RPG LIFE SCIENCES LIMITED

April 28, 2017

The Manager
Listing Department
National Stock Exchange of India Limited
Exchange Plaza, 5th Floor
Plot No. C1, 'G' Block, Bandra-Kurla Complex
Bandra (East), Mumbai 400 051.

BSE Limited
Corporate Relationship Department Flo
25, P.J. Towers
Dalal Street
Mumbai 400 001.

Dear Sirs,

Sub: Audited Financial Results for the quarter and year ended March 31, 2017

(Scrip Code: RPGLIFE / 532983)

Please find enclosed herewith Audited Financial Results for the quarter and year ended March 31, 2017 which were approved and taken on record by the Board of Directors of the Company at their meeting held on April 28, 2017.

In terms of Regulation 33(3)(d) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we states that the report of auditors is with unmodified opinion with respect to the Audited Financial Results of the Company for the year ended March 31, 2017.

Kindly take the above on your record.

Thanking you,

Yours faithfully,
For RPG Life Sciences Limited

Rajesh Shirambekar
Head – Legal & Company Secretary

RPG LIFE SCIENCES LIMITED MUMBAI 400 030.

Encl: As above

Regd. Off.: RPG House, 463, Dr. Annie Besant Road, Worli, Mumbai 400030, India
Tel: +91-22-24981650 / 66606375 ♦ Fax: +91-22-24970127
E-mail : info@rpglifesciences.com ♦ Web: www.rpglifesciences.com
CIN : L24232MH2007PLC169354

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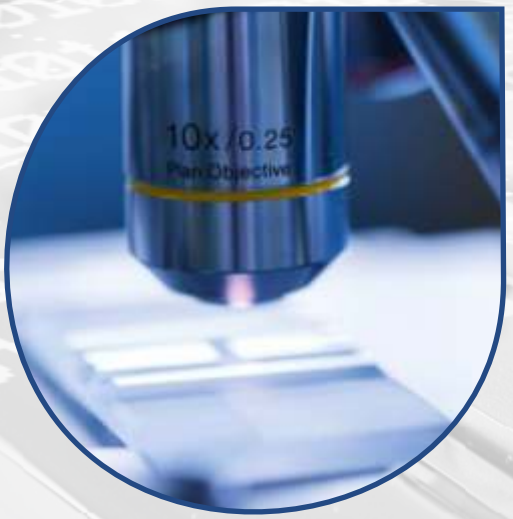
RPG



ANNUAL REPORT 2016-17

RPG LIFE SCIENCES

BOARD OF DIRECTORS

Mr. H. V. Goenka	Chairman
Mr. C. L. Jain	
Dr. Lalit S. Kanodia	
Mr. Mahesh S. Gupta	
Mr. Manoj K. Maheshwari	
Mr. Narendra Ambwani	
Ms. Zahabiya Khorakiwala	
Mr. Yugal Sikri	
Mr. Sachin Nandgaonkar	
Mr. CT. Renganathan	Managing Director

MANAGEMENT TEAM

Mr. CT. Renganathan	Managing Director
Mr. B. M. Sundaram	Business Head – API, International & Nephrocare
Mr. Satessh Siingh	Vice President - Sales & Marketing
Dr. Uday Bapat	Chief Technical Advisor
Mr. Mahesh Narayanaswamy	Vice President - Finance
Dr. Nitin Gore	Chief Quality Officer
Ms. Suchitra Tiwari	Head- Regulatory & Project Management
Mr. Tushar Joshi	Head – Human Resources
Mr. Ninad Rawle	Head – Supply Chain
Mr. Himmat Patel	Head - Domestic Manufacturing & Sourcing
Mr. Kartick Patra	Head Operations – API

HEAD – LEGAL & COMPANY SECRETARY

Mr. Rajesh Shirambekar

AUDITORS

Lovelock & Lewes
Chartered Accountants

SOLICITORS

Crawford Bayley & Co.

CORPORATE IDENTIFICATION NUMBER (CIN)

L24232MH2007PLC169354

BANKERS

Union Bank of India
State Bank of India
IDBI Bank
Export-Import Bank of India

REGISTERED OFFICE

RPG House
463, Dr. Annie Besant Road
Worli
Mumbai- 400030
website: www.rpglifesciences.com

REGISTRARS

Link Intime India Pvt. Ltd.
C 101, 247 Park,
L.B.S. Marg, Vikhroli (West)
Mumbai 400 083.

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NOTICE

NOTICE IS HEREBY GIVEN THAT THE TENTH ANNUAL GENERAL MEETING OF THE MEMBERS OF RPG LIFE SCIENCES LIMITED WILL BE HELD ON MONDAY, JULY 24, 2017 AT 2.30 P.M. AT RAVINDRA NATYA MANDIR, P. L. DESHPANDE MAHARASHTRA KALA ACADEMY, SAYANI ROAD, PRABHADEVI, MUMBAI 400 025 TO TRANSACT THE FOLLOWING BUSINESS:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements for the financial year ended March 31, 2017 and the Report of the Directors and Auditors' thereon.
2. To declare dividend for the year ended on March 31, 2017.
3. To appoint a Director in place of Mr. H. V. Goenka (DIN:00026726), who retires by rotation, and being eligible, offers himself for re-appointment.
4. To consider and if thought fit to pass the following resolution as an Ordinary Resolution:

   "RESOLVED THAT pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 and Rules framed thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), and pursuant to the recommendations of the Audit Committee and the Board of Directors, M/s. BSR & Co. LLP, Chartered Accountants (Firm's Registration No. 101248W/W-100022), be and are hereby appointed as Statutory Auditors of the Company in place of M/s. Lovelock & Lewes, Chartered Accountants (Firm's Registration No. 301056E) whose tenure expires at the Tenth Annual General Meeting, at such remuneration plus reimbursement of actual out of pocket expenses, as may be incurred by them in connection with the audit of accounts of the Company, as may be mutually agreed between the Board of Directors/Audit Committee of the Company and the said Auditors.

   RESOLVED FURTHER THAT M/s. BSR & Co. LLP, if appointed shall hold the office for a period of five years, from the conclusion of the Tenth Annual General Meeting till the conclusion of the Fifteenth Annual General Meeting of the Company, subject to ratification by the Members at every Annual General Meeting held after the Tenth Annual General Meeting, and the Board of Directors/Audit Committee of the Company, be and are hereby authorised to do all such acts, deeds, matters and things as may be considered necessary desirable or expedient to give effect to this Resolution."

SPECIAL BUSINESS:

5. To consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

   "RESOLVED THAT Mr. Yugal Sikri (DIN:07576560), who was appointed as an Additional Director of the Company by the Board of Directors with effect from July 27, 2016 and who holds office upto the date of the forthcoming Annual General Meeting under Section 161 of the Companies Act, 2013 ('the Act') and Articles of Association of the Company, but who is eligible for appointment and has consented to act as a Director of the Company and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a shareholder proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company.

   RESOLVED FURTHER THAT pursuant to the provisions of Sections 149, 152, Schedule IV and other applicable provisions of the Act read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. Yugal Sikri, a Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a term of 5 (five) consecutive years from July 24, 2017 to July 23, 2022."

6. To consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

   "RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), M/s. Kirit Mehta & Co. (Registration No.000353), Cost Accountants, appointed by the Board of Directors, to conduct the audit of the cost records of the Company for the financial year ending March 31, 2018, be paid the remuneration as set out in the Explanatory Statement annexed to the Notice convening this Meeting.

   RESOLVED FURTHER THAT the Board of Directors and/or the Company Secretary of the Company be and is hereby authorised to do all acts and take all such steps as may be necessary, proper and expedient to give effect to this resolution."

7. To consider and if thought fit, to pass the following resolution as a Special Resolution:

   "RESOLVED THAT pursuant to the provisions of Section 14 and all other applicable provisions of the Companies Act, 2013 read with the Companies (Incorporation) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), a new set of Articles of Association of the Company, be and is hereby approved and adopted to the entire exclusion of the existing Articles of Association of the Company.

RESOLVED FURTHER THAT any of the Directors or the Company Secretary of the Company be and is hereby, severally, authorized to do all such acts, deeds, matters and things as may be considered necessary, proper or expedient including filing of necessary forms with Ministry of Corporate Affairs or submission of documents with any other authority, for the purpose of giving effect to the aforesaid resolution and for matters connected therewith or incidental thereto."

NOTES:

1. **A SHAREHOLDER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON HIS/ HER BEHALF AND THE PROXY NEED NOT BE A SHAREHOLDER OF THE COMPANY.**

   Pursuant to provisions of Section 105 of the Companies Act, 2013, a person can act as a proxy on behalf of not more than fifty shareholders and holding in aggregate not more than ten percent of the total Share Capital of the Company. Shareholders holding more than ten percent of the total Share Capital of the Company may appoint a single person as proxy, who shall not act as a proxy for any other shareholder. The instrument of proxy, in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not later than 48 hours before the commencement of the meeting.

2. Shareholders/ proxies should bring duly filled attendance slip send herewith to attend the meeting. Proxies submitted on behalf of the companies, societies etc., must be supported by an appropriate resolution/ authority, as applicable.

3. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, which sets out details relating to Special Business at the meeting, is annexed hereto.

4. The Register of Members and Share Transfer Books of the Company will remain closed from Monday, July 17, 2017 to Monday July 24, 2017 (both days inclusive) for annual closing and determining the entitlement of the shareholders to the dividend for 2016-17. The book closure dates have been fixed in consultation with the Stock Exchanges.

5. The dividend for the financial year March 31, 2017, as recommended by the Board, if approved by the shareholders, will be paid on or after Tuesday, July 25, 2017 , to those shareholders whose names stand registered on the Company's Register of Members:
   i. as Beneficial Owners as at the end of business hours on Friday, July 14, 2017 as per the list to be furnished by National Securities Depository Limited and Central Depository Services (India) Limited in respect of shares held in dematerialized form.
   ii. as Members in the Register of Members of the Company after giving effect to valid share transfers lodged with the Company/Registrars and Share Transfer Agents, on or before Friday, July 14, 2017 .

6. Shareholders holding shares in electronic form are hereby informed that bank particulars registered against their respective depository accounts will be used by the Company for payment of dividend. The Company or its Registrars cannot act on any request received directly from the shareholders holding shares in electronic form for any change of bank particulars or bank mandates. Such changes are to be advised only to the Depository Participant of the shareholders.

7. Shareholders holding shares in physical form are requested to notify the change, if any, in their address and bank mandate details to the Registrar and Share Transfer Agent, Link Intime India Pvt. Ltd., C-101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai 400 083.

8. In case of joint holders attending the meeting, the shareholder whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.

9. The details of shares in Unclaimed Suspense Account and dematerialized are as follows:

Particulars	No. of Shareholders	No. of Shares
Aggregate no. as at April 1, 2016	598	74,694
No. of Shareholders who approached the Company for transfer of shares from the Unclaimed Suspense Account during the year	2	1050
No. of shareholders to whom shares were transferred from the Unclaimed Suspense Account during the year	2	1050
Aggregate no. as at March 31, 2017	596	73,644

   The voting rights on the shares outstanding in the suspense account as on March 31, 2017 shall remain frozen till the rightful owner of such shares claims the shares.

10. Details under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in respect of the Director seeking re-appointment at the Annual General Meeting, forms integral part of the Notice. The Director has furnished the requisite declarations for his re-appointment.

11. The Notice of the AGM along with the Annual Report 2016-17 is being sent by electronic mode to those shareholders whose e-mail addresses are registered with the Company/ Depositories, unless any shareholder has requested for a physical copy of the same. For shareholders who have not registered their e-mail addresses, physical copies are being sent by the permitted mode. For any communication, the shareholders may also send requests to the Company's investor email id: investorservices@rpgls.com.

12. Shareholders who have not encashed their dividend warrant for the previous years, may approach the Company or the Registrar & Share Transfer Agent and submit their claim for the said dividend. The amount of dividend remaining unclaimed for a period of seven (7) years shall be transferred to the Investor Education and Protection Fund as per the provisions of Section 125 of the Companies Act, 2013.

13. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Shareholders holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Shareholders holding shares in physical form can submit their PAN details to the Company.

14. Pursuant to the provisions of Section 101 of the Act and Rules made thereunder, the Companies are allowed to send communication to Members electronically. To support the "Green Initiative", we request Members, holding shares in demat form, to kindly register/update your email address with your respective Depository Participants. Further Members, holding shares in physical form, can kindly register/update your email address with the Registrar and Share Transfer Agents of the Company at rnt.helpdesk@linkintime.co.in or with the Company at investorservices@rpgls.com. The registered email address will be used for sending future communications.

15. Shareholders are requested to bring their copy of the Annual Report to the Annual General Meeting.

16. Shareholders seeking any information on the Accounts are requested to write to the Company, which should reach the Company at least one week before the date of the Annual General Meeting so as to enable the Management to keep the information ready. Replies will be provided only at the Annual General Meeting.

17. **Voting through electronic means:**

    In Compliance with provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Company is pleased to provide its shareholders the facility of 'remote e-voting' (e-voting from a place other than venue of the AGM) to exercise their right to vote at the 10th Annual General Meeting (AGM). Necessary arrangements have been made by the Company with Central Depository Services (India) Limited (CDSL) to facilitate remote e-voting.

    The facility of voting either through electronic voting system or ballot paper shall also be made available at the venue of the 10th AGM. The shareholders attending the meeting, who have not already cast their vote through remote e-voting shall be able to exercise their voting rights at the meeting. The shareholders who have already cast their vote through remote e-voting may attend the meeting but shall not be entitled to cast their vote again at the AGM.

    The instructions for shareholders voting electronically are as under:

    (i) The voting period begins on July 21, 2017 (09.00 a.m. IST) and ends on July 23, 2017 (05.00 p.m. IST). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date July 14, 2017 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

    (ii) The shareholders should log on to the e-voting website www.evotingindia.com.

    (iii) Click on Shareholders/Members.

    (iv) Now Enter your User ID

    a. For CDSL: 16 digits beneficiary ID,

    b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

    c. Members holding shares in Physical Form should enter Folio Number registered with the Company.

    (v) Next enter the Image Verification as displayed and Click on Login.

    (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

    (vii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) • Members who have not updated their PAN with the Company/ Depository Participant are requested to use the first two letters of their name and the last 8 digits of the demat account/folio number in the PAN field. In case the folio number is less than 8 digits enter the required number of "0"s before the number after the first two characters of the name in CAPITAL letters. Eg. if your name is Ramesh Kumar with folio number 100 then enter RA00000100 in the PAN field.

Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. • If both the details are not recorded with the depository or company, please enter the number of shares held by you as on the cut-off date in the dividend bank details field.

(viii) After entering these details appropriately, click on "SUBMIT" tab.

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

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

(xi) Click on the EVSN of RPG Life Sciences Limited on which you choose to vote.

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

(xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

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

(xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xvi) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.

(xvii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

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

(xix) Note for Non – Individual Shareholders and Custodians

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

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

18. The voting rights of shareholders shall be in proportion to their shares in the paid up equity share capital of the Company.

19. A copy of this Notice has been placed on the website of the Company and the website of CDSL.

20. Mr. P. N. Parikh or failing him Mr. Mitesh Dhabliwala of M/s. Parikh Parekh & Associates, Practicing Company Secretaries, have been appointed as the Scrutinizers for conducting the remote e-voting and the voting at the AGM in a fair and transparent manner.

21. The results declared along with the Scrutinizer's Report shall be placed on the Company's website (www.rpglifesciences.com) and on the website of CDSL and shall also be communicated to the BSE Limited and National Stock Exchange of India Limited within 48 hours after the AGM.

By Order of the Board of Directors

Rajesh Shirambekar
Head – Legal & Company Secretary

Registered office:
RPG House
463, Dr. Annie Besant Road,
Worli, Mumbai 400 030.

Place: Mumbai
Date: April 28, 2017

EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 5:

Pursuant to the recommendation of the Nomination and Remuneration Committee, the Board of Directors at its meeting held on July 27, 2016 appointed Mr. Yugal Sikri (DIN: 07576560) as an Additional Director who shall hold office on the Board of the Company till the date of the ensuing Annual General Meeting pursuant to the provisions of Section 161 of the Act and rules made thereunder and the Articles of Association of the Company.

A brief profile as required under the Listing Regulations and secretarial standards is given in Annexure to Notice.

The Company has received a notice in writing from a shareholder of the Company along with the deposit of requisite amount under Section 160 of the Act proposing the candidature of Mr. Sikri for the office of Independent Director of the Company.

In the opinion of the Board, Mr. Sikri fulfills the conditions specified in the Act and rules made thereunder for his appointment as an Independent Director of the Company and is independent of the management of the Company.

Having regard to the qualification, knowledge and experience, his appointment as an Independent Director will be in the interest of the Company.

Accordingly, it is proposed to appoint Mr. Sikri as an Independent Director for a term of up to 5 (five) consecutive years effective from July 24, 2017 to July 23, 2022 not being liable to retire by rotation. A copy of the draft letter of appointment of Mr. Sikri setting out the terms and conditions would be available for inspection by the shareholders at the Registered Office of the Company during normal business hours on any working day, excluding Saturday and Sunday. The details of his attending the Board Meetings, amount of sitting fees paid during the year and membership/ Chairmanship of Committees of other boards are provided in the Corporate Governance Report forming part of this annual report. The Board recommends his appointment as a Director and an Independent Director in the interest of the Company.

Except Mr. Sikri, none of the Directors, Key Managerial Personnel of the Company or their relatives are in any way concerned or interested in the said resolution. Mr. Sikri does not hold any shares in the Company.

Item No. 6:

The Board on recommendation of the Audit Committee, has approved the appointment and remuneration of M/s. Kirit Mehta & Co., Cost Auditors, to conduct the audit of the cost records in respect of pharmaceutical activities of the Company for the financial year ending March 31, 2018, on a remuneration not exceeding ₹ 2,95,000/- p.a., exclusive of all taxes and out of pocket expenses. In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the shareholders of the Company. Accordingly, consent of the shareholders is sought for passing an Ordinary Resolution as set out at Item No. 6 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending March 31, 2018. None of the Directors and Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 6 of the Notice.

Item No.7:

The existing Articles of Association ("AoA") are framed based on the erstwhile provisions Companies Act, 1956 and several regulations in the existing AoA contain references to specific sections of the Companies Act, 1956. Further, some regulations in the existing AoA are no longer in conformity with provisions of Companies Act 2013.

With the enactment of the Companies Act 2013 ("the Act") and majority of the Sections of the Act and Rules framed thereunder having been in force, it is considered expedient to replace the existing AoA in full by adoption of necessary new set of AoA so as to align with the provisions of the Act.

The proposed new AoA, the draft of which is being uploaded on the Company's Website for perusal of the Members, shall be available for inspection at the Registered Office of the Company.

The shareholders of the Company can also obtain a copy of the draft new set of AoA by giving a written request to the Secretarial Department at the Registered Office of the Company.

The Board recommends the Resolution at Item No. 7 of the accompanying Notice for approval by the Members of the Company.

None of the Directors and Key Managerial Personnel of the Company and their respective relatives is, in any way, concerned or interested, financially or otherwise, in the Resolution set out at Item No. 7 of the Notice.

By Order of the Board of Directors
For RPG Life Science Limited

Rajesh Shirambekar
Head – Legal & Company Secretary

Registered office:
RPG House
463, Dr. Annie Besant Road,
Worli, Mumbai 400 030.

Place: Mumbai
Date: April 28, 2017

ANNEXURE TO NOTICE

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

[Pursuant to Regulations 26(4) and 36(3) of the Listing Regulations and Secretarial Standards-2 on General Meetings]

Name of the Director	**Mr. H. V. Goenka**	Mr. Yugal Sikri
Date of Birth & Age	December 10, 1957 - 59 Years	January 1, 1957 – 60 Years
Date of first Appointment on the Board	February 6, 2008	July 27, 2016
Qualification	B.A. (HONS), Calcutta University, MBA (IMD, Switzerland)	Bachelor of Pharmacy from Delhi University and post graduation from IIT-BHU (Master of Pharmacy), Jamnalal Bajaj Institute of Management Studies (Master of Marketing Management) as well as certifications from Thunderbird, Harvard Business School and ISB
Expertise in specific functional area	Mr. H. V. Goenka is the Group Chairman of RPG Enterprises, one of the leading and oldest business groups in India. The elder son of late Shri R P Goenka, founder of RPG Group, he has inherited two centuries of entrepreneurial business acumen of the well-known Goenkas of Kolkata. He is a graduate in Economics and an MBA from IMD, Switzerland. He has served as President of the Indian Merchants' Chambers and as member on the Executive Committee of the Federation of Indian Chambers of Commerce and Industry (FICCI). He is currently a member of the Foundation Board of IMD, Lausanne, Switzerland.	Mr. Yugal Sikri's work experiences range from top pharma companies such as GlaxoSmithKline, Pfizer, Novartis as Ranbaxy and RPGLS. His last assignments include Region Head of India, Srilanka and Nepal and Global Head of Marketing (Commercial functions) at Ranbaxy. Mr. Sikri is Chairman of NMIMS, Pharmaceutical Management at School of Business Management and Director, Pharmaceutical Technology Management at School of Pharmacy and Technology Management.
Directorships in other listed companies	1. CEAT Limited 2. Bajaj Electricals Limited 3. Zensar Technologies Limited 4. KEC International Limited	Nil
Memberships of Committees in other listed companies (Includes only Audit & Stakeholders Relationship Committee)	Nil	Nil
No. of shares held in the Company	26,913 equity shares of the Company in his individual capacity and 9,41,459 equity shares in his capacity as a Trustee of Nucleus Life Trust, 1 share each in his capacity as a Trustee of Monitor Portfolio Trust, Stellar Energy Trust, Crystal India Tech Trust, Secura India Trust and Prism Estates Trust.	Nil
Relationship with other Directors and Key Managerial Personnel	Nil	Nil

Note: For other details such as number of meetings of the Board attended during the year, remuneration drawn, etc. Please refer to the Corporate Governance Report section of the Annual Report.

DIRECTORS' REPORT

Your Directors have pleasure in presenting the annual report and audited statement of accounts of the Company for the year ended on March 31, 2017.

