name of Directors				Total Amount (₹ In lacs)
1.	Independent Directors	Jagdish Chander	S.K. Chadha	Rupinder Tewari	Gilbert Wezel	
	Fee for attending board committee meetings	0.319	0.319	0.212	0.056	0.90
	Commission	NIL	NIL	NIL	NIL	NIL
	Others, please specify	NIL	NIL	NIL	NIL	NIL
	Total (1)	0.319	0.319	0.212	0.056	0.90
2	Other Non-Executive Directors	NIL	NIL	NIL	NIL	NIL
	Fee for attending board committee meetings	NIL	NIL	NIL	NIL	NIL
	Commission	NIL	NIL	NIL	NIL	NIL
	Others, please specify	NIL	NIL	NIL	NIL	NIL
	Total (2)	NIL	NIL	NIL	NIL	NIL
	Total (B)=(1+2)	0.319	0.319	0.212	0.056	0.90
	Total Managerial Remuneration	NIL	NIL	NIL	NIL	NIL
	Overall Ceiling as per the Act	As per the Companies Act 2013				

C. Remuneration to Key Managerial Personnel other than MD/MANAGER/WTD

₹ in lacs

SN	Particulars of Remuneration	Key Managerial Personnel
		Company Secretary
1	Gross salary	
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	5.10
	(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, please specify	-
	Total	5.10

VII. Penalties/Punishment/Comppounding of Offences

Type	Section of the Companies Act	Brief Description	Details of Penalty/Punishment/ Compounding fees imposed	Authority (RD/ NCLT/Court)	Appeall made if any (give details)
A. COMPANY	NIL				
Penalty					
Punishment					
Compounding					
B. DIRECTORS					
Penalty					
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment					
Compounding					

Annexure 2

Nomination & Remuneration Policy

Introduction:

This Committee and the Policy is formulated in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto.

Objective

- Formulation of 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;
- Formulation of criteria for evaluation of Independent Directors and the Board;
- Devising a policy on Board diversity;
- Identifying persons who are qualified to become directors and who may be appointed in
- senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal;
- Recommend to the Board their appointment and removal;
- The Committee deals with all elements of the remuneration package of all Whole-time Directors and also administers the stock option plan of the Company;
- Evaluate the Board performance.

Definitions:

"Board" means Board of Directors of the Company.

"Directors" mean Directors of the Company.

"Key Managerial Personnel" manes:

i) Managing Director, or Chief Executive Officer or Manager and in their absence, a Wholetime Director;
ii) Chief Financial Officer;
iii) Company Secretary; and
iv) Such other officer as may be prescribed.
(v) Such other officer as may be prescribed.

"Nomination and Remuneration Committee"
A Committee constituted in accordance with the provisions of Section 178 of the Companies Act, 2013.

"Policy or This Policy" means, "Nomination and Remuneration Policy."

"Remuneration" means any money or its equivalent given or passed to any person for services rendered by him and includes perquisites as defined under the Income-tax Act, 1961

"Senior Managerial Personnel" means:
The personnel of the company who are members of its core management team excluding Board of Directors. Normally, this would comprise all members of management, of rank equivalent to General Manager and above, including all functional heads.

Policy for Appointment & Removal of Directors/ KMP/Senior Management Personnel

i. The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his / her appointment;

ii. The Company shall appoint or re-appoint any person as its Executive Chairman, Managing Director or Executive Director for a term not exceeding five years at a time. No reappointment shall be made earlier than one year before the expiry of term;

iii. An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company;

iv. No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly;

v. At the time of appointment of Independent Director it should be ensured that number of Boards on which such

Independent Director serves is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time Director of a listed company or such other number as may be prescribed under the Act;

vi. The Committee shall carry out evaluation of performance of every Director, KMP and Senior Management Personnel at regular interval (yearly);

vii. The Committee may recommend with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the Companies Act, 2013, rules and regulations and the policy of the Company;

viii. The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position/ remuneration or otherwise even after attaining the retirement age,for the benefit of the Company.

Policy for Remuneration to Directors/KMP/Senior Management Personnel

i. The Remuneration/ Compensation/ Commission etc. to be paid to Managing Director/ Whole-time Directors, etc. shall be governed as per provisions of the Companies Act, 2013 and rules made there under or any other enactment for the time being in force and the approvals obtained from the Members of the Company;

ii. The Non-Executive Independent Director may receive remuneration / compensation /commission as per the provisions of Companies Act, 2013. The amount of sitting fees shall be subject to ceiling/ limits as provided under Companies Act, 2013 and rules made there under or any other enactment for the time being in force;

iii. The Nomination and Remuneration Committee shall make such recommendations to the Board of Directors, as it may consider appropriate with regard to remuneration;

iv. The remuneration to Key Managerial Personnel and Senior Management shall consist of fixed pay and incentive pay, in compliance with the provisions of the Companies Act, 2013 and in accordance with the Company's Policy;

v. The Incentive pay shall be decided based on the balance between performance of the Company and performance of the Key Managerial Personnel and Senior Management, to be decided annually or at such intervals as may be considered appropriate.

Implementation, Review & Amendment

i. The Committee may issue guidelines, procedures, formats, reporting mechanism and manuals in supplement and for better implementation of this policy as considered appropriate;

ii. The Nomination & Remuneration Committee or the Board may review the Policy as and when it deems necessary;

iii. This Policy may be amended or substituted by the Nomination & Remuneration Committee or by the Board as and when required and also by the Compliance Officer where there is any statutory changes necessitating the change in the policy.

Annexure 3

FORM NO. AOC -2

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

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arms length transaction under third proviso thereto.

1. Details of contracts or arrangements or transactions not at Arm's length basis.

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	NIL
b)	Nature of contracts/arrangements/transaction	
c)	Duration of the contracts/arrangements/transaction	
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	
e)	Justification for entering into such contracts or arrangements or transactions'	
f)	Date of approval by the Board	
g)	Amount paid as advances, if any	
h)	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	

2. Details of contracts or arrangements or transactions at Arm's length basis.

Sr. No.	Names of related party transaction	Nature of Contract/ Duration/ arrangements	Terms of Contract	Date of Board approval
1.	Spine Software Systems (P) Ltd.	11 months	Renting the property	13.11.2015

For and on behalf of Board of Directors
For VENUS REMEDIES LIMITED

Pawan Chaudhary
Chairman & Managing Director
DIN-00435503

Place: Panchkula
Date: 06-08-2006

Annexure 4

1. Conservation of Energy:

A) Steps taken during the year for Energy Conservation

1. Water level sensor is changed with PLC in each chilled loop tank so that over flow of water can be saved, as well as energy can be saved.
2. Automatic controller is installed in each compressor of Animal house. When desired temperature is achieved, compressor will be stoped automatically.
3. Chiller descaling has been done so that the working of compressor will be smooth, now the desired temperature is achieved in less time resulting in energy saving.
4. Raw water tank installed on the roof with water level control censor to save over flowing of water.
5. A new variable frequency drive is installed on air compressor for smooth working and energy saving.

B) Impact of the above measures for reduction of energy consumption and consequent impact on the cost of reduction of goods:

The Company saved cost as well as energy through the measures outlined above.

C. Total energy consumption and energy consumption per unit of production:

FORM A

A. Power and Fuel Consumption:

		2015-16	2014-15
1	Electricity		
	a) Purchased		
	Units	3596744	3306434
	Total Amount (₹)	24860976	23844407
	Rate/Unit (₹)	6.91	7.21
	b) Own Generation		
	(i) Through D.G. Set		
	Units	191803	229730
	Total Amount (₹)	3387437	4928693
	Rate/Unit (₹)	17.66	21.45
	(ii) Through Steam Turbine/Generation	NIL	NIL
2	Coal Consumption	NIL	NIL
3	Furnace Oil and LDO		
	Quantity (Ltrs)	144970	182536
	Total Amount (₹)	3424619	9530880
	Average rate (₹ / Unit)	23.62	52.21
4	Other/Internal Generation	NIL	NIL

B. Consumption per unit of Production:

There are no specific standards as the consumption per unit depends on the product mix.

2. Technology absorption

FORM B

Research and Developments

1. **Specific areas in which R & D carried out by the Company:**
   Venus Medicine Research Center (VMRC) is a fully equipped interdisciplinary drug discovery and development center duly approved by Department of Scientific and Industrial Research (DSIR) Government of India. VMRC has established itself as an Intellectual Property wealth generation resource for the company. It is driven by a team of more than 60 intellectuals. A well qualified and experienced team of scientists conduct research in discovering the most needed and efficacious medicines which are safe and cost effective and also generating medical knowledge for evidence based healthcare. VMRC excels in translational research and pharmaceutics having an in-depth experience and expertise into Novel Drug Delivery Systems, Nanomedicine and

targeted oncology therapeutics. Thrust areas of research include antibiotics, oncology, neurology, emergency care medicine, pain management and wound care.

VMRC is committed to developing therapeutics to meet the challenges of antimicrobial resistance and has come up with many solutions. VMRC has achieved significant breakthrough in small molecule research for developing products helpful to combat antimicrobial resistance utilizing novel targets and adjuvants which synergize with other antibiotics, minimizing spread of resistance.

Significant breakthroughs have been achieved by VMRC in 'Antibiotic Adjuvant Entities' for notable resistance barriers like ESBLs, carbapenem resistant metalo-beta-actamases, MRSA, CREs bacterial biofilms and efflux.

Modern Research Infrastructure

Dedicated Pilot Facilities for different forms of injections

High Tech Research Laboratories of International standard following GLP

Well Developed Animal House approved by Committee for the Purpose of Control and Supervision on Experiments on Animals (CPCSEA)

Current Team of more than 60 dynamic Scientists & support staff Well Equipped Library

Key drivers are:

1. Innovative Solutions for incurable diseases
2. Combating Antimicrobial resistance
3. Reduction in treatment time and cost
4. Improved QoL of patient
5. Reduction in side effects
6. Decreased frequency of drug administration

The Major functional divisions at VMRC include:

1. **Formulation Development:** NDDS (Novel Drug Delivery System) based product development, Nanotechnology, Targeted Delivery, Sustained Delivery, Pulsatile Drug Delivery and development of, Antibiotic adjuvant entity, Non infringing formulations products with Improved Bioavailability, Process Development and Technology Transfer.
2. **Analytical Reserach:** Analytical method development and validation, Biological method development and validation, Drug drug interaction
3. Stability studies and Physiochemical research
4. Elemental Analysis, method development and validation
5. Pre- Clinical Studies (Toxicity studies,Pk/Pd Studies, Proof of Mechanism, Proof of Concept, Safety Pharmacology, including Qtc).
6. Histopathological Study
7. **Cell Culture and Molecular Biology (CCMB):** Novel Biomarker and Therapeutic target identification of oncology drugs, micro-imaging studies on cellular functions, molecular imaging and imaging biomarkers, genetic characterization of resistant strains, Semiquantitative and quantitative gene expression, Protein profiling, cytotoxicity,
8. **Microbiology Research:** Method validation for BET and Sterility, Microbio Assay, Clinical microbiology, TKC, Carcinogenicity and Mutageneticity Studies.
9. Pharmacokinetic research using Hollow Fiber Infection Model.
10. **Clinical pharmacology:** Early phase clinical studies (Phase I, II), Late phase clinical studies (Phase III and IV), Bridging phase trials, PK PD, BA/BE

Patents

The company has its well defined IP policy in place. Efforts of Venus Medicine Research Centre for innovations are well reflected in the number of patents filed so far, which stands around 360.

2. Benefits derived as a result of the above R & D:

Venus Medicine Research Centre has enhanced the value in terms of recognition of our capabilities, commitment, sustainability and creativity besides laurels for the nation. We have focused our research and development on discovering and developing potential new medical solutions for unmet medical needs and hard to treat diseases. It maintains a product discovery pipeline of a minimum of 25 products at all times. The benefit of translational medicine is increasingly being recognized worldwide. We combine the best of academia and corporate world. This attitude has led to the emergence of industry-academic-government networks to facilitate collaboration. Venus has been building a strategic portfolio of IP wealth which has not only catered the unmet social needs, the effort have brought extension of technologies in various products and applications. The effort in addition to economic benefit, have ensured a strategic and competitive benefit in the market place.

3. Future plan of action:

Energizing R&D activities to realize the Mission 2020 to be recognized globally and expand focus from product development and IP wealth creation to wealth propagation

and to deliver timely healthcare solutions for unmet medical needs focused on improving patient outcomes. This imperative will require focused flexible approach to reach out to customer, radically evolve the value proposition for future differentiated products and to integrate all resources in pursuit of developing, delivering, understanding and maintaining the best possible therapies and services to the global market. Aligning our priorities across these functions ensures that we develop potential therapeutics in a manner that not only addresses unmet medical needs abut also meets the changing demands of the market place.

Venus is looking strongly in development of a IP wealth cycle that would provide a seamless opportunities to gain predicted outcomes and balance risks.

The annual spending on research would be kept incremental in proportion to the increase in the sales as per the Company's plans:

Particulars	2015-16		2014-15	
	₹ in million	% to turnover	₹ in million	% to turnover
Capital Expenditure (R&D-IPR)	302.07	7.50	362.58	8.02
Recurring Expenditure (R&D)	107.00	2.66	120.83	2.67

Technology Absorption, Adaptation and Innovation:

1) Efforts, in brief, made towards technology absorption, adaptation and innovation.

The Company fixes stringent targets for technology improvement and up-gradation based upon global competition and quality criteria. Scientists at Venus Remedies undertake extensive up-gradation programs to improve and acquire latest technology with far reaching beneficial effects from research to manufacturing to marketing. Venus Scientists work in close relation with the manufacturing team to ensure smooth understanding and transfer of technology for large scale manufacturing. A stringent quality standard is maintained by Venus scientists with respect to GXP (GMP, GLP, GCP, etc.). Venus does invest into technology/ product in-licensing as well as collaborative development with the industry and academia. Such activities include. In licensed a Novel Aminoglycoside (a new antibiotic) with Patent Rights from Innovator Company in China.

In-licensed technology for Solid Tumor Detection from University of Illinois, Chicago, US which would help in early detection and stage of solid tumors. This technology would be helpful even in remote areas where advanced detection techniques are not available.

Venus is about to enter into a collaborative research project with the Institute of Nuclear Medicine & Allied Sciences, Defence R&D Organisation, Ministry of Defence. Under this collaborative agreement, Venus will jointly work with INMAS (DRDO) on various biomedical products which are required by the defence sector.

Venus also entered into a research collaboration with Shoolini University, Solan (H.P). This agreement is aimed at fostering the interaction between Venus and Shoolini in areas of mutual interest to enhance product development at both places by undertaking joint collaborative projects.

2) Benefits derived as a result of the above efforts e.g. product development, import, substitutions etc.

Commercial Launch of new products including novel drugs for antimicrobial resistance, oncology therapeutics, pain control etc. have differentiated Venus from the league of generic drug makers. Strengthening of Company's Product Basket specially with innovative and potential blockbuster drugs Supply of high Quality, research products with great potential to strategic partners

Venus has carved a niche for itself in super specialty parenterals especially in Oncology and Antimicrobial resistance and is one of the leading IPR wealth generator among Indian Pharma sector.

Venus has been building a strategic portfolio of IP wealth which has not only catered the unmet social needs, the efforts have brought extension of technologies in various products and applications. The effort in addition to economic benefit, have ensured a strategic and competitive benefit in the market place besides getting recognition for delivering unique solution for medical needs.

3) Import of Technology

The Company has not imported any technology during the financial year under review.

Annexure 5

FORM C

3. Foreign Exchange Earnings and Outgo

₹ in lacs

Particulars	Currency	Current Year	Previous Year
A. Total Foreign earned			
Sales	USD	64.92	52.84
	EURO	102.10	96.16
R&D activities	USD	1.89	1.06
	EURO	0.18	1.39
B. Total Foreign exchange used			
i) Raw & Packing Material	USD	128.30	127.53
	EURO	0.27	1.53
Capital Goods	USD	NIL	0.06
ii) Expenditure in foreign currency for			
Salary	USD	1.33	1.50
Traveling	USD	0.08	0.03
	EURO	0.03	-
Regulatory Fee for Patent/Products & Plant Registration/ Export	USD	10.56	11.60
	AUD	0.003	0.05
	EURO	0.03	6.37
	JPN	0.20	5.64
Subscription/ Publication	USD	0.002	0.002
Commission/ Incentive	USD	0.26	0.74
	EURO	0.11	0.03

Annexure 6

Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

Part "A": Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in ₹)

Particulars	Name of the subsidiary
Reporting period for the subsidiary	1st April 2015 to 31st March 2016
Reporting currency and Exchange rate	EURO
Share capital*	3711.81 Lacs
Reserves & surplus	(1518.70)
Total assets	4221.09
Total Liabilities	4221.09
Investments	–
Turnover	9360.99
Profit before taxation	49.52
Provision for taxation	–
Profit after taxation	49.52
Proposed Dividend	–
% of shareholding	100%

Notes:

1.Names of subsidiaries which are yet to commence operations: NIL

2.Names of subsidiaries which have been liquidated or sold during the year: NIL

* Share Capital above includes money received against share capital Amounting ₹3693.04 lacs

Part "B": Associates and Joint Ventures: N.A.

