INDOCO REMEDIES LTD

indoco remedies limited

INDOCO HOUSE, 166 C. S. T. ROAD, SANTACRUZ (EAST), MUMBAI - 400 098 (INDIA) ● Website : www.indoco.com
PHONES : (91-22) 3386 1000 / 3386 1250 ● FAX : (91-22) 2652 3067 / 2652 3976 ● CIN : L85190MH1947PLC005913

July 2, 2015

To
The Listing Department
National Stock Exchange of India Ltd
Exchange Plaza
Bandra Kurla Complex
Bandra (East)
Mumbai 400 051

Dear Sirs,

Sub : Annual Report 2014- 2015

As required under Clause 31 & 31A of the listing agreement, we are pleased to file herewith six copies of the Annual Reports of our Company for the year ended March 31, 2015 alongwith Form A; unqualified/matter of emphasis report for your record.

Kindly acknowledge receipt.

Thanking you,

Yours faithfully,
For Indoco Remedies Limited

Sunil D. Joshi
Company Secretary

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FORM A

1	**Name of the Company**	Indoco Remedies Limited
2	**Annual Financial Statement for the year ended**	31st March 2015
3	**Type of Audit Observation**	Unqualified
4	**Frequency of Observation**	Not Applicable
5a	**Ms. Aditi Panandikar** **Managing Director** **(CEO)**	
5b	**Mr. Sundep V Bambolkar** **Jt. Managing Director** **(CFO)**	
5c	**Mr. B. M. Pendse (M. No. 32625)** **For Patkar & Pendse** **Chartered Accountants** **(Regn No: 107824W)** **Statutory Auditors**	
5d	**Mr. D M Gavaskar** **Independent Director** **Chairman - Audit Committee**	

Place: Mumbai

Date: May 27, 2015

ANNUAL REPORT 2014 - 2015

Better Lives For A Brighter Future

INDOCO REMEDIES LTD.

Constantly Evolving... Consistently Excelling

▸ Board of Directors

MR. SURESH G. KARE, Chairman
MS. ADITI PANANDIKAR, Managing Director
MR. SUNDEEP V. BAMBOLKAR, Jt. Managing Director
MR. D. M. GAVASKAR
MR. RAJIV P. KAKODKAR
MR. SHARAD P. UPASANI
DR. ANIL M. NAIK
DR. ANAND NADKARNI

▸ President (Finance) and Company Secretary

MR. SUNIL D. JOSHI

▸ Registered Office

Indoco House, 166 CST Road, Kalina, Santacruz (E), Mumbai 400098.
Tel. No. : +91 22 26541851 - 55 Fax No.: +91 22 26520787
Website: www.indoco.com

▸ Company Identification Number

CIN: L85190MH1947PLC005913

▸ Registrar & Share Transfer Agent

LINK INTIME INDIA PVT. LTD.
C-13, Pannalal Silk Mills Compound,
L.B.S. Marg, Bhandup (W), Mumbai 400 078.

▸ Auditors

PATKAR & PENDSE
Chartered Accountants
9 Chartered House CHS,
Marine Lines, Mumbai 400 002.

▸ Bankers

Citibank N. A.
DBS Bank Ltd.
HDFC Bank Ltd.
IDBI Bank Ltd.
Kotak Mahindra Bank Ltd.
Saraswat Co-op Bank Ltd.
Standard Chartered Bank
State Bank of India

INDOCO REMEDIES LTD.

Message From The Top Management

Dear Stakeholders,

The financial year 2014-15 has been a good year for your Company with net revenues at ₹ 848.9 crores with 18.3% growth. Domestic business grew by 14.9% at ₹ 530.1 crores and the international business grew by 24.6% at ₹ 316.8 crores. Earnings before Interest, Depreciation, Tax & Amortization (EBIDTA) improved significantly at 19.5 % of the net revenue. Profit After Tax (PAT) for the year is 9.8 % at ₹ 82.8 crores.

India's Gross Domestic Product (GDP) for the year recorded a growth of 7.3% indicating that the macroeconomic situation is improving. As the pharmaceutical industry growth is directly related to the GDP growth, our domestic business is expected to see a good growth momentum. Your Company has, therefore, re-structured the marketing divisions to sharpen the pattern of coverage of different doctor specialties. To further augment its market grip, your Company will also expand its manpower strength across the marketing divisions.

The year was also marked by successful launch of two ophthalmic products in the US and receipt of a few tentative approvals for sterile products filed through our marketing partner. Keeping in line with the upcoming trends and developments in global market, Indoco is adopting strategies to build on its core competencies, viz., research & development and manufacturing.

With acquisition of a Clinical Research Organization (CRO), your Company is now completely integrated and will remain a preferred partner, offering complete solutions to generic companies worldwide. Your Company will require further investments in Capex for additional pilot plant, new vial line for sterile products and a new API facility. These initiatives will enhance the manufacturing capacity and speed up ANDA / Dossier filings in the US as well as Europe.

You must have observed that the years of hard work, investments over a period of time and execution of well planned strategies have now started yielding results. The improvements in financials make us strongly believe, that your Company is now on the cusp of attaining newer heights and broadening its horizons.

During the year, your Company re-inforced its Corporate Social Responsibility (CSR) activities under the banner of 'Sumati Sangopan' by initiating various new projects at different locations in the areas of education, health and public sanitation. We truly believe, we can make a difference by creating Better Lives for a Brighter Future.

We express our gratitude to all our Stakeholders, including, shareholders, customers, bankers and the medical fraternity for their whole-hearted support. We thank all Indocoites for their contribution, which we value the most.

Thanking you all,

Suresh G. Kare
Chairman

Aditi Panandikar
Managing Director

Sundeep V. Bambolkar
Jt. Managing Director

INDOCO REMEDIES LTD.

Sumati sangopan

Better lives for a Brighter future

Through its CSR initiatives, Indoco strives to create a healthy, knowledgeable and happy society. To strengthen its existing efforts, Sumati Sangopan was formed with focus in the areas of education, health and public sanitation.

Building Happier Communities

Better Lives For A Brighter Future

ANNUAL REPORT 2014 - 2015

INDOCO REMEDIES LTD.

Guiding, Empowering, Mentoring, Supporting - GEMS is a mentoring programme to support and nurture deserving employees to create leaders of tomorrow. The mentees are trained by mentors from senior management team over a period of two years.

Creating Leaders Of Tomorrow

Better Lives For A Brighter Future

A SURESH G. KARE ENTERPRISE

INDOCO REMEDIES LTD.

Over A Decade...

Patients Served

2006	2015
36 million	60 million

Prescriptions Generated

Market Capitalization

2006	2015
417 crores	3352 crores

Value created for Stockholders

Taxes Paid

2006	2015
24.7 crores	52.9 crores

Contribution to the Ex-chequer

Indoco Family

2006	2015
2125	5033

No. of employees

Product Basket

2006	2015
86	160

Across diverse therapies

Markets Covered

2006	2015
32	55

Global Presence

CSR Projects

2006	2015
2	16

Institutions Supported

Better Lives For A Brighter Future

ANNUAL REPORT 2014 - 2015

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INDOCO REMEDIES LIMITED

[CIN: L85190MH1947PLC005913]
Registered Office: Indoco House, 166 CST Road, Kalina, Santacruz (E), Mumbai 400 098
Tel: 26541851-55 / Fax: 26520787 / email: compliance.officer@indoco.com / website: www.indoco.com

Notice

Notice is hereby given that the **Sixty- Eighth** Annual General Meeting (AGM) of the members of **INDOCO REMEDIES LIMITED** will be held on Thursday, 30th July, 2015, at 11.30 a.m., at MIG Cricket Club, MIG Colony, Bandra (East), Mumbai 400 051 to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt;

   (a) the Audited Balance Sheet as on 31st March, 2015 and Profit and Loss Account for the year ended 31st March, 2015 together with the Report of the Board of Directors and Auditors thereon.

   (b) the Audited consolidated Balance Sheet as on 31st March, 2015 and Profit and Loss Account for the year ended 31st March, 2015 of the Company.

2. To declare dividend on Equity Shares for the year ended 31st March, 2015.

3. To appoint a Director in place of Mr. Sundeep V. Bambolkar (DIN 00176613), who retires by rotation and being eligible, offers himself, for re-appointment.

4. To ratify the appointment of M/s Patkar & Pendse, a Firm of Chartered Accountants, (Firm Registration No. 107824W), as Statutory Auditors of the Company under Section 139 of the Companies Act, 2013 for the Financial Year (FY) 2015-2016 and to fix their remuneration.

SPECIAL BUSINESS

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

   "RESOLVED that pursuant to the provisions of Section 148 and 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), the Cost Auditors appointed by the Board of Directors of the Company to conduct the audit of the cost records of the Company for the financial year ending 31st March, 2016, be paid the remuneration as set out in the Statement annexed to the Notice convening this Meeting."

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

Notes :

1. The Statement setting out the material facts relating to Special Business at the meeting pursuant to Section 102 of the Companies Act, 2013 is annexed hereto.

2. As required by Clause 49 of the Listing Agreement, a brief profile of Director seeking re-appointment at ensuing Annual General Meeting is given.

3. A member entitled to attend and vote at the Annual General Meeting (AGM) is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy need not be a member of the Company.

   A person can act as proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

   The Instrument appointing the Proxy must be filled, stamped and duly signed and deposited at the Registered Office of the Company not less than Forty Eight Hours before the commencement of the Meeting i.e. by 11.30 A.M. on Tuesday 28th July, 2015.

   In case of joint holders attending the Meeting, joint holder ranked higher in the order of names will be entitled to vote at the meeting.

4. Bodies Corporate who are members of the company are requested to send duly certified copy of the Board resolution authorising their representatives to attend and vote at the Meeting.

5. Members are requested to bring their Attendance Slip while attending the Annual General Meeting. Members holding shares in demat form are requested to write their DP ID and Client ID and those holding shares in physical form are requested to write their Folio Numbers on the attendance slip for attending the meeting.

6. The Register of Members and Share Transfer Books of the Company shall remain closed from Thursday, 23rd July, 2015 to Thursday, 30th July, 2015 (both days inclusive).

7. The dividend for the year ended 31st March, 2015 as recommended by the Board, if sanctioned at the Annual General Meeting, will be paid to those members whose names appear on the Company's Register of Members on 30th July, 2015. In respect of shares held in demat form, the dividend will be paid to the beneficial owners of shares as per details furnished by the Depositories for the purpose. The dividend will be paid on and from 05th August, 2015.

8. Pursuant to Section 205A and Section 205C to the Companies Act, 1956, (which are still applicable as the relevant Sections under the Companies Act, 2013 are yet to be notified), the Company has transferred on due dates the unpaid or unclaimed dividends for the financial year 2006-2007 to Investor Education and Protection Fund (IEPF) established by the Central Government.

   Pursuant to provisions of Investor Education and Protection Fund (Uploading of Information regarding unpaid and unclaimed amounts lying with Companies) Rules, 2012, the Company has uploaded the details of unpaid and unclaimed dividend amounts lying with the Company as on 30th July, 2014 (date of the last Annual General Meeting) on the website of the Company **(www.indoco.com)** as also on the website of the Ministry of Corporate Affairs (**www.mca.gov.in**).

   Dividends for the financial years 2007-2008 and thereafter which remain unpaid or unclaimed for a period of 7 years from the date they became due for payment will be transferred by the Company to IEPF. Members who have not yet encashed their dividend warrants for financial year 2007-08 onwards and seek revalidation of their warrants are requested to write to Company's Registrars without any delay.

9. Government of India in Ministry of Corporate Affairs has announced "Green initiative in the Corporate Governance" by permitting the Companies to send the Balance Sheet, Profit & Loss Account, Directors' Report, Auditor's Report etc. to their members through email instead of mailing physical copies.

   Members are requested to support the Green Initiative by the Government and get their email addresses registered with their Depository Participants in case of shares held in demat form or with Link Intime India Pvt. Ltd. (Registrars) in case of shares held in physical form.

10. Annual Report copies will not be distributed at the Annual General Meeting. Members are therefore requested to bring their copies of the Annual Report.

11. Members holding shares in demat (electronic) account are requested to notify changes, if any, in their address, e-mail address, bank mandate etc. to their respective Depository Participants (DPs). Members holding shares in physical form are requested to intimate the changes to the Company's Registrars.

12. (a) In order to provide protection against fraudulent encashment of dividend warrants, members who hold shares in physical form are requested to intimate to the Company's Registrars the following information to be incorporated on the dividend warrants duly signed by the sole or first joint holder:

    (i) Name of the Sole/First joint holder and the Folio Number

    (ii) Particulars of Bank Account, viz:
    Name of the Bank
    Name of the Branch
    Complete address of the Bank with Pin Code number
    Account type whether Saving or Current
    Bank Account Number
    MICR Code:
    IFSC Code:

    (b) Members holding shares in demat form may please note that their Bank account details, as furnished by their Depositories to the Company, shall be printed on their Dividend Warrants as per the applicable regulation of the Depositories and the Company shall not entertain any direct request from the members for deletion of or change in Bank account details. Further, instructions, if any, already given by them in respect of shares held in physical form shall not be automatically applicable to shares held in demat form. Members who wish to change their bank details or particulars are requested to contact their Depository Participants.

    (c) To avoid loss of dividend warrants in transit and undue delay in receipt of dividend warrants, the Company has provided facility to the members for remittance through NEFT/RTGS. Members holding shares in physical form and desirous of availing the facility are requested to contact the Registrars.

13. Facility of nomination is now available and members are requested to make use of the same by contacting the Registrars in case of physical holding and DPs in case of demat holdings.

14. For any assistance or information about shares, dividend etc., members may contact the Company or the Registrars.

15. Members are requested to quote their Folio Number / Demat Account Number and contact details such as email address, contact number and complete address in all correspondence with the Company or its Registrars.

16. Members who hold shares in multiple folios and in identical names are requested to contact the Registrars for consolidating their holdings into a single folio.

17. Member desirous of getting any information, on the accounts and operations of the Company, may please forward their queries to the Company at least seven days prior to the Meeting so as to enable the Company to provide appropriate response thereto at the Meeting.

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

19. Details of Director seeking appointment in the Annual General Meeting scheduled on Thursday 30th July, 2015 (Pursuant to Clause 49 of the Listing Agreement) :-

Name of Director	Mr. Sundeep V. Bambolkar
Date of Birth	23rd October, 1960
Date of Appointment	27th March, 2004
Expertise in Specific Functional area	International Business, Corporate Management, Finance and Operations
Qualification	B. Sc, PGDEM, MAM, Management Program from the Indian School of Business, Hyderabad and Kellogg School of Business, Chicago, USA
Board Membership of other Public Companies as on 31st March, 2015	2
Chairman / Member of the Committee of the Board of Directors of the Company as on 31st March, 2015	Member - Stakeholder Relationship Committee Member - Audit Committee Member - CSR Committee
Chairman / Member of the Committee of Directors of the other Companies in which he/she is a Director as on 31st March, 2015	Nil
a. Audit Committee	Nil
b. Stakeholders Relationship Committee	Nil
c. Other Committees	Nil
Number of Shares held on 31st March, 2015	465000

20. E-Voting:

The Company has provided 'remote e-voting' (e-voting from a place other than venue of the AGM) facility through Central Depository Services (India) Limited (CDSL) as an alternative, for all members of the Company to enable them to cast their votes electronically, on the resolutions mentioned in the notice of the 68th Annual General Meeting of the Company, dated 27th May, 2015 (the AGM Notice).

The facility for voting through ballot / polling paper shall also be made available at the venue of the 68th AGM. The members 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 members 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 Company has appointed CS Ajit Sathe proprietor of M/s A.Y. Sathe & Co., Practicing Company Secretary, as the Scrutinizer for conducting the remote e-voting and the voting process at the AGM in a fair and transparent manner. E-voting is optional. In terms of requirements of the Companies Act, 2013 and the relevant Rules, the Company has fixed 23rd July, 2015 as the 'Cut-off Date'. The remote e-voting rights of the shareholders/ beneficial owners shall be reckoned on the equity shares held by them as on the Cut-off Date i.e. 23rd July, 2015.

The instructions for shareholders voting electronically are as under:

(i) The remote e-voting period begins on 24th July, 2015 at 10.00 a.m. (IST) and ends on 29th July, 2015 at 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 i.e. 23rd July, 2015 may cast their votes electronically.

The remote e-voting module shall be disabled by CDSL for voting after 5.00 p.m (IST) on 29th July, 2015.

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

(iii) Click on Shareholders.

(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 / 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 Sequence Number printed on Attendance Slip, in the PAN Field
DOB	Enter the Date of Birth as recorded in your demat account or in the Company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details#	Enter the Dividend Bank Details as recorded in your demat account or in the Company records for the said demat account or folio.
There are 2 fields provided viz. DOB and Dividend Bank Details. Any one detail may be entered	
# Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company, please enter the member id / folio number in the 'Dividend Bank Details' field as mentioned in instruction (iv). Dividend Bank Details means Bank account number which is recorded in the demat account.	

(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 for the relevant <Company Name> on which you choose to vote. In this case, it would be Indoco Remedies Limited.

(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 out print of the voting done by you by clicking on "Click here to print" option on the Voting page.

(xvii) If you as a Demat account holder have forgotten the existing 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) 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 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.

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

By order of the Board

SUNIL D. JOSHI

President (Finance) & Company Secretary

Mumbai, 27th May, 2015

◆◆◆

ANNEXURE TO NOTICE

Explanatory Statement pursuant to Section 102 of the Companies Act, 2013

Item No. 5

The Board on the recommendation of the Audit Committee has approved the appointment and remuneration of ₹ 1,80,000/- to M/s Sevekari, Khare & Associates Cost Auditors to conduct the audit of the cost records of the Company for the financial year ending 31st March, 2016.

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 shareholder of the Company.

Accordingly consent of the members is sought for passing an Ordinary Resolution as set out in Item No. 5 of the Notice for ratification of their remuneration payable to the Cost Auditors for the financial year ending 31st March, 2016.

None of the Directors/Key Managerial Personnel of the Company/their relatives are in any way concerned or interested in the Resolution.

The Board recommends the Ordinary Resolution set out at Item No. 5 of the Notice for the approval of the shareholders.

By order of the Board

SUNIL D. JOSHI

President (Finance) & Company Secretary

Mumbai, 27th May, 2015

◆ ◆ ◆

Directors' Report

Dear Members,

Your Directors are pleased to present the Sixty-Eighth Annual Report on the business operations of the Company together with the Audited Accounts for the financial year ended 31st March, 2015 and on the state of affairs of the Company.

Financial Performance:

The highlights of the performance of the Company for the year ended 31st March, 2015 is summarized below:

(₹ lakhs)

Particulars	*Financial Year ended 31st March, 2015*	*Financial Year ended 31st March, 2014*
Sales & Operations	**86485**	74045
Less: Excise Duty	**(1121)**	(1274)
Net Sales	**85364**	72771
Add: Other Income	**174**	175
Total Income	**85538**	72946
Profit Before Interest, Depreciation & Tax	**16693**	12182
Less: Finance Cost	**1034**	1880
Less: Depreciation & Amortisation	**4711**	3091
Profit Before Tax	**10948**	7211
Less: Provision for Taxation		
- Current	**3061**	1511
- Deferred	**(351)**	(428)
- Earlier Years Adjustment	**256**	338
- MAT Credit Entitlement	**(299)**	–
Net Profit After Tax	**8281**	5790
Balance brought forward	**16193**	13412
Amount available for appropriation	**24474**	19202
Appropriations :		
- Proposed Dividend	**1474**	1290
- Dividend Tax	**300**	219
- Adjustment relating to Fixed Assets	**471**	–
- Transfer to General Reserve	**1500**	1500
- Balance carried forward	**20729**	16193
	24474	19202

Results from Operations:

During the year 2014-15, the total income of the Company amounted to ₹ 85,538 lakhs as compared to ₹ 72,946 lakhs in the previous year. This represents a 17.30% growth. The Profit before tax (PBT) at ₹10,948 lakhs as compared to ₹ 7,211 lakhs in the previous year represents a 51.80% growth. After providing for Tax and MAT, the Net Profit (PAT) amounted to ₹ 8,281 lakhs as against ₹ 5,790 lakhs in the previous year. The

increase in PBT & PAT is mainly due to reduction in input and other costs as well as improvement in product and business mix.

In July, 2014, the Company purchased the remaining shares of Xtend Industrial Designers and Engineers Private Limited to make it a 100% subsidiary of the Company.

In April, 2015, the Company acquired from Piramal Enterprise Limited, their Clinical Research Division, located in Hyderabad. The Division is equipped with a 98 bed facility, including a four-bed ICU, state-of-the-art analytical lab and capabilities of eCTD submission. It also has GCP certification from UK-MHRA and also has regulatory approvals from several bodies including USFDA. The acquisition would reduce the Company's dependability to outsource bio-equivalence studies. This will not only reduce cost but also ensure time-bound outcome of studies and add pace to the Company's existing R&D efforts.

A detailed discussion on the business performance and future outlook is included in Management Discussion & Analysis which forms part of the Directors' Report.

Dividend & Reserves:

Your Directors are pleased to recommend a dividend of ₹ 1.60 per share (80%) on the face value of ₹ 2/- each (Previous Year ₹ 1.40 per share (70%). The dividend payout will aggregate ₹ 1,474.41 lakhs (Previous year: ₹ 1,290.10 lakhs) and the tax on distributed profits payable by the Company would amount to ₹ 300.15 lakhs (Previous year ₹ 219.25 lakhs).

The Directors have recommended transfer of an amount of ₹ 1,500 lakhs to General Reserves (Previous year ₹ 1,500 lakhs).

Energy Conservation/Technology Absorption and Foreign Exchange Earnings and Outgo:

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of The Companies (Accounts) Rules, 2014, is annexed herewith as **"Annexure A"**.

Share Capital:

The paid up Equity Share Capital as on 31st March, 2015 was ₹ 18.43 crore. During the year under review, the Company has not issued shares with differential voting rights nor granted stock options nor sweat equity.

As on 31st March, 2015 other than

Mr. Suresh G. Kare - *Chairman*
Ms. Aditi Panandikar - *Managing Director*
Mr. Sundeep V. Bambolkar - *Jt. Managing Director*
none of the Directors of the Company held shares of the Company

Finance:

Cash and cash equivalent as at 31st March, 2015 was ₹1,528.17 crore. The Company continues to focus on judicious management of its working capital. Receivables, inventories and other working capital parameters were kept under strict check through continuous monitoring.

Deposits:

The Company has not accepted any Deposit covered under Section 73 of the Companies Act, 2013 and The Companies (Acceptance of Deposit) Rules, 2014.

Particulars of Loans, Guarantees and Investments:

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

Credit Rating:

ICRA has revised the Company's long term borrowings rating upwards from A+ to AA- and reaffirmed the short term borrowing rating as A1+.

These ratings are considered to have high degree of safety regarding timely servicing of financial obligations and carry very low credit risk.

Corporate Social Responsibility:

As required u/s 135 of the Companies Act, 2013, the Board has approved a Policy for implementing the Corporate Social Responsibility (CSR).

During the year the Company undertook a number of CSR initiatives which is mainly focused on promoting education, health and public hygiene. In this connection, the Company during the year under consideration spent an amount of ₹ 133.93 Lakhs. A detailed list of the CSR expenditure made is annexed herewith as **"Annexure B"**.

In addition to fulfilling its CSR obligations, the Company during the year made substantial donations of free medicines to charitable bodies for distribution among the needy including the victims of HUD HUD cyclone.

Internal Control Systems and their Adequacy:

The Company has an Internal Control System, commensurate with the size of its operations. The Internal Audit Department monitors and evaluates the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies at all locations of the Company and its subsidiaries. Based on the report, significant audit observations and corrective actions thereon are presented to the Audit Committee of the Board.

The Company's Internal Auditor also monitors and evaluates the internal control system and submits Quarterly Reports which are placed before the Audit Committee of the Board.

The Board has also approved a Risk Management Policy. The policy is available on the Company Website at: **http://www.indoco.com/policies/the_risk_management_policy.pdf**

Whistle Blower Policy:

The Company has a Whistle Blower Policy to deal with instance of fraud and mismanagement, if any. The details of the Policy is posted on the website of the Company: **http://www.indoco.com/policies/whistle_blowers_policy.pdf**

Disclosure under the Sexual Harassment of Women at Workplace (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 & Redressal) Act, 2013.

Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

The following is a summary of sexual harassment complaints received and disposed off during the year 2014-15:

- No. of complaints received: Nil
- No. of complaints disposed off: Nil

Subsidiaries:

The Company has two subsidiary companies:
1. Xtend Industrial Designers and Engineers Private Limited
2. Indoco Pharmchem Limited

Statement pursuant to first proviso to sub-section (3) of Section 129 of the Companies Act 2013, read with rule 5 of Companies (Accounts) Rules, 2014 in the prescribed Form AOC-1 relating to subsidiary Companies is given herein below:

(₹ lakhs)

CIN Name of the Subsidiary	U93000MH1995PTC086174 Xtend Industrial Designers and Engineers Pvt. Ltd	U33112MH2012PLC232609 Indoco Pharmchem Ltd.
Reporting period for the subsidiary	1st April 2014 - 31st March 2015	1st April 2014 - 31st March 2015
Reporting Currency	INR (₹)	INR (₹)
Share Capital	2.50	5.00
Reserves and Surplus	60.92	(1.00)
Total Assets	590.38	4.23
Total Liabilities	590.38	4.23
Investments	Nil	Nil
Turnover	331.88	Nil
Profit before Taxation	2.58	(0.34)
Provision for Taxation	0.89	0
Profit after Taxation	1.69	(0.34)
Proposed Dividend	Nil	Nil
% of shareholding	100%	100%
Country	India	India

Note : The above statement may be deemed to form a part of the financial statement.

The Company has one associate LLP:

- Indoco Analytical Solutions LLP

There was no activity in the associate LLP - Indoco Analytical Solutions LLP. The Salient Financial Statement is given herein below:

(₹ lakhs)

Name of the Associate	Indoco Analytical Solutions LLP
Latest Audited Balance Sheet Date	31st March 2015
Share of Associate held by the Company as on 31st March 2015 i) Nos ii) Amount of Capital Contributed iii) Extent of Holding	 NA ₹ 4.90 98%
Description of how there is significant influence	The Company holds 98% of the capital of the LLP
Reason why the associate is not consolidated	There was no business activity during the Financial Year
Net worth attributable to Shareholding as per latest Audited Balance Sheet	₹ 4.18
Profit/(Loss) for the Year i) Considered in Consolidation ii) Not considered in Consolidation	 NIL ₹ (0.21)

The audited financial statements, the Auditors Report thereon and the Board's Report for the year ended 31st March, 2015 for each of the Company's subsidiaries viz. Xtend Industrial Designers and Engineers Pvt. Ltd, Indoco Pharmchem Ltd. are available on the Company website : **www.indoco.com**.