1. FINANCIAL RESULTS

The summary of financial performance of the Company for the year under review is given below:

(₹ in Crore)

	2016-17	2015-16
Total Income	**305.00**	**280.10**
Profit before depreciation, interest and tax	**29.72**	**24.26**
Less: Interest	**2.64**	**2.49**
Less: Depreciation	**11.78**	**10.15**
Profit for the year before tax	**15.30**	**11.62**
Add: Exceptional Item	**7.38**	**-**
Profit before tax	**22.68**	**11.62**
Less: Provision for tax (including Deferred Tax)	**2.22**	**-**
Profit for the year after tax	**20.46**	**11.62**
Appropriations:		
Interim Dividend	**-**	**2.65**
Tax on Interim Dividend	**-**	**0.54**
Proposed dividend	**4.63**	**-**
Tax on proposed dividend	**0.94**	**-**

2. DIVIDEND

The Directors recommend a dividend of ₹ 2.80 (35%) per equity share of ₹ 8/- each for the financial year ended March 31, 2017.

3. OPERATIONS

Your Company earned a total income of ₹ 305 crore for the year as compared to ₹ 280.10 crores during the previous year and a profit after tax of ₹ 20.46 crore including exceptional item of ₹ 7.38 crore on sale of Biotech Unit, as against profit after tax of ₹ 11.62 crore during the previous year. The profitability of the Company improved due to robust performance of Global Formulations and API divisions.

The Company continues to hold EU GMP, WHO GMP and TGA, Australia certifications for the API facility at Navi Mumbai plant and EUGMP UK MHRA certification for its Formulation facility (F2) at Ankleshwar plant.

The Company sold its Biotech Unit located at Ankleshwar to M/s. Intas Pharmaceuticals Limited as a going concern.

Formulations Business:

Performance

During the year under review, the Formulations business achieved sales revenue of ₹ 184.3 crores, with a growth of 10% over the previous year. As per the data compiled by Pharmatrac, a market researcher, the Company has maintained its rank at 66th position in sales value terms over the previous year. The Company's Nephrocare Division continues to feature among the top 5 Indian Companies operating in the renal therapy segment. The Company's strategy of focusing on brand building has shown promising outcomes with Minmin tonic improving its ranking from 12th to 8th rank and Minmin PB and Lomofen+ becoming No. 2 and No. 3 ranked brands in respective therapies.

During the year, the Company acquired 7 brands from Sun Pharmaceuticals Limited. The Company has during the year set up two new divisions viz. 'Urolife' catering to the urology therapy and 'Glodiance' division catering to the Cosmetic Derma therapy.

The Acute-care business grew by 15% whereas Nephrocare and Oncology divisions degrew by 8% as several products belonging to these divisions came under price control.

The Company's major brands such as Lomotil, Aldactone, Naprosyn, registered healthy growth in the year under review whereas Azoran despite price reduction of 15% maintained the same sales value as last year.

Outlook

In the current year, the Company will continue its emphasis on Focus brands like Minmin,Tricaine and leverage the strength of its key brands to fuel growth. Gastrointestinal, Pain Management and Nutritionals will drive growth in the Acute therapies segment, the Chronic segment consisting of Oncology and Nephrocare growth would happen through market penetration. The acquired brands like Romilast, Sildura and Tamflo would also add to the growth of the formulation division. Brand extensions and new product launches in therapies where the Company's core competencies exist, in line with therapy gaps identified, would also be the growth drivers. In addition, entry into new therapies like Urology and Dermatology (cosmetology) will provide avenues for further growth.

Training of field force will continue to remain the cornerstone for improving productivity by strengthening product knowledge and selling skills.

Global Generics Business:

Performance

The Global Generics business achieved sales revenue of ₹ 33.5 crores. The business witnessed a robust growth by 21% over the previous year despite a challenging exchange

rate scenario in the major currencies viz. GBP, USD and EUR. The company has taken steps to focus on increasing the products basket for EU along with focus on foraying in other International Markets in Australia and Latin America to increase the revenue base. The company has received an approval for a contract manufacturing project in UK which will start contributing to the sales in FY 18.

Outlook

The Global Generics business is likely to grow well during the current financial year despite the downward pricing pressure in European Union (EU) – one of its key markets as well as the pressure on exchange rates of major currencies, viz. USD, GBP and EUR with respect to INR. The Company also expects to commercialize a new product in the third quarter of FY18 with its license partner in UK. The Company has been able to revive the business with one of its most important partner in UK and shall continue to focus on growing this business. The company to perform well in UK with increasing market share and this market is likely to contribute significantly to the Global Generics business in the next year.

The company intends to enter into US market through strategic alliances and partnerships and is already working on the products for this market. The Company has already identified Key Focus Areas for this market and has already started discussions with partners for the commercialization strategies. The Company has worked significantly on its manufacturing facility to take it through the USFDA inspection process to gain the subsequent approval.

The Company's presence in the EU will become stronger as market penetration improves with multiple partners. Addition of new customers and new products in EU as well as other geographies will be the key growth drivers in the Generics business. The Company is actively scouting of license partnerships for its products in various International Markets.

Rest of World (RoW) Business:

Africa & South East Asia (SEA) constitute the RoW geographical space for the Company.

Performance:

During the year, the RoW business registered a year-on-year growth of 96% with sales of ₹ 31.40 Crore and contributing close to 11% to the overall sales of the Company.

In Africa region, the Company emerged as the No.1 Indian pharmaceutical company in Mauritius, through its Anti-diabetic range while in Egypt, Azoran, with 70% market share ensured a leading position for the company in the post organ transplant care space. The Kenyan business registered a growth of 40% over the previous year.

In SEA region, Siloxogene continued to maintain its leadership position in Myanmar with a market share of 35% in the antacid segment. In Cambodia, Vietnam and Philippines the company revived its business through re-alignment of partners and portfolio's.

Outlook:

Strategically for RoW business, Nephrology, Oncology and Critical care are the therapies of core importance, however the business will continue to tap opportunistic tender procurements across the RoW geography. Additionally, in SEA the goal is to attain leadership through Gastrointestinal (GI) care.

In FY 18, Portfolio Enhancement & New Market penetration will be the focus area for the business. This is expected to be achieved through strategic out-sourcing of products as well as by foraying into newer geographies such as Nigeria, Ethiopia and Sudan.

Also the business will move into the space of Oncology in the existing geographies with 100 new registrations along with current leadership in Nephrology and GI therapy shall fuel growth in RoW in FY 18.

Active Pharmaceutical Ingredients (API/Bulk Drugs) Business:

Performance

The API business achieved sales revenue of ₹ 43.04 crores, registering a growth of 20% over the last year.

The traditional markets of Latin America where the Company enjoys a major market share continued to perform well. Quinfamide business in Mexico was on target, while sales of Pantoprazole in the domestic market grew by 215% over the previous year. In addition, Haloperidol, Risperidone and Propantheline sales to EU and emerging markets grew by more than 40 % over last year.

Outlook

API business has a strategic importance in the overall growth of the company. The company has a backward integration for Azathioprine and Di-phenoxylate. With the marketing approvals for Nicorandil finished dosage forms in Europe with captive source, company expects to achieve global leadership in Azathioprine and Nicorandil.

As a key objective to build a strong and sustainable product portfolio, the Company plans to introduce 3 to 5 APIs every year in various key segments. With successful Contact Manufacturing Organisations (CMO) partnership in place, company plans to penetrate US and EU markets, with the emergence of localisation programme across all key markets. Brazil and Russia are the key markets for future growth.

The global API market which stood at USD 143 Bn in 2016 is expected to grow around 7% during 2017 to 2020. This will bring more opportunities to grow API business in future.

4. EXTRACT OF ANNUAL RETURN

As required under Section 92 of the Companies Act, 2013, details forming part of the extract of the Annual Return in form MGT-9, is annexed herewith as **Annexure A**.

5. MEETINGS OF THE BOARD

The details of Board Meetings held during the year are given in the Corporate Governance Report.

6. DIRECTOR'S RESPONSIBILITY STATEMENT

The Directors confirm that –

a) in the preparation of the annual accounts for the financial year ended March 31, 2017, the applicable accounting standards had been followed and there were no material departures;

b) 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 as at March 31, 2017 and of the profit and loss of the Company for that period;

c) 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;

d) the directors had prepared the annual accounts on a going concern basis;

e) the directors, had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively;

f) 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.

7. STATEMENT ON DECLARATION OF INDEPENDENT DIRECTORS

The Company has received declaration from each of the Independent Directors under Section 149 (6) and (7) of the Companies Act, 2013 and Regulation 16(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

8. PECUNIARY RELATIONSHIP OR TRANSACTIONS OF THE NON-EXECUTIVE DIRECTORS AND DISCLOSURES ON THE REMUNERATION OF THE DIRECTORS

All pecuniary relationship or transactions of the Non-Executive Directors vis-à-vis the Company, along with criteria for such payments and disclosures on the remuneration of the Directors along with their shareholding are disclosed in Corporate Governance Report and Form MGT-9 which forms a part of this report.

9. NOMINATION AND REMUNERATION POLICY

The Company's policy on Directors' appointment and remuneration, including criteria for determining qualifications, positive attributes, independence of a Director and other matters provided under Section 178 (3) is annexed with this Report as **Annexure B.**

10. EXPLANATION AND COMMENTS ON AUDITOR'S AND SECRETARIAL AUDIT REPORT

There is no qualification, disclaimer, reservation or adverse remark made by the Statutory Auditors in Auditor's Report.

Further, there is no qualification, disclaimer, reservation or adverse remark made by the Company Secretary in practice in Secretarial Audit Report.

11. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The Loans, Guarantees and Investments made by the Company are within the limits prescribed under the provisions of Section 186 of the Companies Act, 2013 and the details are given in the notes to the Financial Statements.

12. RELATED PARTY TRANSACTIONS

There were no contracts or arrangements or transactions entered into by the Company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 during the course of business which were not at arm's length basis.

The policy on Related Party Transactions as approved by the Board is uploaded on the Company's website www.rpglifesciences.com.

13. TRANSFER TO RESERVES

The Company has not transferred any sum to the General Reserve during the financial year ended March 31, 2017.

14. MATERIAL CHANGES AND COMMITMENTS, IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY

There are no material changes and commitments, affecting the financial position of the Company which have occurred between the end of the financial year on March 31, 2017 to which the financial statements relate and the date of this report.

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

The particulars as required under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 (3) of Companies (Accounts) Rules, 2014, are given in **Annexure C** to this report.

16. RISK MANAGEMENT

The details of Risk Management Committee (RMC) and its terms of reference are set out in the Corporate Governance Report.

The Company has a robust Risk Management framework to identify, evaluate business risks and opportunities. This framework seeks to create transparency, minimize adverse impact on the business objectives and enhance the Company's competitive advantage.

The business risk framework defines the risk identification and its management approach across the enterprise at various levels including documentation and reporting. The framework helps in identifying risks trends, exposure and potential impact analysis at Company's business.

17. CORPORATE SOCIAL REPONSIBILITY (CSR)

In accordance with the provisions of Section 135 read with Schedule VII of the Act, the Company, as a part of its Corporate Social Responsibility ("CSR") initiative, has adopted a CSR Policy outlining various CSR activities to be undertaken by the Company in the area of health, water, sanitation, promoting education, skill development etc. The CSR policy of the Company is available on the Company's website i.e. www.rpglifesciences.com under 'Investors' tab.

During the year under review, the Company has spent ₹ 9 Lakh on CSR activities. The Board has constituted a CSR Committee *inter alia* to recommend on the CSR projects/ programs, recommend the amount on each CSR activity and to monitor such CSR activities, being undertaken by the Company. The report on CSR activities as required under the Companies (Corporate Social Responsibility Policy) Rules, 2014 is set out as **Annexure D**.

18. DIRECTORS AND KEY MANAGERIAL PERSONNEL

Mr. H. V. Goenka retires by rotation and being eligible offers himself for re-appointment at the ensuing Annual General Meeting.

At the Board Meeting held on July 27, 2016, Mr. Yugal Sikri was appointed as an Additional Independent Director.

Mr. P. K. Mohapatra, passed away on March 13, 2017. The Board placed on record its appreciation for the deliberations made by him at the Board and Committee meetings.

Mr. Sachin Raole, Chief Financial Officer (CFO) and Senior Vice President – Corporate Services resigned from the services of the Company on June 30, 2016.The Board placed on record its appreciation for the services rendered by Mr. Sachin Raole during his tenure with the Company.

Mr. Mahesh Narayanaswamy was appointed as Vice President – Finance with effect from July 1, 2016 to discharge the responsibilities and duties of the CFO.

None of the aforesaid Directors and Key Managerial Personnel (KMP) is related to any other Director of the Company.

Mr. CT. Renganathan, Managing Director, Mr. Mahesh Narayanaswamy, Vice President - Finance and Mr. Rajesh Shirambekar, Head – Legal & Company Secretary are Key Managerial Personnel of the Company within the meaning of Section 203 of the Companies Act, 2013.

19. SUBSIDIARY COMPANIES

There were no Companies which have become or ceased to be our subsidiaries, joint ventures or associate companies during the year.

20. FIXED DEPOSITS

Your Company has not accepted any fixed deposit from public during the year under review under Chapter V of the Companies Act, 2013. As on March 31, 2017, no deposit was overdue and deposit aggregating to ₹ 5.40 Lakhs was lying unclaimed with the Company.

21. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS

There are no significant and material orders passed by the Regulators or Courts or Tribunals impacting the going concern status and company's operations in future.

22. CHANGE IN THE NATURE OF BUSINESS

During the year under review, there was no change in the nature of business.

23. INTERNAL FINANCIAL CONTROL

Details in respect of adequacy of internal financial controls with reference to the Financial Statements are stated in Management Discussion and Analysis which forms part of this annual report.

24. INFORMATION PURSUANT TO SECTION 197 (12) OF THE COMPANIES ACT, 2013 AND RULE 5 OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL REMUNERATION) RULES, 2014

1	The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year;	Mr. H. V. Goenka (Chairman)– 0.76 Mr. C. L. Jain – 0.97 Dr. Lalit S. Konadia – 0.62 Mr. Mahesh Gupta – 0.91 Mr. Manoj Maheshwari – 0.61 Mr. P. K. Mohapatra – 0.72 Mr. Narendra Ambwani – 0.63 Ms. Zahabiya Khorakiwala – 0.47 Mr. Sachin Nandgaonkar – 0.79 Mr. Yugal Sikri – 0.45 Mr. CT. Renganathan (Managing Director)– 65.08
2	The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year;	Mr. H. V. Goenka (Chairman)– 25% Mr. C. L. Jain – 31% Dr. Lalit S. Konadia – 22% Mr. Mahesh Gupta – 25% Mr. Manoj Maheshwari – 25% Mr. P. K. Mohapatra – 23% Mr. Narendra Ambwani – 37% Ms. Zahabiya Khorakiwala- 38% Mr. Sachin Nandgaonkar – 22% Mr. Yugal Sikri * Mr. CT. Ranganathan - 10% Mr. Mahesh Narayanaswamy - 24% Mr. Rajesh Shirambekar - 12%
3	The percentage increase in the median remuneration of employees in the financial year;	12%**
4	The number of permanent employees on the rolls of Company;	1,237 employees as on March 31, 2017
5	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration;	• Average Salary increase of non-managerial employees is around 14%. • Average Salary increase of managerial employees is around 11%. • There are no exceptional circumstances in increase of managerial remuneration.
6	Affirmation that the remuneration is as per the remuneration policy of the Company.	Remuneration Paid during the year ended March 31, 2017 is as per the Remuneration Policy of the Company.

Notes:

*Mr. Yugal Sikri was appointed on the Board in the financial year 2015-16 and therefore comparable amount of remuneration was not available for determintation of percentage increase in the remuneration.

**The percentage increase in the median remuneration of employee has been calculated after excluding Managing Director's remuneration.

25. WHISTLE BLOWER POLICY

The Audit Committee's terms of reference inter-alia include vigil mechanism which also incorporates a Whistle Blower Policy in terms of Section 177(10) of the Companies Act, 2013. The Company has adopted Whistle Blower Policy. The Whistle Blower mechanism provides for Directors and employees to report concerns about unethical behavior, actual or suspected fraud or violation of Company's Code of Governance and Ethics. The Whistle Blower Policy is uploaded on the Company's website www.rpglifesciences.com.

26. FAMILIARISATION PROGRAMMES FOR INDEPENDENT DIRECTORS

The Company has familiarisation programmes and the details of it have been uploaded on the website of the Company on the link below:

http:/www.rpglifesciences.com/financial_policies.jsp.

27. FORMAL ANNUAL EVALUATION OF BOARD AND ITS COMMITTEES

Pursuant to provisions of Section 134 of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Nomination and Remuneration Committee laid down a criteria for evaluating Board effectiveness by assessing performance of the Board as a whole, performance of individual Director and Committees of the Board namely Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee, Corporate Social Responsibility Committee and Risk Management Committee. The Board approved the criteria laid down by Nomination and Remuneration Committee for evaluating Board effectiveness and engaged a third party agency to conduct Board effectiveness survey during the year under review.

28. AUDITORS

Statutory Auditors:

At the Seventh Annual General Meeting (AGM) held on September 25, 2014, the Members had appointed M/s. Lovelock & Lewes, Chartered Accountants (Firm Registration No. 301056E), as Statutory Auditors of the Company, for a period of 3 (three) consecutive years from the conclusion of the seventh AGM till the conclusion of the tenth AGM. In view of completion of the prescribed term of M/s. Lovelock & Lewes at the ensuing AGM, on the recommendation of the Audit Committee, the Board of Directors, at its meeting held on February 1, 2017 appointed M/s. BSR & Co. LLP, Chartered Accountants (Firm Registration No. 101248W/W-100022), as the Statutory Auditors of the Company, for a period of 5 years from conclusion of the tenth AGM till the conclusion of fifteenth AGM of the Company, subject to approval by Members.

Pursuant to the provisions of Section 139(1) and Section 141 of the Act, the Company has received a Certificate from M/s. BSR & Co. LLP, certifying that if they are appointed as Auditors; their appointment would be as per the conditions prescribed by the said Sections.

The Board placed on record its sincere appreciation for the valuable services rendered by M/s. Lovelock & Lewes during their long association with the Company.

Internal Auditors:

M/s. Aneja Associates, Chartered Accountants, are the Internal Auditors of the Company.

Secretarial Auditors:

M/s. Parikh Parekh & Associates, Practicing Company Secretaries, are the Secretarial Auditors of the Company. The Secretarial Audit Report required pursuant to sub-section (3) of Section 134 and Section 204 (1) of the Companies Act, 2013, is given in **Annexure E** to this report.

Cost Auditors:

Pursuant to the provisions of Section 148(3) of the Companies Act, 2013, M/s. Kirit Mehta & Co. (Registration No. 000353), Cost Accountants, was appointed to conduct audit of cost records of Pharmaceutical Activities for the year ended March 31, 2017. Cost Audit reports would be submitted to the Central Government within the prescribed time. Pursuant to Rule 6 of the Companies (Cost Records and Audit) Rules, 2014, cost audit reports for Pharmaceutical Activities for the year ended March 31, 2016 was filed with the Central Government on August 22, 2016.

29. EMPLOYEES STOCK OPTION PLAN

The Company has "2005 Employee Stock Option Plan" (ESOP 2005) for granting performance based stock option to employees. In the financial year 2016-17, 2910 equity shares were allotted under ESOP 2005. The Disclosure in compliance with clause 12 of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 in this respect are stated in **Annexure F** to this report.

Disclosures for the financial year ended March 31, 2017 regarding ESOP 2005 in terms of Companies (Share Capital and Debentures) Rules, 2014 are as below:

Particulars	ESOP 2005
Options Granted	Nil
Options vested	2910
Options exercised	2910
The total no of shares arising as a result of exercise of options	2910
Options lapsed/cancelled during the year	Nil
The exercise price	₹ 104.00
Variation of terms of options	No variation in the terms of options during the year under review.
Money realized by exercise of options	₹ 3,02,640
Total no of options in force	Nil
Employee wise details of options granted to:	
Key Managerial Personnel (KMP)	No new options were granted to KMPs during the year under review
Any other employee who receives a grant of options in any one year of option amounting to five percent or more of options granted during that year	Nil
Identified employees who were granted option, during any one year, equal to or exceeding one percent of the issued capital (excluding outstanding warrants and conversions) of the company at the time of grant	Nil

30. PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

The particulars of employees in compliance with the provisions of Section pursuant to Section 134 (3) (q) read with Rule 5 (2) and 5 (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 will be provided to the shareholder upon request. The same shall be available for inspection by the shareholder of the Company at the Registered Office of the Company during business hours on working days of the Company till the date of Annual General Meeting of the Company.

31. MANAGEMENT DISCUSSION AND ANALYSIS AND CORPORATE GOVERNANCE REPORT

In compliance with Regulation 34(3) read with Schedule V of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, Management Discussion and Analysis and Corporate Governance Report, as approved by the Board of Directors, together with a certificate from a Practicing Company Secretary confirming the compliance with the requirements of Corporate Governance policies are set out in the Annexures forming part of this annual report.

32. DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN AT THE WORK PLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013.

Internal Complaints Committee has been set up to redress complaints.

The Company has not received any complaint of sexual harassment during the financial year 2016-17.

33. MATERIAL TRANSACTIONS WITH RELATED PARTIES

The Company has not entered into any transaction with related parties during the year under review which requires reporting in Form AOC-2 in terms of Companies Act, 2013 read with Companies (Accounts) Rules, 2014.

34. SAFETY

Your company has carried out Safety audit, Fire audit and Environment audit through competent authorities at API Navi Mumbai Plant. The Company also organised various safety awareness programmes to impart safety training to its employees.

35. AWARDS

Your Company has been recognised as **Great Place to Work-Certified™** Company for the year 2017 through the study conducted by "Great Place to Work" Institute which validates the progressive culture of the organization.

36. APPRECIATION

Your Directors record their appreciation of the valuable services rendered by all employees of the Company, their gratitude to the banks for their assistance and to the Company's shareholders, customers and suppliers for their continued support.