Annexure 7

Particulars of Employees Remuneration

Particulars of employees pursuant to section 134(3)(q) of the Companies Act, 2013 read with rule 5(1) of the Companies (Appointment and remuneration of managerial personnel) Rules, 2014

The ratio of remuneration of each director to the median remuneration of the employees of the company for the financial year	Mr. Pawan Chaudhary	43.8:1	
	Mrs. Manu Chaudhary	41.3:1	
	Mr. Peeyush Jain	25.2:1	
	Mr. Ashutosh Jain	22.6:1	
The % of increase in remuneration of each director.	Mr. Pawan Chaudhary	0.28%	
	Mrs. Manu Chaudhary	2.33%	
	Mr. Peeyush Jain	2.68%	
	Mr. Ashutosh Jain	2.33%	
The percentage increase/decrease in the median remuneration of the employees in the financial year	(10.64%)		
Total no. of employees as on 31.03.2016	1020 as on 31.03.16		
Avg. increase/decrease in remuneration and its relation with performance of the company	Company total income from operations dipped by 10.88% and there was 10.64% decrease in medium remuneration.		
Comparison of the remuneration of KMPs against performance of the company	Remuneration of KMPs is in line with the performance of the company.		
variations in the market capitalisation of the company, price earnings ratio as at the closing date of the current			
financial year and previous financial year and percentage increase over decrease in the market quotations of the shares of the company in comparison to the rate at which the company came out with the last public offer in case of listed companies.	Particulars	As on 31.03.2016	As on 31.03.2015
	market capitalization	101.26 cr.	153.30cr.
	price earnings ratio	(5.30)	4.17
	Share price BSE/NSE	88.50/88.15	133.30/ 135.60
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 any exceptional circumstances for increase in the managerial remuneration.	During the year decrease in average remuneration of employees is 4.72% due to following reasons 1. During the Financial year 2014-15 total no. of employees were 1090, whereas in financial year 2015-16 the total no. of employees remained to 1020 only. Due to decrease in no. of employees, the average & median remuneration decreased. 2. Further, company had provided 10% to 15% average increase in the remuneration to its employees. Whereas the remuneration of managerial personnel increased by 1.71% in FY 2015-16 as compared to FY 2014-15. There is no exceptional circumstances for increase in the managerial remuneration		
the key parameters for any variable component of remuneration availed by the directors.	Remuneration of all employees including directors are based on individual performance along with the company's performance.		
the ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year.	Managing Director of the Company is the highest paid director and no other employee is getting remuneration higher than the Managing Director.		
affirmation that the remuneration is as per the remuneration policy of the company.	Remuneration paid during the year is as per the Remuneration policy of the Company.		

Secretarial Audit Report

FOR THE FINANCIAL YEAR ENDED 31st March, 2016

[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,
Venus Remedies Limited
(CIN: L24232CH1986PLC009705)

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

Based on our verification of the company's books, papers, minute books, forms and returns filed and other records maintained by the company and produced before us and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the company has during the audit period covering the financial year ended on 31st March, 2016 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by Venus Remedies Limited and produced before us for the financial year ended on 31st March, 2016 according to the provisions of:

- The Companies Act, 2013 (the Act) and the rules made there under; During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above However, The company had applied to the Central Govt. for the requisite approvals under Section 197 of the Companies Act, 2013 for approval of managerial remuneration paid for the financial year 2014-2015, which is pending for approval from the Central Government. Further, The Company has paid managerial remuneration for the financial year 2015-2016 in excess of provisions of Section 197 read with Schedule V of the Act.
- The Company is undergoing CDR (Corporate Debt restructuring) with banks. Further, the company delayed in servicing the interest of term loan and FITL.
- The Company has not complied with the provision of Section 135 of the Companies Act, 2013 except Sub Section 135(1) regarding the constitution of CSR Committee.

(ii) The Company has complied with the relevant provisions of Securities Contracts (Regulation) Act, 1956 (SCRA) and the rules made there under where ever applicable to the company.

(iii) The Company has complied with the relevant provisions of the Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder where ever applicable to the company.

(iv) There were no issues which required specific compliance of the Foreign Exchange Management Act, 1999 and the rules and regulations made there under

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

(a) There were no issues which required specific approval of the provisions of The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.

(b) There were no issues which required specific approval of the provisions of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992.

(c) There were no issues which required the specific compliance/approval of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009.

(d) There were no issues which required the specific compliance/approval of the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999.

(e) There were no issues which required the specific compliance/approval of the Securities and Exchange

Board of India (Issue and Listing of Debt Securities) Regulations, 2008.

(f) There were no issues which required the specific compliance/approval of the Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client.

(g) There were no issues which required the specific compliance/approval of the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and

(h) There were no issues which required the specific compliance/approval of the Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

(vi) We have also examined compliance with the applicable clauses of the following:

(i) The Company has complied with Secretarial Standard issued by the Institute of Company Secretaries of India.

(ii) The Company has complied with the relevant provisions of Listing Agreement/Regulations entered into by the Company with Stock Exchange(s).

(vii) The Company carried on the business of Pharmaceuticals during the period under review. As per Management Representation, the Company has complied with the provisions of following Acts and Rules made there under: The company has complied with the following acts specifically applicable to the pharmaceutical Industry.

(i) Drugs and Cosmetics Act, 1940

(ii) Drugs and Magic Remedies (Objectionable Advertisement) Act, 1954

(iii) Conservation of Foreign Exchange and Prevention of Smuggling Activities Act, 1974

(iv) Food Safety And Standards Act, 2006

(v) The Indian Copyright Act, 1957 (vi) The Patents Act, 1970

(vii) The Trade Marks Act, 1999

(viii) The Pharmacy Act 1948

(ix) Drug Control Act 1950

Labour Laws

1. The Company has complied with the provisions of labour laws including Factory Act, Provident Fund, ESI and Minimum Wages Act. All the premises and establishment have been registered with the appropriate authorities

2. The company has not employed any child labour/Bonded labour in any of its establishments.

3. The company is ensuring the compliance of PF/ESI and other social security measures to the contract employees.

(i) The Company has complied with the provisions of Environment Protection Act,1986 amended up to date and Rules made there under.

(ii) The Company has complied with the provisions of Water (Prevention and control of Pollution) Act, 1974 amended up to date and Rules made there under.

(iii) The Company has complied with the provisions of Air (Prevention and control of Pollution) Act, 1981 amended up to date and Rules made there under.

(iv) The Company has complied with Water Waste Discharge Standards. (v) The company is not discharging the contaminated water at the public drains/rivers.

(vi) The company has not disposed any hazardous waste.

(vii) The company is not classified as hazardous industry as per applicable environmental laws. We further report that The Board of Directors of the Company is duly constituted and during the year there was no change in the composition of the Board of Directors of the Company.

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 proper system exists for seeking and obtaining further information & clarifications on the agenda items before the meeting and for meaningful participation at the meeting. Majority decision is carried through while the dissenting members views are captured and recorded as part of the minutes.

For M/s P. Chadha and Associates
Company Secretaries

Sd/-
(Prince Chadha)
M.No. : A32856

Place : Chandigarh
Date : 06-08-2016

Corporate Governance report

1. Company's philosophy on Corporate Governance:

The company operates not only within the regulatory framework, but is also guided by broader business ethics. The idea is to ensure good conscience, transparency, integrity and openness which would lead to accountability of the persons in charge of the company and bring benefits to investors, customers, creditors, employees and the society at large.

2. Board of Directors:

A. Composition, Category, attendance and number of other Directorships of the Directors are furnished below:

As at March 31, 2016, the Board consisted of 8 members. The Composition, category of directors and directorships held in other companies by the Directors on the Board of the Company was as under:

Name of Director	Category of Director	No. of outside Directorships in Indian Public Companies	No. of Board Committee other than Venus Remedies Limited In Which Chairman/Member
Mr. Pawan Chaudhary (Chairman & Managing Director)	Promoter, Whole-time	1	Nil
Dr. (Mrs.) Manu Chaudhary (Joint Managing Director)	Promoter, Whole-time	1	Nil
Mr. Peeyush Jain (Dy. Managing Director)	Whole-time	Nil	Nil
Mr. Ashutosh Jain (Executive Director)	Whole-time	1	Nil
Mr. Jagdish Chander	Independent Non-Executive	Nil	Nil
Dr. S. K. Chadha	Independent Non-Executive	Nil	Nil
Dr. Gilbert Wenzel	Independent Non-Executive	Nil	Nil
Dr. Rupinder Tewari	Independent Non-Executive	Nil	Nil

B. Details of Board Meetings held during the year:

Sr.No.	Date	Board Strength	No. of Directors present
1.	30.05.2015	8	8
2.	30.06.2015	8	6
3.	14.08.2015	8	6
4.	13.11.2016	8	7
5.	19.12.2015	8	7
6.	10.02.2016	8	7

C. Attendance of Directors of Board Meetings and at the last Annual General Meeting:

Director	No. of Board Meetings held	No. of Board Meetings attended	Attendance at last AGM
Mr. Pawan Chaudhary	6	6	Yes
Mrs. Manu Chaudhary	6	6	Yes
Mr. Peeyush Jain	6	6	Yes
Mr. Ashutosh Jain	6	4	Yes
Mr. Jagdish Chander	6	6	Yes
Dr. S. K. Chadha	6	6	No
Dr. Gilbert Wenzel	6	1	No
Dr. Rupinder Tewari	6	6	No

E. Inter-se relationships among directors:

Mr. Pawan Chaudhary and Mrs. Manu Chaudhary are husband & wife. Mr. Peeyush Jain and Mr. Ashutosh Jain are brothers of Mrs. Manu chaudhary. Except for this there are no inter se relationship among the Directors.

F. Number of shares and convertible instruments held by non-executive directors

Non-executive directors do not holds any share or convertible instruments of Venus Remedies Limited.

G. Familiarization programme imparted to Directors:

Details of familiarization programmes imparted to directors are uploaded on Company's website www.venusremedies.com

H. Independent Directors:

The Independent Directors fulfill the criteria of independence as per the provisions of Listing Agreement, Companies Act, 2013 and SEBI (Listing obligations and Disclosure requirements) Regulations 2015 and have given declaration of Independence. A Separate meeting of Independent Directors was held on 30.05.2015. All the Independent directors were present in the meeting.

3. Audit Committee

A) The Audit Committee performs the following functions:

a) Overseeing the Company's financial process and disclosure of financial information to ensure that the financial statement is correct;

b) Recommending the appointment and removal of external and internal auditor, fixation of audit fee and approval for payment of any services;

c) Reviewing with the management annual financial statement before submission to the Board;

d) Reviewing significant audit finding with the management and external and internal auditors, the adequacy of internal control system.;

e) Scrutiny of inter-corporate loans & Investments, if any;

f) Approval of related party transaction;

g) Discussing with internal auditors any significant finding and follow up on such issues;

h) Discussing with external auditors before the audit commences on the nature and scope of audit, as well as having post-audit discussion to ascertain any area of concern;

i) Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval;

j) Examining reasons for substantial default in the payment to depositors, debenture holders, shareholders and creditors, if any;

k) Recommendation for appointment, remuneration and terms of appointment of auditors;

l) To evaluation of internal financial controls and risk management systems;

m) To review the functioning of the whistle blower mechanism;

n) To review management letters / letters of internal control weaknesses issued by the statutory auditors.

B) Composition:

Composition of audit committee is in compliance with the requirements of section 177 of the companies act, 2013, as per the regulation 18 of the SEBI (Listing obligations and disclosure requirements) regulations 2015.

The Committee is comprised of three directors. The committee is headed by Non-Executive Independent Director of the Company.

Sr. No.	Name of Director/ Member	Designation	Category
1	Mr. Jagdish Chander	Chairman	Non-Executive Independent
2	Dr. S.K. Chadha	Member	Non-Executive Independent
3	Mr. Pawan Chaudhary	Member	Managing Director

Company Secretary of the Company act as the Secretary to the audit committee.

C) Details of Audit Committee Meetings held during the year:

S.No.	Date	Committee Strength	No. of members present
1.	30.05.2015	3	3
2.	14.08.2015	3	3
3.	13.11.2015	3	3
4.	05.01.2016	3	3
5.	10.02.2016	3	3

D) Attendance at Audit Committee Meetings

Director	No. of Meetings held	No. of Meetings attended
Mr. Jagdish Chander	5	5
Dr. S. K. Chadha	5	5
Mr. Pawan Chaudhary	5	5

4. Nomination & Remuneration Committee

A) Details of Nomination & Remuneration Committee Meetings held during the year:

S.No.	Date	Committee Strength	No. of members present
1.	30.05.2015	3	3

B) Composition & Attendance

The Nomination & Remuneration Committee comprises of Mr. Jagdish Chander, Dr. S.K. Chadha and Dr.Rupinder Tewari. Mr. Jagdish Chander is the Chairman of the committee

Sr. No.	Name of Director/ Member	Designation	Category	No. of Meetings attended
1	Mr. Jagdish Chander	Chairman	Non-Executive Independent	1
2	Mr. S.K. Chadha	Member	Non-Executive Independent	1
3	Dr. Rupinder Tewari	Member	Non-Executive Independent	1

C) Role of Nomination and Remuneration committee is as follows:

i) Formulation of 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;

ii) Formulation of criteria for evaluation of Independent Directors and the Board;

iii) Devising a policy on Board diversity;

iv) Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the

v) Recommend to the Board their appointment and removal;

vi) The Committee deals with all elements of the remuneration package of all Whole-time Directors and also administers the stock option plan of the Company;

vii) Evaluate the Board performance.

D) Remuneration of Directors

Name of Director	Salary	Sitting Fee	Perquisites	Superannuation	PF	Commission	Total
Mr. Pawan Chaudhary	6272640	Nil	136740	Nil	Nil	Nil	6409380
Mrs. Manu Chaudhary	6044544	Nil	Nil	Nil	Nil	Nil	6044544
Mr. Peeyush Jain	3638136	Nil	53807	Nil	Nil	Nil	3691943
Mr. Ashutosh Jain	3311964	Nil	Nil	Nil	Nil	Nil	3311964
Mr. Jagdish Chander	Nil	31942.05	Nil	Nil	Nil	Nil	31942.05
Dr. S. K. Chadha	Nil	31942.05	Nil	Nil	Nil	Nil	31942.05
Dr. Gilbert Wenzel	Nil	21294.70	Nil	Nil	Nil	Nil	21294.70
Dr. Rupinder Tewari	Nil	5607.07	Nil	Nil	Nil	Nil	5607.07

a) None of the non-executive directors are holding any shares or convertible instruments in the Company.

b) The non-executive directors are paid only sitting fees for attending the Board /Committee meetings.

c) There is no provision for performance linked incentives to directors.

E) Evaluation Criteria:

The Nomination & Remuneration Committee lays down the criteria for performance of the Directors. The criteria for performance evaluation of Directors covers parameters such as decision taken in the interest of the organisation objectively, assist the Company in implementing the Corporate Governance, monitor performance of organisation based on agreed goals and financial performance, actively participate in the affairs of the Company as Board member and/or committees.

F) Policy for Remuneration to Directors/KMP/Senior Management Personnel

i. The Remuneration/ Compensation/ Commission etc. to be paid to Managing Director/ Whole-time Directors, etc. shall be governed as per provisions of the Companies Act, 2013 and rules made there under or any other enactment for the time being in force and the approvals obtained from the Members of the Company;

ii. The Non-Executive Independent Director may receive remuneration / compensation /commission as per the provisions of Companies Act, 2013. The amount of sitting fees shall be subject to ceiling/ limits as provided under Companies Act, 2013 and rules made there under or any other enactment for the time being in force;

iii. The Nomination and Remuneration Committee shall make such recommendations to the Board of Directors, as it may consider appropriate with regard to remuneration;

iv. The remuneration to Key Managerial Personnel and Senior Management shall consist of fixed pay and incentive pay, in compliance with the provisions of the Companies Act, 2013 and in accordance with the Company's Policy;

v. The Incentive pay shall be decided based on the balance between performance of the Company and performance of the Key Managerial Personnel and Senior Management, to be decided annually or at such intervals as may be considered appropriate.

G) Criteria for performance evaluation and making payment to Non-Executive/ Independent Directors

With changes in the Corporate Governance norms, the Non-executive/ Independent Directors bring in a wider perspective in the deliberations and decision-making of the Board which adds value to the Company. They also play a crucial role in the Independent functioning of the Board.

The Non-Executive/ Independent Directors shall be entitled to receive remuneration by way of sitting fees, reimbursement of expenses for participation in the Board/ Committee meetings.

Payment to Independent Directors:

An Independent Director shall not be entitled to any stock option and shall receive Sitting fees and reimbursement of expenses for participation in meetings of the Board or committee thereof, as may be permissible under the Companies Act, 2013 and any other applicable law at the discretion of the Board.

The above said policy is available at the link www.venusremedies.com

5. Stakeholders Relationship Committee:

The stakeholders' Relationship Committee has bee constituted to approve transfer, transmission, sub-division, issue of duplicate/ split/consolidation of shares/debentures, demat/remat and for redressal of Investor complaints on all matters. During the year 11 meetings of stakeholders' Relationship Committee held.

The present composition of of stakeholders' Relationship Committee:

Sr. No	Name of Director/ Member	Designation	Category
1	Mr. Jagdish Chander	Chairman	Non-Executive Independent
2	Dr. Rupinder Tewari	Member	Non-Executive Independent
3	Mr. Peeyush Jain	Member	Whole time director

All the members of the Committee attended all the meetings.

Name & Designation of compliance officer: Ms. Neha Kodan, Company Secretary & Compliance Officer

During the year Shareholders' Complaints pending during the beginning of the year-NIL; Received during the year-2; Disposed of during the year-2; Remaining unresolved at the end of the year-NIL. No complaint pending to the satisfaction of shareholders.

The Company takes effective steps/actions for resolving queries and company stay interacted with Link Intime India Private Limited, Registrar & Transfer Agent of the Company.

6. Corporate Social Responsibility (CSR) Committee:

Pursuant to the provisions of section 135 of the Companies Act, 2013 read with rules made thereunder, Company constituted the CSR committee with following members:

Name	Designation	Category
Dr. S.K. Chadha	Chairman	Non- Executive Independent
Mr. Pawan Chaudhary	Member	Whole time director
Mr. Peeyush Jain	Member	Whole time director

All the members of the Committee attended all the meetings.