The Company will make available, the Annual Accounts of the subsidiary Companies to any Member of the Company who may be interested in obtaining the same.

No Company has become or ceased to be a Subsidiary, Joint Venture or Associate Company of Indoco Remedies Limited during the year under consideration.

Consolidated Financial Statements:

The Consolidated Financial Statements of the Company prepared in accordance with relevant Accounting Standards (AS) viz. AS 21, AS 23 and AS 27 issued by the Institute of Chartered Accountants of India form part of this Annual Report.

Directors:

In terms of provisions of the Section 152(6) of the Companies Act, 2013, Mr. Sundeep V Bambolkar retires by rotation at the forthcoming Annual General Meeting, and being eligible offers himself for re-appointment. The profile of director seeking reappointment pursuant to Clause 49 of the Listing Agreement with the Stock Exchanges is included in the Annual Report.

Dr. Anand Nadkarni was appointed as Non Executive Director on 28th May, 2014. His appointment was confirmed at the 67th Annual General Meeting held on 30th July, 2014. In the meeting held on 23rd March, 2015, Mr. Sundeep V Bambolkar was designated as CFO of the Company. Mr. Sundeep V. Bambolkar has now been designated as Jt. Managing Director and CFO.

Other than this No Director or Key Managerial Personnel (KMP) was appointed or has resigned during the year under consideration.

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and Clause 49 of the Listing Agreement.

During the year 5 Board Meetings were held and the gap between two Board Meetings did not exceed 120 days. Details of the Board Meeting are given in the Report on Corporate Governance.

Board evaluation:

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Board has carried out an annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of its Audit Committee, CSR Committee, Nomination & Remuneration Committee and Stakeholder Relationship Committee. The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report.

Remuneration Policy:

The Board has, on the recommendation of the Nomination & Remuneration Committee framed a policy for selection and appointment of Directors, KMP and their remuneration. The Remuneration Policy is stated in the Corporate Governance Report.

1. The Board affirms that the remuneration paid is as per the Remuneration Policy of the Company.
2. The percentage increase in the remuneration of President (Finance) & Company Secretary in the financial year was 14%.
3. The percentage increase in the median remuneration of employees in the financial year 9.12%.
4. Average percentage increase in salaries of non-managerial employees was 16% as compared to average percentage increase in managerial remuneration which was 14%.
5. Number of Permanent employees on the rolls of the company as on 31st March, 2015 – 5033 Nos.
6. The Ratio of the remuneration paid to each Director to the median remuneration of the employees of the Company during the year under consideration:

Name of Director	Remuneration Paid	Median Remuneration	Ratio
Mr. Suresh G. Kare (Chairman)	1,85,50,177	1,76,004	1:105
Ms. Aditi Panandikar (Managing Director)	1,12,09,815	1,76,004	1:64
Mr. Sundeep V. Bambolkar (Jt. Managing Director)	99,53,262	1,76,004	1:56
Mr. Rajiv P. Kakodkar (Independent Director)	1,70,000	1,76,004	1:0.97
Dr. Anil M. Naik (Independent Director)	1,65,000	1,76,004	1:0.94
Mr. Sharad P. Upasani (Independent Director)	1,00,000	1,76,004	1:0.57
Mr. D. M. Gavaskar (Independent Director)	90,000	1,76,004	1:0.51
Dr. Anand Nadkarni (Non Executive Director)	80,000	1,76,004	1:0.45

7. There has been no increase in the remuneration paid to the Executive Directors as well as the sitting fees paid to the Independent Directors and Non Executive Directors. During the year there has been an increase in Sales by 17.30% and increase in PAT by 43%. Taking into consideration the above increase as well as performance of individual employees, the average increase in remuneration for the year is 8%.

8. Comparison of remuneration of the Key Managerial Personnel against the performance of the Company:
   i) Change in sales of the Company : 17.30% increase
   ii) Change in the PAT of the Company: 43% increase
   iii) Change in the remuneration of Mr. Sunil D. Joshi (KMP) 14%

9. Variation in Market capitalization

   2014 : ₹ 1296 cr

   2015 : ₹ 3352 cr

10. Price earning Ratio as on 31st March 2015: 40.47
    Price earning Ratio as on 31st March 2014: 22.39

11. Percentage Increase in market quotation in the shares of the Company in comparison to the rate at which the Company came out with the last public issue:

Particulars	March 31, 2015	January 14, 2005 IPO	January 14, 2005* IPO	% change
Market Price (BSE)	363.10	245.00	32.67	1011.42
Market Price (NSE)	363.80	245.00	32.67	1013.56

* Adjusted for Sub-division and Bonus issue in 2012

Directors' Responsibility Statement:

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

i. that in the preparation of annual accounts, the applicable accounting standards have been followed and no material departures have been made from the same;

ii. that they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profits of the Company for that year;

iii. that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

iv. that the annual accounts have been prepared on a 'going concern' basis;

v. that the Company has laid down internal financial controls and such internal financial controls are adequate and operating effectively;

vi. that proper systems have been devised to ensure compliance with the provisions of all applicable laws and such systems are adequate and operating effectively;

Related Party Transactions:

All related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. There are no materially significant related party transactions made by the Company with Promoters, Directors or Key Managerial Personnel which may have a potential conflict with the interest of the Company at large.

All Related Party Transactions are placed before the Audit Committee as also the Board for approval. Prior approval of the Audit Committee is obtained on a yearly basis specifying the upper ceiling as to amount for the transactions which are of a foreseen and repetitive nature. The transactions entered into pursuant to the prior approval so granted are audited and a statement giving details of all related party transactions is placed before the Audit Committee and the Board of Directors for their approval on a quarterly basis.

The particulars as required under the Companies Act, 2013 is furnished in **Annexure C** to this report.

Significant and Material Orders passed by the Regulators or Courts:

There are no significant material orders passed by the Regulators / Courts which would impact the going concern status of the Company and its future operations.

Statutory Auditors:

The Members at the Sixty Seventh Annual General Meeting approved the appointment of M/s. Patkar & Pendse, Chartered Accountants, (Firm Registration No. 107824W), as Statutory Auditors of the Company under Section 139 of the Companies Act, 2013 to hold office for a period of 3 years till the conclusion of the Seventieth Annual General Meeting to be held in 2017.

M/s Patkar and Pendse have confirmed that they continue to be eligible under Section 141 of the Companies Act, 2013 and the Rules framed thereunder for continuing as Auditors of the Company. As required by the Companies Act, 2013, the Members are requested to ratify their appointment as Auditors for the FY 2015-2016.

Cost Auditors:

In terms of the Order issued by the Central Government under Section 148 of the Companies Act, 2013 the Company was required to appoint cost auditors to get the audit of the cost records of the Company done by a member of the Institute of Cost & Works Accountants of India (ICAI).

For FY 2014-2015, the Company had appointed M/s Sevekari, Khare & Associates (Firm Registration No. 000084) to get the audit of the cost records done. They would be required to submit the reports by 29th September, 2015.

As required under the Companies Act, 2013, the remuneration payable to the Cost Auditor is required to be placed before the Members in a general meeting for their ratification. Accordingly, a resolution seeking Member's ratification for the remuneration payable to M/s Sevekari, Khare & Associates, Cost Auditors is included at Item No. 5 of the Notice convening the Annual General Meeting.

Secretarial Audit:

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed CS Ajit Sathe- Proprietor of M/s A. Y. Sathe & Co. Company Secretary in Practice (Registration No. FCS2899/COP738) to undertake the Secretarial Audit of the Company. The Secretarial Audit Report is annexed herewith as **"Annexure D"**.

Corporate Governance:

In compliance with the provisions of Clause 49 of the Listing Agreement, the Report on the Corporate Governance is annexed and forms part of the Annual Report. The Report is duly certified by the Statutory Auditors of the Company whose certificate is also annexed.

Extract of the Annual Return:

The details forming part of the extract of the Annual Return in form MGT 9 is annexed herewith as **"Annexure E"**.

Particulars of Employees:

The information required pursuant to Section 197 read with Rule, 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company, is provided in the Corporate Governance Report.

Employees Relations:

The employees' relation at all levels and at all units continued to be cordial during the year.

Acknowledgement:

Your Directors wish to place on record their appreciation of the dedicated efforts by employees at all levels. The Directors also wish to place on record their word of sincere appreciation to the bankers & financial institutions, the investors, the vendors, the customers, the medical profession and all other business associates for their continued support.

For and on behalf of the Board of Directors

SURESH G. KARE
Chairman
DIN:00179220

Mumbai, 27th May, 2015

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Annexure-A
to the Directors' Report

A) CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

Particulars required under Section 134(3)(m) of the Companies Act, 2013, read with the Rules 8(3) of the Companies (Account) Rules, 2014.

(a) Steps Taken or impact of conservation of energy during 2014-2015.
1. Human motion sensors installed for air conditioners and lamps for various location to save electricity.
2. Installation of 5 star rating air conditioners and motors for plant, machineries to save electricity.
3. Installation of LED lamps in various departments to save electricity.
4. Installation of additional Screw air compressors with replacement of reciprocating to save electricity and maintenance cost.
5. Replacement of Energy Efficient cooling tower with old cooling tower for Air Conditioners, Compressors & Process equipments.

(b) Steps taken by the Company for utilizing alternative sources of energy:
Feasibility study undertaken for
1. Use of gas as a fuel for boiler to reduce stack emission and its cost benefit.
2. Installation of solar system to generate electricity for plant lighting purpose.
3. Rain water harvesting.
4. Replacement of pending reciprocating air compressor to Screw air compressor.

(c) The Capital investment on energy conservation equipments: ₹ 1.01 Crores

(d) Total energy consumption and energy consumption per unit of production:

FORM A

1. Power and Fuel Consumption

Particulars	*Current Year 2014-15*	*Previous Year 2013-14*
1) Electricity		
a) Purchased Units (in lakhs)	**257.49**	239.30
Total Amount (₹ lakhs)	**1472.99**	1338.74
Rate/Unit (₹)	**5.72**	5.59
b) Own generation		
i) Through diesel generator		
Units (KWH'000)	**1231.13**	908.37
Units per ltr. of diesel oil (KWH)	**2.83**	2.84
Rate/Unit (₹)	**21.52**	20.86
ii) through steam turbine/generator		
Units	**Nil**	Nil
Units per ltr of fuel oil/gas		
Cost/Unit (₹)		
2) Coal		
Qty	**Nil**	Nil
Total cost		
Average rate		
3) Furnace Oil		
Qty (Kilo litres)	**483.83**	410.87
Total Amount (₹ lakhs)	**207.46**	219.98
Average rate (₹)	**42.88**	53.54
4) Others/internal generation (briquettes, cashew seeds etc.)		
Quantity	**NIL**	NIL
Total Cost (₹ lakhs)	**173.59**	158.08
Rate/Unit (₹)	**NIL**	NIL

2. Consumption per unit of production

On account of the manufacture of products with varied pack size/units of measures, it is not practicable to express the consumption of power per unit of production.

B. TECHNOLOGY ABSORPTION

Efforts made in technology absorption:

FORM B

Research and Development (R&D)

1. Specific areas in which Research and Development are carried out by the Company are:

   Development of manufacturing processes and analytical methods for APIs, intermediates and finished dosages, including development of non-infringing route of synthesis / formulations and Novel New Drug Delivery System (NDDS). Development of Complex generics involving multi unit pellet systems (MUPS) is in the advanced stage of development. New developments for catering to the Dental range of products for treatment of sensitive teeth are also in the pipeline.

   Development of Complex Ophthalmic Formulations like Nanosuspensions, Ophthalmic Gels, Platform Technology based products are in progress. Research on newer solubilizers for ophthalmic use, enabling better bio availability is being explored. Ophthalmic ointments, emulsions and First-To-File projects are also in the pipeline.

   Development of complex generic APIs in ophthalmic and antidiabetic segments using stereoselective organometallic reactions are under progress. Applying concepts of green chemistry for API process development and scale up are also been undertaken.

2. Benefits derived as a result of above efforts are
   - Creation of the Company's own intellectual property which can be exploited commercially.
   - Preventing competitors from blocking ideas for Novel manufacturing processes.
   - R&D efforts gives an edge over the competitors in the market place in terms of early entry and better pricing.
   - The Company's patent portfolio consists of

	Granted Patents	*Patent Application*
Formulation	4	6
API	22	26

3. Future plan of action

   Development of non-infringing API manufacturing processes, patentable Novel Drug Delivery System (NDDS) formulations, filing Para IV, NCE-1 and 505(b)2 applications using new technology platforms. Developing an expertise in the analytical methods development for offering value added services for Isolation and Characterization of Impurities, extractables, leachables, polymorphism and lyophilization study.

4. Expenditure on R & D:

(₹ lakhs)

Sr. No.	*Particulars*	***Current Year 2014-15***	*Previous Year 2013-14*
1	Capital	**1,635.91**	310.60
2	Recurring	**2,167.15**	1,442.86
3	Total	**3,803.06**	1,753.46
4	Total R&D expenditure as a % of total net sales	**4.48**	2.41

Technology absorption, adaptation and innovation:

1. During the year the following processes were successfully implemented:

   a) Lacosamide: The technology for synthesizing Lacosamide was developed in-house by using a novel route and the process was successfully commercialized.

   b) Besifloxacin Hydrochloride: A novel, commercially feasible and economically viable route for Besifloxacin synthesis was developed at the R&D and scaled up at the plant level.

2. In case of imported technology (imported during the last 5 years reckoned from the beginning of the financial year), following information may be furnished:

a)	Technology Imported	-	None
b)	Year of import	-	N.A.
c)	Has technology been fully absorbed	-	N.A.
d)	If not fully absorbed, areas where this has not taken place, reasons thereof and future plans of action	-	N.A.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

(a) Activities relating to exports; initiatives taken to increase exports; development of new export markets for products and services; and export plans:

The Company participates in International Conferences and exhibitions in US, Europe, Japan and other countries. Such participation helps us in expanding our network of customers. During the year the Company continued with its efforts of filing own Dossiers in Europe through DCP (Decentralization Procedure) route and filing own ANDA's with USFDA. The product basket has been expanded and scope of services offered is also extended to analytical and synthesis of impurities, reference standards and building blocks of NCEs for MNCs. The Company plans to move up in the value chain by offering new products/services and expanding into newer territories is well on track.

(b) Total foreign exchange used and earned:

(₹ lakhs)

Sr. No.	*Particulars*	***Current Year 2014-15***	*Previous Year 2013-14*
1	Total foreign exchange earned (CIF)	**31,682.36**	25,434.60
2	Total foreign exchange used	**8,041.63**	5,490.76

For and on behalf of the Board of Directors

SURESH G. KARE
Chairman
DIN:00179220

Mumbai, 27th May, 2015

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Annexure-B

Annual Report on Corporate Social Responsibility (CSR) Activities

A brief outline of the Company's CSR policy, including overview of projects or programmes proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programmes.

CSR Policy is stated herein below:

The detailed policy is available on the Company Website at: **http://www.indoco.com/csr-policy.asp**

Composition of the CSR Committee:

Ms. Aditi Panandikar (Managing Director) - Chairperson
Mr. Sundeep V. Bambolkar (Jt. Managing Director)
Dr. Anil M. Naik (Independent Director)

Average net profit of the Company for last three financial years: ₹ 5724.80 Lakhs.

Prescribed CSR Expenditure (two percent of the Average Net Profit as detailed above): ₹ 114.50 Lakhs

Details of CSR spend for the financial year:

A Total amount spent for the financial year: ₹ 133.93 Lakhs

B Amount unspent, if any: Nil

Manner in which the amount spent during the financial year is detailed below:

Sl. No	*Project Activities*	*Sector*	*Location*	*Amount Budgeted (₹)*	*Amount / Spent (₹)*	*Cumulative Spent upto Reporting period (₹)*	*Amount Spent: Direct or through Implementing Agency*
1	Aakanksha Shiksha Kalyan Samiti	Promoting Education	Mumbai	8,18,000	66,250	66,250	Direct
2	Muskan Foundation for People with Multiple Disabilities	Promoting Education	Mumbai	3,45,000	1,56,072	1,56,072	Direct
3	Chetana Apangmati Vikas Sanstha	Promoting Education	Kolhapur	12,60,000	12,06,474	12,06,474	Direct
4	LokVishwas Pratishtan's (school for the Blind)	Promoting Education	Ponda, Goa	2,60,000	2,59,350	2,59,350	Direct
5	Shri Samarth Samajik Vikas Sevabhavi, Rasayani	Promoting Education	Patalganga	1,04,000	1,03,999	1,03,999	Direct
6	Government Primary School Katha, HP	Promoting Education	Baddi, H.P	4,00,000	3,25,413	3,25,413	Direct
7	Holy Family Hospital	Promoting Public Health	Mumbai	12,00,000	13,50,000	13,50,000	Direct
8	Ulhas Parisar Pratishtan	Promoting Education	Mumbai	1,50,000	1,50,000	1,50,000	Direct
9	Adhar – Association of Parents of Mentally retarded children	Promoting Health	Igatpuri	6,00,000	6,32,463	6,32,463	Direct

Sl. No	Project Activities	Sector	Location	Amount Budgeted (₹)	Amount / Spent (₹)	Cumulative Spent upto Reporting period (₹)	Amount Spent: Direct or through Implementing Agency
10	The Goa Hindu Association-Sneha Mandir	Old Age Home	Goa	50,00,000	29,50,000	29,50,000	Direct
11	Jupiter Lifeline Hospital Ltd	Promoting Health	Mumbai	15,000	15,000	15,000	Direct
12	Indian Association for promotion of adoption and child welfare	Promoting Education	Mumbai	10,000	10,000	10,000	Direct
13	Harmal Panchakroshi Shikshan, Mandal	Promoting Education	Goa	50,00,000	48,23,360	48,23,360	Direct
14	Nana Palkar Smruti Samiti	Promoting Health	Mumbai	1,00,000	1,00,000	1,00,000	Direct
15	Matruchhaya	Old Age Home	Goa	1,00,000	1,00,000	1,00,000	Direct
16	HUD HUD Victims	Medicines /aids		11,00,000	11,34,423	11,34,423	Direct
17	Miscellaneous					10,673	Direct
	Total :			**164,62,000**		**133,93,477**	

Annexure-C

Form No. AOC-2

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

Form for disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto:

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

The Company has not entered into any transaction which is not on arms length basis.

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

Name of the party with which contract is entered into	Principal terms and conditions			Date of Approval	Amount paid as Advance
Mr. Suresh G. Kare	Purchase shares of Xtend Industrial Designers & Engineers Pvt. Ltd.	One Time	3,92,000	21-07-2014	NIL
Suresh Kare - Indoco Foundation	Donation	One Time	1,00,000	01-04-2014	NIL
Ms. Aditi Panandikar	House Rent	Yearly	1,80,000	01-04-2014	NIL
Ms. Aditi Panandikar	Car Hire charges	Yearly	7,20,000	01-04-2014	NIL
Ms. Aditi Panandikar	Purchase shares of Xtend Industrial Designers & Engineers Pvt. Ltd.	One Time	3,92,000	21-07-2014	NIL

Name of the party with which contract is entered into	Principal terms and conditions			Date of Approval	Amount paid as Advance
Mr. Sundeep V. Bambolkar	Purchase shares of Xtend Industrial Designers & Engineers Pvt. Ltd.	One Time	1,96,000	21-07-2014	NIL
Sundeep Bambolkar - HUF	Car Hire Charges	Yearly	1,26,000	01-04-2014	NIL
Ms. Aruna S. Kare	Car Hire Charges	Yearly	1,80,000	01-04-2014	NIL
Ms. Madhura Ramani	Car Hire Charges	Yearly	1,20,000	01-04-2014	NIL
Ms. Madhura Ramani	Purchase shares of Xtend Industrial Designers & Engineers Pvt. Ltd.	One Time	3,92,000	21-07-2014	NIL
Enbee Graphics	Art Work Charges	Yearly	3,15,000	01-04-2014	NIL
A K Services	Commission & Brokerage	Yearly	63,35,756	01-04-2014	NIL
A K Services	Godown Rent	Yearly	33,76,700	01-04-2014	NIL
A K Services	C & F operation Expenses	Yearly	34,24,682	01-04-2014	NIL
A K Services	Interest on Security Deposit	Yearly	85,000	01-04-2014	NIL
SPA Holdings Pvt. Ltd.	Purchase shares of Xtend Industrial Designers & Engineers Pvt. Ltd.	One Time	5,88,000	21-07-2014	NIL
Xtend Industrial Designers & Engineers Pvt. Ltd.	Consultancy Charges	Yearly	30,33,720	01-04-2014	NIL
Xtend Industrial Designers & Engineers Pvt. Ltd.	Loan to Subsidiary	Yearly	1,27,00,000	01-04-2014	NIL
Xtend Industrial Designers & Engineers Pvt. Ltd.	Interest others	Yearly	19,603	01-04-2014	NIL
Xtend Industrial Designers & Engineers Pvt. Ltd.	Interest Receivable	Yearly	4,01,030	01-04-2014	NIL
Xtend Industrial Designers & Engineers Pvt. Ltd.	Retainer Fees	Yearly	6,33,350	01-04-2014	NIL
Xtend Industrial Designers & Engineers Pvt. Ltd.	Salary office staff	Yearly	27,75,040	01-04-2014	NIL
Shanteri Investment Pvt. Ltd.	House Rent charges	Yearly	60,000	01-04-2014	NIL
Warren Generics s.r.o.	Business Development Services	Yearly	93,06,533	01-04-2014	NIL
Blue Dart Express Limited	Courier Service Charges	Yearly	6,83,848	01-04-2014	NIL
Institute for Psychological Health	Training & HRD Expenses	Yearly	54,500	01-04-2014	NIL

For and on behalf of the Board of Directors

SURESH G. KARE
Chairman
DIN:00179220

Mumbai, 27th May, 2015

Annexure-D

Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2015
[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,
Indoco Remedies Limited
Indoco House 166 CST Road
Vidyanagari Marg Kalina
Santacruz East
Mumbai 400098 Maharashtra

I, Ajit Y. Sathe, Proprietor of A. Y. Sathe & Co., Company Secretaries have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Indoco Remedies Limited **(CIN-L85190MH1947PLC005913)** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period for the year ended on 31st March, 2015 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the year ended on 31st March, 2015 according to the provisions of:

(i) The Companies Act, 2013 and the Companies Act, 1956 (to the extent applicable) (the Act) the rules made thereunder;

(ii) The Securities Contracts (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, 1992;

   (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 **(Not Applicable to the Company during the Audit Period)**;

(d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 **(Not Applicable to the Company during the Audit Period)**;

(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;

(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)**;

I further report that,

Having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has complied with the following laws applicable specifically to the Company:

- Drugs and Cosmetics Act, 1940.
- Narcotic Drugs and Psychotropic Substances Act, 1956
- Petroleum Act, 1934
- The Medical & Toilet Preparations (Excise Duties) Act, 1955

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

(i) Secretarial Standards issued by The Institute of Company Secretaries of India **(Not notified hence not applicable to the Company during the audit period)**.

(ii) The Listing Agreements entered into by the Company with Bombay Stock Exchange Limited and National Stock Exchange of India Limited

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

In respect of other laws specifically applicable to the Company, I have relied on the information/records produced by the Company during the course of my audit and the reporting is limited to that extent.

I further report that,

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. 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 is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members views are captured and recorded as part of the minutes.

I further report that,

There are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that,

During the audit period there were no instances of:

(i) Public/Right/Preferential issue of shares / debentures/sweat equity, etc.

(ii) Redemption / buy-back of securities

(iii) Major decisions taken by the members in pursuance to Section 180 of the Companies Act, 2013

(iv) Merger / amalgamation / reconstruction, etc.