For and on behalf of the Board of Directors

Place: Mumbai
Date: April 28, 2017

H.V. Goenka
Chairman

Annexure 'A' to the Directors' Report

Form MGT-9

EXTRACT OF ANNUAL RETURN

As on the financial year ended on March 31, 2017

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

I. REGISTRATION AND OTHER DETAILS

i.	CIN	L24232MH2007PLC169354
ii.	Registration Date	March 27, 2007
iii.	Name of the Company	RPG Life Sciences Limited
iv.	Category/Sub-Category of the Company	Company limited by shares Indian Non-Government Company
v.	Address of the Registered office and contact details	RPG House 463, Dr. Annie Besant Road, Worli Mumbai-400 030 Tel No: 91-22-24981650/66606375 I Fax: +91-22-24970127 E-mail : info@rpglifesciences.com I Web: www.rpglifesciences.com
vi.	Whether listed Company	Yes
vii.	Name Address and Contact details of Registrar and Transfer Agent, if any	Link Intime India Pvt. Ltd C 101, 247 Park, L B S Marg, Vikhroli West, Mumbai 400 083. Tel: +91-22-49186000 I Fax: +91-22- 49186060

II. PRINCIPAL BUSINESS ACTIVITES OF THE COMPANY

All the Business activities contributing 10% or more of the total turnover of the Company shall be stated:-

Sr. No.	Name and Description of main products/services	NIC Code of the Product/service	% to total turnover of the Company
1	Manufacturer of Pharmaceutical preparations	21002	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No	Name and address of the Company	CIN/ GLN	Holding /Subsidiary /Associate	% of shares held	Applicable Section
	NIL	NA	NA	NA	NA

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as Percentage of Total Equity)

I. 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	8,59,987	-	8,59,987	5.20	9,77,124	-	9,77,124	5.91	0.71
b. Central Govt	-	-	-	-	-	-	-	-	-
c. State Govt	-	-	-	-	-	-	-	-	-
d. Bodies Corp	1,01,83,933	-	1,01,83,933	61.59	1,01,83,934	-	1,01,83,934	61.57	(0.02)
e. Banks/FI	-	-	-	-	-	-	-	-	-
f. Any other	-	-	-	-	-	-	-	-	-
Sub- Total (A) (1)	1,10,43,920	-	1,10,43,920	66.79	1,11,61,058	-	1,11,61,058	67.48	0.69

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	
(2) Foreign									
a. NRIs- Individuals	-	-	-	-	-	-	-	-	-
b. Other Individuals	-	-	-	-	-	-	-	-	-
c. Bodies Corp	-	-	-	-	-	-	-	-	-
d. Banks/FI	-	-	-	-	-	-	-	-	-
e. Any Other	-	-	-	-	-	-	-	-	-
Sub Total (A) (2)	-	-	-	-	-	-	-	-	-
Total Shareholding of Promoter (A) = (A)(1) + (A) (2)	1,10,43,920	-	1,10,43,920	66.79	1,11,61,058	-	1,11,61,058	67.48	0.69
B. Public Shareholding									
1. Institutions									
a. Mutual Funds	-	1,050	1,050	0.01	-	1,050	1,050	0.01	-
b. Banks/FI	39,048	2,224	41,272	0.25	39,169	2,224	41,393	0.25	-
c. Central Govt	-	-	-	-	-	-	-	-	-
d. State Govts	-	-	-	-	-	-	-	-	-
e. Venture Capital Funds	-	-	-	-	-	-	-	-	-
f. Insurance Companies	-	-	-	-	-	-	-	-	-
g. FIIs	-	5,500	5,500	0.03	7,208	5,500	12,708	0.07	0.04
h. Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i. Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B) (1)	39,048	8,774	47,822	0.29	46,377	8,774	55,151	0.33	0.04
2. Non-Institutions									
a. Bodies Corp	-	-	-	-	-	-	-	-	-
i Indian	12,54,652	3,444	12,58,096	7.61	12,56,495	3,444	12,59,939	7.62	0.01
ii Overseas	-	-	-	-	-	-	-	-	-
b. Individuals									
i Individual shareholders holding nominal share capital upto ₹ 1 lakh	26,05,586	4,06,217	30,11,803	18.21	26,57,162	3,91,529	30,48,691	18.43	0.22
ii Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	7,61,506	-	7,61,506	4.61	5,86,513	-	5,86,513	3.55	(1.05)
Qualified Foreign Investor	-	-	-	-	-	-	-	-	-
c. Others (Specify)									
i. Clearing Member	1,14,153	-	1,14,153	0.69	1,36,409	-	1,36,409	0.82	0.13
ii. NRI (Repatriable)	81,299	360	81,659	0.49	73,910	360	74,270	0.46	(0.03)
iii. NRI (Non-Repatriable)	40,092	-	40,092	0.24	44,912	-	44,912	0.27	0.03
iv. Trusts	6,000	-	6,000	0.04	-	-	-	-	(0.04)
v. Hindu Undivided Family	1,71,040	14	1,71,054	1.03	1,72,058	14	1,72,072	1.04	0.01
Sub-Total (B)(2)	50,34,328	4,10,035	54,44,363	32.92	49,27,459	3,95,347	53,22,806	32.19	(0.73)
Total Public Shareholding (B)=(B)(1)+ (B) (2)	50,73,376	4,18,809	54,92,185	33.21	49,73,836	4,04,121	53,77,957	32.52	(0.69)
C Shares held by the Custodian for GDRs and ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	1,61,17,296	4,18,809	1,65,36,105	100.00	1,61,34,894	4,04,121,	1,65,39,015	100	

II. Shareholding of promoters

Sr. No.	Shareholders Name	Shareholding at the Beginning of the year			Shareholding at the end of the year			% Change in share-holding during the year
		No. of Shares	% of total shares of the Company	% of shares Pledged/ encumbered to total share holders	No. of Shares	% of total shares of the Company	% of shares Pledged/ encumbered to total share-holders	
1	Chattarpati Apartments LLP	1,26,450	0.76	-	51,48,078	31.13	-	30.36
2	Instant Holdings Limited	27,34,397	16.54	-	27,34,397	16.54	-	-
3	Summit Securities Limited	17,92,398	10.84	-	17,92,398	10.84	-	-
4	STEL Holdings Limited	5,02,550	3.04	-	5,02,550	3.04	-	-
5	Carniwal Investments Limited	6,500	0.04	-	6,500	0.04	-	-
6	Swallow Associates LLP	50,21,638	30.37	-	10	-	-	(30.36)
7	Sudarshan Electronics and TV Ltd	-	-	-	1	-	-	-
8	Harsh Vardhan Goenka*	8,24,324	4.99	-	9,41,459	5.69	-	0.70
9	Harsh Vardhan Goenka	26,913	0.16	-	26,913	0.16	-	-
10	Mala Goenka	8,747	0.05	-	8,747	0.05	-	-
11	Harsh Vardhan Goenka**	1	-	-	1	-	-	-
12	Harsh Vardhan Goenka***	1	-	-	1	-	-	-
13	Harsh Vardhan Goenka****	1	-	-	1	-	-	-
14	Harsh Vardhan Goenka*****	-	-	-	1	0.00	-	0.00
15	Harsh Vardhan Goenka******	-	-	-	1	0.00	-	0.00
	Total	**1,10,43,920**	**66.79**	**-**	**1,11,61,058**	**67.48**	-	**0.70**

* Trustee of Nucleus Life Trust.
** Trustee of Crystal India Tech Trust.
*** Trustee of Monitor Portfolio Trust.
**** Trustee of Stellar Energy Trust.
***** Trustee of Secura (India) Trust.
****** Trustee of Prism Estates Trust.

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

Sr. No.			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
	At the beginning of the year		**1,10,43,920**	**66.79**	**1,10,43,920**	**66.79**
1	Sudarshan Electronics and TV Ltd					
	05.04.2016	Market Purchase	1	-	1,10,43,921	66.79
2	Harsh Vardhan Goenka*					
	09.11.2016	Market Purchase	13,311	0.08	1,10,57,232	66.87
	11.11.2016	Market Purchase	4,331	0.03	1,10,61,563	66.90
	15.11.2016	Market Purchase	57,032	0.34	1,11,18,595	67.23
	16.11.2016	Market Purchase	26,377	0.16	1,11,44,972	67.39
	17.11.2016	Market Purchase	13,584	0.08	1,11,58,556	67.48
	21.11.2016	Market Purchase	2,500	0.01	1,11,61,056	67.48
3	Harsh Vardhan Goenka**					
	05.04.2016	Market Purchase	1	-	1,11,61,057	67.48
4	Harsh Vardhan Goenka***					
	12.01.2017	Market Purchase	1	-	1,11,61,058	67.48
	At the End of the year		**1,11,61,058**	**67.48**	**1,11,61,058**	**67.48**

* Trustee of Nucleus Life Trust.
** Trustee of Secura (India) Trust.
*** Trustee of Prism Estates Trust

Inter se Transfer

Sr. No.			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
1	Swallow Associates LLP					
	29.03.2017	Inter se transfer	50,21,628	30.36	-	-
2	Chattarpati Apartments LLP					
	29.03.2017	Inter se transfer	-	-	50,21,628	30.36

IV. SHAREHOLDING PATTERN OF TOP TEN SHAREHOLDERS (OTHER THAN DIRECTORS, PROMOTERS AND HOLDERS OF GDRS AND ADRS)

Sr. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1	Mentor Capital Limited	3,45,000	2.09	3,27,584	1.98
2	Neville Jijibhoy Mistry	1,52,000	0.92	1,52,000	0.92
3	Paramjeet Singh	1,39,814	0.85	1,34,577	0.81
4	Quest Portfolio Services Pvt Ltd	-	-	11,40,15	0.69
5	Ajay Relan	-	-	86,843	0.53
6	Deepa Bagla Financial Consultants Pvt. Limited	76,681	0.46	76,681	0.46
7	Deepa Bagla	94,943	0.57	70,000	0.42
8	Muskan Arora	66,199	0.40	66,119	0.40
9	Joindre Capital Services Limited	36,250	0.22	65,200	0.39
10	Bhupinder Kaur	1,43,103	0.87	31,822	0.19

Notes:

1. In case of joint holding, the name of first holder has been considered.
2. The shares of the Company are traded on daily basis by the top ten shareholders and hence the date wise increase/decrease in the shareholding is on consolidated basis.
3. The shareholding details are given on the legal ownership and not beneficial ownership.

V. SHAREHOLDING OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

Sr. No.	For each of the Directors and KMP	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
	Shareholding of Directors:				
	At the beginning of the year				
1	H.V. Goenka, Chairman	26,913	0.16	26,913	0.16
2	CT. Renganathan, Managing Director	-	-	-	-
3	Manoj Maheshwari, Director	-	-	500	-
	At the end of the year	26,913	0.16	27,413	0.17
	Shareholding of KMP:				
	At the Beginning of the year	-	-	-	-
1	Mahesh Narayanaswamy – Vice President Finance	-	-	-	-
2	Rajesh Shirambekar, Company Secretary	-	-	-	-
	At the end of the year	-	-	-	-

Notes:

1. Apart from above no other Director and KMP holds any shares at the beginning and end of the financial year 2016-17 in the Company.
2. Further apart from above there was no increase/decrease in shareholding of any other Director and KMP.

VI. **INDEBTEDNESS**

Indebtedness of the Company including interest outstanding/accrued but not due for payment (₹ in Lakhs)

	Secured Loans excluding deposits	Unsecured loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the Financial year				
i. Principal Amount	2224	34	-	2258
ii. Interest due but not paid	-	-	-	-
iii. Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	2224	34	-	2258
Change in Indebtedness during the Financial year • Addition • Reduction	 244 (17)	 2027 (27)	 - -	 2271 (44)
Net Changes	227	2000	-	2227
Indebtedness at the end of the Financial year				
i. Principal Amount	2451	2034	-	4485
ii. Interest due but not paid	-	-	-	-
iii. Interest accrued but not paid	-	-	-	-
Total (i +ii +iii)	2451	2034	-	4485

VII. **REMUNERATION OF DIRECTORS AND KEY MANEGERIAL PERSONNEL**

A. Remuneration to Managing Director, Whole- time Directors and/or Manager (Amont in ₹)

Sr. No.	Particulars of Remuneration	Name of Managing Director: Mr. CT. Renganathan
1	Gross Salary	
	a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	1,62,18,684
	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	Other please specify: • Performance Bonus • Retiral Benefits	 44,07,400 8,50,500
	Total (A)	2,14,76,584
	Ceiling as per the Act	As per Section 197 of Companies Act, 2013

B. Remuneration to other Directors

Sr. No	Particulars of Remuneration	Name of Director										Total (₹)
		C.L Jain	Dr. Lalit S. Kanodia	Mahesh Gupta	Manoj Mahesh-wari	P.K. Mohapatra	Narendra Ambwani	Zahabiya Khoraki-wala	Yugal Sikri	H.V. Goenka	Sachin Nandga-onkar	
		1	2	3	4	5	6	7	8	9	10	
1.	Independent Directors Fee for attending board committee meetings	3,20,000	2,05,000	2,99,000	1,50,000	2,38,000	2,08,000	1,55,000	1,50,000	-	-	17,25,000
	Commission	-	-	-	-	-	-	-	-	-	-	-
	Others, please specify	-	-	-	-	-	-	-	-	-	-	-
	Total (1)	3,20,000	2,05,000	2,99,000	1,50,000	2,38,000	2,08,000	1,55,000	1,50,000	-	-	17,25,000
2.	Other Non-Executive Directors Fee for attending board committee meetings	-	-	-	-	-	-	-	-	2,50,000	2,60,000	5,10,000
	Commission	-	-	-	-	-	-	-	-	-	-	-
	Others ,please specify	-	-	-	-	-	-	-	-	-	-	-
	Total (2)	-	-	-	-	-	-	-	-	2,50,000	2,60,000	5,10,000
	Total (B)= (1+2)	3,20,000	2,05,000	2,99,000	1,50,000	2,38,000	2,08,000	1,55,000	1,50,000	2,50,000	2,60,000	**22,35,000**
	Total Managerial Remuneration											**22,35,000**
	Overall Ceiling as per the Companies Act, 2013 is											₹ 1 lakh per meeting

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD (Amount in ₹)

Sr. No.	Particulars of Remuneration	Key Managerial Personnel			
1	Gross Salary	Chief Financial Officer (up to June 30, 2016)	Vice President – Finance (w.e.f. July 1, 2016)	Company Secretary	Total
	a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	17,71,398	28,35,190	35,41,736	81,48,324
	b) Value of perquisites u/s 17(2) Income-tax Act, 1961	82,068	92,400	1,63,701	3,38,169
	c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-
2	Stock Option	No new stock options granted during the year			-
3	Sweat Equity	-	-	-	-
4	Commission • As % of profit • Others, specify	-	-	-	-
5	Other please specify	-	-	-	-
	Total (A)	**18,53,466**	**29,27,590**	**37,05,437**	**84,86,493**

VIII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES

Type	Section of the companies Act	Brief Description	Details of penalty/ punishment/ Compounding fees imposed	Authority [RD/ NCLT/COURT]	Appeal made, if any(give Details)
A. **Company** B. **Directors** C. **Other officers in Default**					
Penalty/ Punishment/ Compounding	NIL	NIL	NIL	NIL	NIL

Annexure 'B' to the Directors' Report

NOMINATION AND REMUNERATION POLICY

1. **Introduction:**

This policy on Nomination and Remuneration of Directors, Key Managerial Personnel and other employees has been formulated in terms of the provisions of the Companies Act, 2013 and the Listing Agreement/ SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") in order to pay equitable remuneration to Directors, Key Managerial Personnel and other employees of the Company.

2. **Objective:**

I. Formulate the criteria for determining qualifications, positive attributes and independence for appointment of a Director (Executive/non-executive) and recommend to the Board a policy relating to the remuneration for the Directors, Key Managerial Personnel and other employees.

II. To formulate the criteria for performance evaluation of all Directors.

III. Formulate Board diversity policy.

IV. Framing of remuneration policy for employees.

3. **Constitution of the Nomination and Remuneration Committee:**

The Board has constituted the Nomination and Remuneration Committee (NRC) on April 30, 2014 as per Companies Act, 2013.

4. **Definitions:**

"**Act**" means the Companies Act, 2013 and Rules framed there under, as amended from time to time.

"Board" means Board of Directors of the Company.

"Company" means RPG Life Sciences Limited

"Directors" means Directors of the Company.

"Independent Director" (ID) means a Director referred to in Section 149 (6) of the Companies Act, 2013 and Rules made thereunder.

"Key Managerial Personnel" (KMP) means

1) Chief Executive Officer or the Managing Director or the Manager;

2) Whole time Director(s);

3) Chief Financial Officer; and

4) Company Secretary

"**Senior Management Personnel**" (**SMP)** means the employees of the company who are directly reporting to the Managing Director/Chief Executive Officer.

Unless the context otherwise requires, words and expressions used in this policy and not defined herein but defined in the Companies Act, 2013, as may be amended from time to time shall have the meaning respectively assigned to them therein.

5. Matters to be dealt with and recommended by NRC to the Board

The following matters shall be dealt by the Committee:

a) **Directors**
Formulate the criteria for determining qualifications, positive attributes and independence of a Director and recommending candidates to the Board, when circumstances warrants the appointment of a new Director, having regard to the variety of skills, experience and expertise on the Board and who will best complement the Board.

b) **Evaluation of performance**
Making recommendations to the Board on appropriate criteria for evaluation of Directors' performance. Identifying familiarization and training programs for the Board to ensure that Non- Executive Directors are provided adequate information regarding the operations of the business, the industry and their duties and legal responsibilities.

c) **Board diversity**
NRC is to assist the Board in ensuring Board nomination process with diversity of gender, thought, experience, knowledge and perspective in the Board in accordance with the Board diversity.

d) **Remuneration framework and policies**
NRC is responsible for reviewing and making recommendation to the Board on the following:

i. The remuneration of MD/CEO and KMPs.

ii. Remuneration of Non-executive Directors and chairman.

iii. Remuneration Policy for all employees including KMPs and SMPs which requires to take note of need to:

a. Attract and motivate talent to accomplish Company's long term growth plans.

b. Demonstrate a clear link between executive compensation and performance.

e) Company's stock option schemes.

6. **Policy for appointment and retirement or removal of Director, KMP and SMP:**

A. Appointment criteria and qualifications

NRC shall identify person and criteria for the qualification, expertise and experience of the person for appointment as Director, KMP or SMP and recommend to the Board his/her appointment.

B. Term/ Tenure

1. **Managing Director/ CEO**
Term of appointment or re-appointment of Managing Director or CEO not to exceed five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.

2. **Independent Director**
An Independent Director shall hold office on the Board of the Company for a term as may be determined by the Board but in any case not exceeding five years and shall not hold office for more than two consecutive terms.

C. Retirement
The Director, KMP and SMP shall retire as per the provisions of the applicable Act, and the prevailing policy of the Company. On the recommendation of the NRC, the Board if it considers it to be in the Company's interest, shall have the discretion to retain the Director, KMP and SMP even after attaining the retirement age.

D. Removal
In case any Director or KMP incurs any disqualification as provided under the Act or Rules made thereunder, or is in breach of Code of Governance and Ethics adopted by the Company, the NRC may recommend to the Board removal of such Director or KMP.

7. Policy for remuneration to MD/CEO, NEDs, KMP & SMPs:

MD/CEO:

i. The remuneration to the MD/CEO at the time of his/her appointment shall be recommended by the NRC and approved by the Board of Directors and the shareholders of the Company.

ii. Annual increment /subsequent variation in remuneration to the MD/CEO shall be approved by the NRC/Board of Directors, within the overall limits approved by the shareholders of the Company.

NEDs:

i. NEDs shall be entitled to sitting fees as may be decided by the Board of Directors from time to time for attending the meeting of the Board and sub Committees of the Board.

ii. Commission as may be recommended by NRC and subsequently approved by the Board of Directors and

wherever required approval of the shareholders of the Company shall be obtained.

iii. The NEDs shall be eligible for remuneration of such professional services rendered if in the opinion of the NRC, the NED possesses the requisite qualification for rendering such professional services.

KMPs & SMPs:

i. The remuneration to the KMPs and SMPs, at the time of his/ her appointment shall be recommended by the NRC and approved by the Board considering relevant qualification and experience of the individual as well as the prevailing market condition. The remuneration shall be combination of fixed and variable pay;

ii. Annual increment/ subsequent variation in remuneration to the KMPs/SMPs shall be approved by the NRC/ Board of Directors.

8. NRC may consider granting Stock Options to MD/CEO, KMPs, SMPs and other employees pursuant to any Stock Option Plan adopted by the Company.

9. **General:**
This policy is framed based on the provisions of the Companies Act, 2013 and Rules framed thereunder and the requirements of erstwhile Clause 49 of the Listing Agreement with Stock Exchanges/ Listing Regulations. In case of any subsequent changes in the provisions of the Companies Act, 2013 or any other Regulations which makes any of the provisions in the policy inconsistent with the Act or Regulations, then the provisions of the Act or Regulations would prevail over the policy and the provisions in the policy would be modified in due course to make it consistent with law.

Annexure 'C' to the Directors' Report

Pursuant to the Rule 8 (3) of the Companies (Accounts) Rules, 2014.

A. Conservation of Energy:

a.(i) Energy Conservation measures taken during the year:

Energy audit has been conducted through competent authority and suggested recommendations are being implemented. Multiple energy conservation measures were taken across all manufacturing facilities such as strong vigilance, employee awareness, minimizing leakages and energy waste.

The significant energy conversation measures taken during the year:

I. Replacement of existing conventional type Light fittings by LED lights in offices & corporate offices in API.

II. Installation of VFD's on root blower motors.

III. Installation of Energy conservation devices on Air conditioners.

IV. Installation of Heat Exchanger on vacuum pumps for water circulation tank.

V. Maintaining Power factor unity & getting incentives from power supply authorities.

VI. Harmonic audit has been carried out for API plant & rectified power losses across plant.

VII. Thermal Energy Audit has been carried out & rectified power losses.

(ii) Impact of measures mentioned above for energy conservation and consequent impact on cost of production of goods during the year:

The energy conservation measures undertaken during the year contributed to reduction in the cost of production by approximately ₹ 14.00 Lakhs.

(b) Measures taken for utilizing alternate sources of energy:

Company had Pipe Natural Gas connection (PNG) which is being used in emergency. During the year PNG rates were at higher side therefore Company has used Furnace Oil.

(c) Capital investment on energy conservation equipments:

Various energy conservation equipments were added to the production facilities across all Plant locations with approximate cost of ₹ 6.00 lakhs.

B. TECHNOLOGY ABSORPTION:

1. Efforts made towards technology absorption:

Development of solid dosage forms (tablets, capsules) for markets of India, EU and rest of the world. Process excellence projects aimed at meeting current quality requirements.

2. Benefits derived like product improvement, cost reduction, product development or import substitution as a result of above:

a) A. UK MHRA approval is expected for an antianginal product to initiate commercial supply to EU market.

B. Validation batches completed for products, Antiplatelet, Anti-diabetic and Immunosuppressant category

C. PR tablet formulation of antiepileptic drug is under progress.

D. Technology transfer completed for the site variation project of vaginal pessary.

E. Pilot BE study completed for an enteric coated tablets product of immunosuppressant therapeutic category and it is under progress for the product indicated in hyponatremia.