Function of the committee:

a) To formulate and recommend to the board, a CSR which shall indicate the activities to be undertaken by the company as specified in schedule VII of the Companies Act 2013.

b) Recommend the amount to be incurred on CSR activities.

c) Monitor CSR activities of the Company time to time.

d) Prepare a transparent mechanism for ensuring implementation of project/ programmes/ activities to be undertaken by the company.

During the review period, one meeting was held on 10.02.2016, all committee members attendede the said meeting. CSR policy is available on company's website www.venusremedies.com

7. General Body Meetings

Details of General Meetings held in last three years:

Financial Year	Meeting	Date	Time	Location
2012-2013	AGM	30.09.2013	10.00 AM	Bal Bhawan, Sector- 23, Chandigarh
2013-2014	AGM	30.12.2014	10.00 AM	
2014-2015	AGM	25.08.2015	10.00 AM	

Special resolutions Passed in the previous three AGM:

- In Financial Year 2012-13 and 2013-2014 no special resolution was passed
- In Financial Year 2014-15: 4

Whether any special Resolution possed last year through Postal Ballot: No

Whether any special Reolution proposed to be conducted through postal Ballot: No.

8. Disclosures

(a) Related party Transaction: During the year, there were no materially significant related party transactions made by the Company with its Promoters, Directors or Management, their relatives, its subsidiaries etc that may have potential conflict with the interest of the Company a large. Transactions with related parties during the period are disclosed in Notes to the Accounts. The related party transactions are in compliance with the Accounting standard 18 and disclosed under then notes to Accounts.

Policy to deal with Related Party Transactions is uploaded on Company's Website www.venusremedies.com

(b) Compliance

There were no penalties, strictures imposed on the company by stock exchanges, SEBI or any other statutory authorities during the last three years.

(c) The Company has established the Vigil Mechanism / whistler Blower Policy and company affirm that no personnel has been denied access to the audit committee.

The above mentioned policies are uploaded on Company's Website www.venusremedies.com

(d) The Company has complied with all the statutory requirements and not adopted any non mandatory requirements of Listing Agreement and SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015.

(e) Disclosure of commodity price risk and commodity hedging activities: Not applicable as company does not deals in commodities.

(f) The Company has complied with all the requirement of Corporate governance as per the para (2) to (10) of Schedule V of SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015. Further, the Company has not adopted the discretionary requirements as specified in Part-E of Schedule II of SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015.

The Company has complied with the corporate governance requirement as specified in regulation 17 to 27 and regulation (b) to (i) of sub regulation (2) of regulation 46 of SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015.

(g) Code of Conduct

The Company has established a code of conduct for its management and senior officials. The company has placed the code of conduct on its website www.venusremedies.com

All the Board of Directors have affirmed that they have followed the code of conduct for the financial year ended on 31.03.2016 as annexed with the report.

As required by Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, Auditors' certificate on corporate governance annexed to the report

(h) The preparation of financial statements are as per the accounting standards notified by the Ministry of Corporate affairs issued by the Institute of Chartered Accountants.

(i) Company's subsidiary Venus Pharma GmbH, does not fall under the category of material subsidiary as per the criteria mentioned in the regulation 16(1) (c) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015. However, company has framed a material subsidiary policy and uploaded the same on its website www.venusremedies.com

9. Demat Suspense Account:

Company does not have any share in demat suspense account or unclaimed suspense account

10. Means of Communication

- **Publication of Quarterly results:** Generally published in newspaper- Financial express & Business Standard. Financial results are also published on company's website www.venusremedies.com
- Company website also display the offcial news releases.
- **Presentation made to institutional investor or to the analysts:** No
- **Management Discussion & Analysis:** Published as a part of this Annual Report.
- Shareholders Information Section Published as part of Annual Report under Corporate Governance Report
- **Information to stock exchange:** All the material developments in the company informed to stock exchanges where the shares of the company are listed
- **Company Website:** The Company has its own website viz.
  - www venusremedies.com
  - www.vmrcindia.com
  - www.venuspharmagmbh.de,

  where information relating to financial results, launch of new products and official releases to news agencies are made available.

11. General Shareholders Information

a) **AGM details :**

Date	:	29th September, 2016
Day	:	Thursday
Venue	:	Bal Bhawan, Sector- 23, Chandigarh
Time	:	10 A.M.
Book Closure Dates	:	22st September 2016 to 29th September 2016 (Both days inclusive)

b) **Financial Calendar**

Financial year of company:
1st April to 31st March

For financial year ended 31st March 2017 results

First Quarter results:
On or before August 15, 2016

Second Quarter results:
On or before November 15, 2016

Third Quarter results:
On or before February 15, 2017

Fourth Quarter results :
On or before May 30, 2017

c) **Dividend Payment date**

The Board has not recommended dividend for the Financial Year 2015-16

d) **Listing of Stock Exchange**

The Company's securities(Equity share) are listed on the following Stock Exchanges,

Name	Address
BSE Limited	The Stock Exchange, Mumbai Phiroze Jeejeebhoy Towers Dalal Street, Mumbai 400 023 **Scrip Code : 526953**
NSE	The National Stock Exchange of India Limited 5th Floor, Exchange Plaza, Bandar (E), Mumbai **Scrip Code: VENUSREM**

The Company has paid the annual listing fees for the year 2016-17 the exchanges where securities are listed.

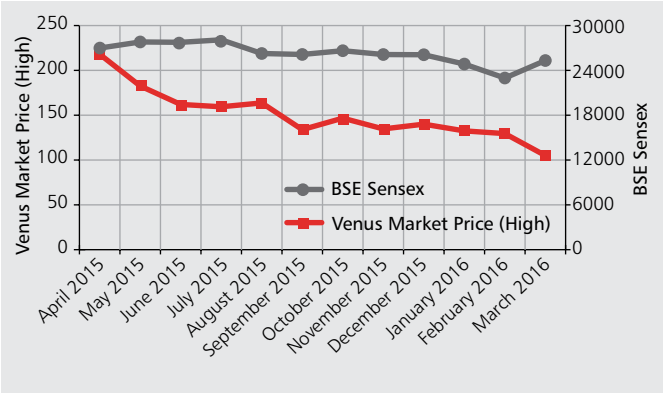
Corporate Identification Number (CIN):
L24232CH1989PLC009705

e) Market Price data

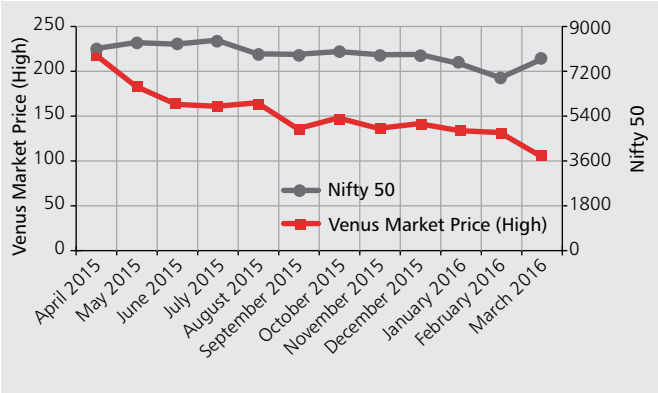
Market price data (High/Low) during each month in the year 2015-2016

Month	BSE			NSE		
	High	Low	Sensex	High	Low	Nifty 50
April 2015	218.00	132.00	27011.31	218.50	130.50	8181.50
May 2015	182.60	153.20	27828.44	182.50	152.90	8433.65
June 2015	162.00	124.80	27780.83	161.95	123.80	8368.50
July 2015	159.40	135.60	28114.56	159.80	136.00	8532.85
August 2015	163.70	152.50	26283.90	163.80	105.80	7971.30
September 2015	133.90	111.00	26154.83	134.15	110.65	7948.90
October 2015	146.70	121.70	26656.83	146.50	121.20	8065.80
November 2015	134.70	118.00	26145.67	134.60	118.00	7935.20
December 2015	140.00	120.00	26117.54	140.00	119.90	7946.35
January 2016	132.50	94.20	24870.69	132.00	92.65	7563.55
February 2016	129.50	82.10	23002.00	129.90	82.00	6987.05
March 2016	105.00	85.00	25341.86	103.35	84.05	7738.40

Graph for Comparison with Sensex



Graph for Comparison with Nifty 50



f) Registrar & Transfer Agent

Link Intime India Pvt lLtd, 44 Community Centre,
2nd floor, Naraina Industrial Area Phase- I,
Near Pvr Naraina, New Delhi 110 028
E-mail: delhi@linkintime.com
Phone: 011 - 4141 0592/93/94
Fax: 011-41410591

g) Share Transfer System

In order to make the process easy and fast, the board has delegated the powers to Registrar & Transfer Agent. Share certificates in case of transfer are generally returned to the transfree(s) within a period of 15 days. Company has also formed the Stakeholder Relationship Committee to look into transfer/tramsmission/demat/remat/duplicate issue of shares and for redressal of shareholders' complaints

h) Shareholding Pattern as on 31.03.2016:

Sr. No.	Description	No. of holders	Shares	%
1	Promoters Individuals	2	1430000	12.50
2	Promoters – Body Corporate	1	2300000	20.10
3	Mutual fund	2	1200	0.01
4	Foreign porfolio Investors	2	66401	0.58
5	Financial Institutions/Banks	4	51487	0.45
6	Individuals- Public	19444	5844004	51.08
7	Body Corporates	392	792240	6.92
8	Foreign Nationals	1	200	0.001
9	NRIs	531	341977	2.99
10	Clearing Members	172	299596	2.62
11	HUF	573	314883	2.75

i) Distribution of Shareholding

Share or Debenture holding of nominal value	Share / Debenture Holders		Share / Debenture Amount	
₹	Number	% to total	Amount in ₹	% to total
(1)	(2)	(3)	(4)	(5)
1 - 500	18800	88.99	2346018	20.50
500 - 1000	1260	5.96	997883	8.72
1001-2000	553	2.62	836010	7.31
2001-3000	181	0.86	460332	4.02
3001-4000	86	0.41	303124	2.65
4001-5000	63	0.30	295142	2.58
5001-10000	105	0.50	745213	6.51
10001 and Above	76	0.37	5458266	47.70
Total	21124	100	114419880	100

j) Dematerialization of shares and liquidity

As on 31.03.2016, 11154850 equity shares representing 97.49% of total share capital of the company are in dematerialized form with NSDL and CDSL. Trading of shares only permitted in demat form. 100% promoters holding is in demat form.

Mode	No. of Shares	Percentage
DEMAT	11154850	97.49%
PHYSICAL	287138	2.51%
Total	11441988	100%

National Securities Depository Limited
Trade World, 4th Floor,
A Wing Kamala Mills Compound
Senapati Bapat Marg,
Lower Parel, Mumbai 400 013.
E-Mail : info@nsdl.co.in,
Website: www.nsdl.co.in

Central Depository Services (India) Limited
17th Floor, Phiroze Jeejeebhoy Towers
Dalal Street, Mumbai 400 001
Website: www.centraldepository.com

k) Unclaimed Dividend

As per the section 124 of the companies Act, 2013 and rules there under, the company is required to transfer unpaid dividend which have remained unpaid/unclaimed for a period of 7 years from the date of declaration to Investor Education and Protection fund.

The details of unpaid Dividend and their due dates for transfer to Investor Education and Protection fund are as below:

Financial year	Due date of Transfer to Investor Education and Protection Fund
2008-2009	29.09.2016
2009-2010	26.09.2017
2010-2011	29.09.2018
2011-2012	27.09.2019
2012-2013	29.09.2020

l) **Outstanding GDRs/ADRs/Warrants or any convertible instruments conversion date and likely impact on equity:** The Company has not issued GDRs/ADRs.

m) **Commodity price risk or foreign exchange risk and hedging activities:** During the year there is no major foreign exchange risk due to the natural hedging on accout of imports & exports.

n) Plant Location

1. **Unit-I:** Plot 51-52, Industrial Area, Phase-I, Panchkula-134 113, India
2. **Unit-II:** Hill Top Industrial Estate, Jharmajri EPIP, Phase-I (Extn.), Village - Bhatoli Kalan, Baddi (H.P), India- 173 205

o) Address for correspondence

Shareholders are requested to contact the following:
Mrs. Neha Kodan
Company Secretary & Compliance Officer
Venus Remedies Limited
51-52, Ind. Area, Ph.-I, Panchkula (Haryana)
E-mail: complianceofficer@venusremedies.com,
investorgrievance@venusremedies.com
Website: www.venusremedies.com

p) Registered Office:

Venus Remedies Limited
SCO 857, 2nd Floor, Cabin No. 10,
NAC Manimajra, Chandigarh.

12 Nomination Facility:

Shareholders 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 to the company the prescribed Form.

13) Communication to Shareholders

All the quarterly reports, financial results, press releases are posted on our website www.venusremedies.com. Financial results are generally published in Business standard and Financial Express.

14) Details of Non Compliance:

No panelty has been imposed by Stock Exchnages, SEBI or on any matter related to capital market and there is not any non compliance with any legal requirement during last three years.

15) There has been no instance of non-compliance of any requirement of Corporate Governance Report.

16) The Company has complied with the applicable requirement specified in Regulation 17 to 27 and Clause (b) to (i) of sub-regulation (2) of Regulation 46.

Declaration regarding affirmation to the Code of Conduct

In accordance with regulation 26(3) of SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015, I hereby confirm that, all Directors and Senior Management personnel of the Company have affirmed compliance to the Venus Remedies Limited Code of Conduct for the financial year ended on 31.03.2016.

For Venus Remedies Limited

Place: Panchkula
Date: 06-08-2016

Pawan Chaudhary
(Chairman & Managing Director)

AUDITORS CERTIFICATE ON CORPORATE GOVERNANCE

To the Members of the Board,
Venus Remedies Limited

We have examined the compliance of conditions of Corporate Governance by Venus Remedies Ltd. for the year ended 31st March, 2016, as stipulated in SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015 and as per Clause 49 of Listing Agreement.

The compliance of conditions of corporate governance is the responsibility of the management. Our examination has been limited to a review of procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of corporate governance as stipulated in the said regulations. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us by the Directors and the Management, we certify that the Company has complied with the conditions of corporate governance.

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

For J.K. Jain & Associates
Chartered Accountants
Firm Registration No. 004025N

(J. K. Jain)
Partner
Membership No. 083140

Chandigarh
Date : 06-08-2016

Independent Auditor's report

To
The Members of
VENUS REMEDIES LIMITED
Panchkula

Report on the Financial Statements

1. We have audited the accompanying standalone financial statements of M/s Venus Remedies Limited, which comprise the Balance Sheet as at March 31, 2016, and the Statement of Profit and Loss and 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

2. The management and Board of Directors of the Company are responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ('the act') with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with rule 7 of Companies (Accounts) Rules, 2014. This responsibility includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; design, implementation and maintenance of adequate internal financial controls, that are 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

3. Our responsibility is to express an opinion on these standalone financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

4. 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, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's management and Board of Directors, as well as evaluating the overall presentation of the financial statements

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

Opinion

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

principles generally accepted in India:

a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2016;

b) in the case of the Profit and Loss Account, of the profit/ loss for the year ended on that date; and

c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Subject to the following:

(i) The Company has gone for Debt Restructuring and the CDR Cell has approved its CDR package. The Company is repaying the debt as per the approved package, however the company could not serve the interest and principal (FITL) repayments amounting ₹270.94 lacs to financial institutions and banks.

Report on other Legal and Regulatory Requirements

7. 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 section143 of the Act, we give in the Annexure a statement on the matters Specified in paragraphs 3 and 4 of the Order.

8. As required by section 143(3) of the Act, we further 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 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 aforesaid standalone financial statements comply with the applicable 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 March 31, 2016, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016, from being appointed as a director in terms of Section 164(2) of the Act;

f. In our opinion and to the best of our information and according to the explanations given to us, we report as under with respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014:

(i) the Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 41 to the financial statements;

(ii) the Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note 10 to the financial statements; and

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

For J.K. JAIN & ASSOCIATES
Chartered Accountants
FRN: 004025N

(J.K. Jain)
Partner
M. No. : 083140

Place: Panchkula
Date : 28.05.2016

Annexure "A" to the Independent Auditor's Report

Referred to in paragraph 7 Our Report of even date to the members of Venus Remedies Limited on the accounts of the company for the year ended 31st March, 2016

On the basis of such checks as we considered appropriate and according to the information and explanations given to us during the course of our audit, we report that:

1. (a) The company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.

   (b) As explained to us, fixed assets have been physically verified by the management once in a year, which in our opinion is reasonable having regard to the size of the company and the nature of its assets. No material discrepancies were noticed on such verification.

   (c) The title deeds of immovable properties are held in the name of the company. However, company is paying rent for its Registered Office & Guest House Building.

2. (a) As explained to us, inventories have been physically verified during the year by the management at reasonable intervals and no material discrepancy was noticed on physical verification of stocks by the management as compared to book records.

3. According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not granted any loans, secured or unsecured, to companies, firms or other parties listed in the register maintained under Section 189 of the Companies Act, 2013. Consequently, the provisions of clauses iii (a), iii (b), iii (c) of the order are not applicable to the Company.

4. In respect of loan, investments, guarantees & security, the company is complying with section 185 &186 of companies act 2013 as applicable.

5. The Company has not accepted any deposits from the public covered under section 73 to 76 of the Companies Act, 2013.

6. As per information & explanation given by the management, maintenance of cost records has been prescribed by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 and we are of the opinion that prima facie the prescribed accounts and records have been made and maintained but we have not carried out the examination of records.

7. (a) According to the records of the company, undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Sales-tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess to the extent applicable and any other statutory dues have generally been regularly deposited with the appropriate authorities. According to the information and explanations given to us there were no outstanding statutory dues for a period of more than six months from the date they became payable.