(v) Foreign technical collaborations

For A. Y. Sathe & Co.
Company Secretaries

Ajit Yeshwant Sathe
(Proprietor)
Membership No. FCS 2899
COP No. 738

Place : Mumbai
Date: 22nd May, 2015

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 Members,
Indoco Remedies 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 processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial Records. The verification was done on the test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes 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. Wherever 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 procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For A. Y. Sathe & Co.
Company Secretaries

Ajit Yeshwant Sathe
(Proprietor)
Membership No. FCS 2899
COP No. 738

Place : Mumbai
Date: 22nd May, 2015

Annexure-E
Extract of Annual Return
As on the financial year ended on 31st March, 2015

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

FORM MGT-9

I. REGISTRATION AND OTHER DETAILS :

i	CIN	L85190MH1947PLC005913
ii	Registration Date	August 23, 1947
iii	Name of the Company	Indoco Remedies Limited
iv	Category/sub Category of Company	Company having Share Capital
v	Address of the Registered Office and contact Details	Indoco House, 166 CST Road, Kalina, Santacruz East, Mumbai - 400098 Mr. Sunil D Joshi- Company Secretary. Email: **compliance.officer@indoco.com** Tel: 022 26541851-55
vi	Whether Listed Company	Yes
vii	Name, Address and contact details of Registrar and Transfer Agent	Link Intime India Pvt. Ltd Unit: Indoco Remedies Limited, C-13 Pannalal Silk Mills Compound, LBS Marg, Bhandup West, Mumbai - 400078 Tel: 022-25946970 Email: **rnt.helpdesk@linkintime.co.in**

II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sl No.	*Name and Description of main products/services*	*NIC Code of the Product/service*	*% to total turnover of the company*
1.	Manufacturers of Pharmaceutical Products	2100	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No.	*Name and address of the Company*	*CIN/GLN*	*Holding/ Subsidiary/ Associate*	*% of shares held*	*Applicable Section*
1.	Xtend Industrial Designers and Engineers Pvt. Ltd 166 CST Road, Kalina, Santacruz (E), Mumbai 400098	U93000MH1995PTC086174	Subsidiary	100%	2(87)(ii)
2.	Indoco Pharmchem Ltd 166 CST Road, Kalina, Santacruz (E), Mumbai 400098	U33112MH2012PLC232609	Subsidiary	100%	2(87)(ii)

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	19801714	–	19801714	21.49	19851714	–	19851714	21.54	0.05
b) Central Govt	–	–	–	–	–	–	–	–	–
c) State Govt (s)	–	–	–	–	–	–	–	–	–
d) Bodies Corporate	15771755	–	15771755	17.12	15771755	–	15771755	17.12	0.00
e) Banks/FI	–	–	–	–	–	–	–	–	–
f) Any Other (PAC)	18975487	–	18975487	20.59	18975215	–	18975215	20.59	0.00
Sub-Total (A)(1)	**54548956**	–	**54548956**	**59.20**	**54598684**	–	**54598684**	**59.25**	**0.05**
(2) Foreign									
a) NRIs- Individuals	–	–	–	–	–	–	–	–	–
b) Other – Individuals	–	–	–	–	–	–	–	–	–
c) Bodies Corporate	–	–	–	–	–	–	–	–	–
d) Banks/FI	–	–	–	–	–	–	–	–	–
e) Any Other	–	–	–	–	–	–	–	–	–
Sub-total									
Sub-Total (A)(2)	–	–	–	–	–	–	–	–	–
Total Shareholding of Promoter (A)= (A)(1) + (A)(2)	**54548956**	–	**54548956**	**59.20**	**54598684**	–	**54598684**	**59.25**	**0.05**

Public Shareholding									
1. Institutions									
a) Mutual Funds	11025322	–	11025322	11.96	10061774	–	10061774	10.92	-1.04
b) Banks/FI	21943	–	21943	0.03	16308	–	16308	0.02	-0.01
c) Central Govt									
d) State Govt(s)									
e) Venture Capital Funds									
f) Insurance Co									
g) FIIs	5236364	–	5236364	5.68	7608903	–	7608903	8.25	2.57
h) Foreign Venture Capital Fund									
i) Others (Specify)									
Sub-total (B) (1)	**16283629**	–	**16283629**	**17.67**	**17686985**	–	**17686985**	**19.19**	**1.52**
2. Non Institutional									
a) Bodies Corporate									
i) Indian	2787310	–	2787310	3.03	2713769	–	2713769	2.95	-0.08
ii) Overseas									
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹1 L	7945624	797245	8742869	9.49	6859229	771295	7630524	8.28	-1.21
i) Individuals shareholders holding nominal share capital in excess of ₹ 1L	8700197	763275	9463472	10.27	8365478	763275	9128753	9.91	-0.36

c) Others Clearing Member	82141	–	82141	0.09	162418	–	**162418**	0.18	0.09
Foreign Nationals									
NRI (Repat) NRI(Non Repat) Trust	178296 59182 4500	– – –	178296 59182 4500	0.19 0.06 0.00	175435 49287 4500	– – –	**175435** **49287** **4500**	0.19 0.05 0.00	0.00 -0.01 0.00
Sub total (B)(2)	**19757250**	**1560520**	**21317770**	**23.13**	**18330116**	**1534570**	**19864686**	**21.56**	**-1.57**
Total Public shareholding (B)=(B)(1) + (B)(2)	**36040879**	**1560520**	**37601399**	**40.80**	**36017101**	**1534570**	**37551671**	**40.75**	**0.05**
C. Shares held by Custodian for GDRs & ADRs	–	–	–	–	–	–	–	–	–
Grand Total (A+B+C)	**90589835**	**1560520**	**92150355**	**100.00**	**90615785**	**1534570**	**92150355**	**100.00**	

ii) Shareholding of Promoters & Promoter Group

Sl. No.	*Shareholder's name*	*Share holding at the beginning of the year*			*Share holding at the end of the year*			
		No. of shares	*% of total shares of the Company*	*% of shares pledged/ encumbered to total shares*	*No. of shares*	*% of total shares of the Company*	*% of shares pledged/ encumbered to total shares*	*% change in share holding during the year*
1	Suresh G. Kare	4050408	4.40		4060408	4.41		**0.01**
2	Suresh G. Kare (HUF)	263500	0.29		273500	0.30		**0.01**
3	Aruna S. Kare	4764714	5.17		4774714	5.18		**0.01**
4	Aditi Panandikar	5549013	6.02		5559013	6.03		**0.01**
5	Madhura A. Ramani	5174079	5.61		5184079	5.62		**0.01**
6	Shanteri Investment Pvt. Ltd	15771755	17.12		15771755	17.12		**0.00**
7	SPA Holdings Pvt. Ltd	18335000	19.90		18335000	19.90		**0.00**
8	Laxmi V. Bambolkar	144000	0.16		144000	0.16		**0.00**
9	Suman P. Naik	240000	0.26		240000	0.26		**0.00**
10	Ramnath G. Kare	61500	0.06		61500	0.06		**0.00**
11	Sharda R. Kare	56500	0.06		57800	0.06		**0.00**
12	Rajendra M. Pai	12225	0.01		10653	0.01		**0.00**
13	Ajit M. Vaidya	26550	0.03		26550	0.03		**0.00**
14	Milind S. Panandikar	7500	0.01		7500	0.01		**0.00**
15	Anup P. Ramani	39337	0.04		39337	0.04		**0.00**
16	Vasant C. Bambolkar	52875	0.06		52875	0.06		**0.00**
	Total:	**54548956**	**59.20**		**54598684**	**59.25**		**0.05**

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

Sl. No.	*Shareholder's name*	*Share holding at the beginning of the year*		*Share holding at the end of the year*		
		No. of shares	*% of total shares of the Company*	*No. of shares*	*% of total shares of the Company*	*% change in share holding during the year*
1	Suresh G. Kare	4050408	4.40	4060408	4.41	**0.01**
2	Suresh G. Kare (HUF)	263500	0.29	273500	0.30	**0.01**
3	Aruna S. Kare	4764714	5.17	4774714	5.18	**0.01**
4	Aditi Panandikar	5549013	6.02	5559013	6.03	**0.01**
5	Madhura A. Ramani	5174079	5.61	5184079	5.62	**0.01**
6	Shanteri Investment Pvt. Ltd	15771755	17.12	15771755	17.12	**0.00**
	Total:	**35573469**	**38.61**	**35623469**	**38.66**	**0.05**

iv) Shareholding Pattern of top ten shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No.	*Shareholder's name*	*Share holding at the beginning of the year*		*Share holding at the end of the year*		
		No. of shares	*% of total shares of the Company*	*No. of shares*	*% of total shares of the Company*	*% change in share holding during the year*
1	Barring India Pvt. Equity Fund III Listed Investments Ltd	3708301	4.02	3708301	4.02	**0.00**
2	DSP Blackrock Mutual Fund	2084958	2.26	3125135	3.39	**1.13**
3	SBI Mutual Fund	2433998	2.64	2061683	2.24	**-0.40**
4	UTI Mid Cap Fund	1777740	1.93	1805194	1.96	**0.03**
5	Reliance Capital Trustee Co. Ltd	2622001	2.85	1524419	1.65	**-1.20**
6	Goldman Sachs India Fund Limited	0	0.00	1243474	1.35	**1.35**
7	Mangeshi Investment Pvt. Ltd	1167300	1.27	1167300	1.27	**0.00**
8	First State Investments (Hong Kong) Ltd A/C First State Indian Subcontinent Fund	620895	0.67	945396	1.03	**0.36**
9	Kunal Ashok Kare	484500	0.53	730497	0.79	**0.26**
10	Tata Balanced Fund	0	0.00	428000	0.46	**0.46**
	Total:	**14899693**	**16.17**	**16739399**	**18.16**	**1.99**

v) Shareholding of Directors and Key Managerial Personnel:

Sl. No	For each of the Directors/KMP	Share holding at the beginning of the year		Cumulative share holding during the year	
		No. of shares	% of total shares of the Company	No of shares	% of total shares of the Company
	Directors				
1	**Mr. Suresh G Kare- Chairman**				
	At the beginning of the Year	4050408	4.40	4050408	4.40
	Date wise Increase/Decrease in shareholding during the year, specifying the reason for increase/decrease	–	–	–	–
	Open Market Purchase- August 14, 2014	10000	0.01	–	–
	At the end of the year	4060408	4.41	4060408	4.41
2	**Ms. Aditi Panandikar - Managing Director**				
	At the beginning of the Year	5549013	6.02	5549013	6.02
	Date wise Increase/Decrease in shareholding during the year, specifying the reason for increase/decrease	–	–	–	–
	Open Market Purchase- August 14, 2014	10000	0.01	–	–
	At the end of the year	5559013	6.03	5559013	6.03
3	**Mr. Sundeep V Bambolkar - Jt. Managing Director**				
	At the beginning of the Year	465000	0.50	465000	0.50
	Date wise Increase/Decrease in shareholding during the year, specifying the reason for increase/decrease	–	–	–	–
	At the end of the year	465000	0.50	465000	0.50
	KMP				
1	**Mr. Sunil D Joshi - President (Finance) & Company Secretary**				
	At the beginning of the Year	–	–	–	–
	Date wise Increase/Decrease in shareholding during the year, specifying the reason for increase/decrease	–	–	–	–
	Open Market Purchase- January 14, 2015	1500	0.00	–	–
	At the end of the year	1500	0.00	1500	0.00

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

(₹ lakhs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount				
Working Capital	3160.85	2498.75	–	5659.60
Term Loan	2743.89	659.07	–	3402.96
ii) Interest due but not paid	–	–	–	–
iii) Interest accrue but not due	7.23	21.40	–	28.63
Total (i+ii+iii)	**5911.97**	**3179.22**	**–**	**9091.19**

Change in Indebtedness during the financial year				
• Additional	2465.56	300.81	–	2766.37
• Reduction	2347.34	–	–	2347.34
Net Change	**118.22**	**300.81**	**–**	**419.03**
Indebtedness at the end of the financial year				
i) Principal Amount				
Working Capital	4593.82	2771.13	–	7364.95
Term Loan	1429.14	687.50	–	2116.64
ii) Interest due but not paid	–	–	–	–
iii) Interest accrued but not due	8.78	21.41	–	30.19
Total : (i+ii+iii)	**6031.74**	**3480.04**	**–**	**9511.78**

VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

(₹ lakhs)

Sl. No	*Particulars of Remuneration*	*Name of Chairman / MD / Jt. MD*			*Total Amount*
		Mr. Suresh G Kare	Ms. Aditi Panandikar	Mr. Sundeep V Bambolkar	
1.	Salary as per provisions contained in Section 17 (1) of the Income Tax Act, 1961	112.50	75.96	66.36	254.82
	Value of perquisites u/s 17(2) Income Tax Act, 1961	13.00	24.14	21.17	58.31
	Profits in lieu of salary under Section 17(3) Income Tax Act, 1961	–	–	–	–
2.	Stock Option	–	–	–	–
3.	Sweat Equity	–	–	–	–
4.	Commission/Performance Linked Incentive				
	As % of profit	60.00	–	–	60.00
	Others specify (performance Linked Incentive)	–	12.00	12.00	24.00
5.	Others, please specify	–	–	–	–
	Total (A)	**185.50**	**112.10**	**99.53**	**397.13**

B. Remuneration to other directors:

(₹ lakhs)

Sl. No	Particulars of Remuneration	Name of Directors					Total Amount
		Mr. D M Gavaskar	Mr. Sharad P. Upasani	Dr. Anil M. Naik	Mr. Rajiv P. Kakodkar	Dr. Anand Nadkarni	
1.	**Independent Directors**						
	Fee for attending board committee meetings	0.90	1.00	1.65	1.70	–	5.25
	Commission	–	–	–	–	–	–
	Others, please specify	–	–	–	–	–	–
	Total (1)	**0.90**	**1.00**	**1.65**	**1.70**	**–**	**5.25**
2.	**Other Non Executive Directors**						
	Fee for attending board committee meetings	–	–	–	–	0.80	0.80
	Commission	–	–	–	–	–	–
	Others, please specify	–	–	–	–	–	–
	Total (2)	**–**	**–**	**–**	**–**	**0.80**	**0.80**
	Total (B)=(1+2)	**0.90**	**1.00**	**1.65**	**1.70**	**0.80**	**6.05**

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

(₹ lakhs)

Sl. No.	Particulars of remuneration	Key Managerial Personnel	
		Company Secretary	Total
1.	Gross salary		
	a) Salary as per provisions contained in section 17(1) of the Income tax Act, 1961	48.47	48.47
	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 a % of profit others, specify	–	–
5.	Others, please specify	–	–
	Total:	**48.47**	**48.47**

VII. 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**				
	Penalty		**NA**	**NA**	**NA**
	Punishment		**NA**	**NA**	**NA**
	Compounding		**NA**	**NA**	**NA**
B.	**DIRECTORS**				
	Penalty		**NA**	**NA**	**NA**
	Punishment		**NA**	**NA**	**NA**
	Compounding		**NA**	**NA**	**NA**
C.	**OTHER OFFICERS IN DEFAULT**				
	Penalty		**NA**	**NA**	**NA**
	Punishment		**NA**	**NA**	**NA**
	Compounding		**NA**	**NA**	**NA**

◆◆◆

Annexure to the Directors' Report
Report on Corporate Governance for the year ended 31st March, 2015

(Pursuant to Clause 49 of the Listing Agreement with the Stock Exchanges)

Indoco's Philosophy on Code of Governance:

Indoco fully subscribes to the principles and spirit of Corporate Governance. The Company has adopted transparency, disclosure, accountability and ethics as its business practices. The management believes that these principles will enable it to achieve the long-term objectives and goals. As part of its Corporate Governance philosophy, Indoco focuses its energies in safeguarding the interests of its stakeholders by utilizing its resources for maximum benefits.

The Company constantly reviews its Corporate Governance policy to not only comply with the business, legal and social framework in which it operates but also to implement the best international practices in that regard.

BOARD OF DIRECTORS

Composition and Size:

The Company's policy is to have a proper blend of Executive and Non-Executive Directors to maintain independence of the Board and at the same time separate Board's functions of governance from management. Presently, the Board consists of Eight members- Chairman, one Managing Director and one Joint Managing Director, one Non Executive Director and four Non-Executive Independent Directors.

The day-to-day management of the Company is conducted by the Chairman, Managing Director and Joint Managing Director subject to the supervision, direction and control of the Board of Directors.

The Directors are not related to each other in terms of the definition of "relative" under the Companies Act, 2013, except Ms. Aditi Panandikar, Managing Director who is the daughter of Mr. Suresh G. Kare, Chairman.

None of the Directors on the Board is a member on more than 10 Committees (as specified in Clause 49), across all the Companies in which he is a Director. The necessary disclosures regarding Committee positions have been made by the Directors.

The Composition of the Board of Directors, the number of other Directorships and Committee positions held by each Director as on 31st March, 2015 is as under:

Name of Director	*Category of Directorship*	*Number of Directorships in other companies **	*Number of Chairmanship/Membership in committees of other companies***	
			Chairman	*Member*
Mr. Suresh G. Kare	Promoter, & Chairman	2	Nil	Nil
Ms. Aditi Panandikar	Promoter & Managing Director	2	Nil	Nil
Mr. Sundeep V. Bambolkar	Joint Managing Director	2	Nil	Nil
Mr. D. M. Gavaskar	Independent Non-Executive	2	1	Nil
Mr. Rajiv P. Kakodkar	Independent Non-Executive	3	Nil	Nil
Mr. Sharad P. Upasani	Independent Non-Executive	1	1	3
Dr. Anil M. Naik	Independent Non-Executive	2	Nil	Nil
Dr. Anand Nadkarni	Non-Executive	Nil	Nil	Nil

* *Does not include Directorships in Private Limited / Section 25 Companies.*

** *Represents Membership/Chairmanship of Audit Committee and Stakeholders Relationship Committee/Nomination and Remuneration Committee/ CSR Committee in other Companies.*

Attendance of each Director at the Board Meetings held in financial year 2014-2015 and at the last Annual General Meeting of the Company:

Name of the Director	*No. of Board Meetings held during the year*	*No. of Board Meetings attended*	*Attendance at the last AGM held on 30th July, 2014*
Mr. Suresh G. Kare	5	5	Present
Ms. Aditi Panandikar	5	5	Present
Mr. Sundeep V. Bambolkar	5	5	Present
Mr. D. M. Gavaskar	5	3	Absent
Mr. Rajiv P. Kakodkar	5	5	Present
Mr. Sharad P. Upasani	5	5	Present
Dr. Anil M. Naik	5	5	Present
Dr. Anand Nadkarni*	5	4	Present

*Dr. Anand Nadkarni was appointed at the Board Meeting held on 28th May, 2014.

Board Meeting Details:

During the year 5 Board Meetings were held and the gap between two Board Meetings did not exceed 120 days

Date on which Board Meeting was held	*Total Strength of the Board*	*No. of Directors Present*
28th May, 2014	7	7
30th July, 2014	8	7
21st October, 2014	8	7
30th January, 2015	8	8
23rd March, 2015	8	8

COMMITTEES OF THE BOARD:

Currently, the Board has the following Committees

- Audit Committee
- Stakeholder Relationship Committee
- CSR Committee
- Nomination and Remuneration Committee.

The Board decides the terms of reference of these Committees.

a) **AUDIT COMMITTEE:**

Composition:

The Audit Committee comprises of following 5 members, out of whom 4 are independent directors and one is the Joint Managing Director:

1. Dr. Anil M. Naik - Chairman (Independent Director)
2. Mr. D. M. Gavaskar - Member (independent Director)
3. Mr. Rajiv P. Kakodkar - Member (Independent Director)
4. Mr. Sharad P. Upasani - Member (Independent Director) wef May 27, 2015
5. Mr. Sundeep V. Bambolkar - Member (Jt. Managing Director)

Terms of reference:

The terms of reference of the Audit Committee are wide covering the matters specified under Clause 49 of the Listing Agreements and the provisions contained in Section 177 of the Companies Act, 2013 and they can be broadly stated as follows:

a) Overseeing the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are true and fair.

b) Recommending to the Board, the appointment, re-appointment of the statutory auditors, fixation of audit fees and fees for other services.

c) Reviewing with the management the quarterly financial statements before submission to the board for approval.

d) Reviewing the adequacy of internal control systems and internal audit function including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.

e) Discussing with internal auditors any significant findings and follow-up thereon.

f) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.

g) Discussion with the statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.

h) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.

i) Scrutiny of corporate loans and investments.

j) Approval or subsequent modification of transactions with related parties.

k) Valuation of the undertaking or asset of the company wherever it is necessary.

l) Monitoring the end use of funds raised through public offers and related matters.

m) In addition to the above, all items listed in Clause 49(III)(D) of the Listing Agreement.

Meetings and attendance:

During the financial year 2014 - 15, Five (5) Audit Committee Meetings were held and the attendance of the Members of the Committee at the said Meetings were as follows:

Name of Member	*Dates of Audit Committee Meetings*				
	28th May, 2014	30th July, 2014	21st October, 2014	30th January, 2015	23rd March, 2015
Dr. Anil M. Naik	Present	Present	Present	Present	Present
Mr. D. M. Gavaskar	Present	Absent	Absent	Present	Present
Mr. Rajiv P. Kakodkar	Present	Present	Present	Present	Present
Mr. Sundeep V. Bambolkar	Present	Present	Present	Present	Present
Mr. Sharad P. Upasani *	NA	NA	NA	NA	NA

* Mr. Sharad P. Upasani was made a Member of the Audit Committee at the Board Meeting held on 27th May,2015

The Statutory Auditors are the permanent invitees at the Meeting.

Mr. Sunil D. Joshi, President (Finance) & Company Secretary, acts as the Secretary of the Committee.

The Statutory Auditors of the Company were present at Four (4) Audit Committee meetings held during the year.

The Chairman of the Audit Committee was present at the last Annual General Meeting.

b) **STAKEHOLDERS RELATIONSHIP COMMITTEE**

The Committee comprises of:

1. Mr. Rajiv P. Kakodkar, Chairman (Independent Director)
2. Ms. Aditi Panandikar, Member (Managing Director)
3. Mr. Sundeep V Bambolkar, Member (Jt. Managing Director)

Terms of reference: The Committee looks into the redressal of shareholders/investors' complaints related to non-receipt of balance sheet, non-receipt of declared dividends, share transfers etc. The Committee overseas the performance of the Registrars and Share Transfer Agents of the Company and recommends measures for overall improvement of the quality of service.

Meetings and attendance:

During the financial year 2014-15, Four (4) Committee Meetings were held and the attendance of the Members of the Committee at the said Meetings were as follows:

Name of Member	*Details of Stakeholders Relationship Committee*			
	30th July, 2014	21st October, 2014	30th January, 2015	25th February, 2015
Mr. Rajiv P. Kakodkar	Present	Present	Present	Present
Ms. Aditi Panandikar	Present	Present	Present	Present
Mr. Sundeep V. Bambolkar	Present	Present	Present	Present

Mr. Sunil D. Joshi, President (Finance) & Company Secretary, acts as the Secretary of the Committee.

The Company during the year had received 16 complaints. The complaints pertained to revalidation of dividend warrants, non receipt of Annual Reports.

The Company has resolved all the complaints as at the end of financial year 31st March, 2015 to the satisfaction of the shareholders and no complaints were pending for redressal.

c) **CSR COMMITTEE:**

The Committee comprises of:

1. Ms. Aditi Panandikar, Chairperson (Managing Director)
2. Mr. Sundeep V Bambolkar, Member (Jt. Managing Director)
3. Dr. Anil M Naik, Member (Independent Director)

Terms of reference: The CSR committee will provide guidelines and assistance in order to implement the CSR activities at Indoco. The guidelines are framed so as to cover the compliances under the Companies (Corporate Social Responsibility Policy) Rules, 2014. The CSR Policy is updated on the Company website and can be accessed at : **www.indoco.com**

The committee was formed by way of a Circular Resolution on 17th April, 2014. During the financial year the committee met on 30th July, 2014, 21st October, 2014 & 30th January, 2015.

Meetings and attendance:

During the financial year 2014-15, Three (3) CSR Committee Meetings were held and the attendance of the Members of the Committee at the said Meetings were as follows:

Name of Member	*Details of CSR Committee*		
	30th July, 2014	21st October, 2014	30th January, 2015
Ms. Aditi Panandikar	Present	Present	Present
Mr. Sundeep V. Bambolkar	Present	Present	Present
Dr. Anil M. Naik	Present	Present	Present

Mr. Sunil D. Joshi, President (Finance) & Company Secretary, acts as the Secretary of the Committee.

d) **NOMINATION AND REMUMERATION COMMITTEE:**

The Committee comprises of:

1. Dr. Anil M Naik, Chairman (Independent Director)
2. Mr. Rajiv P. Kakodkar, Member (Independent Director)
3. Mr. Sharad P. Upasani, Member (Independent Director)

The terms of reference of the Nomination and Remuneration Committee are wide covering the matters specified under the provisions contained in Section 178 of the Companies Act, 2013. They can be broadly stated as follows:

- To formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees.
- To ensure that level and composition of remuneration is reasonable and sufficient, relationship of remuneration to performance is clear and meets performance benchmarks, and involves a balance between fixed and incentive pay.
- To identify persons who may be appointed in senior management in accordance with the criteria laid down.
- To carry out evaluation of every director's performance and recommend to the board his/her appointment and removal based on the performance.
- To recommend & review remuneration package of Executive Directors.
- To approve & evaluate the performance of executive directors & senior management.
- To approve formulating the compensation plans, policies and programs of the Company.

Meetings and attendance:

During the financial year 2014 - 15, no meetings were held as there was no proposal to change the remuneration of the Executive Directors. However a meeting was held on 27th May, 2015, to approve the remuneration of the Executive Directors and KMP.

There were no pecuniary relationships and transactions of the Non - Executive Director vis-à-vis the Company.

e) **INDEPENDENT DIRECTORS MEETING**

During the year under review, the Independent Directors met on 23rd March, 2015 interalia to discuss:

- Evaluation of the performance of Non-Independent Directors and Board of Directors as a whole.
- Evaluation of the performance of the Chairman of the Company taking into account the views of the Executive and Non-Executive Directors.
- Evaluation of the quality, content and timelines of flow of information between the Management and Board that is necessary for the Board to effectively and reasonably perform its duties.

REMUNERATION TO DIRECTORS:

Remuneration Policy:

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Audit, Nomination and Remuneration and Compliance Committees.

Individual Directors including the Chairman of the Board, were evaluated on parameters such as level of engagement and contribution, independence of judgement, safeguarding the interest of the Company and its minority shareholders etc.

The performance evaluation of the Chairman and the Non Independent Directors was carried out by the Independent Directors who also reviewed the performance of the Secretarial Department. The Directors expressed their satisfaction with the evaluation process.

The Executive Directors were paid remuneration as approved by the Board and the members in General Meeting. The remuneration comprises of salary, perquisites, allowances and commission/ performance incentive.

The Non-Executive Independent Directors are paid remuneration by way of sitting fees for attending the meetings of the Board or Committee thereof.

Details of remuneration paid to Directors during the financial year 2014-15 are as follows:

1) Executive Directors:

(In ₹ Lakhs)

Name of Director	*Salary*	*Benefits & Perquisites*	*Commission/ Performance Linked Incentives*	*Stock Options*	*Total*
Mr. Suresh G. Kare	11250000	1300177	6000000	Nil	**18550177**
Ms. Aditi Panandikar	7596000	2413815	1200000	Nil	**11209815**
Mr. Sundeep V. Bambolkar	6636000	2117262	1200000	Nil	**9953262**

2) Non Executive Directors:

Name of Director	*Sitting fees (₹)*
Mr. D. M. Gavaskar	90000
Mr. Rajiv P. Kakodkar	170000
Mr. Sharad P. Upasani	100000
Dr. Anil M. Naik	165000
Dr. Anand Nadkarni	80000

Notes:

- The sitting fees indicated above includes fees paid for attending Meetings of the Board and Committee.
- There is no severance fee payable.

Subsidiary Companies:

Following Companies are subsidiaries of the Company

Name	*Percentage of Holding*
Indoco Pharmchem Ltd	100%
Xtend Industrial Designers & Engineers Pvt. Ltd	100%

RELATED PARTY TRANSACTIONS

All transactions entered into with Related Parties as defined under the Companies Act, 2013 and Clause 49 of the Listing Agreement during the financial year were in the ordinary course of business and on an arms length basis and do not attract the provisions of Section 188 of the Companies Act, 2013. There were no materially significant transactions with related parties during the financial year which were in conflict with the interest of the Company. Suitable disclosure as required by the Accounting Standards (AS18) has been made in the notes to the Financial Statements.