F. Product development completed for Immunosuppressant Tablets, Capsule formulation for treatment of Prostatic Hyperplasia, Tablets formulation for the treatment of overactive bladder, Tablet formulation for the treatment hyperparathyroidism.

G. In case of imported technology:
No new technologies have been imported during the year 2016-2017.

H. Expenditure incurred on Research & Development:

Item	(₹ in Lakhs)
(a) Capital	151
(b) Recurring	1081
(c) Total	1232
(d) Total R & D expenditure as a percentage of total turnover	4.13%

b) Specific areas in which API-R & D has been carried out by the Company:

(i) Process development of Active Pharmaceutical Ingredients (APIs) using non-infringing synthetic routes for Global Markets.

(ii) Process excellence exercise aimed at optimizing existing commercial processes with a view to improve yield and quality.

(iii) Recovery & recycling of solvents used in several APIs

c) Benefits derived as a result of above R & D

The R&D supports two businesses of the company namely International Business comprising Active Pharmaceutical Ingredient (API) and Global formulation and Domestic Business comprising Domestic Formulation.

API research is focused on developing new products and also on optimizing existing processes to make them environmental friendly and cost effective. During the year a non- infringing processes for one Antihyperparathyroid drug & another drug for the treatment of urinary incontinence were developed which are ready for Plant validation. One Antihypertensive drug was commercialized at Plant level. Process excellence with one Antihypertensive, two Antipsychotic, one Immunosuppressant, one Antiulcer & one Antiamebic drug were established at lab as well as plant scale. Recovery & recycling of solvents used in one Antipshychotic & one Antiamebic drug were established at Lab level which are for Plant trials. Parallel to this, technology transfer of existing one Immunosuppressant drug was established in Contract Research Manufacturing Unit at Lab level.

d) Future plan of action

At API R&D, development work with Plant trial on several new products that include cardiovascular, Antihyperparathyroid, Antidiabetic drugs & one for the treatment of urinary incontinence will be carried out. The process excellence work for existing processes and recovery and recycling of solvents in the existing APIs will continue.

e) Patent Filing/Grant

One US Patent was granted for Antihypertensive drug.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO:

During the year under review, Foreign Exchange earned in terms of actual inflows was ₹ 9455 lakhs and the Foreign Exchange outgo in terms of actual outflow was ₹ 1770 lakhs.

Annexure 'D' to the Directors' Report

ANNEXURE 'D' TO DIRECTORS' REPORT

ANNUAL REPORT ON CSR ACTIVITIES FOR FINANCIAL YEAR 2016 – 2017

1. A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs	As part of its initiatives under Corporate Social Responsibility ("CSR") and RPG Life Sciences Limited (RPGLS) vision to drive 'holistic empowerment' of the community around the local vicinity of our plants and the society at large, we have undertaken the following projects through RPG Foundation in accordance with CSR policy of the Company, read with Schedule VII of the Companies Act, 2013.
	1. Vision/Eye Care (Project-Netranjali) –RPGLS through the RPG Foundation launched this flagship programme in FY 2016-17, to work towards the cause of preventing avoidable blindness in India. This is a key need in India, as India has the world's largest blind population, with 80 percent of cases of blindness being preventable with early stage interventions. Two different target groups were covered via this project – school children, elderly and truckers. The project was three stages of eye care intervention module viz., promotive, preventive and curative eye health care. In FY 2016-17, over 12,000 beneficiaries were covered in total through eye check-up camps and awareness sessions. 3,130 beneficiaries were screened with 1,216 received free spectacles and 72 referrals provided. 2. Healthcare Sector Skilling (Project Sanjeevani): RPGLS through the RPG Foundation launched this flagship programme in FY 2016-17, to work towards the critical need for trained skilled healthcare professionals. The core aim of the project was to create a genre of dedicated & passionate trained healthcare givers in rural and urban India who will in turn be life givers to the elderly & sick. Increase employability by making available them a Livelihood avenue. In project Sanjeevani, 25 candidates being trained in X- Ray and Ultrasound Assistance (DUXA) and Diploma in Medical Lab Technology (DMLT) through 18 months diploma course. 3. The CSR Policy is available at the Company's website and can be accessed at http://www.rpglifesciences.com under policies tab.
2. The Composition of the CSR Committee	I. C. L. Jain (Chairman) II. Narendra Ambwani III. Z. Khorakiwala IV. CT. Rengantahan
3. Average net profit of the Company for last three financial years.	₹ 450 lakhs
4. Prescribed CSR Expenditure (two percent of the amount as in item 3 above)	₹ 9 lakhs
5. Details of CSR spent during the financial year	
a. Total amount to be spent for the financial year	₹ 9 Lakhs
b. Amount unspent, if any	Nil
c. Manner in which the amount spent during the financial year	The Company has spent ₹ 9 lakhs on its CSR activities through RPG Foundation and the details are annexed with this report.
6. Reason for shortfall in spent, if any	Not applicable
7. Responsibility statement of CSR Committee	We hereby confirm that the implementation and monitoring of the CSR Policy is in compliance with CSR objectives and policies of the Company.

CT. Renganathan
Managing Director
(DIN :02158397)

C.L. Jain
Chairman of CSR Committee
(DIN: 00102910)

Place : Mumbai
Date : April 28, 2017

Annexure

Details of the CSR activities of the Company for the Financial Year 2016-17:

(₹ in Lakhs)

(1)	(2)	(3)	(4)		(5)	(6)	(7)	(8)
Sr. No	**CSR Project or Activity Identified**	**Sector in Which the Project is Covered**	**Location of Projects or Programs undertaken**		**Amount Outlay (Budget) Project or Program wise**	**Amount Spent on Projects or Programs**	**Cumulative Expenditure up to the reporting period**	**Amount Spent: Direct or through Implementing Agency.**
			Local Area or Other	**District (State)**		**Direct Expenses**		
1	Project Netranjali	Vision – Eye Care	Navi Mumbai	Thane (Maharashtra)	5.00	5.00	5.00	RPG Foundation
2	Project Sanjeevani	Healthcare Sector Skilling			4.00	4.00	4.00	
	Total CSR Spent				**9.00**	**9.00**	**9.00**	

Annexure 'E' to the Directors' Report

FORM No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2017

(Pursuant to Section 204 (1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014)

To,

The Members,

RPG LIFE SCIENCES LIMITED

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company, the information provided by the company, its officers, agents and authorised representatives during the conduct of secretarial audit, the explanations and clarifications given to us and the representations made by the Management, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2017 generally 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 made available to us and maintained by the Company for the financial year ended on 31st March, 2017 according to the provisions of:

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

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

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

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

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

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

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

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 and amendments from time to time;

(d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase

Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 ;(Not applicable to the Company during the audit period)

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; (Not applicable to the Company during the audit period)

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not applicable to the Company during the audit period) and

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (Not applicable to the Company during the audit period)

(vi) Other laws specifically applicable to the Company namely:

1. Drug & Cosmetics Act, 1940
2. The Environment (Protection) Act, 1986
3. Manufacture, Storage & Impact of Hazardous Chemical Rules, 2000
4. The Prevention of Food Adulteration Act, 1954
5. Pharmacy Act, 1948
6. Drugs and Magic Remedies (Objectionable Advertisement) Act, 1954
7. Narcotic Drugs and Psychotropic Substances Act, 1985
8. Poisons Act 1919
9. Food Safety and Standards Act, 2006
10. The Patents Act, 1970
11. The Trade Marks Act, 1999

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

(i) Secretarial Standards issued by The Institute of Company Secretaries of India with respect to board and general meetings.

(ii) The Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited read with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

We further report that:

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

Adequate notice was given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Decisions at the Board Meetings were taken unanimously.

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

We further report that during the audit period no events occurred which had bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines etc.

For Parikh Parekh & Associates
Company Secretaries

Mitesh Dhabliwala
Partner
FCS: 8331 CP No: 9511

Place: Mumbai
Date: April 28, 2017

This Report is to be read with our letter of even date which is annexed as Annexure A and Forms an integral part of this report.

Annexure A to the Secretarial Audit Report'

To,
The Members
RPG LIFE SCIENCES LIMITED

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

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

For Parikh Parekh & Associates
Company Secretaries

Mitesh Dhabliwala
Partner
FCS: 8331 CP No: 9511

Place: Mumbai
Date: April 28, 2017

Annexure 'F' to the Directors' Report

THE DISCLOSURES IN COMPLAINCE WITH CLAUSE 12 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (EMPLOYEES STOCK OPTION SCHEME AND EMPLOYEE STOCK PURCHASE SCHEME) GUIDELINES, 1999 READ WITH CLAUSE 14 SECURITIES AND EXCHANGE BOARD OF INDIA (SHARE BASED EMPLOYEE BENEFITS) REGULATIONS, 2014

Sr. No.	Description	
1	Name of the Scheme 2005	2005 Employees Stock Option Plan [ESOP 2005]
2	Total number of options to be granted under the plan	2,50,000
3	Options Granted during the year	Nil
4	Pricing formula	The Nomination and Remuneration Committee decides exercise price for the Stock Options based on the market price ie. the closing price on the Stock Exchange where trading volume is more on the previous day of the Compensation Committee Meeting held for granting of Stock Options. Compensation Committee may determine the Exercise Price at a premium or discount of a maximum of 20% on the market price.

5	Options vested as of 31st March 2017	2,910
6	Options exercised during the year	2,910
7	Total number of shares arising as a result of exercise of options till 31st March 2017	2,910
8	Options lapsed / cancelled during the year	Nil
9	Variation of terms of options	Nil
10	Money realized by exercise of options during the year.	₹ 3,02,640
11	Total number of options in force at the end of the year	Nil
12	Employee-wise details of Stock Options granted to Senior Managerial Personnel as on 31st March 2017.	Nil
13	Employees who were granted options amounting to 5% or more of the options granted during the year.	Nil
14	Employees who were granted options in any one year equal to or exceeding 1% of the issued capital of the Company at the time of grant.	Nil
15	Diluted Earnings Per Share (EPS) pursuant to issue of shares on exercise of option calculated in accordance with Accounting Standard (AS 20)	₹ 12.37
16	Where the Company has calculated the employee compensation cost using the intrinsic value of the stock options, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value of the options shall be disclosed. The impact of this difference on profits and EPS of the Company shall also be disclosed.	The Company calculates the Employee Compensation Cost using the intrinsic value of the Stock Options. The difference between the Employee Compensation Cost computed as per Intrinsic Value method and Fair Value Method is Nil for the year, Fair Value being higher than Intrinsic Value. The impact on Profits and EPS is Nil and Nil respectively.
17	Weighted-average exercise prices and weighted-average fair values of options shall be disclosed separately for options whose exercise price either equals or exceeds or is less than the market price of the stock on the grant date	Weighted average exercise price of the options is ₹ 104.00 Weighted average fair value of the options is ₹ 41.34.
18	Description of the method and significant assumptions used during the year to estimate the fair values of options:	The Company has used the Black Scholes Model for estimating the Fair Value of the options. The Company has applied the following assumptions while computing the fair value: 1. Average risk-free interest rate : 8.08% 2. Average option life: 8 years 3. Average of expected volatility : 47.98% 4. Average expected dividend yield :3.50% 5. Average exercise price: ₹ 90.70 6. Average share price on the date of option grant: ₹ 91.33

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

1) Industry structure and developments

Healthcare in India has evolved rapidly from being a product centric industry to a service driven sector, with delivery and medical insurance segments gaining prominence.

India's pharmaceutical industry has been ranked 3rd in terms of volume and 14th in terms of value, globally. The Government of India unveiled 'Pharma Vision 2020' aimed at making India a global leader in end-to-end drug manufacturing.

It is estimated that Indian pharmaceutical sector will touch US$ 55 billion in sales by 2020. India is now among the top five emerging pharmaceutical markets and is expected to grow at a Compounded Annual Growth Rate (CAGR) of 15%.

Driven by increasing sales of generic medicines, continued growth in chronic therapies and greater penetration in rural markets, the domestic formulation market in India is expected to register a growth of about 11% to 12% next year. In FY 17 it achieved a growth rate of 11%.

In FY 17, several medicines prices were brought down or come under price control including stents. New Drug Approval Committee's (NDAC) stringent control on combination drugs, delays in clinical trial approvals, uncertainties over the Foreign Direct Investment FDI policy, the new notification by the Medical Council Of India to doctors to prescribe generic name of medicines, a Uniform Code of Pharmaceutical Medical Practices (UCPMP) for sales and marketing practices and compulsory licensing for the domestic pharmaceutical market are some of the challenges which face the Indian Formulation business.

It is estimated that local industry consolidation could gather pace over next few years. Consolidation will be hastened by a combination of factors, including the recent ban on Fixed Dose Combinations (FDCs), competitive pressure, imposition of tighter quality standards and the expansion of price controls.

2) Opportunities and Threats

Indian pharmaceutical industry has seen gradual increase in government healthcare spending & expansion of the private hospital sector. Government initiatives such as allowing 100% (FDI) in health and medical services will benefit the industry. The Government of India has recently announced the National Health Policy 2017 where the goal is to attain highest level of health and well being for all ages by improving access, improving quality and making cost of healthcare delivery affordable. Indian government plans to increase health expenditure to 2.25% of gross domestic product by 2025 from the current spending of 1.15 % .This will give boost to the sector.

Several socio-economic factors, including increasing sales of generic medicines, continued growth in chronic therapies and a greater penetration in rural markets will contribute majorly to the growth of the Indian pharmaceutical market.

Other contributing factors for growth are heightened health awareness, increasing affluence, changing lifestyles resulting in higher incidence of lifestyle diseases and a nascent, yet fast growing health insurance industry. In addition, low cost of production and R&D boosts the efficiency of Indian pharmaceutical companies.

National List of Essential Medicines (NLEM) revision in 2015, resulted in 376 medicines coming under the price control which has resulted in slowing down growth in revenues. The essentiality of a medicine has been considered in terms of its dosage form and strength. The NLEM, 2015 has been prepared adhering to the basic principles of Efficacy, Safety, Cost- Effectiveness and considering of diseases as public health problems in India.

NLEM medicines are subject to price control and this reduced average price realisations for major pharma players who were commanding a huge premium otherwise. At present, about 18% of the Indian market is under price control.

The industry growth is largely driven by chronic disease segments viz. cardiovascular, diabetes, cancer and is largely influenced by changing lifestyles. Intense price pressure in semi-regulated markets, emergence of new local players affecting the branded generic prices, delay in approval of manufacturing facilities by regulated authorities and increased regulatory intervention in price fixation for domestic formulations are threats facing the players in the industry.

3) Segment wise performance

The Company is exclusively engaged in pharmaceutical business and operates across segments including Domestic Formulations, International Formulations and Active Pharmaceutical Ingredients (API).

Domestic Formulations division business catering to Domestic market achieved sales of ₹ 183 crore, registering a growth of 9% year on year. In the Domestic market, the Company has strengthened its presence in the market by leveraging the existing brands and introduced newer products. The Company also continued a host of other initiatives such as increasing the in-clinic effectiveness of the field force through extensive scientific training, emphasis on focus brands and innovative promotional strategies. The company during the year acquired seven pharma brands which have been integrated into the existing product portfolio of the company. The company during the year also forayed into new therapies of urology and cosmetic dermatology.

The API business achieved sales of ₹ 43 crore with a growth of 20 % in FY 17.

The International Formulations business consolidated the Rest of World (RoW) markets with Global Generics (Regulated Markets) business to give a strong focus on International Formulations business. The Global Generics business achieved sales of ₹ 32.61 crore registering a growth of 21% year on year, while RoW markets contributed sales of ₹ 20.07 crore to the Company registering a growth of 4% year on year.

The Global Generics business is focused on increasing the penetration of the product in multiple countries in EU as well as expanding the product offerings in multiple markets of EU, North America, South America, Australia and Caribbean. This business of the company is also actively scouting for new product partnerships across markets with focus on co-development, manufacturing and supply partnerships.

The Company expects to grow by increasing the product offerings and by geographic expansion routes.

4) Outlook

The growth estimate for the domestic Formulation Industry is pegged between 11-12%. In light of the initiatives detailed above, the outlook of the business looks promising.

The Global Generics business with focus on new products, new partners, new markets and the outlook of this business looks promising.

The Company's Formulation facility (F2) at Ankleshwar plant is having EU GMP and UKMHRA Certification. Such certifications testify a hallmark of quality and shall help the Company to enter in new markets across multiple geographies.

5) Risks and Concerns

Some of the key brands of the Company are under NLEM. The list of NLEM is increasing. Also more and more FDC dose combination are coming under question mark. The regulatory environment across the globe is becoming more and more stringent, and this makes entry into new geographies more challenging. Also the new mandate to doctors by the Medical Council of India to prescribe generic names of drugs would have an impact on the branded generics.

6) Internal Control Systems and their adequacy

The Company has set up internal control procedures commensurate with its size and nature of the business. These business procedures ensure optimum use and protection of the resources and compliance with the policies, procedures and statutes. The internal control systems provide for well-defined policies, guidelines and authorizations and approval procedures. The prime objective of such audits is to test the adequacy and effectiveness of the internal controls laid down by management and to suggest improvements.

7) Financial performance with respect to operational Performance

The total income during the year stood at ₹ 305 crore. EBITDA (Earnings Before Interest, Tax and Depreciation) was at ₹ 29.72 crore. After deducting, Finance Cost of ₹ 2.64 crore, Depreciation of ₹ 11.78 crore and Taxes, the Profit After Tax (PAT) was at ₹ 20.46 crore including exceptional item of ₹ 7.38 crore.

8) Material developments in human resources/ industrial front

The Company has been recognised as **Great Place to Work-Certified™** Company for the year 2017 through the study conducted by "Great Place to Work" Institute which validates the progressive culture of the organization.

The Company firmly believes that people are its most valued resource and their efficiency plays a key role in achieving defined goals and building a competitive work environment. In its pursuit to attract, retain and develop best available talents, several programmes are regularly conducted at various levels across the Company. Employee relations continued to be cordial and harmonious across all levels and all the units of the Company.

Cautionary Statement

Statements in the Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations may be "forward-looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could influence the Company's operations include economic developments within the country, demand and supply conditions in the industry, input prices, changes in Government regulations and tax laws.

CORPORATE GOVERNANCE REPORT

1. Company's Philosophy

The Company lays emphasis on the values of fairness, transparency and accountability for performance at all levels, thereby enhancing the shareholders' value and protecting the interest of the stakeholders. During the year, the Company continued its pursuit of achieving these objectives through adoption and monitoring of prudent business plans, monitoring of major risks to the Company's business and pursuing policies and procedures to satisfy its commercial, social, legal and ethical responsibilities. These practices endeavor to attain a balance between enhancement of stakeholder value, achievement of financial objective and corporate social responsibility.

2. Board of Directors

The responsibilities of the Board include formulation of policies, new initiatives, performance review and control. The Board has constituted Committees and delegated powers for different functional areas. The Board as well as its Committees meet at periodic intervals. The strength of the Board is ten directors. Mr. H. V. Goenka is a Non-Executive Chairman of the Board. Mr. CT. Renganathan is the Managing Director. The composition of the Board meets the requirement of the listing agreement.

3. Board / Committee meetings and proceedings

3.1 Scheduling and selection of agenda items

All Board/ Committee members are given notice of the meetings in advance. The meetings are governed by a structured agenda. The agenda along with the explanatory notes are distributed well in advance.

3.2 Availability of information to the Shareholders

All items in the agenda are supported by detailed background information to enable the Shareholders to take informed decisions.

3.3 Recording minutes of the proceedings

Minutes of the proceedings of each Board/ Committee meetings are recorded. Draft minutes are circulated amongst all Directors for their comments. The minutes of the proceedings of the meetings are entered in the minutes book.

3.4 Follow up mechanism

The Company has an effective mechanism for post meeting follow-up, review and reporting process for the actions taken on decisions of the Board and Committees.

3.5 Compliance

The Board periodically reviews the compliance reports to ensure adherence to all applicable provisions of law, rules and guidelines.

3.6 Board Meetings

During the financial year, five meetings of the Board of Directors were held on April 29, 2016 , May 26, 2016, July 27, 2016 , October 21, 2016 and February 01, 2017.

3.7 The composition, nature of directorship, number of meetings attended and their directorship in other public companies of the Board of Directors as on March 31, 2017 are as under:

Name	Category	No. of Board meetings held	No. of Board meetings attended	Whether attended last AGM held on 27.07.2016	No. of directorship in other public limited companies	Committee positions in other companies[1]	
						Chairman	Member
Mr. H. V. Goenka Chairman	Non-Executive & Non - Independent	5	5	YES	6	-	-
Mr. C.L. Jain	Non-Executive & Independent	5	4	YES	3	2	4
Dr. Lalit S. Kanodia	Non-Executive & Independent	5	4	YES	6	-	-
Mr. Mahesh S. Gupta	Non-Executive & Independent	5	4	YES	4	1	5
Mr. Manoj Maheshwari	Non-Executive & Independent	5	3	YES	3	2	3
Mr. P.K. Mohapatra[2]	Non-Executive & Independent	5	3	YES	N.A.	N.A.	N.A.
Mr. Narendra Ambwani	Non-Executive & Independent	5	4	NO	7	1	8
Mr. Yugal Sikri[3]	Non Executive & Independent Director	3	3	YES	1	1	1
Ms. Zahabiya Khorakiwala	Non-Executive & Independent	5	3	YES	2	-	1
Mr. CT. Renganathan *Managing Director*	Executive	5	5	YES	-	-	-
Mr. Sachin Nandgaonkar	Non-Executive	5	5	YES	3	-	1

1. Only Audit Committee and Stakeholder's Relationship Committee positions are considered.
2. Mr. P. K. Mohapatra passed away on March 13, 2017.
3. Mr. Yugal Sikri was appointed as an Independent Director on the Board of the Company w.e.f July 27, 2016

3.8 Separate Meeting of Independent Directors

In compliance with Regulation 25(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a separate meeting of Independent Directors of the Company, was held on March 14, 2017 for reviewing the performance of Non-Independent Directors, Board as a whole, the Chairperson of the Company as well as for assessing the quality, quantity and timeliness of flow of information between the Company management and the Board. Majority of Independent Directors were present at the meeting.

4. Audit Committee

The Audit Committee consists of two Independent and Managing Director, namely, Mr. C. L. Jain, Mr. Mahesh S. Gupta and Mr. CT. Renganathan. Mr. C. L. Jain is the Chairman of the Audit Committee.

The composition of the Audit Committee complies with the requirements laid down in Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The terms of reference and powers of the Audit Committee are those prescribed under Part C of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as well as Section 177 of the Companies Act, 2013.