   (b) According to the information and explanations given to us, there is no amounts payable in respect of income tax, wealth tax, service tax, sales tax, customs duty and excise duty which have not been deposited on account of any disputes, except as mentioned in Note 41 to Notes on Financial Statements.

8. Based on our audit findings and on the information and explanations given to us by the management, we are of the opinion that, The Company has gone for Debt Restructuring and the CDR Cell has approved its CDR package. The Company is repaying the debt as per the approved package, however the company could not serve the interest and principal (FITL) repayments amounting ₹270.94 lacs to financial institutions and banks.

9. Based on our audit procedures and on the information and explanations given to us given by the management, we report that no money by way of Further Public Offer & Term Loan has been taken during the year.

10. The company has neither committed any fraud nor any fraud on the company by its officers/employees has been noticed or reported during the year.

11. The company has paid Managerial Remuneration in excess of limits prescribed u/s 197 read with Schdule V of the Companies Act, 2013, however the company has applied to the Central Govt. for its approval in this regard.

12. The company is not a Nidhi company, so the provisions of the same are not applicable.

13. (i) The company has disclosed all the transactions with the related party as prescribed by section 188 of Companies Act 2013 in notes (Note no 38).

    (ii) As per section 177 of the Companies Act, 2013, company has constituted the audit committee as required by the applicable accounting standard.

14. The company has not made any preferential allotment or private placement of share or fully or partially convertible debentures during the year under review.

15. The company has not entered into any non cash transactions with Directors or persons connected with him and consequentially provisions of section 192 of Companies Act 2013 is not applicable.

16. The company is not required to be registered under section 45 IA of Reserve Bank India Act, 1934.

For J.K. JAIN & ASSOCIATES
Chartered Accountants
FRN: 004025N

(J.K. Jain)
Partner
M. No. : 083140

Place: Panchkula
Date : 28.05.2016

Annexure "B" to the independent Auditor's Report of even date on the Financial Statements of M/s Venus Remedies Limited

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

To the Members of Venus Remedies Limited

We have audited the Internal financial controls over financial reporting of "M/s Venus Remedies Limited" ("the Company") as at March 31, 2016 in conjunction with our audit of the standalone 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. 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 the 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.

Auditor's 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 as specified 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 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 judgment, 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 Internal Financial Controls System over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A Company's Internal financial controls 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 authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized 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, 2016, 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 J.K. JAIN & ASSOCIATES
Chartered Accountants
FRN: 004025N

(J.K. Jain)
Partner
M. No. : 083140

Place: Panchkula
Date : 28.05.2016

BALANCE SHEET as at 31st March, 2016

(₹ in Lacs)

Particulars	Note No.	Figures as at the end of 31.03.2016	Figures as at the end of 31.03.2015
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share Capital	1	1144.20	1144.20
(b) Reserves and Surplus	2	43298.69	45479.34
(2) Non-Current Liabilities			
(a) Long-Term Borrowings	3	19102.59	20224.92
(b) Deferred Tax Liabilities (Net)	4	1658.66	1477.82
(c) Other Long term Liabilities	5	63.37	69.09
(d) Long Term Provisions	6	378.85	378.39
(3) Current Liabilities			
(a) Short-Term Borrowings	7	11508.59	11539.90
(b) Trade Payables	8	2390.24	2576.21
(c) Other Current Liabilities	9	3663.43	1399.35
(d) Short-Term Provisions	10	196.79	190.77
Total		83405.40	84480.00
II. ASSETS			
(1) Non-Current Assets			
(a) Fixed Assets	11		
(i) Tangible Assets		19409.59	19599.79
(ii) Capital WIP		7075.51	7028.71
(iii) Intangible Assets		23942.61	22977.43
(iv) Intangible Assets under Development		961.50	800.91
(b) Non-current investments	12	2873.61	2873.61
(c) Long term loans and advances	13	3289.79	8591.08
(2) Current Assets			
(a) Inventories	14	13769.33	14043.73
(b) Trade receivables	15	5388.49	5937.02
(c) Cash and cash equivalents	16	304.37	352.05
(d) Short-term loans and advances	17	6390.58	2275.66
Total		83405.40	84480.00
Significant Accounting Policies and Notes on Accounts	1 to 41		

Notes and Significant Accounting Policies referred to above and annexed there to form an integral part of Balance Sheet. This is the Balance Sheet referred to in our Report of even date.

For J. K. Jain & Associates
Chartered Accountants
Firm Registration No. 004025N

For and on behalf of the Board of Directors

(J.K. Jain)
Partner
M. No. : 083140

(Peeyush Jain)
Deputy Managing Director

(Pawan Chaudhary)
Chairman cum Managing Director

Place : Panchkula
Date : 28.05.2016

(Neha Kodan)
Company Secretary

(Ajeet Kapoor)
GM Accounts

STATEMENT OF PROFIT & LOSS for the Period ended on 31st March, 2016

(₹ in Lacs)

Sr. No	Particulars	Note No.	Figures as at the end of 31.03.2016	Figures as at the end of 31.03.2015
I	Revenue from operations	18	40269.48	45187.51
II	Other Income	19	66.54	54.58
III	Total Revenue (I +II)		40336.02	45242.09
IV	Expenses:			
	Cost of materials consumed	20	24199.79	26438.90
	Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	21	(216.65)	652.78
	Employee Benefit Expenses	22	2502.42	2725.55
	Finance Costs	23	3673.99	4070.33
	Depreciation and Amortization Expenses	24	4046.82	4474.08
	Other Expenses	25	5828.44	6676.95
	Total Expenses (IV)		40034.81	45038.59
V	Profit before Tax	(III - IV)	301.21	203.51
VI	Tax expense:			
	(1) Current tax		-	40.72
	(2) Deferred tax		180.84	(251.29)
	(3) Mat Credit		-	(40.72)
VII	Profit/(Loss) for the period		120.37	454.80
VIII	Earning per equity share:			
	(1) Basic		1.05	3.97
	(2) Diluted		1.05	3.97

Notes and Significant Accounting Policies referred to above and annexed there to form an integral part of Statement of Profit & Loss.
This is the Statement of Profit & Loss referred to in our Report of even date.

For J. K. Jain & Associates
Chartered Accountants
Firm Registration No. 004025N

For and on behalf of the Board of Directors

(J.K. Jain)
Partner
M. No. : 083140

(Peeyush Jain)
Deputy Managing Director

(Pawan Chaudhary)
Chairman cum Managing Director

Place : Panchkula
Date : 28.05.2016

(Neha Kodan)
Company Secretary

(Ajeet Kapoor)
GM Accounts

CASH FLOW STATEMENT for the Period ended on 31st March, 2016

(₹ in Lacs)

PARTICULARS		As on 31.03.2016	As on 31.03.2015
A)	CASH FLOW FROM OPERATING ACTIVITIES		
	Net Profit before tax & extraordinary items	301.21	203.51
	Adjustment for Depreciation	4036.18	4474.08
	Interest Expense	3399.39	3487.28
	Increase in long term provision for gratuity and leave encashment	0.46	47.00
	Adjustment of excess MAT Transferred to General Reserve	(2301.02)	(375.21)
	Adjustment reversing effect on profit of non-cash non-operating activities		
	Exchange Fluctuation	274.60	583.04
	Interest Received	(37.44)	(26.04)
	Operating Profit before working capital changes	5673.37	8,393.66
	Adjustments for increase /decrease in Current Assets	(3292.00)	721.04
	Decrease / Increase in Current Liabilities/ Provisions	1809.54	(2438.76)
	Net Cash Flow from operating activities (A)	**4190.91**	**6675.94**
B)	CASH FLOW FROM INVESTING ACTIVITIES		
	Sale/Purchase of Fixed Assets Including		
	Capitalization of Expenses(NET)	(4971.76)	(5866.64)
	Increase/ Decrease in Capital work in progress	(46.80)	(872.38)
	Interest Received	37.44	26.04
	Proceeds from loans and advances	5301.29	(1.62)
	Net Cash Flow from Investing Activities (B)	**32 0.17**	**(6714.60)**
C)	CASH FLOW FROM FINANCING ACTIVITIES		
	Proceeds from Long Term Borrowing(Net)	(1128.06)	2907.58
	Proceeds from Short term Borrowing(Net)	(31.32)	532.23
	Interest Expense	(3399.39)	(3487.28)
	Dividend Paid		
	Net Cash from Financing Activities (C)	**(4558.77)**	**(47.47)**
	Net Increase in Cash & Cash Equivalents (A+B+C)	**(47.69)**	**(86.13)**
	Cash & Cash Equivalents as at 31.03.2015	352.05	
	Cash & Cash Equivalents as at 31.03.2016	304.36	
	Cash & Cash Equivalents as at 31.03.2014		438.18
	Cash & Cash Equivalents as at 31.03.2015		352.05

AUDITOR'S REPORT
As per our separate report of even date

For J. K. Jain & Associates
Chartered Accountants
Firm Registration No. 004025N

For and on behalf of the Board of Directors

(J.K. Jain)
Partner
M. No. : 083140

(Peeyush Jain)
Deputy Managing Director

(Pawan Chaudhary)
Chairman cum Managing Director

Place : Panchkula
Date : 28.05.2016

(Neha Kodan)
Company Secretary

(Ajeet Kapoor)
GM Accounts

SIGNIFICANT ACCOUNTING POLICIES TO THE FINANCIAL STATEMENTS as on 31st March 2016.

(I) Accounting Concepts

The accounts are prepared under the historical cost convention and on the basis of going concern. All expenses and incomes to the extent ascertainable are accounted for on mercantile basis unless otherwise stated in accordance with Accounting Standard – 1 (i.e. Disclosure of Accounting Policies)

(II) Fixed Assets

Fixed Assets are stated at historical cost (including expenses incurred upto the date of putting them in commercial use) less depreciation in accordance with Accounting Standard -10 i.e. Accounting for Fixed Assets.

(III) Depreciation

The Company is following the useful life method of depreciation as per the useful life specified in part C of Schedule II of the Companies Act 2013. The Carrying amount of assets is being depreciated over the remaining useful life of the assets.

On assets sold, discarded etc, during the year depreciation is provided up to the date of sale/discard.

(IV) Inventories

The inventories are valued in accordance, with the revised Accounting Standard-2 "(AS- 2)" Valuation of Inventories" and the revised "Guidance Note on Accounting Treatment for Excise Duty" issued by the Institute of Chartered Accountants of India. Accordingly the method of valuation of inventories adopted are as under :-

(a) Stock Raw Material and Packing Material:- At cost price.

(b) Stock of Work in Progress:- At material cost plus apportioned manufacturing overheads.

(c) Stock of Finished Goods:- At material cost plus apportioned manufacturing overheads plus excise duty and other costs incurred in bringing the inventories to their present location and condition or Net Realizable value whichever is lower.

(d) Spares and consumables:- at cost.

(V) Investments (AS-13)

(a) Long term investments are stated at cost of acquisition. Provision for Diminution is made only to recognize a decline other than temporary, if any, in the value of investments.

(b) Current investments are carried at lower of cost or fair market Value.

(VI) Retirement Benefits (AS-15)

(a) A short term employees benefits are recognized as an expenses at the undiscounted amount in the profit and loss accounts of the year in which the related service is rendered.

(b) Post employment and other long term employees benefits are recognized as an expense in the profit and loss account for the year in which the employees has rendered services. The expenses are recognized at the present value of the amount payable determined using actuation techniques. Actuarial gains and losses in respect of post employment and other long term benefits are charged to profit and loss account.

(VII) Revenue Recognition (AS-9)

(a) Sales of goods and services are recognized upon passage of the title to the customer, which generally coincides with the delivery. Sale is net of sale returns but includes excise duty.

(b) Dividends are accounted for as and when received.

(c) Other income is accounted for on mercantile basis unless otherwise stated in other accounting standard.

(VIII) Research and Development Costs

(a) Capital Expenditure on assets for research and development is included in cost of fixed assets.

(b) (i) The revenue expenditure incurred on research & development up to research phase comprising cost of materials consumed, salary & wages and other related costs, as identified have been charged to Profit & Loss account.

(ii) Expenditure on development phase in which the activity converts the results to a marketable product but doesn't result in to any intangible assets, such expenses incurred are not capitalized but otherwise charged to Profit & Loss account in accordance with AS-26 (Accounting Standard on Intangible Assets).

(iii) Expenditure on in-licensed development activities, where by research findings are applied to a plan or design for the production of new products and processes, is capitalized , if the cost can be reliably measured, the product and process is technically and commercially feasible and the Company has sufficient Technical, financial and other resources to complete the development and to use and sell the asset.

SIGNIFICANT ACCOUNTING POLICIES TO THE FINANCIAL STATEMENTS as on 31st March 2016.

(IX) Intangible Assets (AS 26)

(i) The company has the policy to amortise the patent and trademarks over the period of 15 years as the estimated normal usefull life of the patent is 15 years.

(X) Borrowing Costs (AS-16)

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of costs of such assets till such time as the assets is ready for its intended use. All other borrowing costs are recognized as an expense in the period in which incurred.

(XI) Translation of Foreign Exchange Transactions (AS-11)

(a) Foreign exchange transactions in respect of import payments are stated at the exchange rate prevailing at the time of transaction and variation, if any, accounted for on the date of payment is squared during the same accounting year.

(b) Monetary items denominated in foreign currencies remaining unsettled at the year end if not covered by forward exchange contracts are translated at year end rates.

(c) Any income/expense arising from foreign currency transactions is dealt in the profit and loss account for the year except in cases where they relate to acquisition of fixed assets in which case they are adjusted in the carrying cost of such assets.

(XII) Income Tax

a) Current Tax: Provision is made for income tax based on the liability as computed after taking credit for allowance and exemptions. Adjustments in books are made only after the completion of the assessment.

(b) Deferred Tax: Consequent to the Accounting Standard 22 "Accounting for taxes on income" the differences that result between the profit offered for income tax and the profit as per the financial statement are identified and thereafter a deferred tax liability is recorded for timing differences, namely the differences that originate is one accounting period and reverse in another. The tax effect is calculated on the accumulated timing difference at the end of an accounting period based on prevailing enacted regulations. Deferred tax assets are recognized only if there is reasonable certainty that they will be realized and are reviewed for the appropriateness of their respective carrying value at each balance sheet date.

c) MAT: Minimum Alternative Tax payable under the provisions of the income tax Act, 1961 is recognized as an asset in the year in which credit becomes eligible and is set off in the year in which the Company becomes liable to pay income taxes at the enacted tax rates and shall be reversed in the year in which it lapses.

(XIII) Government Grants

The Company recognizes government grants only when there is reasonable assurance that the conditions attached to them shall be complied with, and the grants will be received. Government grants related to depreciable assets are treated as deferred income and are recognized in the statement of Profit and Loss on a systematic and rational basis over the useful life of the asset. Government grants related to revenue are recognized on a systematic basis in the statement of Profit and Loss over the period necessary to match them with the related costs which they are intended to compensate.

(XIV) Impairment of Assets (AS-28)

An assets is treated as impaired when the carrying cost of assets exceeds its recoverable value. An impairment loss is charged to the profit & loss account in the year in which an asset is identified as impaired if there is any indication that asset may be impaired. The impairment loss recognized in prior accounting periods is reversed if there has been a change in the estimate of recoverable amount. Accounting policies not specially referred to are consistent with generally accepted accounting principles.

(XV) Provisions, Contingent Liabilities and Contingent Assets (AS-29)

Provisions involving substantial degree of estimation in management are recognized when there is present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognized but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the financial statements.

(XVI) Forward Exchange Contracts (AS-30)

A company may enter into a forward exchange contract or another financial Instrument that is in substance a forward exchange contract, which are not intended for trading or speculation purposes, to establish the amount of the reporting currency required or available at the settlement date of the transaction. As per AS-11 (R) any premiums or discount at the inception of such a forward exchange contract are amortized over the life of the contract and exchange difference on such contracts are recognized in the statement of profit or loss in the reporting period.