The Board has approved a policy for related party transactions which has been uploaded on the Company's website. **http://www.indoco.com/policies/related_party_transaction_policy.pdf**

DISCLOSURES:

1) There are no materially significant related party transactions i.e. transactions of the Company of material nature, with its promoters, directors or the management, their subsidiaries or relatives etc., during the year, that may have the potential conflict with the interests of the Company at large.
2) The Board has received disclosures from key managerial personnel relating to material, financial and commercial transactions where they and/or their relatives have personal interest. There are no materially significant related party transactions which have potential conflict with the interest of the Company at large.
3) There was no non-compliance during the last three years by the Company on any matter related to Capital Market. There were no penalties imposed nor strictures passed on the Company by Stock Exchanges, SEBI or any statutory authority.
4) All mandatory requirements as per Clause 49 of the Listing Agreement have been complied with by the Company.
5) The Company follows Accounting Standards issued by The Institute of Chartered Accountants of India and there are no statutory audit qualifications in this regard.
6) In terms of Clause 49(IX) of the Listing Agreement, the Managing Director and the Joint Managing Director have made a certification to the Board of Directors in the prescribed format for the year under review which has been reviewed by the Audit Committee and taken on record by the Board.

MEANS OF COMMUNICATION:

Financial Results

The quarterly and annual financial results are generally published in Economic Times, Maharashtra Times, Financial Express, Herald and Navhind. The results are also displayed on Company's website: **www.indoco.com**. The official news releases are also displayed on the website of the Company.

Since the half-yearly financial results are published in leading newspapers and displayed on the website, the same are not mailed to the shareholders of the Company.

Presentation to Institutional Investors/Analysts

4 Tele conferences were held with Institutional Investors/Analysts on 28th May, 2014, 30th July, 2014, 21st October, 2014, 30th January, 2015.

GENERAL SHAREHOLDER INFORMATION:

DETAILS OF GENERAL BODY MEETINGS:

Corporate Identity Number (CIN): **L85190MH1947PLC005913.** The Company is registered at Mumbai in the State of Maharashtra, India.

Annual General Meeting:

The details of the last three Annual General Meetings held:

Financial Year	*AGM*	*Date*	*Time*	*Venue of the AGM*
2013-14*	67th	30th July, 2014	11.30 am	MIG Cricket Club MIG Colony, Bandra (E), Mumbai - 400 051
2012-13**	66th	30th July, 2013	11.30 am	
2011-12***	65th	30th July, 2012	11.30 am	

* Two Special Resolutions were passed at the AGM- Approval for change in term of appointment of the Managing Director and Jt. Managing Director from non-retiring director to director whose period of office shall be subject to retirement by way of rotation.

** One Special Resolution was passed at the AGM- Approval for the reappointment of Mr. Suresh G. Kare for a period of 5 years.

*** No Special Resolution was passed at the AGM.

Annual General Meeting:

Date and Time	:	Thursday 30th July, 2015 at 11.30 A.M.
Venue	:	MIG Cricket Club MIG Colony, Bandra (E), Mumbai 400 051
Financial year	:	1st April, 2014 to 31st March, 2015
Date of Book Closure	:	23rd July, 2015 to 30th July, 2015 (both days inclusive)
Dividend Payment Date	:	On or after 5th August, 2015.

Insider Trading:

Pursuant to the requirements of SEBI (Prohibition of Insider Trading) Regulations, 2015, the Company has adopted wef 15th May, 2015 a "Code of Internal Procedures and Conduct for Regulating, Monitoring and Reporting of Trading by Insiders".

The code is posted on the Company Website. The Company keeps the Code updated as per the requirements of SEBI from time to time. **http://www.indoco.com/inv-policies.asp**

Code of Conduct:

The Company has adopted a Code of Conduct for Directors and Senior Management, which is hosted on the website of the Company. It is the responsibility of all employees and Directors to familiarize themselves with the Code and comply with the same.

The Code includes whistle blower provisions, where the employees of the Company can voice their concerns on violation and potential violation of this Code in a responsible and effective manner.

The Managing Director of the Company has given a declaration of due compliance with Code of Conduct by the Directors and Senior Management.

Listing on Stock Exchanges:

The Company's shares are listed on the Bombay Stock Exchange Limited and the National Stock Exchange of India Limited. The annual listing fees have been paid upto 31st March, 2016 and there is no outstanding payment towards the Exchanges, as on date.

Stock Code

Bombay Stock Exchange Limited	:	**532612**
National Stock Exchange of India Limited	:	**INDOCO EQ**

MARKET PRICE DATA

The High and Low prices of the Company's share (of the face value of ₹ 2/- each) from April, 2014 till March, 2015 are as below:

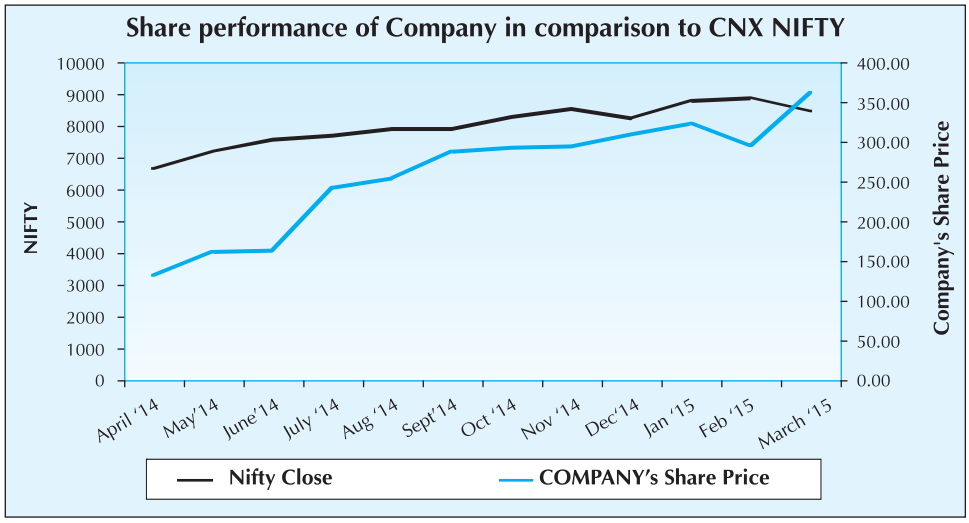
National Stock Exchange of India Limited (NSE)

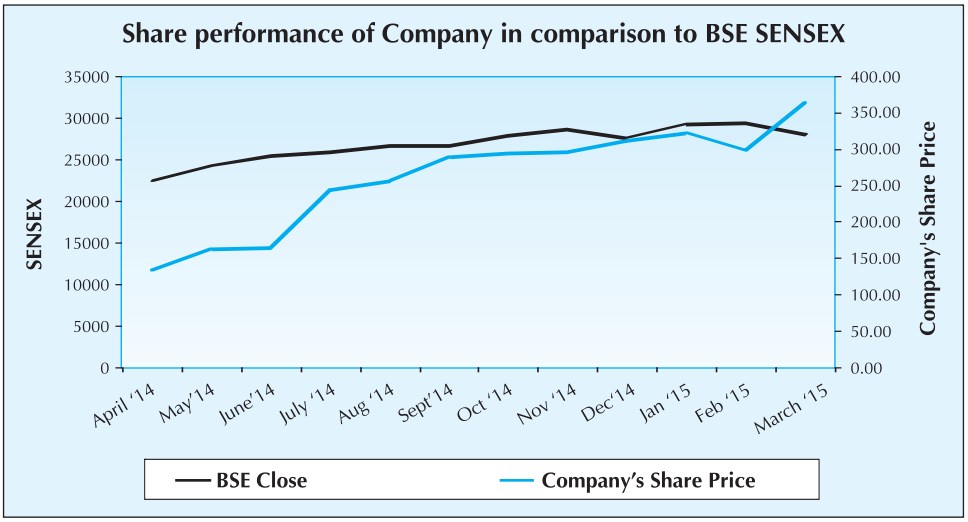
Month	*IRL Share Price*			*No. of Shares traded during the month*	*Turnover (₹ lakhs)*
	High (₹)	*Low (₹)*	*Close (₹)*		
April '14	145.50	131.00	132.50	1345135	1864.00
May'14	169.00	131.85	162.85	4631973	7026.13
June'14	178.00	150.60	164.65	2322185	3850.03
July '14	259.40	151.55	243.90	11827010	24526.91
August '14	277.85	213.00	256.50	8780452	21521.18
September'14	321.90	250.35	289.55	5905748	16957.18
October '14	305.00	269.00	294.90	1789287	5152.52
November '14	324.00	290.00	295.65	2197965	6785.76
December'14	324.80	266.00	311.75	1343342	4057.23
January '15	344.75	307.05	325.50	2233296	7230.16
February '15	332.15	290.20	296.65	926490	2923.99
March '15	377.70	298.30	363.80	2083224	7320.61

Bombay Stock Exchange Limited (BSE)

Month	*IRL Share Price*			*No. of Shares traded during the month*	*Turnover (₹ lakhs)*
	High (₹)	*Low (₹)*	*Close (₹)*		
April '14	145.50	132.00	132.80	352259	488.88
May'14	169.00	133.00	162.50	1587214	2410.96
June'14	177.50	151.60	164.15	671816	1113.48
July '14	259.00	152.50	244.10	3307378	6904.30
August '14	277.90	213.00	255.65	2454523	6039.06
September'14	321.20	251.00	288.80	1899310	5473.58
October '14	305.00	272.00	293.95	538230	1545.26
November '14	324.00	291.00	296.40	732477	2251.04
December'14	324.00	262.00	311.80	725732	2149.53
January '15	344.25	307.10	321.75	690947	2237.15
February '15	332.95	289.75	297.80	179343	564.98
March '15	377.30	299.25	363.10	494055	1734.78

Performance of Indoco share price to broad based index -Nifty, BSE Sensex:





Distribution of Shareholding as on 31st March, 2015

No. of Equity shares held	*No. of shareholders*	*Percentage of shareholders*	*No. of shares held*	*Percentage of shareholding*
1 to 500	12,424	84.94	17,05,406	1.85
501 to 1000	971	6.64	7,39,735	0.80
1001 to 2000	463	3.16	6,86,418	0.74
2001 to 3000	205	1.40	5,22,980	0.57
3001 to 4000	83	0.57	3,03,473	0.33
4001 to 5000	73	0.50	3,38,731	0.37
5000 to 10000	157	1.07	11,77,089	1.28
10001 & above	251	1.72	8,66,76,523	94.06
Total	**14,627**	**100.00**	**9,21,50,355**	**100.00**

Shareholding Pattern as on 31st March, 2015

Category	*No. of shares held*	*Percentage of shareholding*
Promoter & Promoter Group		
Indian		
– Individuals	19851714	21.54
– Bodies Corporates	15771755	17.12
– Person Acting in Concert	18975215	20.59
Public Shareholdings		
Institutions		
– Mutual Funds/UTI	10061774	10.92
– Foreign Institutional Investors	7608903	8.26
– Financial Institutions / Banks	16308	0.02
Non Institutions		
– Other Bodies Corporate	2713769	2.94
– NRI & Foreign National	224722	0.24
– Clearing Members	162418	0.18
– Directors	465000	0.50
– Public & Others	16298777	17.69
Total :	**92150355**	**100.00**

Disclosure of information on pledged shares:

The details of shares pledged by promoter are as follows:

Name of Promoter/Promoter Group	*No. of shares held*	*No. of shares pledged*	*% of total shares pledged to total No. of shares held by entity in the Company*	*% of shares pledged to the total No. of outstanding shares of the Company*
NIL	**NIL**	**NIL**	**NIL**	**NIL**

Details showing Shareholding of more than 1% of the Capital as on March 31, 2015

Sl. No	*Name of Shareholder*	*Number of Shares*	*% of Capital*
1	SPA Holdings Pvt. Ltd	18335000	19.90
2	Shanteri Investment Pvt. Ltd	15771755	17.12
3	Ms. Aditi Panandikar	5559013	6.03
4	Ms. Madhura Ramani	5184079	5.62
5	Ms. Aruna S. Kare	4774714	5.18
6	Mr. Suresh G. Kare	4060408	4.41
7	Barring India Pvt. Equity Fund III Listed Investments Ltd	3708301	4.02
8	DSP Blackrock Mutual Fund	3125135	3.39
9	SBI Mutual Fund	2061683	2.24
10	UTI Mutual Fund	1805194	1.96
11	Reliance Capital Trustee Co Ltd	1524419	1.65
12	Goldman Sachs India Fund Limited	1243474	1.35
13	Mangeshi Investment Pvt. Ltd	1167300	1.27
14	First State Investments (Hong Kong) Ltd A/C First State Indian subcontinent Fund	945396	1.03

ADR/GDR:

The Company has not issued any ADR/GDR.

Dematerialisation Information:

The shares of your Company are available in Dematerialised form with National Securities Depository Limited (NSDL) & Central Depository Services (I) Limited (CDSL). The ISIN of the Company is INE873D01024.

Dematerialisation of shares:

As on 31st March, 2015, the number of shares of the Company in the demat form is as shown below:

Total No. of Shares of the Company	92150355
No. of Shares in demat mode	90615785
% to Total No. of Shares of the Company	98.33
Total No. of Shareholders of the Company	14627
No. of Shareholders with dematerialsed shares	14548
% to Total No. of Shareholders	99.46

Shareholders, who continue to hold shares in physical form, are requested to dematerialise their shares and avail various benefits of dealing in securities in electronic/dematerialised form. For any clarification, assistance or information, please contact the Registrars and Share Transfer Agents of the Company. The shareholders have the option to hold Company's shares in demat form through the National Securities Depository Limited (NSDL) or Central Depository Services (I) Limited (CDSL).

The break-up of shares in physical and demat form as on 31st March, 2015 is given below:

	No. of shares	*% of total shares*
No. of Shares in Physical Form	1534570	1.67
No. of Shares in Demat Form		
(1) With NSDL	87217169	94.64
(2) With CDSL	3398616	3.69
Total No. of Shares	**92150355**	**100.00**

Share Transfer System:

The share transfer, transmission, consolidation, sub-division and matters related thereto are delegated to the Stakeholder Relationship Committee. The requests are processed within 15 days of lodgment. In case of requests for dematerialisation of shares, if the documents are clear in all respects, the requests are processed and confirmation given by Company's Registrars to the Depository i.e. NSDL or CDSL within 15 days.

Registrar & Share Transfer Agent:

Link Intime India Pvt. Ltd - C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (W), Mumbai 400 078.
e-mail : **rnt.helpdesk@linkintime.co.in**
Phone No. : 022-25946970
Fax : 022-25946969

Address for correspondence:

Shareholders may address their communication to Company's Registrars and Share Transfer Agent or the Secretarial Department of the Company at the following address:

(1) Link Intime India Private Limited
Unit: Indoco Remedies Limited
C-13, Pannalal Silk Mills Compound,
L.B.S. Marg, Bhandup (West),
Mumbai - 400078
Contact Person: Mr. Amit Patel
Tel. No.: +91 -22-25946970
Email id: **rnt.helpdesk@linkintime.co.in**

(2) Secretarial Department
Indoco Remedies Limited
Indoco House, 166 CST Road,
Kalina, Santacruz (East),
Mumbai - 400098
Contact Person: Mr. Sunil D. Joshi
Tel No.: +91- 22-26541851-55
Email id: **compliance.officer@indoco.com**

Nomination Facility:

Shareholders holding physical shares may send their nominations in prescribed form 2B to the Company. Those holding shares in dematerialised form may contact their respective Depository Participant (DP) for availing the nomination facility.

UNPAID/ UNCLAIMED DIVIDENDS

The Company is required to transfer dividends which have remained unpaid /unclaimed for a period of seven years to the Investor Education and Protection Fund (IEPF). Shareholders are requested to ensure that they claim the dividend(s) from the Company before it is transferred to the Investor Education and Protection Fund.

The due dates for transfer to IEPF of dividends remaining unclaimed/unpaid since 2007-08 are given below:

Financial year	*Unclaimed dividend amount as on 31.03.2015 (in ₹)*	*Due date for transfer to IEPF*
2007 - 08 - Final	179860.00	02.11.2015
2008 - 09 - Interim	151225.75	02.01.2016
2008 - 09 - Final	86348.00	25.10.2016
2009 - 10 - Final	206584.00	28.08.2017
2010 - 11 - Final	184208.00	03.09.2018
2011 - 12 - Final	406297.60	05.09.2019
2012 - 13 - Final	382294.00	05.09.2020
2013 - 14 - Final	346234.00	04.09.2021

Plant Locations:

1) L-14, Verna Industrial Estate,
   Verna, Goa 403 722
2) L-32,33,34, Verna Industrial Estate,
   Verna - Goa 403 722
3) R-104 Rabale, TTC Industrial Area,
   MIDC Thane Belapur Road,
   Navi Mumbai,
   Maharashtra 400 701
4) A-26 MIDC Industrial Estate,
   Patalganga, Village Kaire,
   Dist Raigad, Maharashtra 410 220
5) B-20 MIDC, Waluj,
   Aurangabad, Maharashtra 431 133
6) Village Katha, P.O. Baddi,
   Tehsil Nalagarh, Dist. Solan,
   Himachal Pradesh-173 205

R&D Centre:

R-92/93, Rabale TTC Industrial Area,
MIDC Thane Belapur Road,
Navi Mumbai,
Maharashtra 400 701

Clinical Research Organization:

Anacipher Clinical Research
3rd & 4th Floor Mirakamshetty Mall
Ramnathpur, RR District,
Hyderabad 500013

Registered Office:

Indoco Remedies Limited
Indoco House, 166 CST Road,
Kalina, Santacruz (East),
Mumbai 400 098.
Tel : +91- 22-2654 1851- 55
Fax : +91- 22-66936241

Presently the Company has not adopted any non - mandatory provisions of Clause 49 of the Listing Agreement.

◆ ◆ ◆

Auditor's Certificate
on Corporate Governance
to the Members of Indoco Remedies Limited

We have examined the compliance of conditions of Corporate Governance by Indoco Remedies Limited for the year ended on 31st March, 2015, as stipulated in Clause 49 of the Listing Agreement of the said Company with stock exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination has been limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring the compliance with the conditions of the Corporate Governance as stipulated in the said Clause. 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 and based on the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above-mentioned Listing Agreement.

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

For **PATKAR & PENDSE**
Chartered Accountants
Firm Registration No:107824W
B. M. PENDSE
Partner
M. No. 32625

Date : 27th May, 2015

◆◆◆

Chief Executive Officer (CEO) and Chief Financial Officer (CFO) Certification

We, Aditi Panandikar, Managing Director and Sundeep V Bambolkar, Jt. Managing Director of Indoco Remedies Limited, certify that:

1. We have reviewed the financial statements and the cash flow statement for the year ended 31st March, 2015 and to the best of our knowledge and belief:

   a) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

   b) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

2. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.

3. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and Audit Committee, deficiencies in the design or operation of internal controls and we have taken steps to rectify these deficiencies.

4. We have indicated to the auditors and the Audit Committee that there are no

   a) significant changes in internal control during the year, if any;

   b) significant changes in accounting policies during the year and the same have been disclosed in the notes to the financial statements, if any and

   c) instances of significant fraud of which we are aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system

ADITI PANANDIKAR
Managing Director
(Chief Executive Officer)
DIN: 00179113

SUNDEEP V. BAMBOLKAR
Jt. Managing Director & CFO
DIN: 00176613

Mumbai, 27th May, 2015

◆ ◆ ◆

Managing Director's Certification
Declaration on Code of Conduct
to the Members of Indoco Remedies Limited

This is to inform that the Company has adopted a Code of Conduct for its Board Members and Senior Management. The Code is posted on the Company's website.

I confirm that the Company has in respect of the year ended 31st March, 2015, received from the senior management team of the Company and the Members of the Board affirmations of compliance with the Code of Conduct as applicable to them.

ADITI PANANDIKAR
Managing Director
DIN: 00179113

Mumbai, 27th May, 2015

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Management Discussion and Analysis

a) Industry Structure and Development:

In 2014, the world pharma market, inclusive of both branded as well as generic medicines touched a size of nearly 1 trillion US dollars. The influence of emerging markets in the pharmaceutical industry growth is evident by several key projections offered by IMS. By 2017, 50% of drugs by volume are forecasted to be in the pharmerging markets and the US & Europe each respectively will account for only 13% of pharmaceuticals volume. The BRIC countries (Brazil, Russia, India and China) will account for 70% of all pharmerging market sales by 2017, on a value basis and will continue to be the important engines of growth. Pharmaceutical sales are expected to reach $167 billion in China by 2017, $49 billion in Brazil, $24 billion in India and $27 billion in Russia, according to IMS.

Indian Pharmaceutical Market (IPM) for the year 2014-15 is valued at ₹ 86,932 crores with a growth of 13.3%. The acute segment at ₹ 60,818 crores with a growth of 12.2% contributed to 70% of IPM and the chronic segment at ₹ 26,114 crores with a growth of 15.7% contributed to 30% of IPM. Lifestyle segments such as cardiovascular, anti-diabetes, anti-depressants and anti-cancer continue to record higher growth due to increased urbanization and sedentary lifestyle. Pharma Industry is also making rapid progress and stands to benefit from the 'Make in India' campaign, which is a major initiative from the Government to project the country as a manufacturing hub for the entire globe.

Environmental issues are gaining prominence and regulatory issues are also posing challenges. There is an increased focus on quality in the light of evolving regulations. These are some of the factors expected to shape up the pharma industry. Concepts like QbD (Quality by Design) and PAT (Process Analytical Technology) have evolved, thus fundamentally creating a paradigm shift in the ANDAs/Dossiers development and compilation process.

b) Opportunities and Threats:

With a large section of population having little or no access to modern medicines, a number of patent expiries in the offing and economic reforms well on course, the Pharma industry has a good opportunity in domestic as well international market. Within India, the chronic segment offers a bigger opportunity considering year on year growth in this segment. The unmet needs and the gaps in the therapy areas create a sizable opportunity to introduce new products at regular intervals. On the global front, increased genericization in the advanced countries will drive the international business growth.

However, regulatory challenges, currency fluctuations and the non-tariff barriers to trade can have an adverse impact on the corporate's growth strategy at a global level. On the domestic front, small regional players may nibble away the market share built through ethical promotion by the corporates over a period of time. Price control and potential tightening of controls continue to be a matter of concern for the industry.

c) Financial Performance:

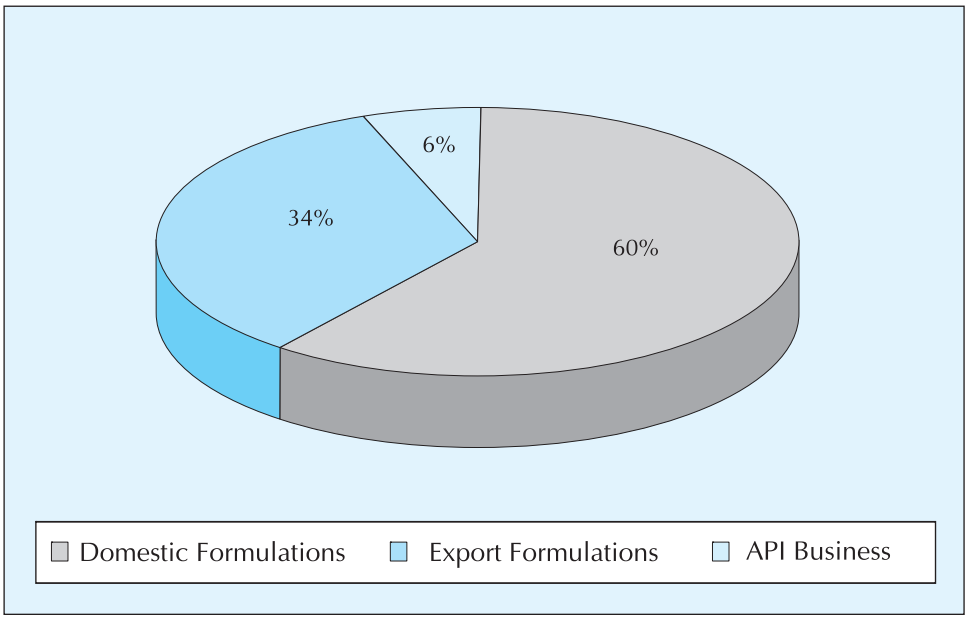
The overall financial performance of the Company was good for the year ended 31st March 2015 with the domestic formulations business growing at 15.1% and the international formulations business growing at 25.6%. The domestic business contributed to 63% and international business contributed to 37% of the total business. The formulations business contribution stood at 93.9% as against that of the API business, which stood at 6.1% of the total business.

The international business comprises of Finished Dosages and Active Pharmaceutical Ingredients (APIs) exports, the details of which are as follows:

(₹ in Lakhs)

Particulars	*2014-2015*	*2013-2014*	*Gwth %*
Regulated Markets	25,155	20,046	25.5
Emerging Markets	3,871	3,066	26.3
Finished Dosages Total	**29,026**	**23,112**	**25.6**
APIs	2,657	2,323	14.4
Total	**31,683**	**25,435**	**24.6**

The segment wise revenue is as follows:



(₹ in Crs)

Particulars	*Cont %*	*2014-15*	*Gwth %*
Domestic Formulations	59.7	505	15.1
Export Formulations	34.2	290	25.6
API Business	6.1	52	12.7

Other operating income in the current year is reduced by ₹ 5.6 crores as compared to the previous year. The decrease is mainly due to exchange fluctuations.

The material consumption to net sales is 35.2% at ₹ 298.5 crores as compared to 37.5% at ₹ 269.2 crores last year. This decrease in the material cost is due to the change in product mix as also efficiency in manufacturing processes, as well as effective procurement policies. The staff cost to net sales is 16.4% at ₹ 139.4 crores as compared to 18.0% at ₹ 129.0 crores last year. The recurring R&D expenses to net sales are 2.6% at ₹ 21.7 crores as compared to 2.0% at ₹14.4 crores last year. Other expenses to

net sales are at 27.0% at ₹ 229.0 crores as compared to 27.2% at ₹ 195.0 crores last year. The finance cost to net sales is at 1.2% at ₹ 10.3 crores as compared to 2.6% at ₹ 18.8 crores. The impact is lower due to decrease in exchange loss of ₹ 5.7 crores on repayment of ECB Loans. The operating profit increased by 52.6% to ₹ 129.4 crores from ₹ 84.8 crores last year.

Depreciation is higher at ₹ 47.1 crores as against ₹ 30.9 crores in the previous year on account of change in method of Depreciation as per Companies Act, 2013.

Profit before tax is at ₹ 109.5 crores as compared to ₹ 72.1 crores in the last year showing an increase of 51.9%. Profit after tax was ₹ 82.8 crores as against ₹ 57.9 crores in the last year, thereby showing an increase of 43.0%.