The Vice President-Finance, Statutory Auditors and Internal Auditors are invitees to the Audit Committee meetings. The Company Secretary acts as Secretary to the Audit Committee.

During the financial year, four meetings of the Audit Committee were held on April 29, 2016, July 26, 2016, October 21, 2016 and February 01, 2017.

Attendance of Directors at the Audit Committee Meetings held during the financial year is as under:

Name of the Director	No. of meetings attended
Mr. C. L. Jain	4
Mr. Mahesh S. Gupta	4
Mr. P. K. Mohapatra	3
Mr. CT. Renganathan	4

5. Nomination and Remuneration Committee

The Nomination and Remuneration Committee consists of two Independent and a Non-Executive Director, namely, Mr. C. L. Jain, and Dr. Lalit S. Kanodia and one Non-Executive Director, namely, Mr. Sachin Nandgaonakar. Mr. C. L. Jain is the Chairman of the Committee.

The powers, role and terms of reference of the Nomination and Remuneration Committee covers the areas as contemplated under Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 178 of the Companies Act, 2013, besides other terms as may be referred by the Board of Directors. The role includes formulation of criteria for determining qualifications, positive attributes and independence of a director and recommending to the Board a policy, relating to the remuneration for 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; identification of 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; and to administer and superintend the ESOP Scheme of the Company.

The composition of the Committee complies with the requirements laid down in Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The terms of reference and powers of the Committee are those prescribed under Part D of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as well as Section 178 of the Companies Act, 2013.

During the financial year, three meetings of the Nomination and Remuneration Committee were held on April 29, 2016, June 30, 2016 and October 17, 2016.

Attendance of Directors at the Nomination and Remuneration Committee Meetings held during the financial year is as under:

Name of the Director	No. of meetings attended
Mr. C. L. Jain	3
Dr. Lalit S. Kanodia	1
Mr. P. K. Mohapatra	3
Mr. Sachin Nandgaonkar	2

6. Remuneration of Directors

i. Non-Executive Directors

The Non-Executive Directors at present are only paid sitting fees for attending meetings of the Board and Committee(s) thereof. Each Non-Executive Director is paid a sitting fee of ₹ 50,000/- per Board Meeting, ₹ 25,000/-per Audit Committee Meeting, ₹ 5,000/- per Nomination and Remuneration Committee Meeting, ₹ 5,000/- per Corporate Social Responsibility Committee Meeting and ₹ 1,000/- per Stakeholders Relationship Committee Meeting. Keeping in view industry practices, the Board, unanimously decides the amount of sitting fees to be paid from time to time.

Details of remuneration of the Directors during the financial year 2016-17 are as under:

Name of the Director	Sitting Fees (Rs.)
Mr. H. V. Goenka	2,50,000
Mr. C. L. Jain	3,20,000
Dr. Lalit S. Kanodia	2,05,000
Mr. Mahesh S. Gupta	2,99,000
Mr. Manoj Maheshwari	1,50,000
Mr. P. K. Mohapatra	2,38,000
Mr. Narendra Ambwani	2,08,000
Ms. Zahabiya Khorakiwala	1,55,000
Mr. Yugal Sikri	1,50,000
Mr. Sachin Nandgaonkar	2,60,000

Mr. H. V. Goenka holds 26,913 equity shares of the Company in his individual capacity and 9,41,459 equity shares as a Trustee of Nucleus Life Trust and 1 share each as a Trustee of Crystal India Tech Trust, Monitor Portfolio Trust, Stellar Energy Trust, Secura India Trust, Prism Estates Trust. Mr. Manoj Maheshwari, Non- Executive and Independent Director holds 500 Shares in the Company.

(ii) Executive Director

Remuneration of Managing Director is decided by the Board based on the recommendation of the Nomination and Remuneration Committee within the ceiling fixed by the Shareholders.

The Company had paid remuneration to Managing Director for a period from April 1, 2016 to September 30, 2016 as per approval of Central Government issued vide its letter No. SRN C47700182/5/2015 – CL. VII dated November 3, 2015.

Pursuant to amendment in Schedule V of the Companies Act, 2013 by the Central Government vide Notification S.O.2922 (E) dated September 12, 2016, remuneration to the Managing Director has been paid as per his terms of employment with effect from October 1, 2016 as per the said notification.

The elements of remuneration paid to Mr. CT. Renganathan, Managing Director during the financial year 2016-17 are as under:

(₹ In lakhs)

Name	Salary	Performance Bonus	Perquisites	Retiral Benefits
Mr. CT. Renganathan	162.19	44.07	-	8.51

The remuneration structure of the Managing Director comprises of salary, perquisites, allowances, performance bonus, and contribution to provident, superannuation and gratuity funds. Payment of remuneration to the Managing Director is governed by the Agreement executed between him and the Company. The Agreement may be terminated by either party, by giving a notice in writing of not less than four months or by paying the basic salary in lieu thereof.

7. Stakeholders Relationship Committee

The Stakeholders Relationship Committee consists of four Directors, namely, Mr. Mahesh S. Gupta, Mr. Narendra Ambwani and Mr. CT. Renganathan. Mr. Mahesh S. Gupta is the Chairman of the Stakeholders Relationship Committee.

The functioning and terms of reference of the Committee are as prescribed and in due compliance with the Regulation 20 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as well as Section 178 of the Companies Act, 2013 and include reviewing existing investor redressal system, redressing of Shareholder complaints like delay in transfer of shares, non-receipt of declared dividend, etc.

During the financial year, four meetings of the Stakeholders Relationship Committee were held on April 29, 2016, July 26, 2016, October 21, 2016 and February 01, 2017.

Attendance of Directors at the Stakeholders Relationship Committee Meetings held during the financial year is as under:

Name of the Director	No. of meetings attended
Mr. Mahesh S. Gupta	4
Mr. P. K. Mohapatra	3
Mr. Narendra Ambwani	3
Mr. CT. Renganathan	4

The Company Secretary is the Compliance Officer in terms of Regulation 6 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Company's shares are tradable only in demat form. As regards transfer of shares in physical form, the Board of Directors has delegated the power to the Company Secretary in order to expedite share transfers.

Statement of the various complaints received and resolved by the Company during the year ended March 31, 2017 are as under:

Sr. No.	Type of complaints	Number of Complaints		
		Received	Resolved	Pending
1.	Issuance of transmission procedure	1	1	-
2.	Non Receipt of Dividend	1	1	-
3.	Others	2	2	-
	Total	4	4	-

8. Corporate Social Responsibility Committee.

Corporate Social Responsibility Committee (CSR) consists of four Directors, namely, Mr. C. L. Jain, Mr. Narendra Ambwani, Ms. Zahabiya Khorakiwala and Mr. CT. Renganathan. Mr. C.L Jain is the chairman of the Corporate Social Responsibility Committee.

The terms and reference of the Committee of the CSR inter alia includes the followings:

a. To formulate and recommend to the Board the Corporate Social Responsibility Policy (CSR Policy) as specified in Schedule VII of Companies Act , 2013 ('the Act') read with Companies (Corporate Social Responsibility) Rules, 2014 and Schedule VII.

b. To recommend to the Board the amount of expenditure to be incurred on the activities undertaken by the Company as per the CSR Policy.

c. To monitor the CSR Policy of the company from time to time.

During the Financial year, two meetings of the Corporate Social Responsibility Committee were held on July 26, 2016 and March 14, 2017.

Attendance of Directors at the Corporate Social Responsibility Committee Meeting held during the financial year is as under:

Name of Director	No. of meetings attended
Mr. C.L Jain	2
Mr. Narendra Ambwani	1
Ms. Zahabiya Khorakiwala	1
Mr. CT. Renganathan	2

9. Risk Management Committee

Risk Management Committee consists of three Directors, namely, Mr. C. L. Jain, Mr. Sachin Nandgaonkar and Mr. CT. Renganathan. Mr. C. L. Jain is the Chairman of the Risk Management Committee.

The roles and responsibilities of the Risk Management Committee are as prescribed under Regulation 21 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, and includes monitoring and review of risk management plan and reporting the same to the Board of Directors periodically as it may deem fit, in addition to any other terms as may be referred by the Board of Directors, from time to time.

During the financial year, two meetings of the Risk Management Committee were held on October 17, 2016 and March 29, 2017.

Attendance of Directors at the Risk Management Committee Meetings held during the financial year is as under:

Name of the Director	No. of meetings attended
Mr. C. L. Jain	2
Mr. Sachin Nandgaonkar	2
Mr. CT. Renganathan	2

10. General Body Meeting

The details of the last three Annual General Meetings are as under:

AGM for the period/ year ended	Venue	Date	Time	Special Resolutions passed
7th AGM March 31, 2014	Ravindra Natya Mandir P.L. Deshpande Maharashtra Kala Academy, Sayani Road, Prabhadevi, Mumbai 400 025.	September 25, 2014	11.00 a.m.	3*
8th AGM March 31, 2015	Ravindra Natya Mandir P.L. Deshpande Maharashtra Kala Academy, Sayani Road, Prabhadevi, Mumbai 400 025.	July 28, 2015	3.00 p.m.	Nil
9th AGM July 27, 2016	Ravindra Natya Mandir P.L. Deshpande Maharashtra Kala Academy, Sayani Road, Prabhadevi, Mumbai 400 025	July 27, 2016	3.00 p.m	Nil

* The details of Special Resolution passed at the 7th AGM is as under:

1. Resolution pursuant to Section 196, 197, 198, read with Schedule V of the Companies Act, 2013 for payment of remuneration to Mr. Ajit Singh Chouhan as Managing Director of the Company.

2. Resolution pursuant to Section 180 (1)(c) of the Companies Act, 2013 for authority to obtain loans/ borrowings for the Company.
3. Resolution pursuant to Section 180 (1)(a) of the Companies Act, 2013 for creation of mortgage and/or charge on all or any of the movable and/or immovable properties of the Company.

None of the items transacted at the Annual General Meetings held on July 28, 2015 and July 27, 2016 were required to be passed by postal ballot nor any resolution requiring a postal ballot is being proposed at the ensuing Annual General Meeting. During the year under review, no resolution has been passed through the exercise of postal ballot.

11. Disclosures

(i) The Company has not entered into any materially significant related party transaction that may have potential conflict with the interest of the Company at large. The Company has received disclosures from the Senior Management Personnel confirming that they have not entered into any financial or commercial transaction, which may have potential conflict with the interest of the Company. The policy on dealing with related party transactions is posted on the Company's website www.rpglifesciences.com.

(ii) To the best of the Company's knowledge, there has neither been any incidence of non-compliance with laws governing capital market nor has any penalty or stricture been imposed on the Company by the Stock Exchanges, SEBI or any statutory authority on any matter related to capital market.

(iii) The Board of Directors has laid down the Code of Conduct for Board Members and Senior Management, which they are bound to observe in the course of conduct of business of the Company. The Code of Conduct has also been posted on the website of the Company. Each Director and Senior Management Personnel including all functional heads, to which the code has been made applicable, have affirmed their compliance with the Code. A declaration by Mr. CT. Renganathan, Managing Director, to this effect forms part of this report.

(iv) The Managing Director and Vice President-Finance of the Company have submitted the certificate as required under Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, to the Board of Directors.

(v) The Company has adopted a Whistle Blower Policy and confirms that no personnel was denied access to the Audit Committee.

(vi) The Company is in compliance with all the mandatory requirements of Regulation 17 to 27 and Regulation 46 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The status on adoption of non-mandatory requirement is set out in this report.

(vii) The details of shares in Unclaimed Suspense Account are provided in notes to Notice of Annual General Meeting of the Company included in this Annual Report.

12. Means of Communication

The quarterly, half-yearly and annual results are published in 'The Free Press Journal' and 'Nav Shakti' newspapers. The financial results and official news releases are also available on the Company's website www.rpglifesciences.com.

13. General Shareholder Information

(i)	**AGM: Date, time and venue**	10th Annual General Meeting on July 24, 2017 at 2.30 p.m. at Ravindra Natya Mandir, P.L. Deshpande Maharashtra Kala Academy, Sayani Road, Prabhadevi, Mumbai 400 025.
(ii)	**Financial Year**	April 1 - March 31
(iii)	**Date of Book Closure**	July 17, 2017 to July 24, 2017 (both days inclusive).
(iv)	**Dividend Payment Date**	The dividend recommended by the Board if declared at the ensuing Annual General Meeting will be paid within 30 days from the date of declaration subject to approval of the shareholders.
(v)	**Listing on Stock Exchanges**	The Equity Shares of the Company are listed on the BSE Limited (BSE) having office at Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001 and National Stock Exchange of India Limited (NSE) having office at Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E), Mumbai-400 051. The listing fees have been paid to both the Stock Exchanges for the financial year 2017-18.
(vi)	**Stock Code**	BSE - 532983
		NSE – RPGLIFE
(vii)	**ISIN Code**	INE105J01010

(viii) Market Price Data

Month	BSE		NSE		SENSEX	
	High	Low	High	Low	High	Low
April 2016	285.30	223.20	284.95	223.45	26,100.54	24,523.20
May	273.90	232.20	274.40	232.40	26,837.20	25,057.93
June	294.00	221.90	294.00	221.00	27,105.41	25,911.33
July	402.40	261.00	403.45	260.00	28,240.20	27,034.14
August	464.95	372.85	466.40	373.05	28,532.25	27,627.97
September	534.75	424.40	534.40	424.25	29,077.28	27,716.78
October	518.50	468.00	519.00	450.30	28,477.65	27,488.30
November	516.50	362.00	517.00	373.00	28,029.80	25,717.93
December	508.65	444.25	508.50	440.60	26,803.76	25,753.74
January 2017	537.50	460.00	536.20	458.50	27,980.39	26,447.06
February	478.95	425.00	479.90	423.00	29,065.31	27,590.10
March	484.05	423.00	483.70	421.50	29,824.62	28,716.21

(ix) Registrar and Transfer Agents

Link Intime India Private Limited
C 101, 247 Park, L B S Marg, Vikhroli (West), Mumbai 400 083
Tel No (022) 49186270 | Fax No. (022) 49186060 E-mail:rnt.helpdesk@linkintime.co.in
Contact Person: Ms. Udaya Rao

(x) Grievance Redressal

The investors may register their grievance on investorservices@rpgls.com, an exclusive E- mail ID for registration of complaints by the investors.

(xi) Share Transfer System

In order to expedite the process of share transfer, the Board of Directors has delegated the power of transfer of shares to the Company Secretary who considers and approves transfers every fifteen days.

(xii) Distribution of Shareholding

- The distribution of shareholding as on March 31, 2017 was as under:

Nominal Value of Shareholding	No. of Shareholders	% of Shareholders	Share Amount (Rs.)	% of Share Amount
Upto 5000	15833	94.27	1,49,65,784	11.31
5001 to 10000	535	3.19	38,92,024	2.94
10001 to 20000	210	1.25	31,23,712	2.36
20001 to 30000	64	0.38	15,34,384	1.16
30001 to 40000	55	0.33	19,72,856	1.49
40001 to 50000	16	0.10	7,15,608	0.54
50001 to 100000	40	0.24	27,85,888	2.11
100001 and above	41	0.24	10,33,21,864	78.09
Total	**16,794**	**100.00**	**13,23,12,120**	**100.00**

- Shareholding Pattern as on March 31, 2017

Category	No. of Shares	%
Promoters	1,11,61,058	67.48
Insurance Companies	Nil	Nil
Foreign Intuitional Investors	12,708	0.07
Mutual Funds/Banks	42,443	0.26
Non Resident Indians	1,19,182	0.73
Public	52,03,624	31.46
Total	**1,65,39,015**	**100.00**

(xiii) Dematerialization of Shares and Liquidity

Category	No. of Shares	% of shares	No. of Shareholders	% of Shareholders
Electronic Form	1,61,34,894	97.55	13,621	81.11
Physical Form	4,04,121	2.45	3,173	18.89
Total:	**1,65,39,015**	**100.00**	**16,794**	**100.00**

(xiv)Outstanding GDR/ADRs/Warrants or any Convertible Instruments, conversion date and likely impact on equity

The Company has not issued any GDRs/ADRs. As of March 31, 2017 , the Company does not have any outstanding convertible instruments, which are likely to have an impact on the equity of the Company.

(xv) Commodity Price Risk or Foreign Exchange Risk and Hedging activities

During the year, the Company had managed the foreign exchange risk and hedged to the extent considered necessary. The Company enters into forward contracts for hedging foreign exchange exposures against exports and imports. The details of foreign currency exposure are disclosed in Note No. 45 to the Annual Accounts.

(xvi)Plant Locations

Bulk Drugs (Synthetic)	Pharma Formulation
25,M.I.D.C Land, Thane-Belapur Road, Navi Mumbai 400 705 Maharashtra.	Plot No.3102/A, G.I.D.C. Industrial Estate, Ankleshwar 393 002, Dist.Bharuch (Gujarat).

(xvii)Address for Correspondence

Mr. Rajesh Shirambekar
Head – Legal & Company Secretary
25, M.I.D.C. Land, Thane–Belapur Road, Navi Mumbai 400 705, Maharashtra.
Tel No. (022) 6795 5400/ 6795 5555 Fax No. (022) 2763 3269
Email: investorservices@rpgls.com

(xviii)Non-Mandatory Requirements

1. **The Board**
   The Chairman has not sought any reimbursement of expenses incurred for maintenance of his office or performance of his duties. The tenure of all Independent Directors on the Board is less than nine years. The Board ensures before appointment of Independent Directors that they have the requisite qualifications and experience that would be of use to the Company and would enable them to contribute effectively to the Company in their capacity as Independent Directors.

2. **Shareholders' Rights**
   The quarterly, half-yearly and annual financial results are published in the newspapers and also displayed on Company's website: www.rpglifesciences.com. In view of this, the Company does not send the financial results to the shareholders separately.

3. **Audit Qualification**
   The financial statements for the year ended March 31, 2017 are unqualified.

4. **Separate Posts of Chairman and CEO**
   The Company has separate persons to the post of the Chairman and the Managing Director.

5. **Reporting of Internal Auditor**
   The Internal Auditors presents the Internal Audit Report at the meeting of the Audit Committee every quarter.

Declaration

I hereby declare that all the Directors and Senior Management Personnel including all functional heads of the Company have affirmed compliance with the Code of Conduct, as applicable to them, for the year ended March 31, 2017

Place: Mumbai
Date: April 28, 2017

CT. Renganathan
Managing Director

PRACTICING COMPANY SECRETARY'S CERTIFICATE

To the Shareholders of
RPG Life Sciences Limited

We have examined the compliance of conditions of Corporate Governance by RPG Life Sciences Limited (hereinafter referred "the Company") for the year ended March 31, 2017 as per relevant provisions of Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosures requirements) Regulations, 2015 ('Listing Regulations') for the period April 1, 2016 to March 31, 2017.

The compliance of regulations of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the regulations of Corporate Governance. 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, we certify that the Company has complied with the regulations of Corporate Governance as stipulated in the above-mentioned Listing Regulations.

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

For Suvarna Joshi
Practicing Company Secretary

Suvarna Joshi
Proprietor
Membership No.: A45141
C.P. No.: 16812

Place: Mumbai
Date: April 28, 2017

INDEPENDENT AUDITORS' REPORT

To the members of RPG Life Sciences Limited

Report on the Financial Statements

1. We have audited the accompanying financial statements of **RPG Life Sciences Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

5. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements 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.

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

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

Opinion

8. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2017, and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

9. As required by 'the Companies (Auditor's Report) Order, 2016', issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act (hereinafter referred to as the "Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure B a statement on the matters specified in paragraphs 3 and 4 of the Order.

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

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

    (b) In our opinion, proper books of account as required by

law have been kept by the Company so far as it appears from our examination of those books.

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

(d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

(e) On the basis of the written representations received from the directors as on March 31, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.

(f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure A.

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

i. The Company does not have any pending litigations as at March 31, 2017 which would impact its financial position.

ii. The Company has long-term contracts as at March 31, 2017 for which there were no material foreseeable losses. The Company did not have any long term derivative contracts as at March 31, 2017.

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended March 31, 2017.

iv. The Company had provided requisite disclosures in its financial statements as to holdings as well as dealings in Specified Bank Notes during the period from November 8, 2016 to December 30, 2016 and these are in accordance with the books of accounts maintained by the Company.

For Lovelock & Lewes
Firm Registration Number: 301056E
Chartered Accountants

Sumit Seth
Partner
Membership Number: 105869

Mumbai,
April 28, 2017

ANNEXURE A TO INDEPENDENT AUDITORS' REPORT

Referred to in paragraph 10(f) of the Independent Auditors' Report of even date to the members of RPG Life Sciences Limited on the financial statements for the year ended March 31, 2017.

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

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

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

3. 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 deemed to be prescribed under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

7. 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

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

For Lovelock & Lewes
Firm Registration Number: 301056E
Chartered Accountants

Sumit Seth
Partner
Membership Number: 105869

Mumbai
April 28, 2017

ANNEXURE B TO INDEPENDENT AUDITORS' REPORT

Referred to in paragraph 9 of the Independent Auditors' Report of even date to the members of RPG Life Sciences Limited on the financial statements as of and for the year ended March 31, 2017

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

(b) The fixed assets are physically verified by the Management according to a phased programme designed to cover all the items over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the fixed assets has been physically verified by the Management during the year and no material discrepancies have been noticed on such verification.

(c) The title deeds of immovable properties, as disclosed in Note 13 on fixed assets to the financial statements, are held in the name of the Company.

ii. The physical verification of inventory have been conducted at reasonable intervals by the Management during the year. In respect of inventory lying with third parties, these have substantially been confirmed by them.

iii. The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act. Therefore, the provisions of Clause 3(iii), (iii)(a), (iii)(b) and (iii)(c) of the said Order are not applicable to the Company.

iv. The Company has not granted any loans or made any investments, or provided any guarantees or security to the parties covered under Section 185 and 186. Therefore, the provisions of Clause 3(iv) of the said Order are not applicable to the Company.

v. In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of Sections 73, 74, 75 and 76 or any other relevant provisions of the Act and the Rules framed thereunder to the extent notified, with regard to the deposits accepted from the public. According to the information and explanations given to us, no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal on the Company in respect of the aforesaid deposits.

vi. Pursuant to the rules made by the Central Government of India, the Company is required to maintain cost records as specified under Section 148(1) of the Act in respect of its products. We have broadly reviewed the same, and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.

vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing the undisputed statutory dues, including provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, with the appropriate authorities.