NOTES ON FINANCIAL STATEMENTS for the period ended on 31st March, 2016

Note: 1 Share Capital

(₹ in Lacs)

Sr. No	Particulars	31.03.2016	31.03.2015
1	AUTHORIZED SHARE CAPITAL 15000000 Equity Shares of ₹10/- each. (Previous Year 15000000 Equity Shares of ₹10/- each)	1500.00	1500.00
		1500.00	1500.00
2	ISSUED, SUBSCRIBED & PAID UP CAPITAL 1,14,41,988 Equity Shares of ₹10/- each, Fully paid up (Previous year 1,14,41,988 Equity Shares of ₹10/- each)	1144.20	1144.20
	Total	1144.20	1144.20

1.2 The details of Shareholders holding more than 5% shares:

Sr. No	Name of Shareholders	31.03.2016 No. of Shares (%)	31.03.2015 No. of Shares (%)
1	Sunev Pharma Solutions Limited	2300000 (20.10%)	2300000 (20.10%)
2	Pawan Chaudhary	680000 (5.94%)	680000 (5.94%)
3	Manu Chaudhary	750000 (6.55%)	750000 (6.55%)

1.3 The reconciliation of the number of shares outstanding is set out below:

Sr. No	Particulars	31.03.2016 No. of Shares	31.03.2015 No. of Shares
1	Equity Shares at the beginning of the year	11441988	11441988
2	Add: Shares issued during the year	-	-
	Equity Shares at the end of the year	11441988	11441988

Note: 2 Reserve & Surplus

Sr. No	Particulars	31.03.2016	31.03.2015
1	Securities Premium		
	As per last Balance Sheet	6851.15	6851.15
	Total A	6851.15	6851.15
2	General Reserve		
	As per last Balance Sheet	23447.32	24020.14
	Less : Mat Credit for Previous Years	(2301.02)	(375.21)
	Less : Assets W/off	-	(197.61)
	Total B	21146.30	23447.32
3	Surplus (Profit & Loss Account)		
	As per last Balance Sheet	15180.87	14726.07
	Add: Profit for the period	120.37	454.80
	Total C	15301.23	15180.87
	Total (A+B+C)	43298.69	45479.34

NOTES ON FINANCIAL STATEMENTS for the period ended on 31st March, 2016

Note: 3 Long Term Borrowings

A. Secured Loans

(₹ in Lacs)

Sr. No	Particulars	31.03.2016	31.03.2015
1	Term Loans Secured by first charge on Fixed Assets & second charge on current assets of the company & personal guarantee of the promoters	13449.01	15090.32
2	Long Term Maturities of Vehicle loan obligation (Secured by way of hypothecation vehicle financed)	6.20	0.55
	Total	13455.20	15090.86

3.1 Maturity Profile of Term Loans are as set below: (₹ in Lacs)

1-2 Years	2-3 Years	3-4 Years
2181.00	2668.90	2513.00

3.2 Maturity Profile of Vehicle Loan obligation are as set below: (₹ in Lacs)

1-2 Years	2-3 Years	3-4 Years
1.38	1.52	1.68

B. Unsecured Loans

(₹ in Lacs)

Sr. No	Particulars	31.03.2016	31.03.2015
1	Foreign Currency Convertible Bonds	3882.26	3368.94
2	Loan from Promoters	1765.12	1765.12
	Total	5647.38	5134.06

Note: 4 Deferred Tax Liability (net)

(₹ in Lacs)

Sr. No	Particulars	31.03.2016	31.03.2015
1	Deferred Tax Liability	1658.66	1477.82
	Total	1658.66	1477.82

Note: 5 Other Long Term Liabilities

(₹ in Lacs)

Sr. No	Particulars	31.03.2016	31.03.201
1	Security Retained from Staff	18.17	18.73
2	Security Retained from Contractors	36.15	36.55
3	Security in lieu of C Form	9.05	8.90
4	Security from Stockist	-	4.91
	Total	63.37	69.09

Note: 6 Long Term Provisions

(₹ in Lacs)

Sr. No	Particulars	31.03.2016	31.03.2015
1	Provision For Employees Benefit		
	Provision for Gratuity	231.00	223.38
	Provision for Leave Encashment	147.85	155.01
	Total	378.85	378.39

NOTES ON FINANCIAL STATEMENTS for the period ended on 31st March, 2016

Note: 7 Short Term Borrowings (Secured Loans)

(₹ in Lacs)

Sr. No	Particulars	31.03.2016	31.03.2015
1	Working Capital Loan from Bank Secured by first charge on current assets of the company & second charge on fixed assets & further secured by personal Guarantee of promoters.	11508.59	11539.90
	Total	11508.59	11539.90

Note: 8 Trade Payables

(₹ in Lacs)

Sr. No	Particulars	31.03.2016	31.03.2015
1	Micro, Small and Medium Enterprises	58.25	63.40
2	Others	2331.99	2512.81
	Total	2390.24	2576.21

Note: 9 Other Current Liabilities

(₹ in Lacs)

Sr. No	Particulars	31.03.2016	31.03.2015
1	Current Maturities of Long Term debts	2079.63	129.20
2	Current Maturities of Vehicle Loan Obligation	1.85	0.68
3	Advance From Customers	388.14	78.10
4	Creditors for Capital Expenditure	66.44	122.04
5	Unclaimed Dividends	33.13	45.56
6	Creditor For Expenses	310.72	112.91
7	Other Payable	783.53	910.84
	Total	3663.43	1399.35

9.1 Other payables includes salary payable, sales tax, TDS payable and all other payables.

Note: 10 Short Term Provisions

(₹ in Lacs)

Sr. No	Particulars	31.03.2016	31.03.2015
1	Provision for Taxation	-	40.72
2	Provision for Gratuity	44.54	41.76
3	Provision for Leave Encashment	12.95	13.34
4	Provision for MIT	103.62	84.95
5	Provision for Excise Duty on Finished Goods	35.68	10.00
	Total	196.79	190.77

NOTES ON FINANCIAL STATEMENTS for the period ended on 31st March, 2016

Note: 11 Fixed Asset

(₹ in Lacs)

Sr. No	Particulars	Useful Life	Gross Block				Depreciation				Net Block	
			Value at the beginning	Addition during the year	Deduction during the year	Value at the end	Value at the beginning	Addition during the year	Deletion during the year	Value at the end	WDV as on 31.03.2016	WDV as on 31.03.2015
I	Tangible Assets											
1	Land		922.94	-		922.94	-	-		-	922.94	922.94
2	Building	30	4467.77	65.14		4532.91	1031.07	156.25		1187.32	3345.59	3436.70
3	Building for R & D	30	1299.80	2.90		1302.70	329.64	45.33		374.97	927.73	970.16
4	Plant & Machinery	20	8373.98	386.78		8760.77	2318.94	464.95		2783.89	5976.87	6055.04
5	R & D Pilot Plant	20	1123.13	112.42		1235.54	239.98	62.71		302.69	932.86	883.15
6	R & D Equipment	15	4178.59	525.28		4703.87	1150.18	359.06		1509.23	3194.63	3028.41
7	Computer, I.T and Communication Equipment	3 & 6	2398.72	265.75		2664.47	1779.01	351.24		2130.25	534.22	619.71
8	D G Set	10	215.27	-		215.27	141.00	16.65		157.65	57.62	74.27
9	Electrical Installation	10	826.67	76.96		903.63	345.03	133.33		478.36	425.27	481.64
10	Furniture & Fixture	10	625.48	53.44		678.93	297.29	86.28		383.57	295.36	328.19
11	Lab Equipment	10	2353.05	369.61		2722.66	630.32	290.81		921.14	1801.53	1722.73
12	Misc. Fixed Assets	15	620.34	33.20		653.54	180.39	45.26		225.65	427.90	439.95
13	Office Equipment/ Security Equipment	5	429.89	22.23		452.13	279.27	67.69		346.96	105.16	150.62
14	Pollution Control	15	509.00	40.40		549.41	103.41	29.36		132.77	416.63	405.60
15	Vehicles	8	472.95	9.82	12.86	469.92	392.28	43.01	10.64	424.64	45.28	80.68
	TOTAL		28817.59	1963.94	12.86	30768.68	9217.80	2151.93	10.64	11359.09	19409.59	19599.79
	(PREVIOUS YEAR)		26576.79	2240.80	-	28817.59	6760.89	2456.87	0.00	9217.76	19599.83	19815.90
II	Capital Work-in-progress											
1	Building Under Construction		6537.87								6945.27	6537.87
2	Plant & Machinery		290.41								50.11	290.41
3	Electrical		15.20								30.53	15.20
4	R & D Block		185.23								49.61	185.23
	TOTAL		7028.71								7075.51	7028.71
	(PREVIOUS YEAR)		6156.33								7028.71	4366.92
III	Intangible Assets											
1	Patent IPR Technologies	15	21822.86	1944.85	-	23767.71	6401.74	1275.07	-	7676.81	16090.90	15421.12
2	Product & Process Development	15	10609.70	915.22	-	11524.93	3053.39	619.82	-	3673.21	7851.71	7556.31
	TOTAL		32432.56	2860.08	-	35292.63	9455.13	1894.89	-	11350.02	23942.61	22977.43
	(PREVIOUS YEAR)		28984.03	3448.52	-	32432.55	7190.92	2264.21	-	9455.13	22977.42	21793.12
IV	Intangible Assets Under Development		800.91								961.50	800.91
	TOTAL		800.91								961.50	800.91
	(PREVIOUS YEAR)		623.59								800.91	623.59

NOTES ON FINANCIAL STATEMENTS for the period ended on 31st March, 2016

Note: 12 Non Current Investment

A. Other Investments

(₹ in Lacs)

Sr. No	Particulars	31.03.2016	31.03.2015
1	In the Equity Shares of WOS Unquoted, fully paid up Venus Pharma GmbH	2873.61	2873.61
	Total	2873.61	2873.61

Note: 13 Long Term Loans and Advances

(Unsecured, Considered good)

(₹ in Lacs)

Sr. No	Particulars	31.03.2016	31.03.2015
1	Security Deposit	55.02	46.06
2	Mat Credit	-	5119.25
3	In Licensing of Technology	3234.77	3425.77
	Total	3289.79	8591.08

Note: 14 Inventories

(As taken, valued and certified by the management)

(₹ in Lacs)

Sr. No	Particulars	31.03.2016	31.03.2015
1	Raw Material	8650.39	9156.15
2	Work-in-Progress	2490.13	2545.54
3	Finished Goods	2512.20	2240.14
4	Consumables	5.01	7.90
5	Stores & Spares	4.22	5.21
6	Printing & Stationary	3.76	3.85
7	Goods-in-transit		
	a) Raw Material	68.60	69.55
	b) Packing Material	35.03	15.40
	Total	13769.33	14043.73

14.1 Inventories are valued as per method described in significant accounting policies.

Note: 15 Trade Receivables

(Unsecured, Considered good)

(₹ in Lacs)

Sr. No	Particulars	31.03.2016	31.03.2015
1	Outstanding for more than six months	21.96	79.76
2	Others	5366.53	5857.26
	Total	5388.49	5937.02

14.1 The Company has sent letter of balance confirmation to all the parties but only a few have responded so far. So the balance in the party accounts whether in debit or credit are subject to reconciliation.

NOTES ON FINANCIAL STATEMENTS for the period ended on 31st March, 2016

Note: 16 Cash & Cash Equivalent

(₹ in Lacs)

Sr. No	Particulars	31.03.2016	31.03.2015
1	Cash-in-Hand		
	Cash Balance	6.77	4.56
	Foreign Exchange in Hand	1.52	1.19
	Sub Total (A)	**8.29**	**5.75**
2	Bank Balance		
	In current Accounts	21.23	63.65
	Sub Total (B)	**21.23**	**63.65**
3	Fixed Deposits		
	Fixed Deposit being Margin Money	274.85	282.65
	Sub Total (C)	**274.85**	**282.65**
	Total [A + B +C]	**304.37**	**352.05**

16.1 Balance with Banks includes Unclaimed Dividend of ₹33.13 Lacs (Previous Year ₹45.56 Lacs).

16.2 An amount of ₹274.85 Lacs (Previous Year ₹282.65 Lacs) is held with Banks as margin money for Bank Guarantees/ Letter of Credit.

Note: 17 Short Terms Loans and Advances

(Unsecured, Considered Good)

Sr. No	Particulars	31.03.2016	31.03.2015
1	Balance with Revenue Authorities under Indirect Taxes	188.23	2.35
2	Loan to Staff	2.61	45.90
3	Other Loans & Advances (Advance Recoverable in cash or in kind or for value to be considered good)	3381.51	2227.41
4	Income Tax Refund	2818.23	-
	Total	**6390.58**	**2275.66**

17.1 Other Loans and Advances includes Advances to suppliers, Prepaid Expenses & TDS Receivable etc.

Note: 18 Revenue from Operations

(₹ in Lacs)

Sr. No	Particulars	31.03.2016	31.03.2015
1	Sale of products (Net)	39698.40	44974.53
2	Income from research activities	238.22	160.06
3	Other Operating Revenue	332.87	52.92
	Total	**40269.48**	**45187.51**

18.1 Other Operating Revenue includes ₹332.87 Lacs received / receivable from Government as Export Incentives.

NOTES ON FINANCIAL STATEMENTS for the period ended on 31st March, 2016

Note: 19 Other Income

(₹ in Lacs)

Sr. No	Particulars	31.03.2016	31.03.2015
1	Bank Interest	37.44	26.04
2	Misc. Income (Recovery & Income)	18.62	19.29
3	Insurance Claim Received	2.56	1.67
4	Income from Sales of Scrap	7.93	7.59
	Total	66.54	54.58

Note: 20 Cost of Material Consumed

(₹ in Lacs)

Sr. No	Particulars	31.03.2016	31.03.2015
	Opening Stock		
	- Raw Material	9156.15	8621.75
	Add : Purchases	23694.04	26973.30
	Total	32850.18	35595.05
	Less : Closing Stock	8650.39	9156.15
	Total	24199.79	26438.90

20.1 Detail Of Material Consumed

Sr. No	Particulars	31.03.2016		31.03.2015	
		Kgs.	(₹ in Lacs)	Kgs.	(₹ in Lacs)
1	Cephalosporins / FDC	47806	4773.48	51368	4973.70
2	Carbapenem	7151	6097.89	4163	5135.59
3	Anti-Cancer	464	2716.36	244	3734.42
4	Other Material	-	6093.47	-	6808.63
5	Packing Material	-	4518.60	-	5786.56
	Total	55421.00	24199.79	55775.00	26438.90

20.2 Particulars of Material Consumed

Sr. No	Particulars	(₹ in Lacs)	(% Consumed)	(₹ in Lacs)	(% Consumed)
1	Imported	8385.30	(34.65)	8174.52	(30.92)
2	Indigenous	15814.49	(65.35)	18264.38	(69.08)
	Total	24199.79	(100)	26438.90	(100)

Note: 21 Change in Inventories

(₹ in Lacs)

Sr. No	Particulars	31.03.2016	31.03.2015
1	Opening Stock		
	- Finished Goods	2240.14	2490.62
	-Work In Progress	2545.54	2947.84
	Total (A)	4785.68	5438.46
2	Closing Stock		
	- Finished Goods	2512.20	2240.14
	- Work in progress	2490.13	2545.54
	Total (B)	5002.33	4785.68
	Change in Inventories (A-B)	(216.65)	652.78

Note: 22 Employee Benefit Expenses

(₹ in Lacs)

Sr. No	Particulars	31.03.2016	31.03.2015
1	Salaries & Wages	2280.13	2493.44
2	Contribution to Provident Fund and other funds	147.96	163.03
3	Staff Welfare Expenses	74.34	69.08
	Total	2502.42	2725.55

22.1 Reconciliation of fair value of assets and obligations

(₹ in Lacs)

Sr. No	Particulars	31-03-2016	31.03.2015
1	Gratuity		
	Fair Value of Plan Assets	-	-
	Present value of obligation	275.54	265.14
	Amount recognised in balance Sheet	275.54	265.14
2	Leave Encashment		
	Fair Value Of Plan Assets	-	-
	Present value of obligation	160.80	168.35
	Amount recognised in balance Sheet	160.80	168.35

As per Accounting Standard 15"Employee Benefits", the disclosures as defined in the Accounting Standard are given below :

The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method , which recognised each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

22.2 Reconciliation of fair value of assets and obligations

(₹ in Lacs)

Sr. No	Particulars	31-03-2016	31.03.2015
1	Gratuity		
	Current Service Cost	35.75	40.94
	Interest Cost	21.21	18.41
	Net Actuarial (gain)/loss recognised in the period	(10.69)	(11.09)
	Expense recognised in the P&L Statement	46.27	48.26
2	Leave Encashment		
	Current Service Cost	48.94	65.73
	Interest Cost	13.47	11.93
	Net Actuarial (gain)/loss recognised in the period	(39.54)	(41.11)
	Expense recognised in the P&L Statement	22.87	36.54

Note: 23 Financial Cost

(₹ in Lacs)

Sr. No	Particulars	31.03.2016	31.03.2015
1	Interest Expenses	3212.85	3133.07
2	Exchange Fluctuation	274.60	583.04
3	Other Borrowing Cost	186.54	354.21
	Total	3673.99	4070.33

NOTES ON FINANCIAL STATEMENTS for the period ended on 31st March, 2016

Note: 24 Depreciation & Amortised Cost

(₹ in Lacs)

Sr. No	Particulars	31.03.2016	31.03.2015
1	Depreciation	2151.93	2209.87
2	Amortisation of Intangible Assets	1894.89	2264.21
	Total	4046.82	4474.08

Note: 25 Other Expenses

A. Manufacturing Expenses

(₹ in Lacs)

Sr. No	Particulars	31.03.2016	31.03.2015
1	Power & Fuel	289.72	328.40
2	Consumables	96.46	108.49
3	Repair & Maintenance		
	- Building	22.38	17.56
	- Electrical	8.33	7.51
	- Plant & Machinery	42.03	54.44
4	Other Manufacturing Expenses	71.79	99.09
	Total	530.72	615.50

B. Administration Expenses

(₹ in Lacs)

Sr. No	Particulars	31.03.2016	31.03.2015
1	Rent	1.35	1.24
2	Rates, Fee & Taxes	7.16	4.21
3	Insurance	26.18	29.31
4	Legal and Professional Expenses	53.30	54.98
5	Postage, Telex & Telegram	2.48	2.66
6	Printing & Stationery	18.70	25.65
7	Telephone Expenses	26.38	28.70
8	Traveling & Conveyance:		
	- Staff	42.04	42.88
	- Directors	12.54	14.58
	- Others	0.51	4.41
9	Running, Repair & Maintenance :		
	- Vehicles	64.38	77.86
	- Computer	10.05	10.07
	- Others	6.38	7.70
10	Auditors' Fees	12.40	12.17
11	Directors Remuneration	195.49	192.10
12	Other Administrative Expenses	112.75	167.02
13	Other Corporate Expenses	66.81	122.73
	Total	658.89	798.25

C. Selling and Distribution Expenses (₹ in Lacs)

Sr. No	Particulars	31.03.2016	31.03.2015
1	Discount / Commission	1107.88	872.58
2	Other Selling Expenses	835.41	689.87
3	Advertisement & Sales Promotion	968.48	1601.08
4	Sample Distribution	149.61	116.43
5	Incentive to Field Force	16.58	59.09
6	Traveling and conveyance Field Staff (Incl. Hotel)	490.86	715.84
	Total	3568.82	4054.89

D. Research and Development Expenses (₹ in Lacs)

Sr. No	Particulars	31.03.2016	31.03.2015
1	Remuneration of R & D Staff	434.63	457.06
2	R & D Expenses	225.27	231.58
3	Material used for Development of new products	320.47	425.73
4	R & D Consumables	89.64	93.93
	Total	1070.01	1208.31
	GRAND TOTAL	5828.44	6676.95

26. The previous year figures have been re-arranged and re-grouped where ever found necessary.

27. The company operates only in one business segment viz "Pharmaceutical Formulation" and is engaged in manufacturing and trading of medicines. Since in the opinion of management, the inherent nature of activities engaged by the company are governed by the same set of risks and rewards, so these have been grouped and identified as a single segment in accordance with the Accounting Standard on Segment Reporting (AS-17) issued by ICAI.