Basic & Diluted earnings per share (EPS) for the year is ₹ 8.99 as against ₹ 6.28 in the previous year (both after and before the extra-ordinary items). The outstanding debt as on 31st March, 2015 was ₹ 12.9 crores as compared to ₹ 13.8 crores last year. The cash outflow on account of capital expenditure (CAPEX) during the year was ₹ 88.7 crores as compared to ₹ 41.7 crores in the last year. During the year an amount of ₹ 23.5 crores was contributed to the national exchequer by way of payment of income tax and ₹ 29.4 crores by way of sales tax. The net worth of the company as on 31st March, 2015 is ₹ 518.4 crores against ₹ 457.0 crores previous year, which is on account of retained profits. The debt-equity ratio during the year was 0.02 times as compared to 0.03 times in the previous year. The return on net worth was 16.0% as at 31st March, 2015 against 12.7% as on 31st March, 2014.

d) Business Overview

Domestic Business

Indoco's domestic formulations business continues to remain a thrust area for the Company. The Company's strategy is focused on brand building, stepping up contribution from chronic segment and improvement in sales from northern and eastern regions to ensure structurally balanced, consistent and sustainable growth. During the year, the business grew by 15.1%, whereas the Indian Pharma industry grew by 12.9%.

The key therapy areas, their sales, growth and contribution are as follows:

(₹ in lakhs)

Therapy	*2014-15*	*2013-14*	*Gwth %*	*Cont % (2014-15)*
Stomatologicals	9016	7821	15.3	17.5
Respiratory	8857	8038	10.2	17.2
Anti-Infectives	7783	6755	15.2	15.1
Gastro Intestinal	6831	6102	12.0	13.3
Pain / Analgesics	4061	3504	15.9	7.9
Vitamin/Minerals/Nutrients	3433	2783	23.4	6.7
Ophthal / Otologicals	2851	2475	15.2	5.5
Gynaec.	2673	2340	14.2	5.2

The Company enjoys a good position in the domestic market with 44 products ranking amongst the top 5 positions in their respective segments, details of which are given below:

Products	***Rank***	***Therapy*** *(Respective Segments)*	***Market Share %***
Sensodent-K	1	Stomatologicals	96.8
Homide	1	Ophthalmological	94.4
Carmicide	1	Gastro Intestinal	77.3
Renolen	1	Ophthalmological	75.6
Sensoform	1	Stomatologicals	68.7
Karvol Plus	1	Respiratory	63.9
Kidodent	1	Stomatologicals	54.7
Lorchek MR	1	Pain/Analgesic	49.5
Snowdent	1	Stomatologicals	45.7
Cital	1	Urology	37.1
Sensodent-KF	1	Stomatologicals	29.5
Dentogel	1	Stomatologicals	22.1
Febrex Plus	1	Respiratory	20.0
Lignox	2	Stomatologicals	30.8
Sensoform Gum Paint	2	Stomatologicals	28.8
Tobaren D	2	Ophthalmological	28.0
Rexidin M	2	Stomatologicals	21.8
Tuspel Plus	2	Respiratory	20.2
Tuspel PX	2	Respiratory	19.9
Dexoren - S	2	Ophthalmological	15.9
Febrex CCF	2	Respiratory	15.7
Zincoren	2	Ophthalmological	13.0
Cyclopam	3	Gastro Intestinal	9.9
Mofloren-D	3	Ophthalmological	16.7
Cloben G	3	Derma	16.3
Rexidin Plus	3	Stomatologicals	15.3
Otorex	3	Ophthalmological	15.2
Rexidin	3	Stomatologicals	15.0
Mofloren - BF	3	Ophthalmological	12.9
Hemsyl	3	Gynaecology	12.5
MCBM 69	3	Gynaecology	8.5
Osteochek	3	Vitamins /Minerals/Nutrients	6.6
Tuspel	3	Respiratory	6.2
ATM	3	Anti - Infective	5.2
Scabex	4	Derma	15.4
Vepan	4	Anti-Infective	13.5
Febrex LP	4	Respiratory	13.3
Rosuchek D	4	Cardiac	11.9
Methycal	4	Vitamins /Minerals/Nutrient	6.8
Mofloren LP	4	Ophthalmological	5.1
Dexoren	4	Ophthalmological	4.3
Durashape	5	Anti-Obesity	6.0
Tobaren	5	Ophthalmological	5.4
Nosic	5	Gastro Intestinal	5.3

Source: AWACs, March 2015 data

Domestic Marketing Divisions:

Indoco's domestic formulations business has a pan India presence with 8 marketing divisions catering to various doctor specialties.

INDOCO:

Indoco is the largest contributing division and markets brands like Cyclopam and Karvol Plus, which are leaders in the covered markets. Oxipod, Cloben-G, Glychek, Tuspel Plus, MCBM-69 and Vepan are among the top brands in their respective therapy segments. The division has successfully launched a novel concept in Obesity management with a brand called 'Durashape', a combination of Leucine and Pyridoxine. With novel mechanism of action as its unique selling point, Durashape is marching ahead with impressive growth.

Market penetration and good prescriber base is the strength of this division, which is evident with success of other product launches like Inflachek, CC-Zems, OH-D3 and Cyclopam-MF. The division has made great inroads with Family Physicians, Paediatricians, Consulting Physicians and Gynaecologists and is garnering new prescriptions from these doctor categories.

WARREN:

Warren enjoys number one position in dental care products in prescription market and has maintained its lead and rank in the Dental segment across the country.

The team caters to more than 45,000 dentists across India. Warren offers wide range of products for dentistry, which include toothpastes for treatment of various dental sensitivity disorders, mouthwashes for adults as well as kids, along with other therapeutic agents like antibiotics, analgesics/anti-inflammatory, local anaesthetics and innovative oral care products.

Warren has launched innovative products in India, viz., SM Fibro (for Oral Sub Mucous Fibrosis), RR Sensoform (first ethical brand of Strontium Acetate), Senolin SF (India's first Dental Balm) and Snowdent (Scientific formula for tooth whitening). The major contributing brands of Warren, viz., Sensodent K, Sensoform and Sensodent KF occupy No.1 position in their respective segment.

With rapid growth in Dentistry as a segment across India, increasing awareness about oral hygiene and use of dental products, Warren will continue to remain a high growth division for the Company.

SPADE:

This division markets Respiratory and Anti-infective basket of products. The doctor categories that are being focused on are ENTs, Consulting Physicians, Paediatricians, General Practitioners and Chest Physicians. The division promotes brands like Febrex Plus, ATM, Bactogard and Otorex, besides others. Febrex Plus is the largest brand of the Company and is ranked 135th in the Indian Pharma Market.

SPERA:

Spera division was launched seven years back and is showing steady growth year after year through growth of existing brands as well as successful new product launches. Spera caters to General Practitioners, Gynecologists and Pediatricians as its main target specialties.

Spera's product basket comprises of legacy brands like Cital, Carmicide, Triz and Scabex along with other brands like Aloha XT, DBZ, Cital H, Carmicide EZ, LVR Forte, to name a few. KG-Low, a recent launch in the anti-obesity segment has done well. Re-aligning brand portfolio with the help of newly launched products viz., a uterine tonic and products for female well being and hygiene, will help in expansion of Spera's product basket towards growth oriented Gynaecology market.

WARREN EXCEL and WARREN VISION:

These divisions cater exclusively to Ophthalmologists with a separate set of products which enable both the divisions create a major presence in ophthalmic anti-oxidants, lubricating/tear substitutes, anti-infectives and anti-allergic therapies through non-conflicting products. The major brands marketed by the divisions are Macuchek, Irivisc, Mofloren, Alerchek, Homide, Renolen and Dexoren-S. The division has created a foothold in the anti-glaucoma segment through their technologically superior product - Tavaren.

ETERNA:

Eterna division is predominantly present in chronic, nutritional and pain management therapies along with therapies like anti-infectives and gastrointestinals. The division is providing solutions to Orthopedicians and Consultant Physicians with brands like Osteochek, Lorchek MR, TRYBR, ATM-LX, Cyclopam Plus and PGB-12. During the year, the division successfully launched LP-Slim, a brand prescribed by Orthopedicians to manage problems of knee joint and low back pain associated with obesity.

Indoco CND:

CND division is confidently stepping into the fourth year of its launch with an objective to make inroads in the cardio-diabetic market, especially at consultants level. Anti-obesity formulation Obi-X, launched by the division is well accepted and has contributed significantly in the first six months of its launch.

This division caters to super-specialties like Cardiologists, Diabetologists, Endocrinologists, Nephrologists and high end Consulting Physicians with an objective to strengthen the Company's presence in chronic segment. CND division is progressing well with its top brands like Calaid, Prichek, Amchek and Telmichek.

INSTITUTION and Indoco IMPULSE:

Institution division deals with Government health departments, including ESIC, Railways, BHEL, SAIL, DHS, Defence and Coal fields, etc. The division works closely with these institutions for registering the Company's products in their formulary and participates in various tenders for branded and proprietary products. The rate contracts and tenders are awarded at regular intervals by these Government institutions which ensure sustainable growth for this division.

Indoco IMPULSE division taps corporate hospitals as well as private nursing homes in critical care segment. Impulse division works with top super specialty doctors and is engaged in generating prescriptions for injectables and oral antibiotics.

New Product launches:

During the year, the Company launched 19 new products across various therapeutic categories, details of which are as follows:

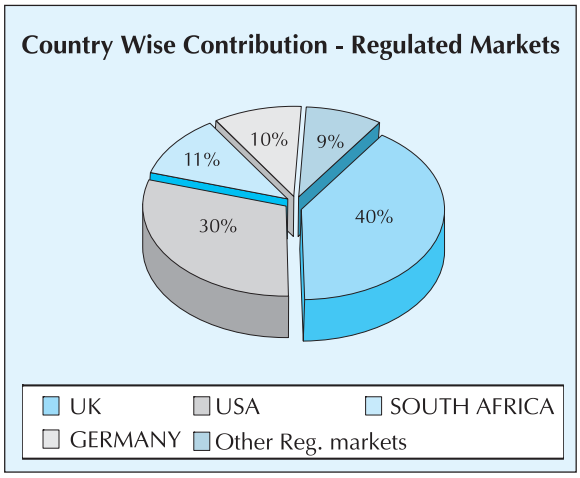
Product	*Division*	*Therapy*
Mofloren D Eye Drops	Excel	Ophthal / Otologicals
Rexidin-M Forte Gel	Warren	Dermatology
Karvol Clear (Saline Nasal Spray)	Indoco	Respiratory
Concize Syrup	Spade	Vitamins / Minerals / Nutrients
TRYBR Tablets	Eterna	Pain / Analgesics
TRYBR-D Tablets	Eterna	Pain / Analgesics
Tavaren Eye Drops	Excel	Ophthal / Otologicals
Tuspel Plus SF	Indoco	Respiratory
LVR Forte Syrup	Spera	Gastro Intestinal
Durashape Tablets	Indoco	Anti-Obesity
CC Zems Tablets	Indoco	Vitamins / Minerals / Nutrients
LP-Slim Tablets	Eterna	Anti-Obesity
KG-Low Tablets	Spera	Anti-Obesity
Obi-X Tablets	Indoco CND	Anti-Obesity
Bactogard 100 DS	Spade	Anti-Infectives
LVR Forte Tablets	Spera	Gastro Intestinal
Clygan Eye Ointment	Excel	Ophthal / Otologicals
Bactogard CV200 Tablets	Spade	Anti-Infectives
Bactogard CV 50 DS	Spade	Anti-Infectives

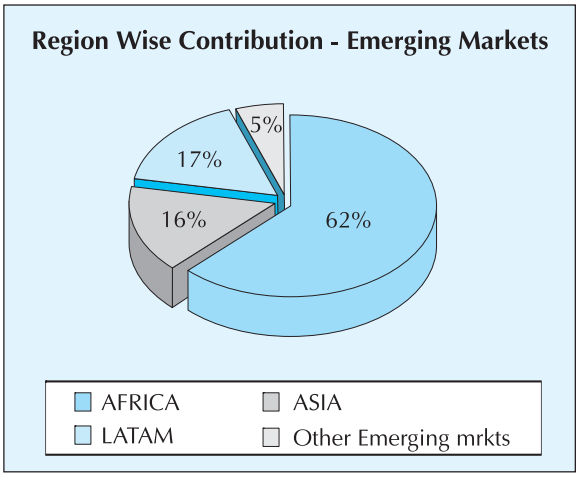
Out of the above product launches, anti-obesity range of products have recorded a very good progress followed by anti-infective and ophthalmic range of new introductions.

International Business

The Company's growth strategy for international business has started yielding the desired results. The Company has presence in over 55 countries, signifying a global reach for its products.

Country wise / Region wise Sales Contribution during FY2014-15 is shown in the graph below:





USA:

The US will continue to be the largest world market, but its underlying fundamentals are extremely challenging. The US generics business has become more dynamic due to increased FDA scrutiny, implementation of 'The Affordable Care Act' (Obama Care) and Mergers & Acquisitions across the US pharma industry. To ward off from the uncertainties, the Company has partnered with a major generic Company for a large basket of sterile products. The Company is also aggressively filing ANDAs for solid dosages in its own name. The year was marked by successful launch of two ophthalmic products in the US, receipt of a few tentative approvals for sterile products filed through its marketing partner.

Current Status of ANDAs

Particulars	*Through Watson (Actavis)*	*Own Filings*	*Through Other Customers*	*Total*
Approvals till date	2	2	4*	8
Tentative approvals	3	0	0	3
Filed but pending approval	11	6	1	18
Pipeline	9	14	2	25

* Contract Manufacturing products

The Sterile ophthalmic facility was inspected for the third time in 2013, the approval for which was received in 2014. The earlier inspection of this facility (Goa II) was conducted by US FDA in 2005 and 2011. With this approval, all the three finished dosage facilities in Goa, for sterile ophthalmic and solid orals are now US FDA approved.

Europe:

Europe accounts for 46% of International formulations business with UK and Germany contributing major share followed by Denmark, Slovenia, Croatia, Czech, Spain and Netherlands. Indoco works on multiple business models in Europe, which is a conglomerate of many countries with different regulatory requirements and market dynamics. Main business models are Contract Research and Manufacturing Services (CRAMS) and out-licensing of dossiers & Marketing Authorizations (MAs). The Company has business collaborations with many companies, including some big pharma companies. Indoco has built a robust product pipeline by strengthening on its research capabilities which are being filed in multiple countries by DCP (Decentralized Procedure), MRP (Mutual Recognition Procedure) and National Procedures depending upon the business collaboration, details of which are given below.

Status of Dossier filing in Europe:

Particulars	*No. of Dossiers filed*
Approvals till date	18
Filed but pending approval	10
In Pipeline	21
Total	**49**

The above dossiers, filed through customers comprise of niche products and few first-to-file opportunities besides sought after generic range of products. With these dossier filings, the Company is set to progress higher in the value chain, by manufacturing products against its own dossiers and marketing authorizations.

South Africa, Australia and New Zealand:

Indoco has always been recognized as a preferred partner by Aspen in South Africa. Other Companies have also shown equal confidence in Indoco by signing contract manufacturing and in-licensing agreements in these territories. Addition of new customers with multiple products and winning prestigious tenders, have contributed towards an impressive growth in these markets.

Emerging Markets:

The Company promotes the branded generic business through its distributors and has consolidated its presence in twenty countries of African Continent, six countries in South East Asia, three countries in CIS and three countries in MENA region. The Company has started making in-roads in the French West African markets of Ivory Coast, Mali, Gabon, Burkina Faso, Benin & Senegal.

The Company has changed its model from distribution to marketing in more than 10 countries. This has given a boost in the sales from these markets.

The focus would be to strengthen our presence in the ophthalmic and dental range in emerging markets without losing sight of our present product portfolio.

API Business:

Indoco has made significant progress in API business inspite of its late entry. The Company has three API manufacturing facilities, two of which have been approved by US FDA, COFEPRIS Mexico, TGA Australia and WHO GMP.

During the year, the Company's Kilo Lab facility at Rabale was audited by US FDA. The inspection was carried out successfully with zero 483.

With a good product mix in ophthalmics, anti-diabetic and other therapeutic categories, backed by Drug Master Files (DMFs) and Certificates of Suitability (CoS), the Company is well positioned to cater to its captive requirements as well as external customers.

Research and Development:

Indoco's state-of-the-art R&D centre is located at Rabale, Navi Mumbai and is well equipped with advanced technologies, modern instruments, research databases and latest regulatory softwares. The robust R&D capabilities within the Company include development of Finished Dosages and APIs, backed by Analytical Research. The Chemical Research Department (CRD) works on chemical synthesis, process chemistry, designing of non-infringing processes and scale up of APIs. The Finished Dosages research (F&D) team develops formulations in various dosage forms, Novel New Drug Delivery Systems (NDDS) and new platform technologies. Extensive in vitro dissolution / diffusion studies are carried out to establish in vivo / in vitro co-relation for Ophthalmic Suspensions, NDDS, complex generics like Multi Unit Pellet Systems (MUPS), Enteric Coated Pellets & Topical Drug Delivery Systems. Complex Ophthalmic Formulations like Nano-Suspensions, Ophthalmic Gels, Ophthalmic Ointments and Emulsions are part of the Company's research pipeline.

Development of products for Regulated Markets is done using Quality by Design (QbD) principles and statistical tools like Design of Experiment (DoE). Extensive optimization of formulation process in the lab scale is carried out with a view to create design space for the products which ensures robust formulation development and smooth technology transfer to manufacturing sites. Indoco's core strength lies in its ability to excel in developing technologically complex products through a highly skilled team of 300 plus scientists.

Anacipher:

- **Analytical Research Services**

  Anacipher, the analytical research division, provides specialized services like Genotoxic Evaluation, Impurity Identification, Isolation and Characterization, Residual Metal Catalyst, Polymorphism Studies, Particle Size Analysis, and Impurity Standards. The FDA approved Lab also offers other services like Crystallography, Analytical Method Development & Validation, identification & characterization of Extractables and Leachables from pharmaceutical containers, closures and devices that are used in the packaging of drug products.

- **Clinical Research Organisation (CRO)**

  On 6th of April 2015, the Company acquired Piramal Clinical Research (CRO), a division of Piramal Enterprise Ltd. The CRO is based at Hyderabad and has 70 skilled manpower and state-of-the-art infrastructure. The CRO specializes in conducting bioavailability and bioequivalence studies, bioanalytical method development and validation, sample processing and analysis, statistical analysis and reporting. The facility is equipped with a 98-bed facility, monitoring stations, phlebotomy stations, four-bed ICU, state-of-the-art analytical lab and capabilities of eCTD (Electronic Common Technical Document) submission. The CRO has approvals from several bodies, including US FDA and was the first CRO from India to receive good manufacturing practice (GMP) certification from UK's Medicines and Healthcare products Regulatory Agency (UK-MHRA). The CRO will operate in the name of Anacipher Clinical Research organization, a division of Indoco Remedies Ltd.

Regulatory Affairs :

Indoco has a team of 35 regulatory specialists who are engaged in submissions of DMFs (Drug Master File), Dossiers and ANDAs (Abbreviated New Drug Application) across the globe. The Company is equipped with 21 CFR (Code of Federal Regulations) (Part 11 compliant), eCTD, SPL (Software Products Library) software and established electronic submission gateways with FDA and European Agencies. As on date, Indoco has submitted 25 ANDAs, including Paragraph IV submissions in US and 6 Decentralized Procedures (DCPs) in Europe. Indoco's regulatory submissions in emerging markets is pursued aggressively from which, more than 500 product registrations have been received from 35 countries.

Indoco holds 7 CEPs (Certificate of Suitability) for Drug Substances, 11 US DMFs, 8 Taiwan DMFs, 3 Singapore DMFs, 2 European ASMFs, 3 China DMFs and 4 Canada DMFs.

Intellectual Property Rights (IPR):

The Company has filed several patent applications, the details of which are as under:

Patent Applications	***India***	***PCT***	***Europe***	***USA***
APIs	26	13	2	2
FDFs	15	2	1	1

During the year, the Company was granted two patents by United States Patent and Trademark Office (USPTO) for novel process of Lacosamide and Tapentadol APIs.

Indoco's R&D efforts received due recognition with 'Patent Appreciation Award 2013-2014' from IDMA for the process patent of Betaxolol Hydrochloride.

e) Human Resources:

Indoco is proud of its Culture, Shared Values, Employee Strength and eminence of its Leadership Team. The HR Team strives hard to keep the workforce motivated through various initiatives. The team has rolled out a transparent and performance based initiative named **'ASPIRE'** - Achieving Success through Performance, Innovation, Result-orientation and Empowerment. This process is based on the Balance Score Card Approach i.e., Key Result Areas (KRAs) and Competencies based Appraisal.

The Company's focus has always been on Leadership Excellence and through one of its programme named **'IMPETUS'**, the Senior Management teams come together to solve problems and for the development of the organization.

The practice of holding annual **'STRATEGY MEET'** started with 86 Managers three years back and has now expanded to a team of 140 Managers to deliberate on strategies, goals and objectives of the Company and execution thereof.

HR programs within the Company have been specifically designed to engage and encourage people to ideate, create and innovate. The initiative viz., **KNOWLEDGE MANAGEMENT CELL** helps the organization to go through a learning curve in a speedy and smooth manner.

The Company believes that by capitalizing on the strength and values of different generations, it can create a sustainable competitive advantage. With the idea to instill trust and transparency among employees at every level, the HR Team has implemented a programme named **SAMPARK** which creates a better understanding between cross functional teams.

The organization believes in creating Synergy to reach and achieve its goal. With this objective in mind, the Company initiated a Sports event named **'PACE' i.e. Performance Achieved through Combined Efforts.** Around eight hundred employees from different locations participated for a full day sports activities.

GEMS, a mentoring programme at Indoco entered into second year of its curriculum. During a span of two years, mentees were trained on different dimensions of business like financial perspective, Impact of DPCO on Indian Pharma Industry, emotional intelligence, etc., coupled with industrial visit to our Goa Plant. Mentees also visited a few NGOs, viz., 'Home for the Aged' and 'Cheshire Home for the Disabled.' With successful launch of GEMS programme in Mumbai, the Company has extended this programme to manufacturing facilities in Goa as well.

f) Future Outlook:

The global pharmaceutical market is expected to reach between $1.135 trillion and $1.235 trillion by 2017. The United States will continue to hold number one position and Japan will retain the number two spot. The pharmaceutical markets of the five major EU countries viz., France, Germany, Italy, Spain, and United Kingdom are projected to hold a 13% share and the pharmaceutical markets of Brazil, Russia, and India will collectively hold 8%. Tier III Pharmerging countries (Algeria, Argentina, Colombia, Egypt, Indonesia, Mexico, Nigeria, Pakistan, Poland, Romania, Saudi Arabia, South Africa, Thailand, Turkey, Ukraine, Venezuela, and Vietnam) are projected to hold a 10% share by 2017.

In line with the upcoming trends and developments in global market, Indoco's international business is adopting strategies to build on its core competencies, viz., Research & Development and Manufacturing. With the recent acquisition of a CRO, the Company is now completely integrated and will remain a preferred partner, offering complete solutions, to generic companies worldwide. Additionally, it will also exploit the larger opportunities through alliances in major markets.

Going forward, the Company's business from US and EU territory is expected to grow speedily, as ANDAs and Dossiers will be commercialized at regular intervals, on approval. While surging ahead in the Regulated Markets, Indoco is also consolidating its position in the Emerging markets through active brand promotion. Part of the emerging market is exploited through distributors appointed by Indoco and part through alliances. Robust pipeline with multiple dosage forms accompanied with flexible business models, will enable the Company to have upper edge over competitors in international business.

The Indian Pharma market size is expected to grow to US $ 85 billion by 2020. The growth in Indian domestic market will be boosted by rise in consumer spending, rapid urbanization, increase in healthcare insurance and changes in lifestyle patterns. Company's domestic business continues to focus on brand building, new product launches, thrust on share in chronic segment and penetration in Tier II and Tier III towns. The Company has re-structured some of its marketing divisions with addition to the field force strength to accelerate growth and build on its core strengths in the mass speciality segments.

Expertise in Research & Development, backward integration of APIs in select products, newly acquired CRO, excellence in finished dosages manufacturing and a strong customer base will ensure consistent growth both in Indoco's Domestic as well as International business.

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Independent Auditors' Report
to the Members of Indoco Remedies Limited

Report on the Standalone Financial Statements

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

Management's Responsibility for the Standalone Financial Statements

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

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

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

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

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the state affairs of the company as at 31st March 2015 and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order to the extent applicable.

2. As required by section 143(3) of the Act, we report that:
   a) we have 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 appears from our examination of those books.
   c) the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
   d) in our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014;
   e) on the basis of written representations received from the directors as on March 31, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015, from being appointed as a director in terms of section 164(2) of the Act and
   f) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us :
      i) the Company has disclosed the impact of pending litigations on its financial position in its financial statements - Refer note 29 to the financial statements.
      ii) the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
      iii) There has been no delay in transferring amounts, required to be transferred, to the Investor, Education and Protection Fund by the Company.

For **PATKAR & PENDSE**
Chartered Accountants
Firm Registration No:107824W

B. M. PENDSE
Partner
M. No. 32625

Date : 27th May, 2015

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ANNEXURE
to Independent Auditors' Report

As per the Annexure referred to in our independent Auditors' Report to the members of the company on the standalone financial statements for the year ended 31st March 2015, we report that:

1. (a) The Company had maintained proper records showing full particulars, including quantitative details and situation of the fixed assets.

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

2. In respect of inventories :

   (a) as explained to us, inventories have been physically verified by the management at reasonable intervals and in our opinion the frequency of verification is reasonable.

   (b) in our opinion and according to the information and explanations given to us, the procedures for physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.

   (c) the Company had maintained proper records of inventories. As explained to us, there were no material discrepancies noticed on physical verification of inventories as compared to book records.

3. (a) The Company has granted loan to one body corporate covered in the register maintained under section 189 of Companies Act, 2013.

   (b) In the case of loan granted to the body corporate listed in the register maintained under section 189 of the Act, the borrower has been regular in the payment of the interest as stipulated. The terms of arrangements do not stipulate any repayment schedule. Accordingly, paragraph 3(iii)(b) of the Order is not applicable to the Company in respect of repayment of principal amount.

   (c) There is no overdue amount of more than rupees one lakh in respect of the loan granted to the body corporate listed in the register maintained u/s 189 of the Act.

4. In our opinion and according to the information and explanations given to us, there is generally an adequate internal control procedure commensurate with the size of the Company and the nature of its business, for the purchase of inventories & fixed assets and payment for expenses & for sale of goods and services. During the course of our audit, no major instance of continuing failure to correct any weaknesses in the internal controls has been noticed.