(b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of income-tax, duty of customs or value added tax which have not been deposited on account of any dispute. The particulars of dues of sales tax, service tax, and duty of excise as at March 31, 2017 which have not been deposited on account of a dispute, are as follows:

Name of the statute	Nature of dues	Amount ₹ in lakhs*	Period to which the amount relates (Years)	Forum where the dispute is pending
Gujarat Sales Tax Act, 1969	Sales/Purchase tax including interest and penalty as applicable	118	1994-1995 and 1997-1998 to 2000-2001	Appellate Authority – up to Commissioner's level
The Finance Act, 1994	Service tax including interest and penalty as applicable	36 96	April 2006 to December 2006 April 2006 to May 2015	Appellate Authority – up to Commissioner's level Customs, Excise & Service Tax Appellate Tribunal
The Central Excise Act, 1944	Excise duty including interest and penalty as applicable	9 11	1994 to 1996 1990 to 1994 and 1996-1997	Appellate Authority – up to Commissioner's level Customs, Excise & Service Tax Appellate Tribunal

*Net of amounts paid including under protest.

viii. According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of loans or borrowings to any financial institution or bank or Government or dues to debenture holders as at the balance sheet date.

ix. In our opinion, and according to the information and explanations given to us, the moneys raised by way of term loans have been applied for the purposes for which they were obtained. Further the Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) during the year.

x. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.

xi. The Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the provisions of Clause 3(xii) of the Order are not applicable to the Company.

xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of related party transactions have been disclosed in the financial statements as required under Accounting Standard (AS) 18, Related Party Disclosures specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

xiv. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under audit. Accordingly, the provisions of Clause 3(xiv) of the Order are not applicable to the Company.

xv. The Company has not entered into any non cash transactions with its directors or persons connected with him within the meaning of Section 192 of the Act. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.

xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

For Lovelock & Lewes
Firm Registration Number: 301056E
Chartered Accountants

Sumit Seth
Partner
Membership Number: 105869

Mumbai
April 28, 2017

BALANCE SHEET AS AT MARCH 31, 2017

	Note	As at March 31, 2017		As at March 31, 2016	
		₹ in lakhs	₹ in lakhs	₹ in lakhs	₹ in lakhs
Equity and Liabilities					
Shareholders' Funds					
Share Capital	3	1,323		1,323	
Reserves and Surplus	4	14,085		12,036	
			15,408		13,359
Non-Current Liabilities					
Long-Term Borrowings	5	1,616		24	
Deferred Tax Liabilities (Net)	6	222		-	
Other Long-Term Liabilities	7	283		261	
Long-Term Provisions	8	232		199	
			2,353		484
Current Liabilities					
Short-Term Borrowings	9	2,401		2,196	
Trade Payables	10				
Total outstanding dues of Micro and Small Enterprises		-		-	
Total outstanding dues of Creditors other than Micro and Small Enterprises		2,866		3,371	
Other Current Liabilities	11	1,491		1,017	
Short-Term Provisions	12	108		96	
			6,866		6,680
Total			**24,627**		**20,523**
Assets					
Non-Current Assets					
Fixed Assets	13				
Tangible Assets		8,219		9,289	
Intangible Assets		5,448		1,637	
Capital Work-in-Progress		182		159	
		13,849		11,085	
Long-Term Loans and Advances	14	1,074		719	
			14,923		11,804
Current Assets					
Inventories	15	4,578		3,902	
Trade Receivables	16	3,963		3,699	
Cash and Bank Balances	17	160		80	
Short-Term Loans and Advances	18	810		980	
Other Current Assets	19	193		58	
			9,704		8,719
Total			**24,627**		**20,523**

The accompanying notes are an integral part of these Financial Statements.

In terms of our report of even date

For Lovelock & Lewes
Firm Registration No. 301056E
Chartered Accountants

Sumit Seth
Partner
Membership No. 105869
Mumbai, April 28, 2017

For and on behalf of the Board

H. V. Goenka
Chairman
DIN: 00026726

CT. Renganathan
Managing Director
DIN: 02158397

C. L. Jain
Director
DIN:00102910

Mahesh Narayanaswamy
Vice President - Finance

Rajesh Shirambekar
Company Secretary

Mumbai, April 28, 2017

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

	Note	Year ended March 31, 2017		Year ended March 31, 2016	
		₹ in lakhs	₹ in lakhs	₹ in lakhs	₹ in lakhs
Revenue					
Revenue from Operations (Gross)	22	31,776		29,021	
Less: Excise Duty		1,335		1,089	
Revenue from Operations (Net)		30,441		27,932	
Other Income	23	59		78	
Total Revenue			30,500		28,010
Expenses					
Cost of Materials Consumed	24	5,898		6,025	
Purchases of Stock-in-Trade		5,550		3,360	
Changes in inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	25	(864)		(241)	
Employee Benefits Expense	26	7,753		7,413	
Finance Costs	27	264		249	
Depreciation and Amortisation Expense		1,178		1,015	
Other Expenses	28	9,191		9,027	
Total Expenses			28,970		26,848
Profit Before Exceptional Item and Tax			1,530		1,162
Exceptional Item	30a		738		-
Profit Before Tax			2,268		1,162
Tax Expense					
Current Tax		481		224	
Less: Minimum Alternate Tax Credit Entitlement		(481)		(224)	
Deferred Tax		222		-	
			222		-
Profit for the year			2,046		1,162
of which:					
Profit before Tax from Continuing Operations			1,376		839
Tax Expense (net)			-		-
Profit for the year from Continuing Operations			1,376		839
Profit before Tax from Discontinuing Operations	30b		154		323
Net Gain from sale of business	30a		738		-
Tax Expense (net)			222		-
Profit for the year from Discontinuing Operations			670		323
Earnings per Share - ₹ per Equity Share of ₹ 8 each	50				
Basic			12.37		7.03
Diluted			12.37		7.03

The accompanying notes are an integral part of these Financial Statements.

In terms of our report of even date

For Lovelock & Lewes
Firm Registration No. 301056E
Chartered Accountants

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Membership No. 105869
Mumbai, April 28, 2017

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Company Secretary

Mumbai, April 28, 2017

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2017

	Year ended March 31, 2017		Year ended March 31, 2016	
	₹ in Lakhs	₹ in Lakhs	₹ in Lakhs	₹ in Lakhs
A. Cash flow from operating activities				
Profit before Tax		2,268		1,162
Adjustments for -				
Depreciation and Amortisation Expense	1,178		1,015	
Interest Income	(42)		(3)	
Liabilities no longer required written back	(4)		(29)	
Provision for Doubtful Debts and Advance (Net)	12		7	
(Profit)/Loss on sale/disposal of Fixed Assets (Net)	2		(2)	
Gain on sale of business [Refer note 30]	(738)		-	
Interest Expense	264		247	
Unrealised Exchange Loss (Net)	21		29	
		693		1,264
Operating profit before working capital changes		2,961		2,426
Adjustments for -				
Trade and Other Receivables	(1,027)		315	
Inventories	(889)		(454)	
Trade and Other Payables	(53)		1,231	
		(1,969)		1,092
Cash generated from operations		992		3,518
Direct Taxes paid (net of refund of taxes)		(238)		(237)
Net cash from operating activities		754		3,281
B. Cash flow from investing activities				
Purchases of Fixed Assets (including advances for capital expenditure)	(5,587)		(1,537)	
Proceeds from sale of business [Refer note 30]	2,487		-	
Fixed Deposits with Banks	(17)		(8)	
Sale of Fixed Assets	71		17	
Interest received	42		3	
Net cash used in investing activities		(3,004)		(1,525)

C. Cash flow from financing activities				
Proceeds from share allotment under employee stock option plan	3		-	
Proceeds from Long-term Borrowings	2,067		42	
Repayment of Long-term Borrowings	(45)		(57)	
Proceeds from/(Repayment of) Short-term Borrowings (Net)	578		(1,020)	
Dividends paid	(25)		(394)	
Tax paid on Dividend	-		(81)	
Interest paid	(265)		(248)	
Net cash from/(used in) financing activities		2,313		(1,758)
Net increase in cash and cash equivalents		63		(2)
Cash and Cash Equivalents at the beginning of the year		23		25
Cash and Cash Equivalents at the end of the year		86		23
Net Increase in Cash and Cash Equivalents		63		(2)
Cash and cash equivalents comprise of:				
Balances with Banks				
on Current Accounts		84		21
Cash on Hand		2		2
		86		23

Notes:

1. The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard – 3 on Cash Flow Statements. [Refer Note 2(a)]
2. Previous year figures have been regrouped where necessary.

In terms of our report of even date

For Lovelock & Lewes
Firm Registration No. 301056E
Chartered Accountants

Sumit Seth
Partner
Membership No. 105869
Mumbai, April 28, 2017

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H. V. Goenka
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Vice President - Finance

Rajesh Shirambekar
Company Secretary

Mumbai, April 28, 2017

Notes forming part of the Financial Statements as at and for the year ended March 31, 2017

1. Background

RPG Life Sciences Limited (the 'Company') was incorporated on 29th March, 2007 as RPG Pharmaceuticals Limited. The name of the Company was subsequently changed to RPG Life Sciences Limited on 13th February, 2008. RPG Life Sciences Limited is engaged in the manufacturing and marketing of Formulations (Finished Dosage Forms) and Active Pharmaceutical Ingredients (APIs).

In earlier year, pursuant to a Scheme of Arrangement, the Company had acquired the pharmaceuticals business of Brabourne Enterprises Limited (formerly RPG Life Sciences Limited) with effect from the appointed date of 2nd April, 2007.

2. Significant Accounting Policies

(a) Basis of Preparation

These financial statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention on accrual basis. Pursuant to section 133 of the Companies Act 2013 read with Rule 7(1) of the Companies (Accounts) Rules 2014, till the standards of accounting or any addendum thereto are prescribed by Central Government in consultation and recommendation of the National Financial Reporting Authority, the existing Accounting Standards notified under the Companies Act, 1956 shall continue to apply. Consequently, these financial statements have been prepared to comply in all material aspects with the accounting standards notified under Section 211(3C) [Companies (Accounting Standards) Rules, 2006, as amended] of the Companies Act, 1956 and other relevant provisions of the Companies Act, 2013.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in Schedule III (Division I) to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

(b) Fixed Assets

Fixed assets are stated at cost less accumulated depreciation/amortisation and impairment loss. Cost comprises of purchase/acquisition price, taxes (net of CENVAT availed), borrowing costs and any directly attributable cost for bringing the asset to its working condition for its intended use.

Depreciation is provided on a pro-rata basis on the straight line method over the following estimated useful lives of the tangible assets (other than acquired pursuant to Scheme of Arrangement) based on technical assessment. The estimated useful lives followed by the Company for depreciating such tangible assets are as under:

Description	Useful Life followed by the Company (years)	Useful Life as prescribed in Schedule II to Companies Act, 2013 (years)
Tangible Assets		
Buildings on Leasehold Land	30	30
Plant and Equipment	10 to 20	10 to 20
Furniture and Fixtures	10	10
Vehicles	5	8
Office Equipment	5	5
Computers	3	3
Servers	3	6
The Intangible Assets are amortised over the following useful life (years):		
Goodwill	5	
Computer Software	5	
Technical Knowhow	5	
Trademarks	10	

Notes forming part of the Financial Statements as at and for the year ended March 31, 2017

Leasehold Lands are amortised on Straight Line Method, pro-rata to the period of use, over the remaining lease terms.

Assets costing ₹ 5,000 or less are fully depreciated in the year of acquisition.

Further the fixed assets acquired under the Scheme of Arrangement [Refer Note 1] are depreciated/amortised over estimated useful lives as per the Scheme of Arrangement. The estimated useful lives of the fixed assets acquired under the Scheme of Arrangement are as under:

Description	Useful Life followed by the Company (years)
Tangible Assets	
Buildings on Leasehold Land	25
Plant and Equipment	4 to 8
Furniture and Fixtures	4 to 5
Vehicles	5
Office Equipment	4 to 8
Computers	2
Intangible Assets	
Goodwill	5
Computer Software	5
Technical Knowhow	20

Fixed assets retired from active use and held for disposal are stated at the lower of net book value and net realisable value and are disclosed under Other Current Assets. Any expected loss is recognised immediately in the Statement of Profit and Loss.

Assessment is carried out at each Balance Sheet date as to whether there is any indication that an asset (tangible and intangible) may be impaired. Impairment loss is provided to the extent the carrying amount of assets exceed their recoverable amount. Recoverable amount is the higher of an asset's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. Net selling price is the amount obtainable from the sale of an asset in an arm's length transaction between knowledgeable, willing parties, less the costs of disposal.

(c) Inventories

Inventories are valued at lower of cost and net realisable value. Raw and Packing Material cost is determined on weighted average basis. Cost of work-in-progress and finished goods includes labour and manufacturing overheads, where applicable.

(d) Foreign Currency Transactions

Foreign currency transactions are recorded at the exchange rates prevailing on the date of the transaction. Gains and losses arising out of subsequent fluctuations are accounted for on actual payment or realisation. Monetary items denominated in foreign currency as at the Balance Sheet date are converted at the exchange rates prevailing on that date. Exchange differences are recognised in the Statement of Profit and Loss.

(e) Forward Contracts

Premium or discount arising at the inception of forward exchange contracts entered into to hedge an existing asset/liability is amortised as expense or income over the life of the contract. Exchange difference on forward contract is recognised in the Statement of Profit and Loss in the year in which the exchange rates change. Any profit or loss arising on cancellation or renewal of forward contract is recognised as income or expense in the Statement of Profit and Loss.

(f) Revenue Recognition

Sales are recognised when the significant risks and rewards of ownership in the goods are transferred to the buyer as per the terms of the contract and are recognised net of trade discounts, rebates, sales taxes and excise duties.Revenue from Product development services are recognised on the basis of contractual arrangements as related services are performed.

Notes forming part of the Financial Statements as at and for the year ended March 31, 2017

(g) Employee Benefits

(i) Defined Contribution Plans

The Company has Defined Contribution Plans for post employment benefits in the form of Superannuation Fund, Provident Fund, Employees' Pension Scheme and Employees State Insurance Scheme which are administered through Government of India or trustees. Superannuation Fund, Provident Fund, Employees' Pension Scheme and Employees' State Insurance Scheme are classified as Defined Contribution Plans as the Company has no further obligation beyond making the contributions. The Company's contributions to Defined Contribution Plans are charged to the Statement of Profit and Loss as incurred.

(ii) Defined Benefit Plan

The Company has Defined Benefit Plan for post employment benefits in the form of Gratuity. Gratuity scheme of the Company is administered through trustees. Liability for Defined Benefit Plan is provided on the basis of valuation, as at the Balance Sheet date, carried out by independent actuary. The actuarial valuation method used by independent actuary for measuring the liability is the Projected Unit Credit method.

(iii) Other Long-term Employee Benefits

(a) Accumulated Compensated Absences which are expected to be availed or encashed within 12 months from the end of the year are treated as short-term employee benefits. The obligation towards the same is measured at the expected cost of Accumulating Compensated Absences as the additional amount expected to be paid as a result of the unused entitlement as at the year end.

(b) Accumulated Compensated Absences which are expected to be availed or encashed beyond 12 months from the end of the year are treated as other long-term employee benefits. Liability for such benefits is provided on the basis of valuation, as at the Balance Sheet date, carried out by independent actuary. The actuarial valuation method used by independent actuary for measuring the liability is the Projected Unit Credit Method.

(iv) Termination benefits are recognised as an expense as and when incurred.

(v) Actuarial gains and losses comprise experience adjustments and the effects of changes in actuarial assumptions and are recognised immediately in the Statement of Profit and Loss as income or expense.

(h) Expenditure on Research and Development

Revenue expenditure is recognised as expense in the year in which it is incurred and the expenditure on capital assets is depreciated over the useful lives of the assets.

(i) Borrowing Costs

Borrowing costs include interest, other direct cost incurred in connection with the borrowing and exchange difference arising from foreign currency borrowings to the extent that they are regarded as an adjustment to the interest cost. General and specific borrowing cost directly attributable to the acquisition, construction or production of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use. All other borrowing costs are recognised as expense in the year in which they are incurred.

(j) Leases

Lease under which the Company assumes substantially all the risks and rewards of ownership are classified as finance leases. Such assets acquired are capitalized at fair value of the asset or present value of the minimum lease payments at the inception of the lease, whichever is lower. Lease payments under operating leases are recognized as an expense on a straight line basis in the statement of profit and loss over the lease term.

(k) Provisions and Contingent Liabilities

The Company recognises a provision when there is a present obligation as a result of a past event, it is probable that an outflow of resources will be required to settle the obligation and in respect of which reliable estimate can be made. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation and the likelihood of outflow of resources is remote, no provision or disclosure is made.

Notes forming part of the Financial Statements as at and for the year ended March 31, 2017

(l) Taxes on Income

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

Deferred tax is recognised, subject to the consideration of prudence in respect of deferred tax assets. Deferred tax assets are recognised and carried forward only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax asset can be realised. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. In situations, where the Company has an unabsorbed depreciation or carryforward losses under tax laws, all deferred tax assets are recognised only to the extent that there is a virtual certainty supported by convincing evidence that they can be realised against future taxable profits. At each Balance Sheet date, the Company reassesses unrecognised deferred tax assets, if any.

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

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

	As at March 31, 2017 ₹ in lakhs	As at March 31, 2016 ₹ in lakhs
3. Share Capital		
Authorised		
18,750,000 Equity Shares of ₹ 8 each	1,500	1,500
Issued, Subscribed and Paid-up		
16,539,015 (Previous year 16,536,105), Equity Shares of ₹ 8 each fully paid-up	1,323	1,323

	As at March 31, 2017		As at March 31, 2016	
	No. of Shares	₹ in lakhs	No. of Shares	₹ in lakhs
(a) Reconciliation of Number of Shares				
Number of shares outstanding as at the beginning of the year	16,536,105	1,323	16,536,105	1,323
Add: Shares allotted under the Employee Stock Option Plan (ESOP)	2,910	*	-	-
Number of shares outstanding as at the end of the year	16,539,015	1,323	16,536,105	1,323

*Amount is below the rounding off norm adopted by the Company.

(b) The Company has only one class of shares i.e. equity shares having a face value of ₹ 8 each. Each shareholder is entitled to one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

(c) List of shareholders holding more than 5% shares as at the Balance Sheet date:

Name of the Shareholder	As at March 31, 2017		As at March 31, 2016	
	No. of shares	% of holding	No. of shares	% of holding
Chattarpati Apartments LLP	5,148,078	31.13	126,450	0.76
Swallow Associates LLP	10	0.00	5,021,638	30.37
Instant Holdings Limited	2,734,397	16.53	2,734,397	16.54
Summit Securities Limited	1,792,398	10.84	1,792,398	10.84
Nucleus Life Trust	941,459	5.69	824,324	4.98

Notes forming part of the Financial Statements as at and for the year ended March 31, 2017

(d) Shares reserved for issue under options:

Refer Note 31 for details of shares to be issued under the Employee Stock Option Plan.

	As at March 31, 2017		As at March 31, 2016	
	₹ in lakhs	₹ in lakhs	₹ in lakhs	₹ in lakhs
4. Reserves and Surplus				
Capital Reserve		5		5
General Reserve		863		863
Securities Premium Account				
Balance as at the beginning of the year	3,443		3,443	
Add: Addition on account of ESOP [Refer Note 3(a)]	3		-	
Balance as at the end of the year		3,446		3,443
Surplus				
Balance as at the beginning of the year	7,725		6,882	
Profit for the year as per Statement of Profit and Loss	2,046		1,162	
	9,771		8,044	
Less: Appropriations				
Interim Dividend	-		265	
Tax on Interim Dividend	-		54	
Balance as at the end of the year		9,771		7,725
		14,085		12,036

Note: During the previous year, the Company had paid interim dividend of ₹ 1.60 Per equity share of ₹ 8 each.

5. Long-Term Borrowings

Secured		
Term Loan from a Bank [Refer Note a below]	29	13
Unsecured		
Term Loan from a Bank [Refer Note b below]	1,571	-
Long term maturities of Finance Lease Obligations [Refer Note 49]	16	11
	1,616	24

(a) Nature of Security and Terms of repayment for secured borrowing

Nature of Security	Terms of Repayment
Term loan from a Bank is secured by hypothecation of vehicles purchased under loan.	Repayable in 36 Equated Monthly Instalments beginning from the time loan is taken along with interest ranging from 9.25% to 10.25% per annum.

(b) Particulars and Terms of repayment for unsecured term loan from a bank

Nature of Security	Terms of Repayment
Term loan from a Bank is secured by charge on Trademarks purchased under loan.	Repayable in 14 Equated Quarterly Instalments beginning from July 31, 2017 along with interest at 9.45% per annum.

(c) Terms of repayment for unsecured Finance Lease Obligations

Repayable in 12 Equated quarterly Installments beginning from the month of taking the lease along with interest at 14.09% to 14.36% per annum.

Notes forming part of the Financial Statements as at and for the year ended March 31, 2017

6. Deferred Tax Liabilities (Net)

	As at March 31, 2017		As at March 31, 2016	
	₹ in lakhs	₹ in lakhs	₹ in lakhs	₹ in lakhs
Deferred Tax Liabilities				
Depreciation/Amortisation	891		888	
Others	24		44	
		915		932
Less: Deferred Tax Assets				
Unabsorbed Depreciation and Tax Losses	533		792	
Provision for Employee Benefits	77		69	
Provision for Doubtful Debts and Advances	67		71	
Statutory Liabilities	16		-	
		693		932
		222		-

Note: As at March 31, 2016, Deferred Tax Assets were recognised to the extent of Deferred Tax Liabilities

7. Other Long-Term Liabilities

Deposits from Dealers		283		261

8. Long-Term Provisions

Provision for Employee Benefits - Provision for Leave Encashment and Compensated Absences [Refer Note 46(C)]		232		199

9. Short-Term Borrowings

Secured Working Capital Loans repayable on demand				
From Banks		1,901		2,196
From a Financial institution		500		-
		2,401		2,196

Working Capital Loans are secured by hypothecation of inventory and book debts and second charge on immovable assets at Thane/Ankleshwar Factory.

10. Trade Payables

	As at March 31, 2017		As at March 31, 2016	
	₹ in lakhs	₹ in lakhs	₹ in lakhs	₹ in lakhs
Total outstanding dues of Micro and Small Enterprises		-		-
Total outstanding dues of Creditors other than Micro and Small Enterprises		2,866		3,371
		2,866		3,371

Note: There are no delayed payments to Micro and Small Enterprises as defined in the Micro, Small and Medium Enterprises Development Act, 2006 during the year. Further, there are no dues to such parties which are outstanding as at the Balance Sheet date. This information has been determined on the basis of information available with the Company regarding their status as Micro and Small Enterprises.