28. Earning per Share (AS-20)

The calculation of Earning per share (EPS) are based on the earnings and number of shares as computed below:

Profit after Tax	₹1,20,36,777	₹4,54,79,637
	No. of shares as on 31.03. 2016	No. of shares as on 31.03. 2015
Weighted average number of shares in calculating the basic EPS	1,14,41,988	1,14,41,988
Weighted average number of shares in calculating Diluted EPS	1,14,41,988	1,14,41,988
Earning per share (Face value ₹10 /each)		
Earning per share - Basic in ₹	1.05	3.97
Earning per share - Diluted in ₹	1.05	3.97

26. During the year, the company has undertaken a review of all fixed assets in line with the requirements of AS-28 on "Impairment of Assets" issued by the Institute of Chartered Accountant of India. Based on such review, no provision for impairment is required to be recognized for the year.

30. In the opinion of the board, and to the best of their knowledge and belief, the value on realization of the current assets, loans & advance shown in the Balance Sheet in the ordinary course of business will be at least equal to the amount at which they are stated in the Balance Sheet and provision for all known and determined liabilities has been made.

31. As per the provisions of FCCB agreement, the FCCB was to be converted into equity shares by 01-02-2015. However, the bond holder have not exercise their option to convert the bonds into equity shares. Therefore, the company has made the provision of interest amount in the books of accounts.

NOTES ON FINANCIAL STATEMENTS for the period ended on 31st March, 2016

32. During the previous year the CDR package as approved by the Corporate Debt Restructuring Cell (CDR Cell) as on 25.11.2014 is under implementation in the company.

Lenders with the approval of CDR EG shall have the right to recompense the reliefs / sacrifices / waivers extended by respective CDR lenders as per the CDR guidelines. The recompense payable is contingent on various factors including improved performance of the company and many other conditions, the outcome of which is currently materially uncertain. The tentative recompense amount upto 31.03.2016 comes to ₹17.63 Crs. (previous year ₹12.47 Crs.).

33. As per section 135 of the Companies Act, 2013, company is required to spend 2% of average net profit of preceding three years on CSR activities. During the year there was a sharp fall in the liquidity position of the company due to dip in the sales & profitability specially in overseas markets, loss of tenders, stiff competition in generic product market, foreign exchange fluctuations resulting in rupees devaluation etc. During the financial year 2015-16 the financial position of the company was not Good.

Due to liquidity problem, Company had to go for restructuring of its bank debts under Corporate Debt Restructuring (CDR) mechanism.

Therefore, due to unfavourable financial health and being under debt restructuring as per CDR mechanism, Company could not spend on CSR activities.

34. The figures in the Balance Sheet and Profit & Loss Account for the year have been rounded off to nearest lacs.

35. Payments to Auditors

(₹ in Lacs)

Sr. No	Particulars	Current Year	Previous Year
1	Statutory Audit Fees	9.26	9.26
2	Tax Audit Fees	1.57	1.57
	Add: Service Tax	1.57	1.33
	Total	12.40	12.16

36. Value of Imports on CIF Basis in respect of

(₹ in Lacs)

Sr. No	Particulars	Current Year	Previous Year
1	Raw & Packing Material	8583.29	8214.55
2	Capital Goods	-	3.64

37. Expenditure in Foreign Exchange

(Currency in Lacs)

Particulars		Current Year	Previous Year
Salary	USD	1.33	1.50
Traveling	USD	0.08	(0.03)
	EURO	0.03	-
Regulatory Fee for Patent / Products & Plant Registration / Export	USD	10.56	11.60
	AUD	0.003	0.05
	EURO	0.03	0.66
	JPY	0.20	5.64
Subscription / Publication	USD	0.002	0.002
Commission / Incentive	USD	0.26	0.74
	EURO	0.11	0.03

NOTES ON FINANCIAL STATEMENTS for the period ended on 31st March, 2016

38. Earnings in Foreign Exchange

Value of Export on FOB Basis (Currency in Lacs)

Sr. No.	Particulars		Current Year	Previous Year
1	Sales	USD	64.92	52.84
		EURO	102.10	96.16
2	R & D Activities	USD	1.89	1.06
		EURO	0.18	1.39

39. Related Party Disclosures:

As per As – 18, the disclosures of transactions with related parties during the year are given below. (₹ in Lacs)

Related Party Relation ship	Subsidiaries	Associates	Key managerial Personnel	Current Year	Previous Year
Sales & Others	7314.89	39.48		7354.37	7420.91
Purchases and Others	60.86	116.91		177.77	390.79
Remuneration to Directors /KMP			195.48	195.48	192.09
Advance paid / (Recovered) for in licensing of Technology		(191.00)		(191.00)	(1567.20)

Names of related parties and description of relationship:

1.	Wholly Owned Subsidiary	Venus Pharma GmbH
2.	Associates	Sunev Pharma Solutions Limited
		Spine Software Systems Pvt Limited
3.	Key Management Personnel	Mr.Pawan Chaudhary
		Mrs. Manu Chaudhary
		Mr. Peeyush Jain
		Mr. Ashutosh Jain

41. Contingent Liabilities and Commitments

(₹ in Lacs)

Particulars	Current Year	Previous Year
Contingent Liabilities	9.26	9.26
a) Letter of Credit / Bank Guarantees – Inland	137.40	222.98
b) Bank Guarantees foreign	30.09	1.25
c) Letter of credit – Foreign	9.55	126.00
d) Tax demand pending in appeal	23.16	208.03

Auditors' Report In term of our separate report of even date annexed here to.

For J. K. Jain & Associates
Chartered Accountants
Firm Registration No. 004025N

For and on behalf of the Board of Directors

(J.K. Jain)
Partner
M. No. : 083140

(Peeyush Jain)
Deputy Managing Director

(Pawan Chaudhary)
Chairman cum Managing Director

Place : Panchkula
Date : 28.05.2016

(Neha Kodan)
Company Secretary

(Ajeet Kapoor)
GM Accounts

VENUS PHARMA GmbH GERMANY

Sr. No.	Particulars	31.03.2016		31.03.2015	
		Euro in lacs	₹ in lacs	Euro in lacs	₹ in lacs
1	Share capital	0.25	18.77	0.25	16.88
2	Reserves & surplus	(20.22)	(1,518.70)	(21.00)	(1,418.40)
3	Total assets	56.21	4221.09	45.61	3,078.93
4	Total Liabilities	56.21	4221.09	45.61	3,078.93
5	Turnover	131.28	9361.00	112.50	8,442.23
6	Profit before taxation	0.78	49.52	0.63	61.28
7	Provision for taxation	NIL	NIL	NIL	NIL
8	Profit after taxation	0.78	49.52	0.63	61.28
9	Proposed Dividend	NIL	NIL	NIL	NIL

Independent Consolidated Auditor's Report

To The Members of
VENUS REMEDIES LIMITED
Panchkula

Report on the Financial Statements

1. We have audited the accompanying Consolidated financial statements of M/s Venus Remedies Ltd. and its wholly owned subsidiary, Venus Pharma GMBH which comprise the Consolidated Balance Sheet as at March 31, 2016, and the Consolidated Statement of Profit and Loss and Consolidated 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

2. The management and Board of Directors of the Company are responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ('the act') with respect to the preparation of these consolidated financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with rule 7 of Companies (Accounts) Rules, 2014. This responsibility includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; design, implementation and maintenance of adequate internal financial controls, that are 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

3. Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit of Venus Remedies Limited, in accordance with auditing Standards generally accepted in India and also we have conducted audit of subsidiary, Venus Pharma GMBH according to generally accepted audit Standards in Germany i.e "International Accounting Standards". 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.

4. 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, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's management and Board of Directors, as well as evaluating the overall presentation of the financial statements.

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

Opinion

6. In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with International Accounting Standard (IFRS) issued by International Accounting Standard which are generally accepted in Germany.

a) in the case of the Consolidated Balance Sheet, of the state of affairs of the Company as at March 31, 2016;

b) in the case of the Consolidated Statement of Profit and Loss, of the profit/ loss for the year ended on that date; and

c) in the case of the Consolidated Cash Flow Statement, of the cash flows for the year ended on that date.

Subject to the following:

(i) The Company has gone for Debt Restructuring and the CDR Cell has approved its CDR package. The Company is repaying the debt as per the approved package, however the company could not serve the interest and principal (FITL) repayments amounting ₹270.94 lacs to financial institutions and Banks.

Report on Other Legal and Regulatory Requirements

7. As required by section 143(3) of the Act, we further report that:

a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;

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

c) the Consolidated Balance Sheet, Consolidated Statement of Profit and Loss, and Consolidated Cash Flow Statement dealt with by this Report are in agreement with the books of account.

d) in our opinion, the Consolidated Balance Sheet, Consolidated Statement of Profit and Loss, and Consolidated Cash Flow Statement comply with the applicable Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules 2014;

For J.K. JAIN & ASSOCIATES
Chartered Accountants
FRN: 004025N

(J.K. JAIN)
Partner
M. No. : 083140

Place: Panchkula
Date : 28.05.2016

CONSOLIDATED BALANCE SHEET as at 31st March, 2016

(₹ in Lacs)

Particulars	Note No.	Figures as at the end of 31.03.2016	Figures as at the end of 31.03.2015
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share Capital	1	1144.20	1144.20
(b) Reserves and Surplus	2	42618.19	44524.22
(2) Non-Current Liabilities			
(a) Long-Term Borrowings	3	19104.59	20229.42
(b) Deferred Tax Liabilities (Net)	4	1658.66	1477.82
(c) Other Long term Liabilities	5	63.37	69.09
(d) Long Term Provisions	6	378.85	378.39
(3) Current Liabilities			
(a) Short-Term Borrowings	7	12332.35	11539.90
(b) Trade Payables	8	2513.64	2956.30
(c) Other Current Liabilities	9	4270.87	1595.98
(d) Short-Term Provisions	10	196.79	190.77
Total		84281.50	84106.11
II. ASSETS			
(1) Non-Current Assets			
(a) Fixed Assets	11		
(i) Tangible Assets		21178.79	21255.99
(ii) Capital Work in Progress		7075.51	7028.71
(iii) Intangible Assets		24068.97	23108.72
(iv) Intangible Assets under Development		961.50	800.91
(b) Long term loans and advances	12	3289.79	8591.08
(2) Current Assets			
(a) Inventories	13	14328.78	14286.54
(b) Trade receivables	14	6158.86	6321.50
(c) Cash and cash equivalents	15	707.11	361.51
(d) Short-term loans and advances	16	6512.18	2351.15
Total		84281.50	84106.11
Significant Accounting Policies and Notes on Accounts	1 to 39		

Notes and Significant Accounting Policies referred to above and annexed there to form an integral part of Balance Sheet This is the Balance Sheet referred to in our report of even date.

AUDITOR'S REPORT
As per our separate report of even date

For J. K. Jain & Associates
Chartered Accountants
Firm Registration No. 004025N

For and on behalf of the Board of Directors

(J.K. Jain)
Partner
M. No. : 083140

(Peeyush Jain)
Deputy Managing Director

(Pawan Chaudhary)
Chairman cum Managing Director

Place : Panchkula
Date : 28.05.2016

(Neha Kodan)
Company Secretary

(Ajeet Kapoor)
GM Accounts

CONSOLIDATED STATEMENT OF PROFIT & LOSS for the Period ended on 31st March, 2016

(₹ in Lacs)

Sr. No	Particulars	Note No.	Figures as on 31.03.2016	Figures as on 31.03.2015
I	Revenue from operations	17	41826.81	46399.07
II	Other Income	18	200.76	68.03
III	Total Revenue (I +II)		42027.57	46467.09
IV	Expenses:			
	Cost of materials consumed	19	24203.57	26438.90
	Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	20	(353.29)	455.49
	Employee Benefit Expenses	21	3244.10	3236.22
	Finance Costs	22	3797.99	4121.36
	Depreciation and Amortization Expenses	23	4168.11	4599.69
	Other Expenses	24	6616.37	7350.65
	Total Expenses (IV)		41676.84	46202.31
V	Profit before Tax	(III - IV)	350.73	264.78
VI	Tax expense:			
	(1) Current tax		-	40.72
	(2) Deferred tax		180.84	(251.29)
	(3) Mat Credit		-	(40.72)
VII	Profit/(Loss) for the period		169.88	516.07
VIII	Earning per equity share : Basic earning per share		1.48	4.51

Notes and Significant Accounting Policies referred to above and annexed there to form an integral part of statement of Profit & Loss
This is the statement of Profit & Loss referred to in our report of even date.

For J. K. Jain & Associates
Chartered Accountants
Firm Registration No. 004025N

For and on behalf of the Board of Directors

(J.K. Jain)
Partner
M. No. : 083140

(Peeyush Jain)
Deputy Managing Director

(Pawan Chaudhary)
Chairman cum Managing Director

Place : Panchkula
Date : 28.05.2016

(Neha Kodan)
Company Secretary

(Ajeet Kapoor)
GM Accounts

CONSOLIDATED CASH FLOW STATEMENT for the Period ended on 31st March, 2016

(₹ in Lacs)

PARTICULARS		As on 31.03.2016	As on 31.03.2015
A)	CASH FLOW FROM OPERATING ACTIVITIES		
	Net Profit before tax & extraordinary items	350.73	264.79
	Adjustment for Depreciation	4157.47	4599.69
	Increase in Long Term Provision for Gratuity & Leave encashment	0.46	47.00
	Adjustment of excess MAT Transferred to General Reserve	(2301.02)	(375.21)
	Exchange Fluctuation	348.47	571.82
	Interest Received	(37.57)	(26.06)
	Interest Paid	3473.07	3538.31
	Operating Profit before working capital changes	**5991.61**	**8620.34**
	Adjustments for increase /decrease in Current Assets	(3932.80)	385.84
	Decrease / Increase in Current Liabilities/ Provisions	2629.26	(2225.70)
	Net Operating Cash Flow before adjusting tax and extraordinary items	**4688.07**	**6780.48**
	Net Cash Flow from operating activities (A)	**4688.07**	**6780.48**
B)	CASH FLOW FROM INVESTING ACTIVITIES		
	Sale/Purchase of Fixed Assets Including	(27.82)	(3.29)
	Capitalization of Expenses(NET)	(4971.76)	(5866.64)
	Increase/ Decrease in Capital work in progress	(46.80)	(872.38)
	Interest Received	37.57	26.06
	Proceeds from loans and advances	5301.29	(1.62)
	Net Cash Flow from Investing Activities (B)	**292.48**	**(6717.87)**
C)	CASH FLOW FROM FINANCING ACTIVITIES		
	Interest Paid	(3473.07)	(3538.31)
	Proceeds from Long Term Borrowing(Net)	(1130.56)	2864.27
	Proceeds from Short term Borrowing(Net)	(31.32)	532.23
	Net Cash from Financing Activities (C)	**(4634.95)**	**(141.81)**
	Net Increase in Cash & Cash Equivalents (A+B+C)	**345.60**	**(79.20)**
	Cash & Cash Equivalents as at 31.03.2016	707.11	-
	Cash & Cash Equivalents as at 31.03.2015	361.51	-
	Cash & Cash Equivalents as at 31.03.2014	-	440.71
	Cash & Cash Equivalents as at 31.03.2015	-	361.51

AUDITOR'S REPORT
As per our separate report of even date

For J. K. Jain & Associates
Chartered Accountants
Firm Registration No. 004025N

(J.K. Jain)
Partner
M. No. : 083140

Place : Panchkula
Date : 28.05.2016

For and on behalf of the Board of Directors

(Peeyush Jain)
Deputy Managing Director

(Pawan Chaudhary)
Chairman cum Managing Director

(Neha Kodan)
Company Secretary

(Ajeet Kapoor)
GM Accounts

SIGNIFICANT ACCOUNTING POLICIES TO THE CONSOLIDATED FINANCIAL STATEMENTS as on 31st March 2016.

Principles of Consolidation

1. The consolidated financial statements relates to Venus Remedies Limited ('the Company') and its subsidiary "Venus Pharma GmbH" ('the Subsidiary'). The consolidated financial statements have been prepared on the following basis:

   a) The financial statements of the Company and its subsidiary company are combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra-group transactions resulting in unrealized profits or losses in accordance with Accounting Standard (AS) 21-"Consolidated Financial Statements" issued by the Institute of Chartered Accountants of India.

   b) In case of foreign subsidiary, being non-integral foreign operations, revenue items are consolidated at average rate prevailing during the year. All assets and liabilities are converted at rates prevailing at the end of the year. Any exchange difference arising on consolidation is recognized in the exchange fluctuation reserve.

   c) The difference between the cost of investment in the subsidiaries, over the net assets at the time of acquisition of shares in the subsidiaries is recognized in the financial statements as Goodwill or Capital Reserve as the case may be.

   d) The difference between the proceeds from disposal of investment in a subsidiary and the carrying amount of its assets less liabilities as of the date of disposal is recognized in the consolidated statement of Profit and loss account as the profit or loss on disposal of investment in subsidiary.

   e) In case of associated companies where the company directly or indirectly through subsidiaries holds more than 20% of equity, Investments in associates are accounted for using equity method in accordance with accounting Standard (AS) 23-"Accounting for investments in associates in consolidated financial statements "issued by the Institute of Chartered Accountants of India.

   f) The Company accounts for its share in the change in the net assets of the associates, post acquisition, after eliminating unrealized profits and losses resulting from transactions between the Company and its associated to the extent of its share, through its profit and loss account to the extent such change is attributable to the associated' profit and loss account and through its reserves for the balance, based on available information.

   g) As far as possible, the consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the Company's separate financial statements.