5. According to the information and explanation given to us the Company has not accepted any deposits from the public.

6. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014 prescribed by the Central Government under Section 148(1)(d) of the Companies Act, 2013 and are of the opinion that, prima facie, the prescribed accounts and cost records have been maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

7. In respect of statutory dues :

(a) according to the records of the Company, undisputed statutory dues including Provident Fund, Employees State Insurance, Income tax, Sales tax, Wealth tax, Service tax, Custom duty, Excise duty, Value Added tax, Cess and any other statutory dues have been generally regularly deposited with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at March 31, 2015 for a period of more than six months from the date they became payable.

(b) the disputed statutory dues aggregating to Rs 666.01 lakhs have not been deposited on account of matters pending before appropriate authorities are as under :

Sr. No.	Particulars	Period to which the amount relates	Forum where dispute is pending	Amount (₹ Lakhs)
1	Income Tax Act , 1961	2002 - 03	ITAT, Mumbai	4.30
		2003 - 04	ITAT, Mumbai	3.16
		2007 - 08	DCIT(TDS), Mumbai	0.35
		2008 - 09	DCIT(TDS), Mumbai	0.11
		2009 - 10	DCIT(TDS), Mumbai	7.61
		2010 - 11	DCIT(TDS), Mumbai	4.40
		2011 - 12	DCIT(TDS), Mumbai	0.58
		2012 - 13	DCIT(TDS), Mumbai	0.39
		2013 - 14	DCIT(TDS), Mumbai	0.77
		2014 - 15	DCIT(TDS), Mumbai	1.66
2	Central Excise Act, 1944	1995 - 96	CESTAT	0.64
		1997 - 98	Divisional Dy. Comn. Boisar	3.40
		1997 - 98	Honbl. Supreme Court	2.92
		1997 - 98	Divisional Dy. Comn. Mumbai	0.98
		1998 - 99	Divisional Dy. Comn. Boisar	1.64
		2003 - 04	CESTAT	2.71
		2005 - 06	Divisional Dy. Comn. Goa	1.25
		2006 - 07	CESTAT	91.97
		2007 - 08	Commissioner Service Tax - Mumbai	247.21
			CESTAT Mumbai	11.20
3	Sales Tax	2005 - 09	The Commercial Tax Officer, Nacharam Circle, A.P.	94.90
		2007 - 08	Commissioner, Goa Sales Tax	9.03
		2009 - 10	Commissioner, Goa Sales Tax	11.18
		2012 - 13	The Commercial Tax Officer, Nacharam Circle, A.P.	59.71
		2013 - 14	The Commercial Tax Officer, Nacharam Circle, A.P.	103.94

(c) According to the information and the explanation given to us, the amounts which were required to be transferred to the investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and Rules there under has been transferred to such fund within time.

8. The Company does not have accumulated losses at the end of the financial year and has not incurred cash losses in the financial year and in the immediately preceding financial year.

9. In our opinion and according to the information and explanations given to us, the Company had not defaulted in repayment of dues to a financial institution, bank or debenture holder.

10. In our opinion and according to information and the explanations given to us, the terms and conditions on which the Company has given guarantee for loan taken by other from bank is not prima facie prejudicial to the interest of the Company.

11. The Company has raised new term loans during the year. The term loans outstanding at the beginning of the year and those raised during the year have been applied for the purposes for which they were raised.

12. According to information and explanations given to us, no material fraud on or by the Company has been noticed or reported during the course of our audit.

For **PATKAR & PENDSE**
Chartered Accountants
Firm Registration No:107824W

B. M. PENDSE
Partner
M. No. 32625

Date : 27th May, 2015

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Balance Sheet

As at 31st March, 2015

(₹ lakhs)

	Note No.	Current Year As at 31.03.2015		Previous Year As at 31.03.2014	
I. EQUITY AND LIABILITIES					
1) **Shareholders' Funds**					
(a) Share Capital	3	1,843.01		1,843.01	
(b) Reserves & Surplus	4	49,994.71		43,853.52	
			51,837.72		45,696.53
2) **Non-Current Liabilities**					
(a) Long Term Borrowings	5	1,285.35		1,378.87	
(b) Deferred Tax Liabilities (Net)	6	2,701.53		3,052.86	
(c) Other Long Term Liabilities	7	968.65		918.52	
(d) Long Term Provisions	8	1,502.71		1,634.10	
			6,458.24		6,984.35
3) **Current Liabilities**					
(a) Short Term Borrowings	9	7,305.58		5,659.60	
(b) Trade Payables	10	11,862.83		6,914.14	
(c) Other Current Liabilities	11	4,087.71		5,388.00	
(d) Short Term Provisions	12	2,602.15		1,965.86	
			25,858.27		19,927.60
TOTAL			84,154.23		72,608.48
II. ASSETS					
1) **Non Current Assets**					
(a) Fixed Assets					
(i) Tangible Assets	13A	29,599.53		29,609.50	
(ii) Intangible Assets	13B	4,341.72		2,918.24	
(iii) Capital Work In Progress		2,602.63		2,435.85	
(iv) Intangible Assets Under Development		3,668.70		1,976.02	
(b) Non Current Investments	14	64.12		44.52	
(c) Long Term Loans And Advances	15	5,734.64		5,504.32	
			46,011.34		42,488.45
2) **Current Assets**					
(a) Inventories	16	14,619.85		10,826.33	
(b) Trade Receivables	17	15,364.39		13,724.64	
(c) Cash and Bank Balances	18	1,528.17		1,313.61	
(d) Short Term Loans And Advances	19	6,588.85		4,220.61	
(e) Other Current Assets	20	41.63		34.84	
			38,142.89		30,120.03
TOTAL			84,154.23		72,608.48

Significant Accounting Policies	1 & 2
Notes on Financial Statements	3 to 45

As per our Report attached

For **Patkar & Pendse**
Chartered Accountants
Firm Registration No. : 107824W

B. M. Pendse
Partner
Membership No. 32625

Sunil D. Joshi
President (Finance) & Company Secretary

Aditi Panandikar
Managing Director
DIN : 00179113

Sundeep V. Bambolkar
Jt. Managing Director & CFO
DIN : 00176613

Mumbai, 27th May, 2015

Statement of Profit and Loss Account

For the year ended 31st March 2015

(₹ lakhs)

	Note No.	Current Year Apr'14- Mar'15	Previous Year Apr'13- Mar'14
INCOME			
1) Revenue from Operations (Gross)	21	86,484.95	74,044.96
Less : Excise Duty Recovery		(1,121.46)	(1,273.72)
Revenue from Operations (Net)		85,363.49	72,771.24
2) Other Income	22	174.16	175.23
Total Revenue (I)		85,537.65	72,946.47
EXPENSES			
3) Cost of Materials Consumed	23	26,407.39	23,016.43
4) Purchase of Stock in Trade	23	5,362.52	4,005.22
5) Changes in Inventories of Finished Goods, Stock in Trade & Work in Progress	23	(1,924.74)	(105.06)
6) Employee Benefits Expense	24	13,935.67	12,904.67
7) Research & Development Expenses ...	25	2,167.15	1,442.86
8) Other Expenses	26	22,895.76	19,500.15
Total Expenses (II)		68,843.75	60,764.27
Earnings before Finance Cost, Depreciation and Amortisation and Tax (I - II)		16,693.90	12,182.20
9) Finance Cost	27	1,034.21	1,880.15
10) Depreciation and Amortisation Expense	13	4,711.31	3,091.21
Profit before Tax		10,948.38	7,210.84
11) Provision for Tax			
(a) Current		3,061.12	1,511.37
(b) Deferred		(351.33)	(428.22)
(c) Earlier Years Adjustment		256.01	337.91
(d) MAT Credit Adjustment		(298.62)	–
Total Taxes		2,667.18	1,421.06
Profit for the year		8,281.20	5,789.78
12) Earnings Per Share Basic & Diluted (₹ 2/- each)	28	8.99	6.28
Significant Accounting Policies	1 & 2		
Notes on Financial Statements	3 to 45		

As per our Report attached

For **Patkar & Pendse**
Chartered Accountants
Firm Registration No. : 107824W

B. M. Pendse
Partner
Membership No. 32625

Sunil D. Joshi
President (Finance) & Company Secretary

Aditi Panandikar
Managing Director
DIN : 00179113

Sundeep V. Bambolkar
Jt. Managing Director & CFO
DIN : 00176613

Mumbai, 27th May, 2015

Cash Flow Statement

For the year ended 31st March, 2015

(₹ lakhs)

		Current Year Apr'14- Mar'15		Previous Year Apr'13- Mar'14
A) CASH FLOW FROM OPERATING ACTIVITIES :				
Net Profit before tax and extraordinary items		10,948.38		7,210.84
Adjustments for :				
Depreciation and Amortisation Expense	4,711.31		3,091.21	
Profit on sale of Fixed Assets	(0.80)		(2.66)	
Loss on sale of Fixed Assets	0.90		2.28	
Sundry Balances written back	(0.01)		(0.48)	
Provision for Doubtful Debts / Bad Debts	738.45		203.02	
Interest Income	(67.14)		(68.00)	
Dividend received on Investments	(0.76)		(0.26)	
Unrealised Foreign Exchange (Gain) / Loss	(266.34)		(187.68)	
Finance Cost (Other than Unrealised Foreign Exchange (Gain) / Loss)	1,380.32		1,990.01	
		6,495.93		5,027.44
Operating Profit before Working Capital Change		17,444.31		12,238.28
Adjustments for :				
Trade Payables and Other liabilities	4,761.81		2,126.84	
Trade and Other Receivables	(4,912.93)		(1,360.43)	
Inventories	(3,793.53)		(1,550.34)	
		(3,944.65)		(783.93)
Cash generated from Operations		13,499.66		11,454.35
Income Tax Paid (Net of Refund)		(2,467.74)		(1,459.88)
Net Cash generated from Operating Activities (A)		11,031.92		9,994.47
B) CASH FLOW FROM INVESTING ACTIVITIES :				
Payment towards Capital Expenditure	(8,870.88)		(4,171.77)	
Sale of Fixed Assets	5.59		26.54	
Purchases of Investments	(19.60)		(4.90)	
Interest Received	45.53		56.59	
Dividend received on Investments	0.76		0.26	
Net Cash used in Investing Activities (B)		(8,838.60)		(4,093.28)

Contd...

Cash Flow Statement

For the year ended 31st March, 2015

... Contd. from previous page

(₹ lakhs)

		Current Year Apr'14- Mar'15		Previous Year Apr'13- Mar'14
C) CASH FLOW FROM FINANCING ACTIVITIES :				
Finance Cost [Other than Unrealised Foreign Exchange Gain / (Loss)]	(1,363.62)		(1,970.75)	
Dividend Paid	(1,508.04)		(1,185.37)	
Proceeds from Long Term Borrowings	1,000.00		400.00	
Repayment of Long Term Borrowings	(216.14)		(76.08)	
Proceeds / (Repayment) from Short Term Borrowings	1,691.99		(653.74)	
Repayment of External Commercial Borrowings	(1,667.62)		(2,337.50)	
Net Cash inflow from Financing Activities (C)		(2,063.43)		(5,823.44)
Net Increase in Cash or Cash equivalents (A+B+C)		129.89		77.75
Cash and Cash Equivalents (Opening)		951.66		873.91
Cash and Cash Equivalents (Closing)		1,081.55		951.66
(Refer note no. 18)				

Notes :

1. The above Cash Flow Statement has been prepared under "Indirect Method" set out in AS-3, issued by Institute of Chartered Accountants of India.
2. Figures in brackets indicate cash outgo.
3. Previous year's figures have been regrouped and reclassified wherever necessary.

As per our Report attached

For **Patkar & Pendse**
Chartered Accountants
Firm Registration No. : 107824W

B. M. Pendse
Partner
Membership No. 32625

Sunil D. Joshi
President (Finance) & Company Secretary

Aditi Panandikar
Managing Director
DIN : 00179113

Sundeep V. Bambolkar
Jt. Managing Director & CFO
DIN : 00176613

Mumbai, 27th May, 2015

Significant Accounting Policies

1. **CORPORATE INFORMATION**

Indoco Remedies Limited (the Company) is a public Limited Company domiciled in India and incorporated under the provision of the Companies Act, VII of 1913. Its Shares are listed on two stock exchanges in India. Indoco Remedies Limited is engaged in the manufacturing and marketing of Formulations (Finished Dosage Forms) and Active Pharmaceutical Ingredients (APIs). The Company caters to both domestic and International markets Company has two wholly owned subsidiaries Xtend Industrial Designers and Engineers Pvt Ltd (formerly known as Indoco Industrial Designers & Engineers Pvt.Ltd.) and Indoco Pharmchem Ltd.

2. **SIGNIFICANT ACCOUNTING POLICIES**

2.1 **Basis of Accounting and preparation of Financial Statements**

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under provisions of the Companies Act, 2013. The financial statements have been prepared on accrual basis under the historical cost convention.

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 the Schedule III to the Companies Act, 2013.

2.2 **Use of Estimates**

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialised.

2.3 **Fixed Assets**

Tangible Assets

Tangible Assets are stated at historical cost net of recoverable taxes such as CENVAT. In case of fixed assets acquired for new projects / expansion, interest cost on borrowings & other related revenue expenses such as salaries etc. are capitalised.

Intangible Assets

The cost of an intangible asset comprises its purchase price, including any import duties and other taxes (other than those subsequently recoverable from the taxing authorities), and any directly attributable expenditure on making the asset ready for its intended use and net of any trade discounts and rebates.

2.4 **Capital work in progress**

Project under which assets are not ready for their intended use and other capital work in progress are carried at cost, comprising Direct cost, related incidental expenses and attributable interest.

2.5 **Depreciation and Amortisation**

Tangible Assets

Depreciation on Fixed Assets is provided on the straight line method on all assets except assets at Waluj, Rabale & HO which is provided on written down value method. However, depreciation on residential flat at HO and plant and machinery at Rabale is provided on straight line method. Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013.

Intangible Assets

Trademarks / Technical Knowhow are recorded at their acquisition cost and amortized on the straight-line-method over their estimated economic life.

All revenue expenditure incurred till the development of ANDAs / DMFs / Dossiers etc. are grouped under Capital WIP. Once the development is complete, the expenditure incurred on the said project is capitalized & grouped under "Intangible Assets" and amortized based on best estimated commercial revenue period, not exceeding 5 years. The carrying value of the capitalized project is reviewed for impairment annually.

2.6 **Borrowing Cost**

Borrowing costs include interest, amortisation of ancillary costs incurred in connection with the arrangement of Borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs, directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use are capitalised as part of the cost of the respective asset. All other Borrowing costs are expensed in the period they occur.

2.7 **Impairment of Tangible Assets and Intangible Assets**

An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. An impairment loss is charged to the Profit and Loss Statement in the year in which an asset is identified as impaired. The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

2.8 **Government Grants and Subsidies**

Government grants are accounted when there is reasonable assurance that the enterprise will comply with the conditions attached to them and it is reasonably certain that the ultimate collection will be made. Capital grants related to specific fixed assets are reduced from the gross value of the respective fixed assets. Revenue grants are recognized in the Profit & Loss account. Subsidies received from the State Government are treated as reserves.

2.9 **Investments**

Current Investments are carried at lower of cost and quoted / fair value, computed category wise. Long Term Investments are stated at cost. Provision for diminution in the value of long term investments is made only if such a decline is other than temporary.

2.10 **Inventories**

Raw Materials, Packing Materials & Consumables are valued at cost or net realizable value, whichever is lower.

Work-in-process is valued at cost including proportionate related overheads or net realizable value, whichever is lower.

Finished goods are valued at cost or net realizable value, whichever is lower.

All materials are valued at weighted average cost.

2.11 **Research & Development Expenses**

Research & Development costs of revenue nature are charged to Profit & Loss account when incurred., Expenditure of capital nature is capitalised and depreciation is provided on these assets as per the provisions as prescribed in Schedule II of the Companies Act, 2013.

2.12 **Revenue Recognition:**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised.

2.13 **Sale of goods and services**

1. Sales of products are recognized when risk and rewards of ownership of the product are passed on to the customers, which is generally on dispatch of goods.
2. Export sales are recognized on the basis of Bill of Lading / Airway Bills.
3. All sales revenues are stated at net of returns, discounts and sales tax.
4. Exports benefits available under prevalent scheme are accrued and accounted in the year in which the goods are exported to the extent considered receivable
5. Revenue from services rendered is recognised in the Profit and Loss account based on underlying contract

2.14 **Interest and Dividend Income**

Interest Income is accounted on accrual basis. Dividend income is accounted for when the right to receive it is established.

2.15 **Foreign Currency Transactions**

1. Transactions denominated in foreign currencies are recorded at the exchange rate prevailing on the date of the transaction or that approximates the actual rate at the date of the transaction.
2. Monetary items denominated in foreign currencies at the year end are restated at year end rates. In case of items which are covered by forward exchange contracts the same are denominated at forward rate. The premium / (discount) paid on forward contract is recognized over the life of the contract.
3. Any income or expense on account of exchange difference either on settlement or on translation is recognized in the Profit & Loss account except in case of long term liabilities, where they relate to acquisition of fixed assets in which case they are adjusted to the carrying cost of such assets.

2.16 **Retirement and Other Employees' Benefits**

Company's contribution to Provident, Superannuation Funds is accounted on accrual basis and charged to Profit & Loss account. The Company also provides for unutilized leave benefits to its employees on actuarial valuation. The company's contribution to LIC for group gratuity policy is charged to Profit and Loss account each year

2.17 **Income Taxes**

Current tax is determined as the amount of tax payable in respect of taxable income for the year.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives rise to future economic benefits in the form of adjustment of future income tax liability is considered as an asset if there is convincing evidence that the company will pay normal tax after tax holiday period. Accordingly it is recognized as an asset in the Balance Sheet when it is probable that the future economic benefit associated with it will flow to the company and the asset can be measured reliably.

Deferred tax is recognised, subject to the consideration of prudence, on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent years.

2.18 **Earning Per Shares (EPS)**

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding as on reporting date. The weighted average number of Equity Shares outstanding during the period is adjusted for events such as Bonus issue, share split that have changed the number of equity shares outstanding, without a corresponding change in resources.

2.19 **Provisions**

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are determined based on the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates.

2.20 **Contigent Liabilities**

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurence or non - occurence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contigent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliabily. Contingent liabilities are disclosed in the Note No.29.

2.21 **Excise Duty**

Excise duty is accounted for as and when paid on the clearance of the goods from bonded premises. Excise duty in respect of finished goods lying in bonded premises are provided for and included in the valuation of inventory.

As per our Report attached

For **Patkar & Pendse**
Chartered Accountants
Firm Registration No. : 107824W

B. M. Pendse
Partner
Membership No. 32625

Sunil D. Joshi
President (Finance) & Company Secretary

Aditi Panandikar
Managing Director
DIN : 00179113

Sundeep V. Bambolkar
Jt. Managing Director & CFO
DIN : 00176613

Mumbai, 27th May, 2015

Notes
on financial statements for the Year ended 31st March 2015

Note 3 : SHARE CAPITAL

(₹ lakhs)

Particulars	Current Year As at 31.03.2015	Previous Year As at 31.03.2014
1) **Authorised :**		
12,50,00,000 Equity Shares of ₹ 2/- each (Previous Year 12,50,00,000 Equity Shares of ₹ 2/- each)	2,500.00	2,500.00
2) **Issued,Subscribed and Paid up:**		
9,21,50,355 Equity Share of ₹ 2/- each fully paid up (Previous year 9,21,50,355 Equity Share of ₹ 2/- each fully paid up)	1,843.01	1,843.01

a) **Reconciliation of number of Equity Shares outstanding**

Particulars	2014-15 Equity Shares Number	2014-15 Equity Shares ₹ lakhs	2013-14 Equity Shares Number	2013-14 Equity Shares ₹ lakhs
Shares outstanding at the beginning of the year	92,150,355	1,843.01	92,150,355	1,843.01
Add: Issue of Bonus Shares	–	–	–	–
Less: Shares bought back during the year	–	–	–	–
Shares outstanding at the end of the year	92,150,355	1,843.01	92,150,355	1,843.01

b) **Details of Shares held by each shareholder holding more than 5% shares**

	As at 31 March 2015 Equity Shares No of Shares held @ ₹ 2/- per share	As at 31 March 2015 Equity Shares % holding in that class of Shares	As at 31 March 2014 Equity Shares No of Shares held @ ₹ 2/- per share	As at 31 March 2014 Equity Shares % holding in that class of Shares
Equity Shares with voting rights :				
i) SPA Holdings Pvt Ltd	1 83 35 000	19.90%	1 83 35 000	19.90%
ii) Shanteri Investment Pvt Ltd	1 57 71 755	17.12%	1 57 71 755	17.12%
iii) Aditi Panandikar	55 59 013	6.03%	55 49 013	6.02%
iv) Madhura Anup Ramani	51 84 079	5.62%	51 74 079	5.61%
v) Aruna Suresh Kare	47 74 714	5.18%	47 64 714	5.17%

c) **Terms/rights attached to equity shares**

The Company has only one class of equity shares having a par value of ₹ 2 per share. Each holder of equity shares is entitled to one vote per share. All equity shares of the Company rank pari passu in all respects including the right to dividend. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

During the year ended 31 March 2015, the amount of per share dividend recognized as distributions to equity shareholders was ₹ 1.60 on the face value of ₹ 2/- (Previous year ₹ 1.40 on the face value of ₹ 2/-) of the Company.

In the event of winding-up, subject to the rights of holders of shares issued upon special terms and conditions, the holders of equity shares shall be entitled to receive remaining assets, if any, in proportion to the number of shares held at the time of commencement of winding-up.

Notes
on financial statements for the Year ended 31st March 2015

Note 4 : RESERVES AND SURPLUS

(₹ lakhs)

	Particulars	Current Year As at 31.03.2015	Previous Year As at 31.03.2014
a)	Capital Reserve	0.02	0.02
b)	Securities Premium Account	6,420.93	6,420.93
c)	Capital Subsidy		
	(i) Tarapur Unit, Maharashtra	7.50	7.50
	(ii) Baddi Unit, Himachal Pradesh	30.00	30.00
	(iii) Verna Unit, Goa	25.00	25.00
		62.50	62.50
d)	Foreign Currency Monetary Item Translation Difference a/c	(33.93)	(139.88)
e)	General Reserve		
	Opening Balance	21,317.64	19,817.64
	Add : Transferred from Surplus in Statement of Profit & Loss	1,500.00	1,500.00
	Closing Balance	22,817.64	21,317.64
f)	Surplus in Statement of Profit & Loss		
	Opening Balance	16,192.31	13,411.88
	Add : Net Profit after Tax transferred from Statement of Profit & Loss	8,281.20	5,789.78
	Amount available for appropriation	24,473.51	19,201.66
	Less : Adjustment relating to Fixed Assets (Refer Note No. 42)	(471.40)	–
	Less : Transferred to General Reserve	(1,500.00)	(1,500.00)
	Less : Proposed Dividend	(1,474.41)	(1,290.10)
	Less : Dividend Tax	(300.15)	(219.25)
	Closing Balance	20,727.55	16,192.31
	TOTAL	49,994.71	43,853.52

Notes
on financial statements for the Year ended 31st March 2015

Note 5 : LONG TERM BORROWINGS

(₹ lakhs)

Particulars	Terms of Repayment & Securities	Current Year As at 31.03.2015	Previous Year As at 31.03.2014
Secured			
a) Term Loans from Banks			
Foreign currency loan - External Commercial Borrowings (ECBs)	Refer Note No. 5.1	–	179.74
Indian rupee loan	Refer Note No. 5.2	941.60	540.06
Unsecured			
a) Term Loan from Others			
Foreign currency loan - External Commercial Borrowings (ECB)	Refer Note No. 5.1	343.75	659.07
TOTAL.....		1,285.35	1,378.87

Detailed terms of repayment of term loans from banks and security provided in respect of the secured long term borrowings are as follows :

Note No.	Name of the Bank	Terms of Repayment & Securities
5.1	Citi Bank N.A.	
	Amount Sanctioned	USD 30,00,000
	Terms of Repayment	The ECB is repayable in 18 quarterly installments of USD 166,667 each commencing from 02nd May, 2010, and ending on 02nd August, 2014. The amount is payable in February, May, August, and November of each year. As on the Balance Sheet date this loan has been repaid in full.
	Rate of Interest	7.50 % p.a. (The rate of interest is fixed as Company has entered into Interest rate swap Agreement).
	Nature of Security	The amount is secured by first Charge on present and future moveable assets and specific Plant and Machinery at Patalganga.
5.1	Standard Chartered Bank	
	Amount Sanctioned	USD 50,00,000
	Terms of Repayment	The ECB is repayable in 15 quarterly installments of USD 333,333 each commencing from 06th December, 2010, ending on 06th June, 2014. The amount is payable in the month of March, June, September and December of each year. As on the Balance Sheet date this loan has been repaid in full.
	Rate of Interest	7.30 % p.a. (The rate of interest is fixed as Company has entered into Interest rate swap Agreement).
	Nature of Security	First & exclusive charge on present and future moveable fixed assets at Plot No. R-92 & R-93, T.T.C. Industrial Area, Rabale (excluding assets of Kilolab), and charge on specific movable properties (excluding Vial filling machine from M/s. Capmatic, Canada) at Plot No. L32,L33,L34 Verna Industrial Estate, Verna, Goa.

Notes
on financial statements for the Year ended 31st March 2015

Note 5 : LONG TERM BORROWINGS *Contd.*

Note No.	*Name of the Bank*	*Terms of Repayment & Securities*
5.1	Standard Chartered Bank	
	Amount Sanctioned	USD 60,00,000
	Terms of Repayment	The ECB is repayable in 13 quarterly installments of USD 461,538.46 each commencing from 28th November, 2011, ending on 28th November, 2014. The amount is payable in the month of February, May, August, and November of each year. As on the Balance Sheet date this loan has been repaid in full.
	Rate of Interest	6.30 % p.a. (The rate of interest is fixed as Company has entered into Interest rate swap Agreement).
	Nature of Security	First & exclusive charge on all present and future movable properties & immovable fixed assets at new tablet manufacturing facility at Plot No. L 32/33-34, Verna Industrial Area, Verna, Goa.
5.1	DBS Bank Ltd.	
	Amount Sanctioned	USD 45,00,000
	Terms of Repayment	The ECB is Repayable in 15 quarterly installments of USD 300,000 each commencing from 08th November, 2011, ending on 06th May, 2015. The amount is payable in the month of February, May, August, and November of each year.
	Rate of Interest	5.05 % p.a. (The rate of interest is fixed as Company has entered into Interest rate swap Agreement).
	Nature of Security	The loan is secured by Charge on Present & future movable fixed assets and Equitable mortgage of Land and Building at Plot No. B -20, M. I. D. C. , Waluj, Aurangabad
5.1	Watson Pharmaceuticals Inc.	
	Amount Sanctioned	USD 1,100,000
	Terms of Repayment	The ECB is repayable in 4 quarterly installments of USD 275,000 each commencing from 31st December, 2015, ending on 30th September, 2016. The amount is payable in the month of March, June, September, and December of each year.
	Rate of Interest	LIBOR + 100 bps.
	Nature of Security	The Loan is Unsecured.