Notes forming part of the Financial Statements as at and for the year ended March 31, 2017

11. Other Current Liabilities

Current Maturities of Long-Term Borrowings [Refer Note 5]		
Term Loan from a Bank	450	15
Current Maturities of Unsecured Finance Lease Obligations [Refer Note 5 and Note 49]	18	23
Interest accrued but not due on Borrowings	-	1
Unpaid Dividends*	24	49
Unpaid Matured Fixed Deposits*	5	5
Employee Benefits Payable	558	619
Statutory Dues	372	258
Payable for Fixed Assets	5	8
Advances from Customers	59	39
	1,491	1,017

*There are no amounts due for payment to the Investor Education and Protection Fund under Section 125 of the Companies Act, 2013 as at the year end.

12. Short-Term Provisions

Provision for Employee Benefits		
Provision for Gratuity [Refer Note 46(B)]	19	-
Provision for Compensated Absences [Refer Note 46(C)]	89	96
	108	96

Notes forming part of the Financial Statements as at and for the year ended March 31, 2017

13. Fixed Assets

(₹ in lakhs)

Description	Gross Block (at cost)				Depreciation/Amortisation				Net Block
	As at April 1, 2016	Additions	Deductions	As at March 31, 2017	As at April 1, 2016	For the year	On Deductions	As at March 31, 2017	As at March 31, 2017
Tangible Assets									
Leasehold Lands	2,454	-	88	2,366	359	39	11	387	1,979
Buildings on Leasehold Land	3,649	184	725	3,108	837	111	180	768	2,340
Plant and Equipment	8,267	763	2,459	6,571	4,330	533	1,699	3,164	3,407
Furniture and Fixtures	566	77	88	555	301	45	58	288	267
Vehicles - Owned	154	53	30	177	83	32	24	91	86
Vehicles - Under Lease	34	-	4	30	34	-	4	30	-
Office Equipment	315	114	60	369	206	56	33	229	140
	15,439	1,191	3,454	13,176	6,150	816	2,009	4,957	8,219
Intangible Assets									
Goodwill	349	-	-	349	349	-	-	349	-
Trademarks	-	4,273	-	4,273	-	190	-	190	4,083
Computer Software	310	114	28	396	214	45	1	258	138
Technical Knowhow	2,885	-	350	2,535	1,344	127	163	1,308	1,227
	3,544	4,387	378	7,553	1,907	362	164	2,105	5,448
Total	18,983	5,578	3,832	20,729	8,057	1,178	2,173	7,062	13,667
Capital Work-in-Progress									182
									13,849

Description	Gross Block (at cost)				Depreciation/Amortisation				Net Block
	As at April 1, 2015	Additions	Deductions	As at March 31, 2016	As at April 1, 2015	For the year	On Deductions	As at March 31, 2016	As at March 31, 2016
Tangible Assets									
Leasehold Lands	2,450	4	-	2,454	319	40	-	359	2,095
Buildings	3,316	333	-	3,649	718	119	-	837	2,812
Plant and Equipment	7,286	1,018	37	8,267	3,802	565	37	4,330	3,937
Furniture and Fixtures	535	31	-	566	257	44	-	301	265
Vehicles - Owned	155	28	29	154	68	30	15	83	71
Vehicles - Under Lease	38	-	4	34	35	3	4	34	-
Office Equipment	245	72	2	315	166	41	1	206	109
	14,025	1,486	72	15,439	5,365	842	57	6,150	9,289
Intangible Assets									
Goodwill	349	-	-	349	349	-	-	349	-
Computer Software	292	18	-	310	181	33	-	214	96
Technical Knowhow	2,885	-	-	2,885	1,204	140	-	1,344	1,541
	3,526	18	-	3,544	1,734	173	-	1,907	1,637
Total	17,551	1,504	72	18,983	7,099	1,015	57	8,057	10,926
Capital Work-in-Progress									159
									11,085

1. Intangible Assets are other than internally generated.
2. Additions to Building, Plant and Equipment Furniture and Fixtures and office equipment include ₹ 44 lakhs (Previous year - Nil), ₹ 97 lakhs (Previous year ₹ 78 lakhs), ₹ 7 lakhs (Previous year Nil) and ₹ 3 lakhs (Previous year - Nil) respectively pertaining to Research and Development activities.
3. Deductions from Gross block and Accumulated depreciation includes assets of the Biotech business unit which was sold on a slump sale basis on July 6, 2017 [Refer Note No 30].
4. During the year, Trademarks were purchased on assignment/perpetual license basis from Sun Pharmaceutical Industries Limited (including its subsidiary, Sun Pharma Laboratories Limited) vide Asset Purchase Agreement (APA) dated July 27, 2016. These Trademarks were capitalised on October 21, 2016 (closing date). Certain trademarks are in process of registration.
5. Computer Software includes assets acquired under finance lease amounting to Rs. 44 lakhs (Previous year ₹ 21 lakhs) and ₹ 14 Lakhs (Previous Year ₹ 8 lakhs) under gross block and accumulated depreciation, respectively
6. Office Equipment includes assets acquired under finance lease amounting to ₹ 26 Lakhs (Previous year ` 26 lakhs) and ₹ 14 Lakhs (Previous year ₹ 6 lakhs) under gross block and accumulated depreciation, respectively.

Notes forming part of the Financial Statements as at and for the year ended March 31, 2017

	As at March 31, 2017		As at March 31, 2016	
	₹ in lakhs	₹ in lakhs	₹ in lakhs	₹ in lakhs
14. Long-Term Loans and Advances				
(Unsecured, Considered good unless otherwise stated)				
Capital Advances		16		39
Security Deposits		28		62
Loans to Employees		5		6
Balances with Government Authorities		25		39
Current Taxation [Net of Provision of ₹ 2,234 lakhs (Previous year - ₹ 1,761 lakhs)]		52		106
Minimum Alternate Tax Credit Entitlement		948		467
		1,074		719
15. Inventories				
(At lower of cost and net realisable value)				
Raw Materials		635		810
Work-in-Progress		747		579
Finished Goods		1,040		1,422
Stock-in-Trade		1,968		890
Stores and Spares		60		50
Packing Materials		128		151
		4,578		3,902
16. Trade Receivables				
Outstanding for a period exceeding six months from the date they were due for payment				
Unsecured, Considered good	84		47	
Unsecured, Considered doubtful	153		166	
	237		213	
Less: Provision for Doubtful Debts	153		166	
		84		47
Others				
Secured, Considered good	26		26	
Unsecured, Considered good	3,853		3,626	
		3,879		3,652
		3,963		3,699
17. Cash and Bank Balances				
Cash and Cash Equivalents				
Balances with Banks				
on Current Accounts	84		21	
Cash on Hand	2		2	
		86		23
Other Bank Balances				
Long term deposits with maturity more than 3 months but less than 12 months *	50		-	
Margin Money Deposit Account	-		8	
Unpaid Dividend accounts	24		49	
		74		57
		160		80

*Deposit towards Debt Service Reserve Account for Term Loan obtained from a bank

Notes forming part of the Financial Statements as at and for the year ended March 31, 2017

	As at March 31, 2017		As at March 31, 2016	
	₹ in lakhs	₹ in lakhs	₹ in lakhs	₹ in lakhs
18. Short-Term Loans and Advances				
(Unsecured, Considered Good unless otherwise stated)				
Security Deposits				
Considered Good	23		27	
Considered Doubtful	45		33	
	68		60	
Less: Provision for Doubtful Security Deposits	45		33	
		23		27
Loans and Advances recoverable in cash or in kind or for value to be received				
Considered Good	371		520	
Considered Doubtful	18		31	
	389		551	
Less: Provision for Doubtful Loans and Advances	18		31	
		371		520
Balance with Government Authorities		416		433
		810		980
19. Other Current Assets				
Insurance Claim Receivable [Refer Note 44]		193		58

20. Capital Commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for (net of capital advances ₹ 16 lakhs [Previous year ₹ 39 lakhs] ₹ 89 lakhs [Previous year ₹ 199 lakhs].

21. Other Commitments

(a) Guarantee given to Gujarat Industrial Development Corporation		15		15
(b) Bank guarantees given to third parties		377		405

	Year ended March 31, 2017		Year ended March 31, 2016	
	₹ in lakhs	₹ in lakhs	₹ in lakhs	₹ in lakhs
22. Revenue from Operations				
Sale of Products		31,094		28,401
Sale of Service				
Product Development		87		159
Other Operating Revenue				
Export Incentives	515		364	
Sale of Scrap	70		64	
Miscellaneous Income	10		33	
		595		461
Revenue from Operations (Gross)		31,776		29,021
Less: Excise Duty		1,335		1,089
Revenue from Operations (Net)		30,441		27,932

Notes forming part of the Financial Statements as at and for the year ended March 31, 2017

	Year ended March 31, 2017		Year ended March 31, 2016	
	₹ in lakhs	₹ in lakhs	₹ in lakhs	₹ in lakhs
23. Other Income				
Interest Income		42		3
Net Gain on Foreign Currency Transactions and Translation		-		56
Insurance Claims				
Towards loss due to fire [Refer Note 44]	10		-	
Others	7		17	
		17		17
Profit on sale of Assets (Net)		-		2
		59		78
24. Cost of Materials Consumed				
Raw Materials Consumed		5,239		5,375
Packing Materials Consumed		659		650
		5,898		6,025
25. Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade				
Opening Stock				
Work-in-Progress	579		595	
Finished Goods	1,422		1,552	
Stock-in-Trade	890		503	
		2,891		2,650
Closing Stock				
Work-in-Progress	747		579	
Finished Goods	1,040		1,422	
Stock-in-Trade	1,968		890	
		3,755		2,891
		(864)		(241)
26. Employee Benefits Expense				
Salaries, Wages and Bonus		6,637		6,420
Contribution to Provident and Other Funds [Refer Note 46(A)]		243		231
Gratuity [Refer Note 46(B)]		163		79
Compensated Absences		97		82
Staff Welfare Expenses		613		601
		7,753		7,413
27. Finance Costs				
Interest on Borrowings		252		246
Other Borrowing costs		12		1
Net (Gain) on Foreign Currency Transactions and Translation		-		2
		264		249

Notes forming part of the Financial Statements as at and for the year ended March 31, 2017

	Year ended March 31, 2017		Year ended March 31, 2016	
	₹ in lakhs	₹ in lakhs	₹ in lakhs	₹ in lakhs
28. Other Expenses				
Consumption of Stores and Spare [Indigenous]		823		831
Power and Fuel		976		1,123
Rent [Refer Note 49(II)]		98		105
Repairs and Maintenance				
Buildings	144		187	
Plant and Machinery	128		182	
Others	75		54	
		347		423
Insurance		289		247
Rates and Taxes				
Excise Duty	(186)		40	
Others	316		311	
		130		351
Processing Charges		258		197
Product Development Cost		33		122
Legal and Professional Charges		407		229
Travelling and Conveyance		1,012		1,025
License Fees		114		133
Directors' Fees		22		17
Printing and Stationery		93		88
Postage and Telephone		205		216
Freight and Distribution		582		532
Loss on sale of Assets (Net)		2		-
Commission on Sales		536		566
Expenditure towards Corporate Social Responsibility (CSR) Activities [Refer note 29]		9		-
Sales Promotion		708		546
Bad Debts and Advances written off	25		118	
Less: Provision	(25)		(118)	
		-		-
Provision for Doubtful Debts and Advances (Net)		12		7
Spoilages		428		465
Miscellaneous Expenses [Refer Note 32]		2,107		1,804
		9,191		9,027
29. Expenditure towards Corporate Social Responsibility Activities				
(a) Gross amount required to be spent by the Company during the year		9		-
(b) Amount spent during the year (in cash)				
(i) Construction/acquisition of any asset		-		-
(ii) On purposes other than (i) above		9		-

30. (a) Pursuant to the approval of the Board of Directors at their meeting held on May 26, 2016, the Company had entered into a Business Transfer Agreement dated May 26, 2016 with Intas Pharmaceuticals Limited for sale of Biotech Business Unit, as a going concern on a slump sale basis, at a consideration of ₹ 2,487 lakhs. The sale consideration had been received on July 6, 2016 (closing date). The gain realised from the aforesaid sale of Biotech Business Unit amounting to ₹ 738 lakhs had been disclosed as an exceptional item in the financial results. The same has been considered as discontinuing operations in accordance with Accounting Standard - 24 - 'Discontinuing Operations'.

Notes forming part of the Financial Statements as at and for the year ended March 31, 2017

(b) Disclosure under Accounting Standard - 24 - 'Discontinuing Operations'

i) The carrying amounts of the total assets and liabilities are as follows:

	As at March 31, 2017			As at March 31, 2016		
	₹ in lakhs Continuing Operations	₹ in lakhs Discontinuing Operations	₹ in lakhs Total	₹ in lakhs Continuing Operations	₹ in lakhs Discontinuing Operations	₹ in lakhs Total
Total Assets	24,627	-	24,627	18,021	2,502	20,523
Total Liabilities	9,219	-	9,219	6,425	739	7,164
Net Assets	15,408	-	15,408	11,596	1,763	13,359

ii) The revenue, expenses and operating results attributable to the discontinuing operations are as follows:

	Year ended March 31, 2017			Year ended March 31, 2016		
	₹ in lakhs Continuing Operations	₹ in lakhs Discontinuing Operations	₹ in lakhs Total	₹ in lakhs Continuing Operations	₹ in lakhs Discontinuing Operations	₹ in lakhs Total
Revenue						
Revenue from Operations (Net)	29,809	632	30,441	25,518	2,414	27,932
Other Income	48	11	59	55	23	78
Total Revenue	29,857	643	30,500	25,573	2,437	28,010
Expenses						
Cost of Materials Consumed	5,857	41	5,898	5,431	594	6,025
Purchases of Stock-in-Trade	5,550	-	5,550	3,360	-	3,360
Changes in inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	(960)	96	(864)	(333)	92	(241)
Employee Benefits Expense	7,650	103	7,753	6,961	452	7,413
Finance Costs	264	-	264	249	-	249
Depreciation and Amortisation Expense	1,131	47	1,178	844	171	1,015
Other Expenses	8,989	202	9,191	8,222	805	9,027
Total Expenses	28,481	489	28,970	24,734	2,114	26,848
Profit Before Exceptional Item and Tax	1,376	154	1,530	839	323	1,162
Exceptional item	-	738	738	-	-	-
Profit Before Tax	1,376	892	2,268	839	323	1,162
Tax expense						
Tax Expense [net of Minimum Alternate Tax Credit Entitlement]	-	-	-	-	-	-
Deferred tax	-	222	222	-	-	-
Total tax expense	-	222	222	-	-	-
Profit for the year	1,376	670	2,046	839	323	1,162

Notes forming part of the Financial Statements as at and for the year ended March 31, 2017

iii) The net cash flows attributable to discontinuing operations are as follows:

	Year ended March 31, 2017	Year ended March 31, 2016
	₹ in lakhs	₹ in lakhs
Operating activities	201	753
Investing activities	2,487	(66)
Financing activities	-	-
Net cash inflows	2,688	687

31. 2005 Employee Stock Option Plan (ESOP 2005)

Pursuant to a special resolution passed by the Shareholders at the Annual General Meeting held on 27th August, 2008, the Company adopted the Employee Stock Option Scheme titled '2005 Employee Stock Option Plan' (ESOP 2005) for employees and directors of the Company including those employees and directors who were to be granted options, pursuant to the Scheme of Arrangement sanctioned by the Hon'ble High Court of Judicature at Bombay on 14th December, 2007, in lieu of options that were granted by Brabourne Enterprise Limited (the transferor Company) under its ESOP 2005. The total number of equity shares reserved under the said plan is 250,000 equity shares of ₹ 8 each. The details of such equity shares granted are as follows:

A) The Remuneration/Compensation Committee at its meeting held on 6th August, 2010 -

(a) Granted and vested 30,119 equity stock options to employees, in lieu of options that were granted to them by Brabourne Enterprise Limited. The employee had an option to apply for one equity share of ₹ 8 each at an exercise price of ₹ 32.06.

Of these options, 29,255 equity stock options had been exercised in earlier years and the remaining equity stock options have lapsed.

(b) Granted 95,000 equity stock options to the eligible director and employees of the Company, with an option for one equity share of ₹ 8 each at an exercise price of ₹ 100 being the price higher than the closing price quoted on the National Stock Exchange prior to the date of meeting of the Remuneration/Compensation Committee. These equity stock options shall vest, in case of employees of General Manager grade and above, equally but conditionally on linear scale based on performance, over five years beginning from one year after the date of grant. Barring certain eventualities, the exercise period to subscribe to the equity shares would be 10 years from the dates of vesting except otherwise mentioned in ESOP 2005.

All equity stock options had lapsed / forfeited in earlier years.

B) The Remuneration/Compensation Committee at its meeting held on 20th October, 2010 -

Granted 15,000 equity stock options to an eligible employee with an option for one equity share of ₹ 8 each at an exercise price of ₹ 104 being the price higher than the closing price quoted on the National Stock Exchange prior to the date of meeting of the Remuneration/Compensation Committee. These equity stock options shall vest, in case of employees of General Manager grade and above, equally but conditionally on linear scale based on performance, over five years beginning from one year after the date of grant. Barring certain eventualities, the exercise period to subscribe to the equity shares would be 10 years from the dates of vesting except otherwise mentioned in ESOP 2005.

Of these options, 2,910 equity stock options were outstanding as of March 31, 2016 which have been exercised during the year. The remaining equity stock options have lapsed/forfeited in earlier years.

The Company has adopted intrinsic value method as permitted by the SEBI Guidelines and the Guidance Note on Accounting for Employee Share Based Payment issued by the Institute of Chartered Accountants of India to account for the cost of stock options to employees and a director of the Company. Intrinsic value is the amount by which the quoted market price of the underlying share exceeds the exercise price of the option. In view of the exercise price being higher than the closing market price on the day prior to the date of grant, the intrinsic value of the option is Nil. Consequently, the accounting value of the option (compensation cost) is also Nil.

Notes forming part of the Financial Statements as at and for the year ended March 31, 2017

Movement in the Options under ESOP 2005:

Particulars	Year ended 31st March, 2017		Year ended 31st March, 2016	
	Number of Options	Weighted Average Exercise Price	Number of Options	Weighted Average Exercise Price
Outstanding at the beginning of the year	2,910	104.00	10,014	104.00
Granted during the year	Nil	Not Applicable	Nil	Not Applicable
Forfeited during the year	Nil	Not Applicable	Nil	Not Applicable
Exercised during the year	2,910	104.00	Nil	Not Applicable
Expired/lapsed during the year	Nil	Not Applicable	7,104	91.73
Outstanding at the end of the year	Nil	Not Applicable	2,910	104.00
Exercisable at the end of the year	Nil	Not Applicable	2,910	104.00

The weighted average fair value of each stock option on the date of its grant is ₹ 41.34, which has been vetted by an independent valuer. This fair value has been calculated using Black-Scholes Option Pricing Model. The inputs used for this calculation are (i) Average Share Price: ₹ 91.33 on the date of grant (ii) Average Exercise Price: ₹ 90.70 (iii) Average Expected Volatility: 47.98% (iv) Average Option Life: 8 years (v) Average Expected Dividend Yield: 3.50%, and (vi) Average Risk Free Interest Rate: 8.08%. The daily volatility of the company's shares on the National Stock Exchange over a period of time prior to the date of grant, corresponding with the expected life of the options, has also been considered for determining the fair value.

Had compensation cost for the stock options granted under ESOP 2005 been determined based on the fair value method, the Company's Profit for the year and Earnings per Share would have been as per the pro forma amounts indicated below:

	Year ended 31st March, 2017	Year ended 31st March, 2016
	₹ in lakhs	₹ in lakhs
Profit for the year (as reported)	2,046	1,162
Less: Stock based compensation expense/(income) determined under fair value method	-	(3)
Net Profit for the year (under fair value method)	2,046	1,165
Weighted average number of equity shares (Basic)	16,537,428	16,536,105
Weighted average number of equity shares (Diluted)	16,537,428	16,536,105
Pro-forma Earnings per Share (Basic) (₹)	12.37	7.05
Pro-forma Earnings per Share (Diluted) (₹)	12.37	7.05

32. Auditors' Remuneration#

Audit Fees	27	28
Tax Audit Fees	5	5
Other Services	11	13
Reimbursement of Expenses	2	1
	45	47

#Included in Miscellaneous Expenses in Note 28

Notes forming part of the Financial Statements as at and for the year ended March 31, 2017

	Year ended March 31, 2017 ₹ in lakhs	Year ended March 31, 2016 ₹ in lakhs
33. Cost of Materials Consumed		
Furazodoline I. P.	5	123
Naproxen I. P.	1,281	900
4 - Androstene - 3, 17-Dione (AD)	123	99
4 - Chloro Phenyl 4hydroxy Piperidine (CPP)	107	76
Spironolactone	542	697
Gliclazide	250	8
Others	2,931	3,472
Packing Material	659	650
	5,898	6,025

	Year ended March 31, 2017		Year ended March 31, 2016	
	%	₹ in lakhs	%	₹ in lakhs
Imported	15.40	908	17.71	1,067
Indigenous	84.60	4,990	82.29	4,958
	100.00	5,898	100.00	6,025

Note:
Consumption of Materials includes consumption by third parties under contract with the Company and consumption in respect of physician samples.