2. Investment other than in subsidiaries and associates has been accounted as per Accounting Standard (AS-13) on "Accounting for Investments".

3. Other significant accounting policies:-
   These are set out under "Significant Accounting Policies" as given in the Unconsolidated Financial Statements of Venus Remedies Limited and its subsidiary.

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS for the year ended on 31st March 2016.

Note: 1 Share Capital

(₹ in Lacs)

Sr. No	Particulars	31.03.2016	31.03.2015
1	AUTHORIZED SHARE CAPITAL		
	15000000 Equity Shares of ₹10/- each. (Previous Year 15000000 Equity Shares of ₹10/- each)	1500.00	1500.00
		1500.00	1500.00
2	ISSUED, SUBSCRIBED & PAID UP CAPITAL		
	1,14,41,988 Equity Shares of ₹10/- each, Fully paid up (Previous year 1,14,41,988 Equity Shares of ₹10/- each)	1144.20	1144.20
	Total	1144.20	1144.20

1.2 The details of Shareholders holding more than 5% shares:

Sr. No	Name of Shareholders	31.03.2016 No. of Shares (%)	31.03.2015 No. of Shares (%)
1	Sunev Pharma Solutions Limited	2300000 (20.10%)	2300000 (20.10%)
2	Pawan Chaudhary	680000 (5.94%)	680000 (5.94%)
3	Manu Chaudhary	750000 (6.55%)	750000 (6.55%)

1.3 The reconciliation of the number of shares outstanding is set out below:

Sr. No	Particulars	31.03.2016 No. of Shares	31.03.2015 No. of Shares
1	Equity Shares at the beginning of the year	11441988	11441988
2	Add: Shares issued during the year	-	-
	Equity Shares at the end of the year	11441988	11441988

Note: 2 Reserve & Surplus

(₹ in Lacs)

Sr. No	Particulars	31.03.2016	31.03.2015
1	Securities Premium		
	As per last Balance Sheet	6851.15	6851.15
	Total A	6851.15	6851.15
2	General Reserve		
	As per last Balance Sheet	23447.32	24020.14
	Add : Mat Credit for Previous Years	(2301.02)	(375.21)
	Less : Assets W/Off	-	(197.61)
	Total B	21146.30	23447.32
3	Foreign Exchange Translation Reserve		
	As per Last Balance Sheet	79.47	515.04
	Add: During the year	767.82	(435.58)
	Total	847.29	79.47
4	Surplus (Profit & Loss Account)		
	As per last Balance Sheet	13603.56	13630.21
	Add: Profit for the period	169.88	516.07
	Total C	13773.45	14,146.29
	Total (A+B+C)	42618.19	44524.22

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS for the year ended on 31st March 2016.

Note: 3 Long Term Borrowings

A. Secured Loans

(₹ in Lacs)

Sr. No	Particulars	31.03.2016	31.03.2015
1	Term Loans Secured by first charge on Fixed Assets & second charge on current assets of the company & personal guarantee of the promoters	13449.01	15090.32
2	Long Term Maturities of Vehicle loan obligation	8.20	5.05
	Total	13457.21	15095.36

3.1 Maturity Profile of Term Loans are as set below: (₹ in Lacs)

1-2 Years	2-3 Years	3-4 Years
2181.00	2668.90	2513.00

3.2 Maturity Profile of Vehicle Loan obligation are as set below: (₹ in Lacs)

1-2 Years	2-3 Years	3-4 Years
3.38	1.52	1.68

B. Unsecured Loans

(₹ in Lacs)

Sr. No	Particulars	31.03.2016	31.03.2015
	Bonds		
1	Foreign Currency Convertible Bonds	3882.26	3368.94
2	Loan from Promoters	1765.12	1765.12
	Total	5647.38	5134.06

Note: 4 Deferred Tax Liability (net)

(₹ in Lacs)

Sr. No	Particulars	31.03.2016	31.03.2015
1	Deferred Tax Liability	1658.66	1477.82
	Total	1658.66	1477.82

Note: 5 Other Long Term Liabilities

(₹ in Lacs)

Sr. No	Particulars	31.03.2016	31.03.201
1	Security Retained from Staff	18.17	18.73
2	Security Retained from Contractors	36.15	36.55
3	Security in lieu of C Form	9.05	8.90
4	Security from Stockist	-	4.91
	Total	63.37	69.09

Note: 6 Long Term Provisions

(₹ in Lacs)

Sr. No	Particulars	31.03.2016	31.03.2015
1	Provision For Employees Benefit		
	Provision for Gratuity	231.00	223.38
	Provision for Leave Encashment	147.85	155.01
	Total	378.85	378.39

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS for the year ended on 31st March 2016.

Note: 7 Short Term Borrowings (Secured Loans)

(₹ in Lacs)

Sr. No	Particulars	31.03.2016	31.03.2015
1	**Working Capital Loan from Bank** Secured by first charge on current assets of the company & second charge on fixed assets & further secured by personal Guarantee of Promoters	12332.35	11539.90
	Total	12332.35	11539.90

Note: 8 Trade Payables

(₹ in Lacs)

Sr. No	Particulars	31.03.2016	31.03.2015
1	Micro, Small and Medium Enterprises	58.25	63.40
2	Others	2455.39	2892.90
	Total	**2513.64**	**2956.30**

Note: 9 Other Current Liabilities

(₹ in Lacs)

Sr. No	Particulars	31.03.2016	31.03.2015
1	Current Maturities of Long Term debts	2079.63	304.73
2	Current Maturities of Vehicle Loan Obligation	4.85	3.38
3	Advance From Customers	112.10	78.10
4	Creditors for Capital Expenditure	66.44	122.04
5	Unclaimed Dividends	33.13	45.56
6	Creditor For Expenses	310.72	112.91
7	Other Payable	1664.00	929.25
	Total	**4270.87**	**1595.98**

Note: 10 Short Term Provisions

(₹ in Lacs)

Sr. No	Particulars	31.03.2016	31.03.2015
1	Provision for Taxation	-	40.72
2	Provision for Gratuity	44.54	41.76
3	Provision for Leave Encashment	12.95	13.34
4	Provision for MIT	103.62	84.95
5	Provision for Excise Duty on Finished Goods	35.68	10.00
	Total	**196.79**	**190.77**

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS for the year ended on 31st March 2016.

Note: 11 Fixed Asset – Parent Company

(₹ in Lacs)

Sr. No	Particulars	Useful Life	Gross Block				Depreciation				Net Block	
			Value at the beginning	Addition during the year	Deduction during the year	Value at the end	Value at the beginning	Addition during the year	Deletion during the year	Value at the end	WDV as on 31.03.2016	WDV as on 31.03.2015
I	Tangible Assets											
1	Land		922.94	-		922.94	-	-		-	922.94	922.94
2	Building	30	4467.77	65.14		4532.91	1031.07	156.25		1187.32	3345.59	3436.70
3	Building for R & D	30	1299.80	2.90		1302.70	329.64	45.33		374.97	927.73	970.16
4	Plant & Machinery	20	8373.98	386.78		8760.77	2318.94	464.95		2783.89	5976.87	6055.04
5	R & D Pilot Plant	20	1123.13	112.42		1235.54	239.98	62.71		302.69	932.86	883.15
6	R & D Equipment	15	4178.59	525.28		4703.87	1150.18	359.06		1509.23	3194.63	3028.41
7	Computer, I.T and Communication Equipment	3 & 6	2398.72	265.75		2664.47	1779.01	351.24		2130.25	534.22	619.71
8	D G Set	10	215.27	0.00		215.27	141.00	16.65		157.65	57.62	74.27
9	Electrical Installation	10	826.67	76.96		903.63	345.03	133.33		478.36	425.27	481.64
10	Furniture & Fixture	10	625.48	53.44		678.93	297.29	86.28		383.57	295.36	328.19
11	Lab Equipment	10	2353.05	369.61		2722.66	630.32	290.81		921.14	1801.53	1722.73
12	Misc. Fixed Assets	15	620.34	33.20		653.54	180.39	45.26		225.65	427.90	439.95
13	Office Equipment/ Security Equipment	5	429.89	22.23		452.13	279.27	67.69		346.96	105.16	150.62
14	Pollution Control	15	509.00	40.40		549.41	103.41	29.36		132.77	416.63	405.60
15	Vehicles	8	472.95	9.82	12.86	469.92	392.28	43.01	10.64	424.64	45.28	80.68
	TOTAL		28817.59	1963.94	12.86	30768.68	9217.80	2151.93	10.64	11359.09	19409.59	19599.79
	(PREVIOUS YEAR)		26576.79	2240.80	-	28817.59	6760.89	2456.87	-	9217.76	19599.83	19815.90
II	Capital Work-in-progress											
1	Building Under Construction		6537.87								6945.27	6537.87
2	Plant & Machinery		290.41								50.11	290.41
3	Electrical		15.20								30.53	15.20
4	R & D Block		185.23								49.61	185.23
	TOTAL		7028.71								7075.51	7028.71
	(PREVIOUS YEAR)		6156.33								7028.71	4366.92
III	Intangible Assets											
1	Patent IPR Technologies	15	21822.86	1944.85	-	23767.71	6401.74	1275.07	-	7676.81	16090.90	15421.12
2	Product & Process Development	15	10609.70	915.22	-	11524.93	3053.39	619.82	-	3673.21	7851.71	7556.31
	TOTAL		32432.56	2860.08	-	35292.63	9455.13	1894.89	-	11350.02	23942.61	22977.43
	(PREVIOUS YEAR)		28984.03	3448.52	-	32432.55	7190.92	2264.21	-	9455.13	22977.42	21793.12
IV	Intangible Assets Under Development		800.91								961.50	800.91
	TOTAL		800.91								961.50	800.91
	(PREVIOUS YEAR)		623.59								800.91	623.59

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS for the year ended on 31st March 2016.

Note: 11 Fixed Asset – Subsidiary Company

(₹ in Lacs)

Sr. No	Particulars	Useful Life	Gross Block				Depreciation				Net Block	
			Value at the beginning	Addition during the year	Deduction during the year	Value at the end	Value at the beginning	Addition during the year	Deletion during the year	Value at the end	WDV as on 31.03.2016	WDV as on 31.03.2015
I	Tangibles											
1	Land	-	210.17			210.17	-	-		-	210.17	188.94
2	Building	33	1,993.02			1,993.02	558.04	59.79		617.83	1,375.19	1,290.04
3	Building Premises	10	42.35			42.35	37.49	4.24		41.73	0.62	4.37
4	Out Door Facilities	15	131.76			131.76	57.15	8.78		65.94	65.82	67.27
5	Plant & Machinery	13	165.96			165.96	118.91	12.77		131.67	34.29	42.30
6	Plant & Equipment – I	3	10.16			10.16	9.39	0.26		9.65	0.51	0.42
7	Plant & Equipment – II	10	56.13			56.13	12.42	5.60		18.02	38.10	39.36
8	Plant & Equipment – III	5	1.47			1.47	1.09	-		1.09	0.38	0.34
9	Plant & Equipment – IV	8	9.65	4.00		13.65	8.80	1.57		10.37	3.28	0.65
10	Plant & Equipment – V	6	7.42			7.42	4.48	1.24		5.72	1.71	2.67
11	Plant & Equipment – VI	7	3.70	9.69		13.39	0.74	1.68		2.42	10.96	2.66
12	Plant & Equipment – VII	14	-	14.27		14.27	-	0.68		0.68	13.59	-
13	Warehouse Equipment – I	11	0.69			0.69	0.56	0.06		0.63	0.07	0.12
14	Warehouse Equipment – II	15	17.64			17.64	9.97	1.18		11.14	6.49	6.89
15	Computer	3	2.93			2.93	2.86	0.04		2.89	0.04	0.06
16	Computer	2	0.15			0.15	0.01	0.07		0.09	0.06	0.12
17	Miscellaneous Fixed Assets	5	9.07	0.11	0.25	8.93	7.64	0.54		8.18	0.75	0.61
18	Office Equipment / F & F	10	8.71			8.71	7.72	0.87		8.59	0.12	0.89
19	CAR	2	6.76			6.76	6.01	0.00		6.01	0.75	0.68
20	Vehicle	5	11.80			11.80	3.15	2.36		5.51	6.29	7.80
	SUB TOTAL (A)		2689.54	28.07	0.25	2717.36	846.44	101.72		948.16	1769.20	1656.20
II	Intangibles											
1	Intellectual Property Rights	5	373.79			373.79	227.87	19.57		247.44	126.36	131.29
	SUB TOTAL (B)		373.79	-	-	373.79	227.87	19.57	-	247.44	126.36	131.29
	TOTAL (A+B)		3063.33	28.07	0.25	3091.15	1074.31	121.29	-	1195.60	1895.56	1787.50
	(Previous Year)		2,750.56	3.29	-	2,753.85	840.75	125.61	-	966.36	1,787.50	2,336.55

Note: 12 Non Current Investment

(Unsecured, Considered good)

(₹ in Lacs)

Sr. No	Particulars	31.03.2016	31.03.2015
1	Security Deposit	55.02	46.06
2	Mat Credit	-	5119.25
3	In Licensing of Technology	3234.77	3425.77
	Total	3289.79	8591.08

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS for the year ended on 31st March 2016.

Note: 13 Inventories

(₹ in Lacs)

Sr. No	Particulars	31.03.2016	31.03.2015
1	Raw Material	8650.39	9156.15
2	Work-in-Progress	2490.13	2545.54
3	Finished Goods	2926.20	2482.95
4	Consumables	5.01	7.90
5	Stores & Spares	4.22	5.21
6	Printing & Stationary	3.76	3.85
7	Goods-in-transit		
	a) Raw Material	150.90	69.55
	b) Packing Material	35.03	15.40
	c) Finished Goods	145.45	-
	Total	14411.09	14286.54

13.1 Inventories are valued as per method described in significant accounting policies.

Note: 14 Trade Receivables

(Unsecured, Considered good)

(₹ in Lacs)

Sr. No	Particulars	31.03.2016	31.03.2015
1	Outstanding for more than six months	21.96	79.76
2	Others	6136.90	6241.74
	Total	6158.86	6321.50

14.1 The Parent company has sent letter of balance confirmation to all the parties but only a few have responded so far. So the balance in the party accounts whether in debit or credit are subject to reconciliation.

Note: 15 Cash & Cash Equivalent

(₹ in Lacs)

Sr. No	Particulars	31.03.2016	31.03.2015
1	Cash-in-Hand		
	Cash Balance	7.72	4.94
	Foreign Exchange in Hand	1.52	1.19
	Sub Total (A)	9.24	6.13
2	Bank Balance		
	In current Accounts	423.02	72.73
	Sub Total (B)	423.02	72.73
3	Fixed Deposits		
	Fixed Deposit being Margin Money	274.85	282.65
	Sub Total (C)	274.85	282.65
	Total [A + B +C]	707.11	361.51

15.1 Balance with Banks includes Unclaimed Dividend of ₹33.13 Lacs (Previous Year ₹45.56 Lacs).

15.2 An amount of ₹274.85 Lacs (Previous Year ₹282.65 Lacs) is held with Banks as margin money for Bank Guarantees/ Letter of Credit.

Note: 16 Short Terms Loans and Advances

(Unsecured, Considered Good)

(₹ in Lacs)

Sr. No	Particulars	31.03.2016	31.03.2015
1	Balance with Revenue Authorities under Indirect Taxes	306.42	76.14
2	Loan to Staff	2.61	45.90
3	Other Loans & Advances (Advance Recoverable in cash or in kind or for value to be considered good)	3384.92	2229.11
4	Income Tax Refund	2818.23	-
	Total	6512.18	2351.15

16.1 Other Loans and Advances includes Advances to suppliers, Prepaid Expenses & TDS Receivable etc.

Note: 17 Revenue from Operations

(₹ in Lacs)

Sr. No	Particulars	31.03.2016	31.03.2015
1	Sale of products	41255.72	46186.09
2	Income from research activities	238.22	160.06
3	Other Operating Revenue	332.87	52.92
	Total	41826.81	46399.07

Note: 18 Other Income

(₹ in Lacs)

Sr. No	Particulars	31.03.2016	31.03.2015
1	Bank Interest	37.56	26.06
2	Misc. Income (Recovery & Income)	152.71	22.44
3	Insurance Claim Received	2.56	3.56
4	Income from Sales of Scrap	7.93	7.59
5	Income from Sale of Assets	-	8.39
	Total	200.76	68.03

Note: 19 Cost of Material Consumed

(₹ in Lacs)

Sr. No	Particulars	31.03.2016	31.03.2015
	Opening Stock		
	- Raw Material	9156.15	8621.75
	Add: Purchases	23697.81	26973.30
	Total	32853.95	35595.05
	Less: Closing Stock	8650.39	9156.15
	Total	24203.57	26438.90

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS for the year ended on 31st March 2016.