Notes
on financial statements for the Year ended 31st March 2015

Note 5 : LONG TERM BORROWINGS *Contd.*

Note No.	*Name of the Bank*	*Terms of Repayment & Securities*
5.2	Jankalyan Sahakari Bank Ltd.	
	Amount Sanctioned	₹ 4,00,00,000
	Terms of Repayment	The Term Loan is repayable in 59 monthly installments of ₹ 6,67,000/- and last installment of ₹ 6,47,000/- each commencing from 14th November, 2011 ending on 14th October, 2016. As on the Balance Sheet date this loan has been prepaid in full.
	Rate of Interest	13.25 % p.a.
	Nature of Security	Mortgage of Land & Building situated at Plot No. R - 94, T.T.C. Industrial Area, Rabale, Thane Belapur Road, Rabale.
5.2	IDBI Bank Ltd	
	Amount Sanctioned	₹ 4,00,00,000
	Terms of Repayment	The Term Loan is repayable in 16 quarterly installments of ₹ 25,00,000/- each commencing from 01st March, 2015 ending on 1st December, 2018.
	Rate of Interest	11.75 % p.a.
	Nature of Security	Primary : First and Exclusive charge over the assets (Kilolab) created at Rabale, MIDC, Thane Belapur Road, Navi Mumbai 400 701, out of the sanctioned term loan Collateral : First Pari Passu Charge on the entire moveable fixed assets of the Company at Plot No. R - 92 & R - 93, T. T. C. Industrial Area, Rabale, MIDC Thane Belapur Road, Navi Mumbai 400 701 (Excluding AMD second floor)
5.2	Saraswat Co-Op Bank Ltd.	
	Amount Sanctioned	₹ 10,00,00,000
	Terms of Repayment	The Term Loan is Repayable in 59 equal monthly installments of ₹ 16,67,000/- each and 60th installment of ₹ 16,47,000/- commencing from 16th August, 2014 ending on 16th July, 2019
	Rate of Interest	11% p.a.
	Nature of Security	Primary : First and Exclusive charge over the assets created at Rabale, MIDC Thane Belapur Road, Navi Mumbai 400 701, out of the sanctioned term loan (AMD 2 nd Floor) Collateral : First Pari Passu Charge on the entire moveable fixed assets of the Company at Plot No. R - 92 & R - 93, T. T. C. Industrial Area, Rabale, MIDC Thane Belapur Road, Navi Mumbai 400 701 (Excluding Kilo Lab)

Notes
on financial statements for the Year ended 31st March 2015

Note 6 : DEFERRED TAX LIABILITIES (Net)

(₹ lakhs)

Particulars	Current Year As at 31.03.2015	Previous Year As at 31.03.2014
a) Deferred Tax Liability		
i) On fiscal allowances on fixed assets	3,379.52	3,690.28
Sub Total	3,379.52	3,690.28
b) Deferred Tax Assets		
i) On employees' separation and retirement etc.	(529.84)	(572.07)
ii) On provision for doubtful debts	(148.15)	(60.32)
iii) Others	–	(5.03)
Sub Total	(677.99)	(637.42)
TOTAL.....	2,701.53	3,052.86

Note 7 : OTHER LONG TERM LIABILITIES

Unsecured

a) Advance from Others	335.71	325.58
b) Security Deposit Payable	632.94	592.94
TOTAL.....	968.65	918.52

Note 8 : LONG TERM PROVISIONS

a) Retirement Benefits	1,059.54	1,310.01
b) Other Long-Term Benefits	443.17	324.09
TOTAL.....	1,502.71	1,634.10

Notes
on financial statements for the Year ended 31st March 2015

Note 9 : SHORT TERM BORROWINGS

(₹ lakhs)

Particulars	Repayment and Rate of Interest	Current Year As at 31.03.2015	Previous Year As at 31.03.2014
Secured (Refer Note below)			
Loans from Banks			
(a) Cash Credit Facility	Refer Note No. 9.1	2,727.24	1,949.45
(b) Foreign Currency Export Packing Credit	Refer Note No. 9.2	1,507.21	711.40
(c) Packing Credit in Rupee	Refer Note No. 9.3	300.00	–
(d) Working Capital Demand Loan	Refer Note No. 9.4	–	500.00
Unsecured			
Loans from Banks			
(a) Cash Credit Facility	Refer Note No. 9.1	361.89	–
(b) Foreign Currency Export Packing Credit	Refer Note No. 9.2	9.24	1,498.75
(c) Packing Credit in Rupee	Refer Note No. 9.3	400.00	–
(d) Working Capital Demand Loan	Refer Note No. 9.4	1,000.00	–
(e) Short Term Loan	Refer Note No. 9.5	1,000.00	1,000.00
TOTAL.....		7,305.58	5,659.60

Note : Cash Credit, Foreign Currency Export Packing Credit, Packing Credit in Rupee and Working Capital Demand Loan facilities are part of Working Capital facilities availed from various Banks and are secured by hypothecation by way of first pari passu charge on all its stocks and book debts.

Note No.	Type of Loan	Repayment and Rate of Interest
9.1	Cash Credit Facility	Is repayable on demand and carries interest @ 10.90 % p.a. to 13 % p.a. (Previous year @ 10.20 % p.a. to 13% p.a.)
9.2	Foreign Currency Export Packing Credit	Is payable on completion of the tenure. It carries interest @ LIBOR + 40 bps to 75 bps. (Previous year LIBOR + 75 bps to 145 bps)
9.3	Packing Credit in Rupee	Is payable on completion of the tenure. It carries interest @ 9.65 % p.a. to 9.75% p.a. (Previous Year Nil)
9.4	Working Capital Demand Loan	Is repayable on demand and carries interest @ 9.60 % p.a. to 10.75 % p.a. (Previous year @ 9.75 % p.a. to 11.25 % p.a.)
9.5	Short Term Loan	Is repayable on demand and carries interest @ 10.60% p.a (Previous year @ 11% p.a.)

Notes
on financial statements for the Year ended 31st March 2015

Note 10 : TRADE PAYABLES

(₹ lakhs)

Particulars	Current Year As at 31.03.2015	Previous Year As at 31.03.2014
a) Trade payables		
(i) Acceptances	640.34	527.29
(ii) Other than Acceptances (Refer Note No. 41)	11,222.49	6,386.85
TOTAL	11,862.83	6,914.14

Note 11 : OTHER CURRENT LIABILITIES

Secured		
a) Term Loans from Banks		
Foreign Currency loan -ECB (Refer Note No. 5.1)	187.50	1,948.01
Indian Rupee loan (Refer Note No. 5.2.)	300.04	76.08
	487.54	2,024.09
b) Interest accrued but not due on borrowings	25.14	28.63
c) Unclaimed Dividends	19.86	18.54
d) Statutory Dues	333.72	328.97
Unsecured		
a) Term Loans from Others	343.75	–
Foreign Currency loan -ECB (Refer Note No. 5.1)		
b) Other Current Liabilities	2,877.70	2,987.77
TOTAL	4,087.71	5,388.00

Note 12 : SHORT TERM PROVISIONS

a) Provision for Leave Encashment	56.09	48.94
b) Provision For Bonus	265.41	256.19
c) Proposed Dividend	1,474.41	1,290.10
d) Dividend Tax	300.15	219.25
e) Provision for Tax (Net of Advance Income Tax)	506.09	151.38
TOTAL	2,602.15	1,965.86

Notes

on financial statements for the Year ended 31st March 2015

Note 13 : FIXED ASSETS

(₹ lakhs)

	GROSS BLOCK				ACCUMULATED DEPRECIATION / AMORTISATION					NET BLOCK	
	Balance as at 1st April 2014	Additions	Disposal/ Sales	Balance as at 31st March 2015	Balance as at 1st April 2014	Depreciation/ Amortisation for the year	Transferred to Retained Earnings	Eliminated on Disposal/Sale of Assets	Balance as at 31st March 2015	As at 31st March 2015	As at 31st March 2014
A) Tangible Assets											
i) Land	525.89	67.77	–	593.66	7.47	0.20	–	–	7.67	585.99	518.42
ii) Buildings & Premises	11,073.95	646.31	–	11,720.26	2,884.57	265.70	1.39	–	3,151.66	8,568.60	8,189.38
iii) Plant & Machinery	11,405.93	1,019.92	–	12,425.85	2,629.87	814.61	–	–	3,444.48	8,981.37	8,776.06
iv) Handling Equipments	764.37	36.49	–	800.86	366.37	60.46	–	–	426.83	374.03	398.00
v) Pollution Control Equipments	262.01	5.13	–	267.14	151.22	25.77	34.79	–	211.78	55.36	110.79
vi) Laboratory Equipments	3,631.44	1,063.14	0.49	4,694.09	847.69	519.92	64.37	0.03	1,431.95	3,262.14	2,783.75
vii) R&D Equipments	1,944.75	11.28	–	1,956.03	873.14	357.58	102.95	–	1,333.67	622.36	1,071.61
viii) Plant - Utilities	4,430.50	245.61	–	4,676.11	1,343.95	323.81	–	–	1,667.76	3,008.35	3,086.55
ix) Electrical Installations	2,165.22	135.05	–	2,300.27	801.39	365.15	97.40	–	1,263.94	1,036.33	1,363.83
x) Furniture & Fixtures	1,444.51	273.95	–	1,718.46	697.05	136.45	45.17	–	878.67	839.79	747.46
xi) Office Equipments	448.38	36.63	–	485.01	225.81	61.25	66.51	–	353.57	131.44	222.57
xii) Computers	1,460.34	176.96	–	1,637.30	1,086.95	226.55	58.18	–	1,371.68	265.62	373.39
xiii) Networking Instruments	43.43	–	–	43.43	42.06	0.07	0.25	–	42.38	1.05	1.37
xiv) Air-conditioning Units	2,576.93	174.16	–	2,751.09	863.72	203.28	–	–	1,067.00	1,684.09	1,713.21
xv) Vehicles	426.06	–	14.23	411.83	172.95	64.49	0.39	9.01	228.82	183.01	253.11
Total - Tangible Assets	**42,603.71**	**3,892.40**	**14.72**	**46,481.39**	**12,994.21**	**3,425.29**	**471.40**	**9.04**	**16,881.86**	**29,599.53**	**29,609.50**
Previous year	**40,255.20**	**2,402.98**	**54.47**	**42,603.71**	**11,154.91**	**1,867.61**		**28.31**	**12,994.21**	**29,609.50**	
B) Intangible Assets											
i) Trade Mark	1,032.30	–	–	1,032.30	634.25	87.26	–	–	721.51	310.79	398.05
ii) Technical Knowhow	1.15	–	–	1.15	1.09	–	–	–	1.09	0.06	0.06
iii) ANDAs, DMFs, Dossiers, etc.	4,504.13	2,709.50	–	7,213.63	1,984.00	1,198.76	–	–	3,182.76	4,030.87	2,520.13
Total - Intangible Assets	**5,537.58**	**2,709.50**	**–**	**8,247.08**	**2,619.34**	**1,286.02**	**–**	**–**	**3,905.36**	**4,341.72**	**2,918.24**
Previous year	**4,438.82**	**1,098.76**	**–**	**5,537.58**	**1,395.74**	**1,223.60**	**–**	**–**	**2,619.34**	**2,918.24**	–
Total Fixed Assets	**48,141.29**	**6,601.90**	**14.72**	**54,728.47**	**15,613.55**	**4,711.31**	**471.40**	**9.04**	**20,787.22**	**33,941.25**	**32,527.74**
Previous year	**44,694.02**	**3,501.74**	**54.47**	**48,141.29**	**12,550.65**	**3,091.21**	**–**	**28.31**	**15,613.55**	**32,527.74**	**–**
Capital Work-in-Progress										2,602.63	2,435.85
Intangible Assets Under Development										3,668.70	1,976.02
Total										40,212.58	36,939.61

Notes
on financial statements for the Year ended 31st March 2015

Note 14 : NON-CURRENT INVESTMENTS

(₹ lakhs)

Particulars	Current Year As at 31.03.2015	Previous Year As at 31.03.2014
Unquoted : (at cost)		
a) Trade		
In Subsidiary Companies		
(i) Xtend Industrial Designers & Engineers Pvt. Ltd. [25,025 Equity Shares of ₹ 10/- each (Previous Year 15,025 Equity Shares of ₹ 10 each)]	42.12	22.52
(ii) Indoco Pharmchem Ltd. ..... (50,000 Shares of ₹ 10/- each)	5.00	5.00
	47.12	27.52
b) Non-Trade - Other		
Other than Subsidiary Companies		
(i) Shivalik Solid Waste Management Ltd. Baddi (20,000 Shares of ₹ 10/- each)	2.00	2.00
(ii) Indoco Analytical Solution LLP ..... (Contribution from Indoco Remedies Ltd.)	4.90	4.90
	6.90	6.90
c) Shares of Saraswat Co-op. Bank Ltd. ..... (1,000 Shares of ₹10/- each)	0.10	0.10
d) Shares of Jankalyan Sahakari Bank Ltd. ..... (1,00,000 Shares of ₹10/- each)	10.00	10.00
TOTAL	64.12	44.52

Note 15 : LONG TERM LOANS AND ADVANCES

Unsecured, considered good		
a) Capital Advances	554.28	144.75
b) Deposit Others	165.29	127.28
c) Tender Deposits	12.13	37.14
d) MAT Credit Adjustment	4,646.32	4,842.38
e) Pre-paid Expenses	21.45	24.79
f) Other Loans & Advances	335.17	327.98
TOTAL	5,734.64	5,504.32

Notes
on financial statements for the Year ended 31st March 2015

Note 16 : INVENTORIES

(₹ lakhs)

	Particulars	Current Year As at 31.03.2015	Previous Year As at 31.03.2014
a)	Raw and Packing Materials	6,413.10	4,555.57
b)	Work in Progress	2,089.54	1,507.83
c)	Finished Goods	4,297.70	3,567.84
d)	Stock in Trade	1,226.13	612.96
e)	Stores and Spares	593.38	582.13
	TOTAL	14,619.85	10,826.33

Note 17 : TRADE RECEIVABLES

Unsecured

a)	Debts outstanding for more than six months from the date they are due for payment		
	Considered Good	2,152.54	2,074.70
	Considered Doubtful	435.86	177.48
		2,588.40	2,252.18
	Less: Provision for doubtful debts	(435.86)	(177.48)
		2,152.54	2,074.70
b)	Other Debts - Considered Good	13,211.85	11,649.94
	TOTAL	15,364.39	13,724.64

Notes
on financial statements for the Year ended 31st March 2015

Note 18 : CASH AND BANK BALANCES

(₹ lakhs)

Particulars	Current Year As at 31.03.2015	Previous Year As at 31.03.2014
a) **Cash and Cash Equivalents**		
(i) Cash on hand	13.23	4.53
(ii) Balances with Banks		
In Current Accounts	500.73	691.03
In EEFC Accounts	526.24	32.70
In Fixed Deposit Accounts	41.35	223.40
Sub Total	1,081.55	951.66
b) **Other Bank Balances**		
(i) In Earmarked Accounts		
Unpaid Dividend Accounts	19.86	18.54
Margin Accounts	426.76	343.41
Sub Total	446.62	361.95
TOTAL (a + b)	1,528.17	1,313.61

Note 19 : SHORT TERM LOANS & ADVANCES

Unsecured, considered good

a)	Loan to Subsidiary	127.00	–
b)	Advances to Suppliers	708.17	145.84
c)	Tender Deposits	21.39	9.69
d)	Employee Advances	805.80	440.46
e)	Pre-Paid Expenses	391.33	379.56
f)	Balance with Customs, Central Excise Authorities	4,535.16	3,245.06
	TOTAL	6,588.85	4,220.61

Note 20 : OTHER CURRENT ASSETS

a)	Interest Receivable	35.71	14.10
b)	Other Current Assets	5.92	20.74
	TOTAL	41.63	34.84

Notes
on financial statements for the Year ended 31st March 2015

Note 21 : REVENUE FROM OPERATIONS

(₹ lakhs)

	Particulars	Current Year Apr '14-Mar '15	Previous Year Apr '13-Mar '14
a)	Sale of Products		
	Domestic Sales	54,127.13	47,411.57
	Export Sales	26,650.79	21,102.22
		80,777.92	68,513.79
b)	Sale of Services		
	Export Sales-Dossiers	5,031.57	4,332.38
	Analytical & Testing Income	201.28	164.32
		5,232.85	4,496.70
c)	Other Operating Revenue		
	Exchange Gain/(Loss) (Net) (other than considered in Finance Cost)	(36.19)	680.11
	Export Incentives	496.78	341.79
	Scrap Sale	13.59	12.57
		474.18	1,034.47
	Total Revenue from Operations (Gross) (a + b + c)	86,484.95	74,044.96
	Less :		
d)	Excise Duty	(1,121.46)	(1,273.72)
	TOTAL	85,363.49	72,771.24

Note 22 : OTHER INCOME

a)	Interest Received	67.14	68.00
b)	Sundry Balances Written Back	0.01	0.48
c)	Sundry Receipts	105.45	103.83
d)	Dividend Received	0.76	0.26
e)	Profit on Sale of Fixed Assets	0.80	2.66
	TOTAL	174.16	175.23

Notes
on financial statements for the Year ended 31st March 2015

Note 23 : COST OF MATERIALS CONSUMED

(₹ lakhs)

Particulars	Current Year Apr '14-Mar '15	Previous Year Apr '13-Mar '14
a) Cost of Material Consumed		
Opening Stock	4,555.57	3,555.69
Add : Purchases (Net of Excise Duty)	28,264.92	24,016.31
Less : Closing Stock	(6,413.10)	(4,555.57)
	26,407.39	23,016.43
b) Purchase of Stock in Trade	5,362.52	4,005.22
c) Changes in Inventories of Finished Goods, Stock in Trade & Work in Progress		
Inventories at the beginning of the year		
Op.Stock - Finished Goods	3,567.84	3,581.89
Op.Stock - Stock in Trade	612.96	840.33
Op.Stock - WIP	1,507.83	1,161.35
	5,688.63	5,583.57
Inventories at the end of the year		
Cl.Stock - Finished Goods	(4,297.70)	(3,567.84)
Cl.Stock - Stock in Trade	(1,226.13)	(612.96)
Cl.Stock - WIP	(2,089.54)	(1,507.83)
	(7,613.37)	(5,688.63)
Net (Increase) / Decrease	(1,924.74)	(105.06)
TOTAL	29,845.17	26,916.59

Note 24 : EMPLOYEE BENEFITS EXPENSE

a) Salaries, Wages and Bonus	11,804.11	9,977.47
b) Contribution to Provident and Other Funds	1,027.24	1,837.30
c) Staff Welfare Expenses	1,104.32	1,089.90
TOTAL	13,935.67	12,904.67

Note 25 : RESEARCH & DEVELOPMENT EXPENSES

a) R&D Employee Cost	753.87	598.43
b) Other R&D Expenses	1,413.28	844.43
TOTAL	2,167.15	1,442.86

Notes
on financial statements for the Year ended 31st March 2015

Note 26 : OTHER EXPENSES

(₹ lakhs)

	Particulars		Current Year Apr '14-Mar '15		Previous Year Apr '13-Mar '14
a)	Consumable Stores		154.72		113.09
b)	Job Work Charges		515.62		368.90
c)	Power and Fuel		2,039.44		1,826.37
d)	Rent, Rates and Taxes		248.76		218.82
e)	Insurance		131.10		134.97
f)	Repairs :				
	(i) Building	87.92		88.33	
	(ii) Plant and Machinery	469.23		402.57	
	(iii) Others	975.81		912.80	
			1,532.96		1,403.70
g)	Packing and Delivery Expenses		2,830.23		2,496.45
h)	Analytical Expenses		889.13		636.96
i)	Turnover and Additional Tax		275.32		188.80
j)	Advertising and Sales Promotion Expenses		3,159.15		2,468.59
k)	Commission and Incentives on sales		2,531.39		2,125.07
l)	Travelling, Conveyance and Motor Car Expenses		4,740.95		4,454.15
m)	Legal and Professional Fees		328.67		268.17
n)	Director's Sitting Fees		6.05		4.55
o)	Postage and Telephone Expenses		235.40		210.11
p)	Printing and Stationery Expenses		485.52		537.20
q)	Payments to Auditors				
	(i) Audit Fees	5.00		3.50	
	(ii) Tax Audit Fees	2.75		1.25	
	(iii) Other Services	0.80		0.40	
			8.55		5.15
r)	Loss on sale of Assets		0.90		2.28
s)	Provision for Doubtful Debts		392.18		162.00
t)	Bad Debts written off				
	(a) Bad Debts written off	480.07		274.42	
	(b) *Less* : Transfer from Provision for Doubtful Debts	(133.89)		(221.26)	
			346.18		53.16
u)	Corporate Social Resposibility		133.93		45.51
v)	Miscellaneous Expenses		1,909.61		1,776.15
	TOTAL		22,895.76		19,500.15

Notes
on financial statements for the Year ended 31st March 2015

NOTE 27 : FINANCE COST

(₹ In lakhs)

	Particulars	Current Year Apr '14-Mar '15	Previous Year Apr '13-Mar '14
a)	Interest Expense	650.54	936.18
b)	Other Financial charges	95.07	82.88
c)	Exchange (Gain) / Loss - Net	288.60	861.09
	TOTAL	1,034.21	1,880.15

Note 28 : EARNINGS PER SHARE (EPS)

Basic & Diluted		
Total Operations		
Net Profit for the year (₹ lakhs)	8,281.20	5,789.78
Weighted average number of equity shares	9,21,50,355	9,21,50,355
Earning per share (₹ 2/-)	8.99	6.28

Notes
on financial statements for the Year ended 31st March 2015

(₹ In lakhs)

	As at 31st March, 2015	As at 31st March, 2014
Note 29 :		
Contingent Liabilities not provided for:		
A) Matters under dispute		
i) Sales Tax (₹ 163.03 lakhs has been paid under protest Previous year ₹ 118.08 lakhs) **	**441.79**	396.83
ii) Excise / Service Tax ***	**363.94**	363.92
iii) Income Tax *	**23.34**	134.84
B) Bank Guarantees	**81.60**	98.47
C) Letters of Credit	**162.12**	538.19
D) Estimated amount of contracts remaining to be executed on Capital Account, net of advances of ₹ 341.00 lakhs (Previous year ₹ 201.64 lakhs)	**637.32**	776.13
E) Corporate Guarantee given to Bank on behalf of the Subsidiary	**200.00**	200.00

Legal Case - The Company had availed a factoring facility from a Bank who refused to pay the amount of USD 25,004 to it on failure of a Customer to pay for the same. The case is pending in the City Civil Court.

*** Income Tax demand comprises of**

a) TDS of ₹ 15.88 Lakhs (Previous year - ₹ 127.38 Lakhs) for Short Deduction appearing in traces.

b) Penalty demand of ₹ 7.46 Lakhs (Previous year - ₹ 7.46 Lakhs) raised by assessing officer, as per order under section 271(1)(c) of the Income Tax Act 1961 due to disallowance pertaining to depreciation on land for Assessment Year 2002-03, 2003-04. Company is in appeal before ITAT against said order.

**** Sales Tax demand comprises of**

a) ₹ 421.58 Lakhs (Previous year - ₹ 375.23 Lakhs) (₹ 163.03 Lakhs has been paid under protest Previous year ₹118.08 Lakhs) in respect of order from sales tax dept, Andhra Pradesh for classification dispute. The Company has filed an appeal before High Court which is yet to be heard.

b) ₹ 20.21 Lakhs (Previous year - ₹ 20.21 Lakhs) as the amount of demand raised by sales tax officer for Financial Year 2007-08 and 2009-10 on account of input credit of entry tax. Company has filed appeal before Commissioner.

c) ₹ Nil (Previous year - ₹ 1.39 Lakhs) as the amount of demand raised by sales tax officer for year 2009-10 on account of adjustment of refund. The Company has filed an appeal with Commissioner appeals. During the current year the ruling has been issued in favour of the Company.

*****Excise tax demand comprises of**

a) Company appeal is pending before CESTAT for wrong availment of notification on exempted goods ₹ 0.66 Lakhs (Previous year - ₹ 0.66 Lakhs).

b) Appeal pending before Dy Commissioner for classification dispute ₹ 5.04 Lakhs (Previous year - ₹ 5.04 Lakhs).

c) Appeal pending before CESTAT for classification dispute ₹ 2.71 Lakhs (Previous year - ₹ 2.71 Lakhs).

d) CENVAT credit on input service ₹ 91.97 Lakhs (Previous year - ₹ 91.97 Lakhs), appeal pending before CESTAT.

e) Company has Filed an appeal before CESTAT for valuation of physician sample ₹ 1.25 Lakhs (Previous year - ₹ 1.25 Lakhs).

Notes
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Note 29 : *Contd.*

f) Company appeal is pending before Divisional Dy. Commissioner for wrong availment of CENVAT credit ₹ 0.79 Lakhs (Previous year - ₹ 0.79 Lakhs).

g) Central excise department is in appeal before Supreme Court for Differential duty on intermixture of vitamins/ minerals amounting to ₹ 2.91 Lakhs (Previous year - ₹ 2.91 Lakhs).

h) CENVAT credit on input service ₹ 247.21 Lakhs (Previous year - ₹ 247.21 Lakhs), appeal pending before Commissioner of Service Tax.

i) Company appeal is pending before CESTAT for CENVAT credit availment on physician sample amounting to ₹ 0.20 Lakhs (Previous year - ₹ 0.20 Lakhs).

j) Central excise department is in appeal at Supreme Court for valuation of physician sample ₹ 11.20 Lakhs (Previous year - ₹ 11.20 Lakhs).