	Year ended March 31, 2017 ₹ in lakhs	Year ended March 31, 2016 ₹ in lakhs
34. Opening Stock of Finished Goods and Stock-in-Trade		
Pharmaceutical Preparations		
Tablets	1,242	1,119
Liquids	177	157
Injections - Ampoules	344	248
Capsules	65	70
Powder Pouches	12	3
Ointments	65	14
	1,905	1,611
Bulk Drugs and Chemicals	407	444
	2,312	2,055
35. Sales		
Pharmaceutical Preparations		
Tablets	19,432	16,789
Liquids	2,962	2,546
Injections - Ampoules	1,616	1,832
Capsules	1,286	969
Powder Pouches	107	124
Ointments	504	77
	25,907	22,337
Bulk Drugs and Chemicals	5,187	6,064
	31,094	28,401

Notes forming part of the Financial Statements as at and for the year ended March 31, 2017

	Year ended March 31, 2017 ₹ in lakhs	Year ended March 31, 2016 ₹ in lakhs
36. Purchases of Stock-in-Trade		
Pharmaceutical Preparations		
Tablets	1,751	1,033
Liquids	1,344	700
Injections - Ampoules	1,338	1,410
Capsules	325	81
Powder Pouches	71	51
Ointments	648	85
	5,477	3,360
Bulk Drugs and Chemicals	73	-
	5,550	3,360
37. Closing Stock of Finished Goods and Stock in Trade		
Pharmaceutical Preparations		
Tablets	1,275	1,242
Liquids	435	177
Injections - Ampoules	458	344
Capsules	297	65
Powder Pouches	24	12
Ointments	349	65
	2,838	1,905
Bulk Drugs and Chemicals	170	407
	3,008	2,312
38. Closing Stock of work-in-progress		
Pharmaceutical Preparations	427	264
Bulk Drugs and Chemicals	320	315
	747	579
39. CIF Value of Imports		
Raw Materials and Packing Materials	717	1,154
Components and Spare Parts	61	42
Capital Goods	215	215
Stock-in-Trade	327	-
40. Expenditure in Foreign Currency		
Travelling	92	61
Professional and Consultation Fees	3	3
Commission on Sales	212	133
Interest	3	2
Others	140	106
41. Earnings in Foreign Exchange		
FOB Value of Exports [Excluding FOB Value of Exports in Indian Rupees amounting to ₹ 197 lakhs (Previous year ₹ 103 lakhs)]	9,328	8,816
Freight and Insurance [Excluding Freight and Insurance on Exports in Indian Rupees amounting to ₹ 2 lakhs (Previous year ₹ 1 lakhs)]	239	158
Income from Product Development	87	159

Notes forming part of the Financial Statements as at and for the year ended March 31, 2017

	Year ended March 31, 2017 ₹ in lakhs	Year ended March 31, 2016 ₹ in lakhs
42. Revenue Expenditure on Research and Development		
Salaries and Wages	533	472
Consumable Stores	264	213
Utilities	56	56
Others	228	206
	1,081	947

43. Disclosures relating to Specified Bank Notes* (SBNs) held and transacted during the period from November 8, 2016 to December 30, 2016

(₹ in lakhs)

Particulars	SBNs*	Other denomination notes	Total
Closing cash in hand as on November 8, 2016	3	2	5
(+) Permitted receipts	-	7	7
(-) Permitted payments	-	7	7
(-) Amount deposited in Banks	3	-	3
Closing cash in hand as on December 30, 2016	-	2	2

*Specified Bank Notes (SBNs) mean the bank notes of denominations of the existing series of the value of five hundred rupees and one thousand rupees as defined under the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs no. S.O. 3407(E), dated the November 8, 2016.

44. Insurance Claim

On February 14, 2017, there was a minor fire incident in one of the plants of the Company. Due to the same, certain Fixed Assets having written down value of ₹ 59 lakhs and Inventories of Raw Material, Work In Progress and Finished goods aggregating to ₹ 124 lakhs were impacted/destroyed. Subsequently, the Company filed for an insurance claim for the loss of Fixed Assets and Inventory. Basis the surveyor report, the Company has accrued insurance claim receivable of ₹ 193 Lakhs.

45. Forward Contracts and Unhedged Foreign Currency Outstanding Balances

The Company uses forward contracts to hedge its risks of net exposure associated with foreign currency fluctuations. The Company does not enter into any forward contract which is intended for trading or speculative purposes.

(a) The details of forward contracts outstanding against foreign currency Receivables as at the Balance Sheet date are as follows:

	As at March 31, 2017			As at March 31, 2016		
Currency	Number of Contracts	Foreign Currency Amount	Rupees Equivalent	Number of Contracts	Foreign Currency Amount	Rupees Equivalent
		in lakhs	in lakhs		in lakhs	in lakhs
US Dollar	5	13	810	3	10	663
GBP	1	2	121	-	-	-

Notes forming part of the Financial Statements as at and for the year ended March 31, 2017

(b) The foreign currency outstanding balances that have not been hedged by any derivative instrument or otherwise as at the Balance Sheet date are as follows:

Particulars	As at March 31, 2017		As at March 31, 2016	
	Amount in Foreign Currency	Amount in Rupees	Amount in Foreign Currency	Amount in Rupees
	in lakhs	in lakhs	in lakhs	in lakhs
Receivables				
Trade Receivables				
US Dollar	8	543	19	1,233
GBP	-	-	1	80
Euro	*	27	2	130
Payables				
Foreign Currency Loans from Banks				
US Dollar	9	606	20	1,309
Euro	-	-	2	145
Trade Payables				
US Dollar	*	14	*	5
Euro	-	-	1	69

*Amount is below the rounding off norm adopted by the Company.

46. Employee Benefits

(A) Defined Contribution Plans

The Company has recognised the following amounts in the Statement of Profit and Loss for the year:

		Year ended March 31, 2017	Year ended March 31, 2016
		₹ in lakhs	₹ in lakhs
(i)	Contribution to Provident Fund	102	91
(ii)	Contribution to Employee's Superannuation Fund	23	28
(iii)	Contribution to Employees' State Insurance Scheme	15	16
(iv)	Contribution to Employees' Pension Scheme	103	96
		243	231

(B) Defined Benefit Plan

Valuation in respect of Gratuity has been carried out by independent actuary, as at the Balance Sheet date, based on the following assumptions:

		Year ended March 31, 2017	Year ended March 31, 2016
(a)	Discount Rate (per annum)	7.34%	7.99%
(b)	Rate of increase in Compensation Levels	7.50%	7.50%
(c)	Rate of Return on Plan Assets	7.34%	7.99%
(d)	Expected Average remaining working lives of employees in number of years	17	12

Notes forming part of the Financial Statements as at and for the year ended March 31, 2017

		Year ended March 31, 2017 Gratuity ₹ in lakhs	Year ended March 31, 2016 Gratuity ₹ in lakhs
(i)	Changes in the Present Value of Obligation		
	(a) Opening Present Value of Obligation	505	467
	(b) Interest Cost	40	37
	(c) Past Service Cost	-	-
	(d) Current Service Cost	66	52
	(e) Liability Transferred In	-	-
	(f) Curtailment Cost/(Credit)	-	-
	(g) Settlement Cost/(Credit)	-	-
	(h) Benefits Paid direct by employer	(132)	(84)
	(i) Actuarial (Gain)/Loss	97	33
	(j) Closing Present Value of Obligation	576	505
(ii)	Changes in the Fair Value of Plan Assets		
	(a) Opening Fair Value of Plan Assets	505	445
	(b) Expected Return on Plan Assets	40	35
	(c) Actuarial Gain/(Loss)	-	8
	(d) Employers' Contributions	5	17
	(e) Asset Transferred In	7	
	(f) Benefits Paid	-	-
	(g) Closing Fair Value of Plan Assets	557	505
(iii)	Actual Return on Plan Assets	40	43
(iv)	Percentage of each Category of Plan Assets to total Fair Value of Plan Assets as at the year end		
	(a) Government Securities and Corporate Bonds	16%	22%
	(b) Administered by Life Insurance Corporation of India	64%	64%
	(c) Deposits with a Bank	18%	12%
	(d) Others	2%	2%

		As at 31st March,				
		2017 Gratuity ₹ in lakhs	2016 Gratuity ₹ in lakhs	2015 Gratuity ₹ in lakhs	2014 Gratuity ₹ in lakhs	2013 Gratuity ₹ in lakhs
(v)	Amount recognised in the Balance Sheet					
	(a) Present Value of Obligation as at the year end	576	505	467	384	340
	(b) Fair Value of Plan Assets as at the year end	557	505	445	371	340
	(c) (Asset)/Liability recognised in the Balance Sheet	19	-	22	13	-
	(d) Experience adjustments Loss/ (Gain) in plan liabilities	67	(25)	27	19	3
	(e) Experience adjustments Loss/ (Gain) in plan Assets	-	(8)	-	(1)	2

Notes forming part of the Financial Statements as at and for the year ended March 31, 2017

	Year ended March 31, 2017 Gratuity ₹ in lakhs	Year ended March 31, 2016 Gratuity ₹ in lakhs
(vi) Expenses recognised in the Statement of Profit and Loss		
(a) Current Service Cost	66	52
(b) Past Service Cost	-	-
(c) Interest Cost	40	37
(d) Expected Return on Plan Assets	(40)	(35)
(e) Curtailment Cost/(Credit)	-	-
(f) Settlement Cost/(Credit)	-	-
(g) Net Actuarial (Gain)/Loss	97	25
(h) Employees' Contribution	-	-
(i) Total Expenses recognised in the Statement of Profit and Loss	163	79
(vii) Expected Contribution to the Fund in the next year	101	66

(C) Other Employee Benefits

Long-term and short-term liabilities for Compensated Absences as at the Balance Sheet date were ₹ 232 lakhs (Previous year ₹ 199 lakhs) and ₹ 89 lakhs (Previous year ₹ 96 lakhs) respectively.

47. Segment Information

	Year ended March 31, 2017 ₹ in lakhs	Year ended March 31, 2016 ₹ in lakhs
(A) Information in respect of Primary Segments		
Refer Note (a) below		
(B) Information in respect of Secondary Segments		
(I) Segment Revenue		
India	20,588	18,695
Other Countries	9,853	9,237
	30,441	27,932
(II) Carrying Amount of Segment Assets		
India	23,103	18,417
Other Countries	1,524	2,106
	24,627	20,523
(III) Capital Expenditure		
India	5,601	1,591
Other Countries	-	-
	5,601	1,591

Notes:

(a) The primary reporting of the Company is based on the business segment. The Company has only one reportable business segment which is manufacturing and marketing of pharmaceutical products. Accordingly, the figures appearing in these financial statements relate to pharmaceutical products.

(b) Secondary segment reporting is based on the geographical location of customers. Revenue is segregated in to two segments namely India and Other Countries for the purpose of reporting geographical segments.

(c) The accounting policies adopted for segment reporting are in line with the accounting policies adopted for the preparation of financial statements as disclosed in Note 2.

48. Related Party Disclosures

(A) Related parties with whom the Company had transactions during the year

Key Management Personnel CT. Renganathan

Notes forming part of the Financial Statements as at and for the year ended March 31, 2017

(B) Disclosure of transactions between the Company and Related Parties

	Year ended March 31, 2017	Year ended March 31, 2016
	₹ in lakhs	₹ in lakhs
Key Management Personnel - Remuneration		
C.T. Renganathan	215	115
	215	115

49. Leases

(I) Disclosures for Finance Leases

The Company has acquired certain Computer Software and Office Equipment under Finance Lease. The details of minimum lease payments outstanding as at the Balance Sheet date in respect of these assets are as under:

	As at March 31, 2017			As at March 31, 2016		
	Not later than one year	Later than one year and not later than five years	Later than five years	Not later than one year	Later than one year and not later than five years	Later than five years
	₹ in lakhs	₹ in lakhs	₹ in lakhs	₹ in lakhs	₹ in lakhs	₹ in lakhs
Minimum Lease Payments outstanding as at the year end	22	18	-	27	12	-
Finance Charges to be recognised in subsequent years	4	2	-	4	1	-
Present Value of Minimum Lease Payments	18	16	-	23	11	-

(II) Disclosures for Operating Leases

Disclosures in respect of Residential Premises, Office premises, Warehouses, Office Equipment, Server and Laptops taken on lease:

	Year ended March 31, 2017	Year ended March 31, 2016
	₹ in lakhs	₹ in lakhs
(a) Lease payments recognised in the Statement of Profit and Loss	98	105
(b) Significant leasing arrangements		
The terms of lease include terms of renewals, increase in rent in future period, terms of cancellation, etc.		
(c) Future minimum lease payments under non cancellable agreements		
(i) Not later than one year	65	24
(ii) Later than one year and not later than five years	57	14
(iii) Later than five years	-	-

50. Earnings per share

Basic earnings per share has been calculated by dividing profit for the year attributable to equity shareholders, by the weighted average number of equity shares outstanding during the year. Diluted earnings per share has been calculated by dividing profit for the year attributable to equity shareholders, by the weighted average number of equity shares outstanding during the year and also the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the year, unless they have been issued at a later date. Dilutive potential equity shares that have been converted in to equity shares during the year are included in the calculation of diluted earnings per share from the beginning of the year to the date of conversion and from the date of conversion, the resulting equity shares are included in computing both basic and diluted earnings per share. Earnings per Share has been computed as under:

	Year ended March 31, 2017	Year ended March 31, 2016
Profit for the year (₹ in lakhs)	2,046	1,162
Weighted average number of Shares for Basic Earnings per Share	16,537,428	16,536,105
Add: Effect of Dilutive Potential Shares (Employee Stock Options)	-	-
Weighted average number of Shares for Diluted Earnings per Share	16,537,428	16,536,105
Earnings per Share (₹ per Equity Share of ₹ 8 each)		
Basic	12.37	7.03
Diluted	12.37	7.03

	As at March 31, 2017	As at March 31, 2016
51. Proposed Dividend		
Proposed Dividend (₹ in lakhs)	463	-
Number of shares outstanding as at the end of the year	16,539,015	16,536,105
Dividend per Share (₹ per Equity Share of ₹ 8 each)	2.80	-

52. Previous year's figures have been regrouped / reclassified wherever necessary.

In terms of our report of even date

For Lovelock & Lewes
Firm Registration No. 301056E
Chartered Accountants

Sumit Seth
Partner
Membership No. 105869
Mumbai, April 28, 2017

For and on behalf of the Board

H. V. Goenka
Chairman
DIN: 00026726

C. L. Jain
Director
DIN:00102910

CT. Renganathan
Managing Director
DIN: 02158397

Mahesh Narayanaswamy
Vice President - Finance

Rajesh Shirambekar
Company Secretary

Mumbai, April 28, 2017

RPG LIFE SCIENCES

Regd. Office: RPG House, 463, Dr. Annie Besant Road, Worli, Mumbai 400 030.
CIN: L24232MH2007PLC169354
Tel: 91-22-24981650 | Fax: 91-22-24970127 | Email: info@rpglifesciences.com | Website: www.rpglifesciences.com

ATTENDANCE SLIP

(To be handed over at the entrance of the meeting hall)

Sr. No.:

Registered Folio No./ DP ID/ Client ID	
Name and address of the Member(s)	
No. of Share(s)	
Name of the Proxy (In Block letters)	
Signature of the Member(s)/ Proxy	

I/We hereby record my/our presence at the 10th Annual General Meeting of the Company on Monday, July 24, 2017, at 2.30 p.m. at Ravindra Natya Mandir, P.L. Deshpande Maharashtra Kala Academy, Sayani Road, Prabhadevi, Mumbai - 400 025.

NOTE: Members/Proxies are requested to bring the attendance slip with them.

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FORM NO.MGT-11

PROXY FORM

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

Name of the Member(s): .....
Registered Address: .....
Email ID: .....
Folio No./Client ID: .....
DP ID: .....

I/ We, being the member(s) of the above named company, hereby appoint;

1. Name:_____ Address _____
   _____
   E-mail Id:_____ Signature:_____ or failing him
2. Name:_____ Address _____
   _____
   E-mail Id:_____ Signature:_____ or failing him
3. Name:_____ Address _____
   _____
   E-mail Id:_____ Signature:_____ or failing him

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 10th Annual General Meeting of the Company, to be held on Monday, July 24, 2017 at 2.30 p.m. at Ravindra Natya Mandir, P.L. Deshpande Maharashtra Kala Academy, Sayani Road, Prabhadevi, Mumbai - 400 025 and at any adjournment thereof in respect of such resolutions as are indicated below:

1.	Adoption of Audited Financial Statements for the financial year ended March 31, 2017 and the Reports of the Directors and Auditors thereon.
2.	Declaration of dividend on equity shares of the Company for the financial year ended March 31, 2017.
3.	Re-appointment of Mr. H.V. Goenka (DIN: 00026726) as a Director of the Company.
4.	Appointment of M/s. BSR & Co. LLP as Statutory Auditors' of the Company.
5.	Appointment of Mr. Yugal Sikri (DIN: 07576560) as Director of the Company.
6.	Ratification of remuneration payable to Cost Auditors of the Company.
7.	Adoption of Articles of Association as per the provisions of the Companies Act, 2013.

Signed this ……..……..……..……..….day of……2017

Affix Revenue Stamp

Signature of member : _____

Signature of Proxy holder(s) : _____

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

RPG LIFE SCIENCES

Regd. Office: RPG House, 463, Dr. Annie Besant Road, Worli, Mumbai 400 030.

CIN:L24232MH2007PLC169354

Tel: 91-22-2498 1650 | Fax: 91-22-2497 0127 | Email: info@rpglifesciences.com | Website: www.rpglifesciences.com

CONSENT FOR RECEIVING DOCUMENTS IN ELECTRONIC FORM

Dear Shareholders,

Pursuant to Section 101 of the Companies Act, 2013 read with Rule 18 of the Companies (Management and Administration) Rules, 2014, your Company has sent the Annual Report through electronic mode to those Shareholders whose E-mail IDs are registered. Please note that as a Shareholder, you will be entitled to receive physical copies of all notices and documents free of cost, upon specific request to the Company.

The Annual Report and the Notice of General Meetings and other documents will also be available on the Company's website at 'www.rpglifesciences.com'.

Shareholders holding shares in physical mode and wishing to register/update their E-mail ID to receive the Annual Report and other documents in electronic mode, are requested to fill the below form and send the same to our Registrar and Share Transfer Agents viz., Link Intime India Private Limited, C 101, 247 Park, L B S Marg, Vikhroli West, Mumbai 400 083. The Company will not be in a position to send the documents in electronic mode unless the duly filled in form below is received.

Shareholders holding shares in the dematerialized mode and wishing to register/update their E-mail ID to receive the Annual Report and other documents in electronic mode, are requested to fill the form below and send the same to Link Intime India Private Limited and also register/update their E-mail ID with the Depository Participants where their Demat account is maintained.

For RPG Life Sciences Limited

Place: Mumbai
Date: April 28, 2017

Rajesh Shirambekar
Head – Legal & Company Secretary

RPG LIFE SCIENCES

Regd. Office: RPG House, 463, Dr. Annie Besant Road, Worli, Mumbai 400 030.

CIN:L24232MH2007PLC169354

Tel: 91-22-2498 1650 | Fax: 91-22-2497 0127 | Email: info@rpglifesciences.com | Website: www.rpglifesciences.com

CONSENT FOR RECEIVING DOCUMENTS IN ELECTRONIC FORM

I/We agree to receive documents in electronic mode pursuant to Section 101 of the Companies Act, 2013 read with Rule 18 of the Companies (Management and Administration) Rules, 2014. Please register / update* the E-mail ID as mentioned below.

*Strike out whichever is not applicable.

1 Name(s) of Shareholder(s) (including joint holders, if any) : _____
_____

2 No. of Shares held : _____

3 Registered Folio No./DP ID & Client ID No. : _____

4 E-mail ID for receipt of documents in electronic mode :

Place: _____

Date: _____

(Signature of First holder)

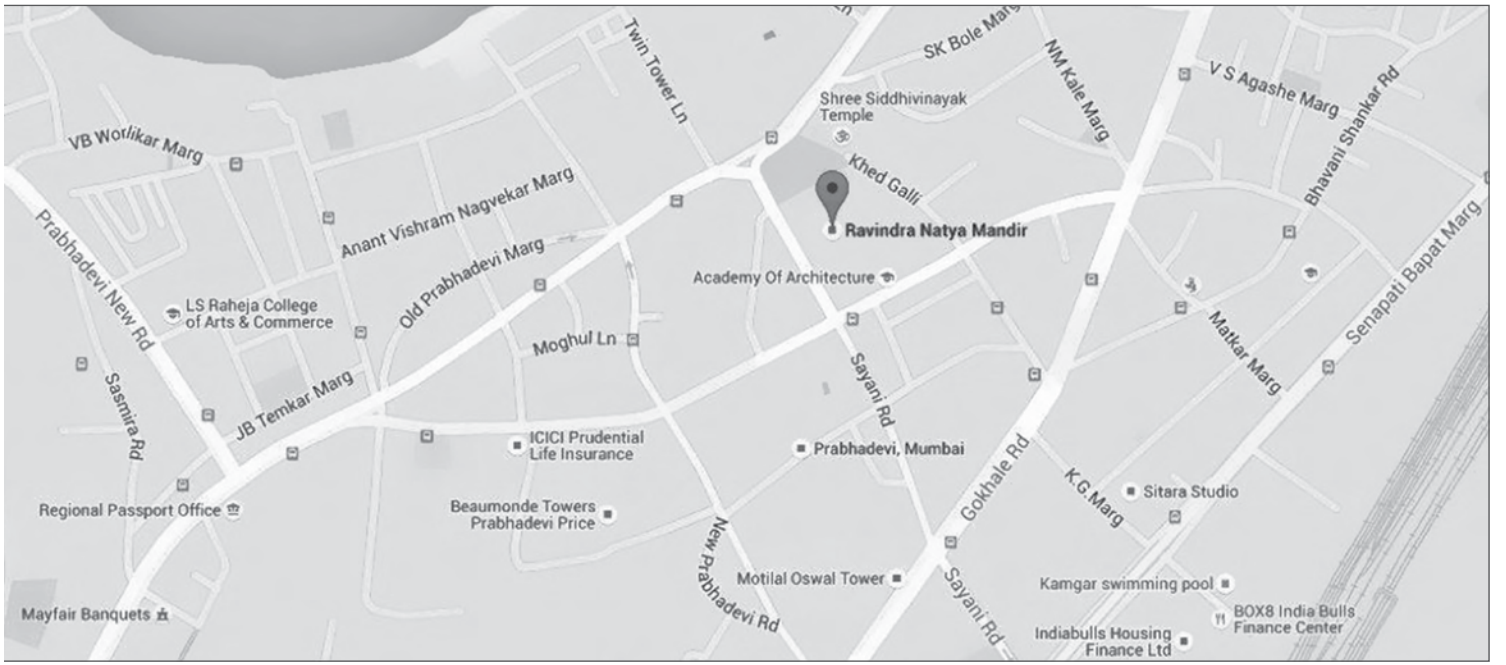
(Name of First holder)

For Physical Shares : Kindly send to Link Intime India Private Limited.

For Demat shares : Kindly send to Link Intime India Private Limited and also register/update the E-mail ID with the Depository Participant where demat account is maintained

RPG Life Sciences Limited

Route Map for the 10th Annual General Meeting



Venue Address: Ravindra Natya Mandir, P. L. Deshpande Maharashtra Kala Academy, Sayani Road, Prabhadevi, Mumbai 400 025.

(Source: Google Map)