Note: 20 Change in Inventories

(₹ in Lacs)

Sr. No	Particulars	31.03.2016	31.03.2015
1	Opening Stock		
	- Finished Goods	2496.94	2563.24
	-Work In Progress	2545.54	2947.84
	Total (A)	5042.13	5511.08
2	Closing Stock		
	- Finished Goods	2905.29	2510.04
	- Work in progress	2490.13	2545.54
	Total (B)	5,395.42	5,055.59
	Change in Inventories (A-B)	(353.29)	455.49

Note: 21 Employee Benefit Expenses

(₹ in Lacs)

Sr. No	Particulars	31.03.2016	31.03.2015
1	Salaries & Wages	2882.86	2905.37
2	Contribution to Provident Fund and other funds	285.24	260.66
3	Staff Welfare Expenses	76.00	70.19
	Total	3244.10	3236.22

22.1 Reconciliation of fair value of assets and obligations

(₹ in Lacs)

Sr. No	Particulars	As on 31-03-2016	31.03.2015
1	Gratuity		
	Fair Value of Plan Assets	-	-
	Present value of obligation	275.54	265.14
	Amount recognised in Balance Sheet	275.54	265.14
2	Leave Encashment		
	Fair Value Of Plan Assets	-	-
	Present value of obligation	160.80	168.35
	Amount recognised in Balance Sheet	160.80	168.35

As per Accounting Standard 15"Employee Benefits", the disclosures as defined in the Accounting Standard are given below :

The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method , which recognised each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

22.2 Expenses recognised during the year

Sr. No	Particulars	As on 31-03-2016	31.03.2015
1	Gratuity		
	Current Service Cost	35.75	40.94
	Interest Cost	21.21	18.41
	Net Actuarial (gain)/loss recognised in the period	(10.69)	(11.09)
	Expense recognised in the P&L Statement	46.27	48.26
2	Leave Encashment		
	Current Service Cost	48.94	65.73
	Interest Cost	13.47	11.93
	Net Actuarial (gain)/loss recognised in the period	(39.54)	(41.11)
	Expense recognised in the P&L Statement	22.87	36.54

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS for the year ended on 31st March 2016.

Note: 22 Financial Cost

(₹ in Lacs)

Sr. No	Particulars	31.03.2016	31.03.2015
1	Interest Expenses	3262.01	3155.56
2	Exchange Fluctuation	324.92	583.04
3	Other Borrowing Cost	211.07	382.76
	Total	3797.99	4121.36

Note: 23 Depreciation & Amortised Cost

(₹ in Lacs)

Sr. No	Particulars	31.03.2016	31.03.2015
1	Depreciation	2253.65	2298.99
2	Amortisation of Intangible Assets	1914.46	2300.69
	Total	4168.11	4599.69

Note: 24 Other Expenses

A. Manufacturing Expenses

(₹ in Lacs)

Sr. No	Particulars	31.03.2016	31.03.2015
1	Power & Fuel	400.96	379.73
2	Consumables	235.98	180.22
3	Repair & Maintenance		
	- Building	41.59	26.72
	- Electrical	8.33	7.51
	- Plant & Machinery	52.93	61.03
	- Lab	0.00	7.96
4	Other Manufacturing Expenses	89.45	151.33
	Total	829.24	814.49

B. Administration Expenses

(₹ in Lacs)

Sr. No	Particulars	31.03.2016	31.03.2015
1	Rent	8.49	7.56
2	Rates, Fee & Taxes	16.06	21.67
3	Insurance	38.82	45.57
4	Legal and Professional Expenses	84.21	99.89
5	Postage, Telex & Telegram	4.16	3.84
6	Printing & Stationery	20.91	27.79
7	Telephone Expenses	29.66	31.84
8	Traveling & Conveyance:		
	- Staff	42.04	42.88
	- Directors	12.54	14.58
	- Others	0.51	4.41
9	Running, Repair & Maintenance :		
	- Vehicles	72.02	86.02
	- Computer	19.01	10.38
	- Others	7.09	9.64
10	Auditors' Fees	17.39	18.25
11	Directors Remuneration	195.49	192.10
12	Other Administrative Expenses	134.94	187.83
13	Other Corporate Expenses	66.81	122.73
	Total	770.15	926.96

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS for the year ended on 31st March 2016.

C. Selling and Distribution Expenses (₹ in Lacs)

Sr. No	Particulars	31.03.2016	31.03.2015
1	Discount / Commission	1107.88	872.58
2	Other Selling Expenses	1205.41	1025.43
3	Advertisement & Sales Promotion	968.56	1601.43
4	Sample Distribution	149.61	116.43
5	Incentive to Field Force	16.58	59.09
6	Traveling and conveyance Field Staff (Incl. Hotel)	498.92	725.91
	Total	3946.97	4400.88

D. Research and Development Expenses (₹ in Lacs)

Sr. No	Particulars	31.03.2016	31.03.2015
1	Remuneration of R & D Staff	434.63	457.06
2	R & D Expenses	225.27	231.58
3	Material used for Development of new products	320.47	425.73
4	R & D Consumables	89.64	93.93
	Total	1070.01	1208.31
	GRAND TOTAL	6616.37	7350.65

25. Auditor's Remuneration

(₹ in Lacs)

Sr. No	Particulars	Current Year	Previous Year
1	Statutory Audit Fees	9.26	9.26
2	Tax Audit Fees	1.57	1.57
	Add: Service Tax	1.57	1.33
	Total	12.40	12.16

26. In the Parent Company disclosure as required by AS-18 (Related Party) issued by ICAI.

(i) List of related parties where control exist and related parties with whom transactions have taken place and relationship:

Sr. No	Name of Related Party	Relationship
1	Sunev Pharma Solutions Ltd. Spine Software Systems Pvt. Limited	Associates
2	Venus Pharma Gmbh	Wholly Owned Subsidiary
3	Mr. Pawan Chaudhary Mrs. Manu Chaudhary Mr. Peeyush Jain Mr. Ashutosh Jain	Key Managerial Personnel

(ii) List of related parties where control exist and related parties with whom transactions have taken place and relationship:

Related Party Relation ship	Associates	Key managerial Personnel	Current Year	Previous Year
Sales & Others	39.48		39.48	31.23
Purchases and Others	116.91		116.91	356.23
Remuneration to Directors /KMP		195.48	195.48	192.09
Advance paid / (Recovered) for in licensing of Technology	(191.00)		(191.00)	(1567.20)

(ii) Remittance in foreign currency on account of dividend

(₹ in Lacs)

Particulars	Current Year	Previous Year
Number of Non Residents Share Holders	Nil	Nil
Number of Equity Shares held by them	Nil	Nil
(I) Amount of dividend paid	Nil	Nil
(ii) Tax Deducted at Source	Nil	Nil
(iii) Year to which the dividend relates	2014-15	2013-14

27. The Parent company operates only in one business segment viz. "Pharmaceutical Formulation" and is engaged in manufacturing and trading of medicines. Since in the opinion of management, the inherent nature of activities engaged by the company are governed by the same set of risks and rewards, so these have been grouped and identified as a single segment in accordance with the Accounting Standard on Segment Reporting (AS-17) issued by ICAI.

28. In the opinion of the board, and to the best of their knowledge and belief, the value on realization of the current assets, loans & advance shown in the Balance Sheet in the ordinary course of business will be at least equal to the amount at which they are stated in the Balance Sheet and provision for all known and determined liabilities has been made.

29. The wholly Owned Subsidiary "Venus Pharma GmbH" was operated at Werne, Gernany, Accordingly, the Balance Sheet of Wholly Owned Subsidiary has been consolidated along with the Parent Company in accordance with the Accounting Standard on Consolidated Financial Statement" (AS-21)

30. The audited/unaudited financial statements of foreign subsadaries/ associates have been prepared in accordance with Generally Accepted Principles of its Country of Incorporation or International Financial Reporting Standards. The differences in accounting policies of the company and its subsidiaries are not material.

31. Contingent Liabilities

(Not provided for in the books of accounts)

(In the books of Parent Company)

(₹ in Lacs)

Particulars	Current Year	Previous Year
Contingent Liabilities		
a) Letter of Credit / Bank Guarantees – Inland	137.4	222.98
b) Bank Guarantees foreign	30.09	1.25
c) Letter of credit – Foreign	9.55	126.00
d) Tax demand pending in appeal	23.16	208.03

There is no liability in the books of Subsidiary Company.

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS for the year ended on 31st March 2016.

32. During the year, both the parent & subsidiary company has undertaken a review of all fixed assets in line with the requirements of AS-28 on "Impairment of Assets" issued by the Institute of Chartered Accountants of India. Based on such review, no provision for impairment is required to be recognized for the year.

33. Inter company material in transit amounting ₹145.45 Lacs as on 31.03. 2016 has been shown under the head inventories. Refer Note No 13.

34. The figures in the Balance Sheet and Profit & Loss Account for the year have been rounded off to nearest multiple of rupee in lacs.

35. In the books, Parent company has provided for gratuity and leave encashment as per valuation which was done as required under accounting standard (AS-15) "accounting for retirement benefits". Whereas in subsidiary the Employee law prevailing in the state are complied with.

36. The parent company the policy to amortize the patent and trademarks over the period of 15 years as the estimated normal usefull life of the patent is 15 years., whereas the Intangible assets of Venus Pharma Gmbh (wholly owned subsidiary) has been written off over a period of 5 years.

37. During the previous year the parent company`s CDR package as approved by the Corporate Debt Restructuring Cell (CDR Cell) as on 25.11.2014 is under implementation.

    Lenders with the approval of CDR EG shall have the right to recompense the reliefs/ sacrifices / waivers extended by respective CDR lenders as per the CDR guidelines. The recompense payable is contingent on various factors including Improved performance of the company and many other conditions the outcome of which is currently materially uncertain. The tentative recompense amount upto 31.03.2016 comes to ₹17.63 Crs. (previous year ₹12.47 Crs.).

38. As per the provisions of FCCB agreement, the FCCB was to be converted into equity shares by 01-02-2015. However, the bond holder have not exercise their option to convert the bonds into equity shares. Therefore, the company has made the provision of interest amount in the books of accounts.

39. As per section 135 of the Companies Act, 2013, company is required to spend 2% of average net profit of preceding three years on CSR activities. During the year there was a sharp fall in the liquidity position of the company due to dip in the sales & profitability specially in overseas markets, loss of tenders, stiff competition in generic product market, foreign exchange fluctuations resulting in rupees devaluation etc. During the financial year 2015-16 the financial position of the company was not Good.

    Due to liquidity problem, Company had to go for restructuring of its bank debts under Corporate Debt Restructuring (CDR) mechanism.

    Therefore, due to unfavourable financial health and being under debt restructuring as per CDR mechanism, Company could not spend on CSR activities.

Auditors' Report In term of our separate report of even date annexed here to.

For J. K. Jain & Associates
Chartered Accountants
Firm Registration No. 004025N

For and on behalf of the Board of Directors

(J.K. Jain)
Partner
M. No. : 083140

(Peeyush Jain)
Deputy Managing Director

(Pawan Chaudhary)
Chairman cum Managing Director

Place : Panchkula
Date : 28.05.2016

(Neha Kodan)
Company Secretary

(Ajeet Kapoor)
GM Accounts

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CORPORATE INFORMATION

Board of Directors

Mr. Pawan Chaudhary, *Chairman & Managing Director*

Dr. (Mrs.) Manu Chaudhary, *Joint Managing Director*

Mr. Peeyush Jain, *Dy. Managing Director*

Mr. Ashutosh Jain, *Executive Director*

Dr. Gilbert Wenzel, *Non-Executive Director*

Dr. S. K. Chadha, *Non-Executive Director*

Mr. Jagdish Chander, *Non-Executive Director*

Dr. Rupinder Tewari, *Non-Executive Director*

Bankers

State Bank of India

IDBI Bank Ltd

Allahabad Bank

HDFC Bank

Union Bank of India

Kotak Mahindra Bank

Statutory Auditors

M/s J. K. Jain & Associates

Internal Auditors

M/s Prem Garg & Associates

Cost Auditors

M/s C. L. Bansal & Associates

Corporate Advisor

Mr. Atul V. Sood

Registered Office

S.C.O. 857, C. No. 10, IInd Floor, NAC Manimajra
Chandigarh - 160101 (INDIA)
Corporate Office and Unit - I
CIN: L24232CH1989PLC009705
Plot 51-52, Industrial Area, Phase-I,
Panchkula (Haryana) - 134 113 (INDIA)
www.venusremedies.com
info@venusremedies.com

Unit II

Hill Top Industrial Estate,
Near Jharmajri, E.P.I.P.
Phase - I, (Extention) Village Bhatoli Kalan,
Baddi, Himachal Pradesh - 173 205 (INDIA)

Venus Medicine Research Centre

Hill Top Industrial Estate,
Near Jharmajri, E.P.I.P.
Phase - I, (Extention) Village Bhatoli Kalan,
Baddi, Himachal Pradesh - 173 205 (INDIA)

Wholly owned Subsidiary

Venus Pharma GmbH
Am Bahnhof 1-3,D-59368
Werne, Germany
Website: www.venuspharma.de

Board Committees

Audit Committee
Stakeholder Relationship Committee
Nomination & Remuneration Commitee
Executive Committee of Board of Directors

Registrar and Share Transfer Agent

Link Intime India Pvt. Ltd.
44 Community Center, 2nd Floor
Naraina Industrial Area, Phase I
Near PVR, Naraina
New Delhi - 110028
Email Address : delhi@linkintime.co.in

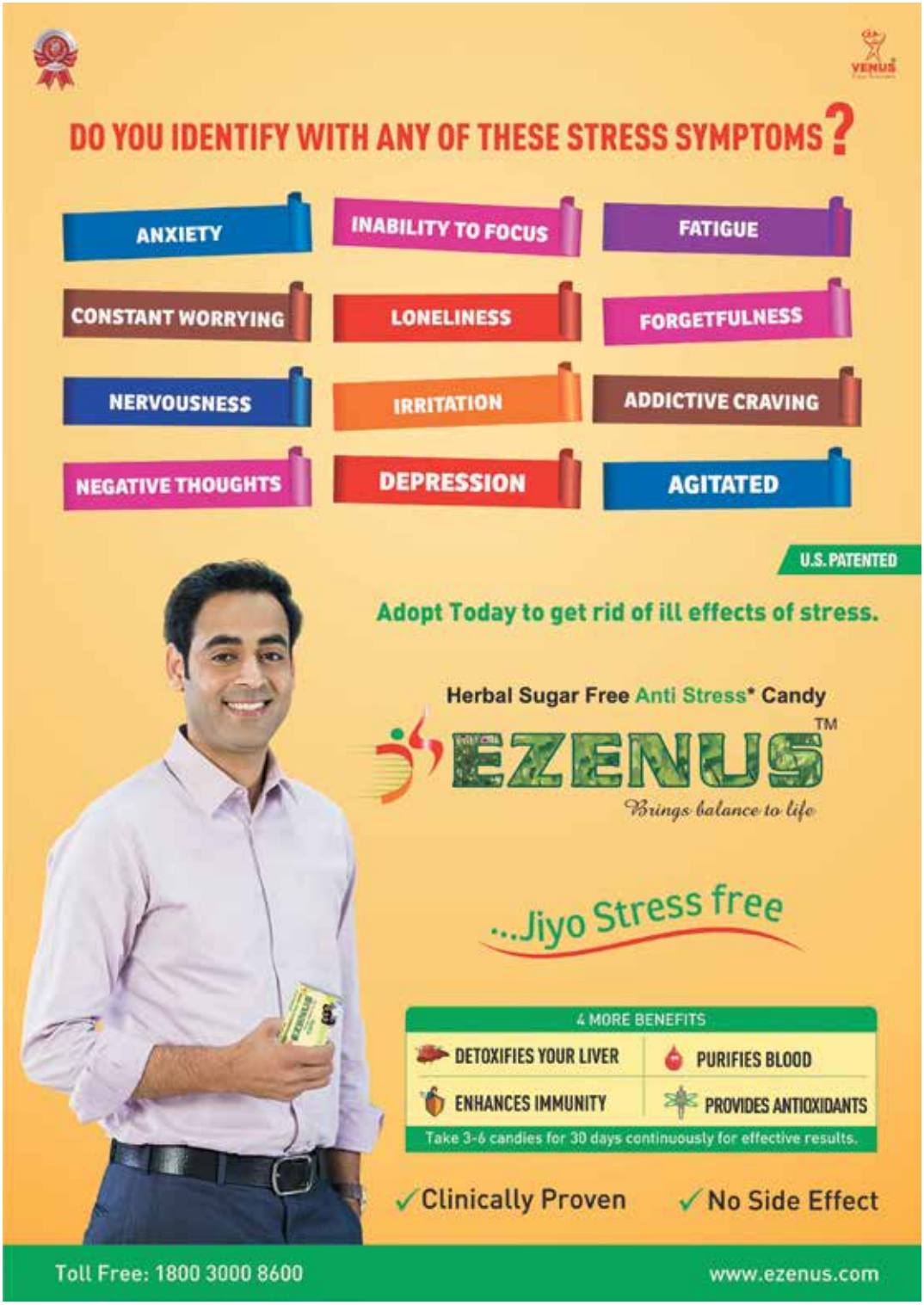
Visit us at

www.venusremedies.com
www.vmrcindia.com
www.venuspharma.de

Cautionary statement

In this annual report we have disclosed forward-looking information to enable investors to comprehend our prospects and take informed investment decisions. This report may contain forwardlooking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipates', 'estimates', 'expects', 'projects', 'intends', 'plans', 'believes', and words of similar substance in connection with any discussion on future performance.

We cannot guarantee that these forward-looking statements will be realised, although we believe we have been prudent in our assumptions. The achievement of results is subject to risks, uncertainties and estimates taken as assumptions. Should known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Readers should bear this in mind.



VENUS REMEDIES LIMITED

Registered Office:
SCO 857, Cabin No. 10, 2nd Floor,
NAC Manimajra Chandigarh (U.T.) 160101, India

Corporate Office:
51-52, Industrial Area, Phase-1, Panchkula, Haryana - 134113, India
CIN: L24232CH1989PLC009705
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