Note 30 :

Additions during the year include addition to R & D assets which are as follows:

(₹ In lakhs)

	Current Year 2014-15	*Previous Year 2013-14*
Additions in R&D Assets		
Building	**488.11**	57.23
Computer	**67.28**	–
Laboratory Equipments	**542.94**	175.79
Office Equipment	**7.69**	–
R&D Equipments (Instruments)	**11.28**	22.93
Plant Utility (Equipments)	**19.02**	1.66
Electric Installation	**126.39**	–
Furniture & Fixtures and Office & Data Processing Equipments	**242.61**	34.37
Vehicles	**–**	18.62
Air Conditioning & Ventilation	**130.59**	–
	1,635.91	310.60

Notes
on financial statements for the Year ended 31st March 2015

Note 31 :

Expenditure incurred on R&D activities is as follows:

Additions in R&D Assets *(₹ Lakhs)*

	Current Year 2014-15	*Previous Year 2013-14*
Building	**488.11**	57.23
Equipments & other capital expenditure	**1,147.80**	253.37
Total Capital Expenditure	**1,635.91**	310.60
Revenue Expenditure	**2,167.15**	1,442.86
Total R&D Expenditure	**3,803.06**	1,753.46

Research & Development expenses includes salary & wages, chemicals / materials consumed electricity, travel, repairs, insurance premium and such similar expenses.

Note 32 :

Tax deducted at source from Other Income consists of:

₹ 17.11 lakhs on account of Professional or Tech Services (Previous year ₹ 13.85 lakhs)

₹ 3.86 lakhs on account of Interest received (Previous year ₹ 5.30 lakhs)

₹ 6.77 lakhs on account of Contracts (Previous year ₹ 2.23 lakhs)

Note 33 :

Segment Reporting:

Primary Segment:

The Company has only one business segment i.e. Pharmaceutical.

Secondary Segment: (Geographical) *(₹ In lakhs)*

Sales and Services	*Current Year 2014-15*	*Previous Year 2013-14*
India	**53,206.95**	46,302.17
Outside India	**31,682.36**	25,434.60
Total	**84,889.31**	71,736.77

Notes
on financial statements for the Year ended 31st March 2015

Note 34 :

A) The Company is exposed to risk associated with foreign currency fluctuations as well as interest rate. The Company has entered into forward contract and derivative contracts to hedge the interest rate risk & currency risk. However the Company does not use these contracts for any speculative purposes.

The outstanding position of the forward contracts as at 31st March, 2015 is ₹6,654.88 lakhs (Previous Year ₹ 4,695.56 Lakhs) with Banks. Category wise break up is given here under:

Forward Contract

	As at 31st March,2015		As at 31st March,2014	
	In FCY	₹ In lakhs	In FCY	₹ In lakhs
Receivables				
USD	$ 29,75,000	1,955.45	$ 12,00,000	719.24
Euro	€ 12,86,625	1,040.13	€ 11,00,000	866.94
GBP	£ 25,04,138	2,642.85	£ 11,50,000	1,078.98
Sub total		5,638.43		2,665.16
Imports / Loans (PCFC)				
USD	$ 16,00,000	1,016.45	$ 31,68,000	2,030.40
Sub Total		1,016.45		2,030.40
TOTAL		6,654.88		4,695.56

Un-hedged foreign currency exposure as at 31st March, 2015 is:

	As at 31st March,2015			As at 31st March,2014		
		In FCY	₹ In lakhs		In FCY	₹ In lakhs
ECB Loan	$	14,00,000.00	875.00	$	46,51,284.16	2,786.82
PCFC	$	8,00,000.00	500.00	$	3,00,000.00	179.75
Letter of Credit - USD	$	14,57,196.75	910.75	$	12,61,030.00	755.55
Letter of Credit - Euro	€	2,924.00	1.96		–	–
Bills on Collections - USD	$	4,47,672.00	279.80	$	8,60,545.00	515.60
Bills on Collections - Euro	€	2,64,013.15	177.07	€	8,991.00	7.41
Bills on Collections - CHF	CHF	45,330.90	29.13	CHF	2,43,136.48	164.60
Bills on Collections - GBP	£	1,111.00	1.03		–	–

B) Some of the ECB loans availed in JPY & SGDs have been converted into USD by entering into derivative contracts. The company has also entered into Interest Rate Swap agreements for all the ECBs. Thus, any cross currency movement in USD / JPY & USD / SGD as well as any movement in LIBOR has no impact on the future financials of the Company.

Note 35 :

The Company has opted to avail the option provided under paragraph 46A of AS 11: The Effects of changes in Foreign Exchange Rates inserted vide notification dated 29th December, 2011. Consequently, the foreign exchange differences on long term Foreign Currency Monetary item is accumulated in a "Foreign Currency Monetary item Translation Difference Account" and accordingly exchange loss on long term foreign currency loans have been amortised over the balance period of such loans.

Notes
on financial statements for the Year ended 31st March 2015

Note 36 :

Related Party Disclosure as required by Accounting Standard 18 issued by the Institute of Chartered Accountants of India.

I. Related Parties

A. Enterprises that control or are controlled by the reporting company:

Holding Companies	Nil
Subsidiary Companies	I) Xtend Industrial Designers & Engineers Pvt. Ltd. II) Indoco Pharmchem Limited.
Fellow Subsidiaries	NIL

B. Associates and Joint Ventures of reporting company:

Associates	Indoco Analytical Solution LLP
Joint Ventures	Nil

C. (i) Individuals owning and having control of the reporting company

Mr. Suresh G. Kare, Mrs. Aruna S. Kare, Ms. Aditi Panandikar, Mrs. Madhura A. Ramani

(ii) Their relatives :

Dr. Milind Panandikar, Dr. Anup Ramani, Mr. Ramnath Kare, Mrs. Suman Naik, Mrs. Sudha Pai, Mrs. Laxmi Bambolkar, Mrs. Pratima Vaidya, Mrs. Amita Rajadhyaksha, Mrs. Meera Karnik

D. (i) Key Management personnel:

Mr. Suresh G. Kare, Ms. Aditi Panandikar, Mr. Sundeep V. Bambolkar

(ii) Their relatives:

Mrs. Aruna S. Kare, Mrs. Madhura A. Ramani, Mr. Ramnath Kare, Mrs. Suman Naik, Mrs Sudha Pai, Mrs. Laxmi Bambolkar, Dr Milind Panandikar, Mrs. Neeta Bambolkar, Mr. Vasant Bambolcar, Ms. Manali Bambolkar, Mr. Paresh Bambolkar

E. Enterprises controlled by key management personnel:

SPA Holdings Pvt. Ltd., Shanteri Investments Pvt. Ltd., Indoco Capital Markets Ltd., A K Services, Suresh Kare Foundation, Warren Generics s.r.o

II. Transactions in respect of which disclosures to be made

(₹ In lakhs)

Particulars of transaction		*Enterprises that control or are controlled by reporting company* (A)	*Associates and Joint Ventures of reporting company* (B)	*Individuals owning and having control over the reporting company and their relatives* (C)	*Key Management personnel and their relatives* (D)	*Enterprises controlled by key management personnel* (E)
Purchases or sales of goods (finished or unfinished)		–	–	–	–	–
Purchases or sales of fixed assets		–	–	–	–	–
Rendering or receiving of services	C.Y.	64.42	–	–	10.53	190.67
	P.Y	77.94	–	–	2.99	77.86
Agency arrangements	C.Y.	–	–	–	–	–
	P.Y	–	–	–	–	–
Remuneration paid	C.Y	–	–	–	397.13	–
	P.Y.	–	–	–	392.56	–
Transfer of research and development		–	–	–	–	–
License agreements	C.Y.	–	–	–	13.26	34.37
	P.Y	–	–	–	13.26	32.62

Notes
on financial statements for the Year ended 31st March 2015

Note 36 : *Contd.*

Finance (including loans and equity contributions in cash or in kind)	C.Y	131.21	–	–	13.72	7.73
	P.Y	4.90	–	–	–	2.85
Receivable	C.Y	130.61	–	–	–	–
	P.Y	–	–	–	–	–
Payable	C.Y	30.12	–	–	–	–
	P.Y	–	–	–	–	–

III. Transactions with related parties in ordinary course/ not in normal course/ not on an arm's length basis

(₹ In lakhs)

Particulars of transaction		*Enterprises that control or are controlled by reporting company*	*Associates and Joint Ventures of reporting company*	*Individuals owning and having control over the reporting company and their relatives*	*Key Management personnel and their relatives*	*Enterprises controlled by key management personnel*
		(A)	*(B)*	*(C)*	*(D)*	*(E)*
(i) Transactions in the ordinary course	C.Y.	195.63	–	–	434.64	232.77
	P.Y	82.84	–	–	408.81	113.33
(ii) Transactions not in the normal course		–	–	–	–	–
(iii) Transactions not on an arm's length basis		–	–	–	–	–
(iv) Justification for (iii)		–	–	–	–	–

Note 37 :

Imported and Indigenous Materials Consumed :

		Current Year Apr' 14 - Mar' 15		*Previous Year Apr' 13 - Mar' 14*	
		₹ in lakhs	***%***	*₹ in lakhs*	*%*
(a)	Raw and Packing Materials				
	(i) Imported	**5,815.02**	**22.02**	3,837.52	16.67
	(ii) Indigenous	**20,592.37**	**77.98**	19,178.91	83.33
	Total	**26,407.39**	**100.00**	23,016.43	100.00
(b)	Stores and Spares consumed				
	(i) Imported	**121.60**	**78.59**	78.50	69.41
	(ii) Indigenous	**33.12**	**21.41**	34.59	30.59
	Total	**154.72**	**100.00**	113.09	100.00

Notes
on financial statements for the Year ended 31st March 2015

Note 38 :

(₹ lakhs)

	Current Year Apr' 14 - Mar' 15	Previous Year Apr' 13 - Mar' 14
Earning in Foreign Currency (FOB) Value	31,011.84	24,803.48

Note 39 :

Expenditure in Foreign Currency :		
(a) On travel and export promotion	364.53	122.87
(b) On interest on Foreign Currency Loan	86.11	282.62
(c) Others	1,305.47	1,128.78

Note 40 :

Value of Imports CIF Basis:		
(a) Raw Materials / Packing Materials.....	5,332.99	3,531.16
(b) Capital Goods	837.95	353.33
(c) Consumable Stores	114.58	72.00

Note 41 :

Disclosure required under the Micro, Small and Medium Enterprises Development Act, 2006 (the Act) are given as follows:

(₹ In lakhs)

	Current Year As at 31st March,2015	Previous Year As at 31st March,2014
(a) Principal Amount & Interest due on the above	31.37	3.91
(b) Interest paid during the year beyond the appointed day	–	–
(c) Amount of interest due and payable for the period of delay in making payment without adding the interest specified under the Act	–	–
(d) Amount of interest accrued and remaining unpaid at the end of the year.	–	–
(e) Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small Enterprises for the purpose of disallowance as a deductible expenditure under Section 23 of the ACT.	–	–

The above information regarding Micro Enterprises and small Enterprises has been determined on the basis of information available with the Company. No interest has been accrued on delayed payments, if any.

Note 42 :

Pursuant to the enactment of Companies Act 2013, the Company has applied the estimated useful life as specified in Schedule II, except in certain assets as disclosed in the Accounting policy on Depreciation, Amortisation and depletion. Accordingly the unamortised carrying value is being depreciated / amortised over the revised / remaining useful lives. The written down value of Fixed Assets whose lives have expired at at 1st April, 2014 have been adjusted net of tax , in the opening balance of Profit and Loss account amounting to ₹ 471.40 Lakhs.

Notes
on financial statements for the Year ended 31st March 2015

Note 43 :

On 21st April,2015 there was a fire at our Indore Central Warehouse, Samples and Goods to the tune of ₹ 6.65 Crores has been damaged in the fire. The same were adequately insured. The Company has lodged a claim with Insurance Company.

Note 44 :

On 6th April,2015 the Company acquired the Clinical Research organisation (CRO) a division from Piramal Enterprise Limited.

Note 45 :

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

As per our Report attached

For **Patkar & Pendse**
Chartered Accountants
Firm Registration No. : 107824W

B. M. Pendse
Partner
Membership No. 32625

Sunil D. Joshi
President (Finance) & Company Secretary

Aditi Panandikar
Managing Director
DIN : 00179113

Sundeep V. Bambolkar
Jt. Managing Director & CFO
DIN : 00176613

Mumbai, 27th May, 2015

Financial Highlights

(₹ Lakhs)

		Current Year 2014-15	Previous Year 2013-14
OPERATIONAL REVIEW			
1)	Gross Sales / Income from Operations (Inclusive of excise duty)	**86,485**	74,045
2)	EBIDTA	**16,519**	12,007
3)	Depreciation and Amortisation Expenses	**4,711**	3,091
4)	Finance Cost	**1,034**	1,880
5)	PBT	**10,948**	7,211
6)	PAT	**8,281**	5,790
FINANCIAL STRUCTURE			
1)	Net Fixed Assets	**40,213**	36,940
2)	Investments	**64**	45
3)	Long Term Loans & Advances	**5,734**	5,504
4)	Current Assets	**38,143**	30,120
5)	**Total Assets**	**84,154**	72,609
6)	Net Worth	**51,838**	45,697
7)	Non Current Liabilities	**6,458**	6,984
8)	Current Liabilities	**25,858**	19,928
9)	**Total Liabilities**	**84,154**	72,609
MARGINS & RATIOS			
1)	EBIDTA Margins on Net Sales (%)	**19.46**	16.74
2)	PAT Margins on Net Sales (%)	**9.76**	8.07
3)	Debt-to-Equity (times)	**0.02**	0.03
4)	Interest Cost Cover (times)	**13.73**	7.18
5)	Return on Net Worth (%)	**16.00**	12.70
6)	Return on Capital Employed (%)	**14.20**	11.00

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Financial Highlights

(₹ lakhs)

OPERATIONAL RESULTS

Particulars	2014-15	2013-14	2012-13	2011-12	2010-11
1) Revenue from Operations (Net) / Other Income	**85,538**	72,946	63,189	57,103	48,395
2) Material Cost	**29,845**	26,917	26,257	24,498	20,856
3) Employee Benefits Expense	**13,936**	12,905	10,774	8,188	6,727
4) Other Expenses	**22,897**	19,500	15,472	14,653	12,821
5) Research & Development Expenses	**2,167**	1,443	1,290	1,080	934
6) Finance Cost	**1,034**	1,880	2,187	1,633	52
7) Depreciation and Amortisation Expenses	**4,711**	3,091	2,372	1,925	1,345
8) Profit Before Tax	**10,948**	7,210	4,837	5,126	5,659
9) Provision For Taxation	**2,966**	1,421	1,539	1,392	1,274
10) MAT Credit Adjustment	**299**	–	968	900	728
11) Profit After Tax	**8,281**	5,789	4,266	4,634	5,112
12) Retained Earnings	**6,507**	4,280	3,080	3,456	3,969
13) Earnings Per Share (₹ 10/-) (After exceptional items)	**–**	–	–	37.72	41.60
14) Earnings Per Share (₹ 2/-) (After exceptional items)	**8.99**	6.28	4.63	–	–
15) Book Value (₹ 10/-)	**–**	–	–	309.24	285.02
16) Book Value (₹ 2/-)	**56.25**	49.59	44.93	–	–
17) Debt: Equity Ratio	**0.02**	0.03	0.07	0.12	0.15

FINANCIAL SUMMARY

Assets Employed

	2014-15	2013-14	2012-13	2011-12	2010-11
1) Fixed Assets (Net)					
(a) Tangible Assets	**29,599**	29,610	29,100	28,344	20,634
(b) Intangible Assets	**4,342**	2,918	3,043	1,818	628
(c) Capital Work In Progress	**2,603**	2,436	2,199	1,689	3,297
(d) Intangible Assets Under Development	**3,669**	1,976	1,579	1,572	1,972
2) Investments	**64**	45	40	12	2
3) Long Term Loans & Advances	**5,734**	5,504	5,683	5,520	6,882
4) Other Non Current Assets	**–**	–	–	–	325
5) Current Assets	**38,143**	30,120	27,290	26,201	22,582
Total Assets	**84,154**	**72,609**	**68,934**	**65,156**	**56,322**

FINANCED BY

	2014-15	2013-14	2012-13	2011-12	2010-11
1) Share Capital	**1,843**	1,843	1,843	1,229	1,229
2) Reserves & Surplus	**49,995**	43,854	39,561	36,767	33,791
3) Non Current Liabilities					
(a) Long Term Borrowings	**1,285**	1,379	2,739	4,624	5,405
(b) Deferred Tax Liabilities (Net)	**2,702**	3,053	3,481	2,938	2,572
(c) Other Long Term Liabilities	**968**	918	920	915	884
(d) Long Term Provisions	**1,503**	1,634	682	456	350
4) Current Liabilities	**25,858**	19,928	19,708	18,227	12,092
Total Fund	**84,154**	**72,609**	**68,934**	**65,156**	**56,322**

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Financial Performance

(₹ lakhs)

	Financial Year ended 31st March, 2015	Financial Year ended 31st March, 2014
Gross Sales & Operations	86,485	74,045
Excise Duty	(1,121)	(1,274)
Net Sales & Operations	85,364	72,771
Other Income	174	175
Total Income	85,538	72,946
Profit before Finance Cost, Depreciation, Amortisation & Tax	16,693	12,182
Less : Finance Cost	1,034	1,880
Depreciation and Amortisation Expenses	4,711	3,091
Profit Before Tax	10,948	7,211
Less : Provision for Taxation		
Current	3,061	1,511
Deferred	(351)	(428)
Earlier Years Adjustment	256	338
MAT Credit Adjustment	(299)	–
Profit After Tax	8,281	5,790
Balance brought forward	16,193	13,412
Amount available for appropriation	24,474	19,202
Appropriations :		
Proposed Dividend	1,474	1,290
Dividend Tax	300	219
Transfer to General Reserve	1,500	1,500
Adjustment relating to Fixed Assets	471	–
Balance carried forward	20,729	16,193
	24,474	19,202

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Independent Auditors' Report (Consolidated)
to the Members of Indoco Remedies Limited

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Indoco Remedies Limited (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), comprising of the consolidated Balance Sheet as at 31 March 2015, the consolidated statement of profit and loss, the consolidated cash flow statement for the year then ended and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms with the requirement of the Companies Act, 2013 ("the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with 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. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditors' Responsibility

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

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated 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 consolidated state of affairs of the Group, as at 31 March 2015, and their consolidated profit, and their consolidated cash flows for the year ended on that date.

Other Matter

We did not audit the financial statements / financial information of one subsidiary, whose financial statements reflect total assets of ₹ 590.38 Lakhs as at March 31, 2015, total revenues of ₹ 331.88 Lakhs and net cash outflows amounting to ₹ 13.00 Lakhs for the year then ended, as considered in the consolidated financial statements. These financial statements/ financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of the subsidiary and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary is based solely on the reports of the other auditors. Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of this matter with respect to our reliance on the work done and the reports of the other auditors.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, based on the comments in the auditor's report of the Holding Company and financial information of its subsidiaries, to whom the Order applies, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by section 143 (3) of the Act, we report, to the extent applicable, that:
   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements;
   b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books;
   c) The consolidated balance sheet, consolidated statement of profit and loss and the consolidated cash flow statement dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements;
   d) In our opinion, the aforesaid consolidated 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 of the Holding Company and subsidiary companies incorporated in India as on 31 March 2015 and taken on record by the Board of Directors of the Holding Company and of its subsidiaries respectively none of the directors of the Group's companies incorporated in India, is disqualified as on 31 March 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
   f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
      i) The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Company.
      ii) As required under the applicable law or Accounting Standards the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
      iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary Companies.

For **PATKAR & PENDSE**
Chartered Accountants
Firm Registration No:107824W

B. M. PENDSE
Partner
M. No. 32625

Date : 27th May, 2015

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ANNEXURE

to Independent Auditors' Report (Consolidated) to the members of Indoco Remedies Limited

As stated in Para 1 'Report on Other Legal and Regulatory Requirements' in our Auditors' report of even date, the following statement is based on the comments in the Auditors' reports on the standalone financial statements of the Holding Company and subsidiary companies.

1. (a) The Holding Company and its subsidiary companies have maintained proper records showing full particulars including quantitative details and situation of fixed assets.

   (b) The Holding Company and its subsidiary companies have a regular programme of physical verification of its fixed assets by which all fixed assets are verified in a phased manner. In our opinion, periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this 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.

2. (a) The inventory, except goods-in-transit, has been physically verified by the respective management of the Holding Company and its subsidiary companies during the year. In our opinion, the frequency of such verification is reasonable. In respect of inventory lying with third parties, written confirmations have been obtained for a substantial part of such inventory.

   (b) The procedures for the physical verification of inventories followed by the management as referred to above are reasonable and adequate in relation to the size of the respective company and the nature of its business.

   (c) The Holding Company and its subsidiary companies are maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and the book records were not material.

3. (a) The Holding Company has granted loan to one body corporate covered in the register maintained under section 189 of Companies Act, 2013. There are no loans granted by the subsidiary companies.

   (b) In the case of loan granted by the Holding Company to a body corporate listed in the register maintained under section 189 of the Act, the borrower has been regular in the payment of the interest as stipulated. The terms of arrangements do not stipulate any repayment schedule. Accordingly, paragraph 3(iii)(b) of the Order is not applicable to the company in respect of repayment of principal amount.

   (c) There is no overdue amount of more than rupees one lakh in respect of the loan granted by the Holding company to a body corporate listed in the register maintained u/s 189 of the Act.

4. In their opinion and according to the information and explanations obtained by the statutory auditors of the Holding Company, the Group has an adequate internal control system commensurate with the respective size of each Company and the nature of its business with regard to purchase of inventories and fixed assets and sale of goods and services.

5. The Holding Company and its subsidiary companies have not accepted any deposits from the public in accordance with the provisions of Sections 73 to 76 of the Act and the rules framed there under.

6. The statutory auditors of the Holding Company have broadly reviewed the books of account maintained by each Company pursuant to the rules prescribed by the Central Government for maintenance of cost records under sub-Section 1 of Section 148 of the Act wherever applicable and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, the statutory auditors have not made a detailed examination of the records. For subsidiary companies the Central Government has not prescribed the maintenance of cost records under sub-section 1 of Section 148 of the Companies Act, 2013, for the products and services of the Company.

7. (a) According to the information and explanations given to and on the basis of the examination of the records of the Holding Company and its subsidiary companies by their respective statutory auditors that amounts deducted/accrued in the books of account in respect of undisputed statutory dues including Provident Fund, Employees' State Insurance, Income tax, Sales tax, Wealth tax, Service tax, Customs duty, Excise duty, Value added tax, Cess, Professional tax and other material statutory dues, as applicable, have been generally regularly deposited during the year by each of these companies with the appropriate authorities.

According to the information and explanations given to the statutory auditors of the Holding Company and its subsidiary companies no undisputed dues in respect of Provident Fund, Employees' State Insurance, Income-tax, Sales tax, Wealth tax, Service tax, Customs duty, Excise duty, Value added tax, Cess, Professional tax and other material statutory dues were in arrears as at March 31, 2015 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to the statutory auditors of the Holding Company and its subsidiary companies such dues of Income tax, Wealth tax, Sales Tax, Value added tax, Service tax, Customs duty, Excise duty and Cess as have not been deposited with the appropriate authorities on account of any dispute are disclosed as below:

Sr. No.	Particulars	Period to which the amount relates	Forum where dispute is pending	Amount (₹ Lakhs)
1	Income Tax Act , 1961	2002 - 03	ITAT, Mumbai	4.30
		2003 - 04	ITAT, Mumbai	3.16
		2007 - 08	DCIT(TDS), Mumbai	0.35
		2008 - 09	DCIT(TDS), Mumbai	0.11
		2009 - 10	DCIT(TDS), Mumbai	7.61
		2010 - 11	DCIT(TDS), Mumbai	4.40
		2011 - 12	DCIT(TDS), Mumbai	0.58
		2012 - 13	DCIT(TDS), Mumbai	0.39
		2013 - 14	DCIT(TDS), Mumbai	0.77
		2014 - 15	DCIT(TDS), Mumbai	1.66
2	Central Excise Act, 1944	1995 - 96	CESTAT	0.64
		1997 - 98	Divisional Dy. Comn. Boisar	3.40
		1997 - 98	Honbl. Supreme Court	2.92
		1997 - 98	Divisional Dy. Comn. Mumbai	0.98
		1998 - 99	Divisional Dy. Comn. Boisar	1.64
		2003 - 04	CESTAT	2.71
		2005 - 06	Divisional Dy. Comn. Goa	1.25
		2006 - 07	CESTAT	91.97
		2007 - 08	Commissioner Service Tax - Mumbai	247.21
			CESTAT Mumbai	11.20
3	Sales Tax	2005 - 09	The Commercial Tax Officer, Nacharam Circle, A.P.	94.90
		2007 - 08	Commissioner, Goa Sales Tax	9.03
		2009 - 10	Commissioner, Goa Sales Tax	11.18
		2012 - 13	The Commercial Tax Officer, Nacharam Circle, A.P.	59.71
		2013 - 14	The Commercial Tax Officer, Nacharam Circle, A.P.	103.94

(c) According to the information and explanations given to and on the basis of the examination by the statutory auditors of the records of the Holding Company and its subsidiary companies the amounts required to be transferred by the Holding Company to Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and Rules made thereunder has been transferred to such fund within time. The subsidiary companies did not have any dues on account of Investor Education and Protection Fund.

8. One of the subsidiary companies has accumulated losses at the end of the year on a standalone basis and has incurred cash losses on a standalone basis in the immediately preceding financial year. The Holding Company and its remaining subsidiary do not have any accumulated losses at the end of the year on a standalone basis, and have not incurred cash losses on a standalone basis, during the year and in the immediately preceding financial year. On a consolidated basis, the Holding Company and its subsidiaries do not have any accumulated losses at the end of the year, and have not incurred cash losses during the year and in the immediately preceding financial year.

9. In their opinion and according to the information and explanations given to the statutory auditors of the Holding Company, none of the companies has defaulted in repayment of their respective dues to their bankers. The subsidiary companies did not have dues to banks during the year. The Holding Company and its subsidiary companies did not have any outstanding dues to any financial institution or debenture holders during the year.

10. According to the information and explanations given to the statutory auditors of the Holding Company, the terms and conditions on which the holding company has given guarantees for loan taken by other from bank is not prejudicial to its interest. The subsidiary companies have not given any guarantees for the loans taken by others from bank. The Holding Company and its subsidiary companies have not given any guarantees for loans taken by others from financial institutions.

11. In our opinion and according to the information and explanations given to us, the Holding Company has raised term loan and the term loan taken by the Company have been applied for the purpose for which it was obtained.

12. According to the information and explanations given to the statutory auditors of the Holding Company and its subsidiary companies no instances of material fraud on or by each company has been noticed or reported during the course of audit by the statutory auditors of the Holding Company and its subsidiary companies.

For **PATKAR & PENDSE**
Chartered Accountants
Firm Registration No:107824W

B. M. PENDSE
Partner
M. No. 32625

Date : 27th May, 2015

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Consolidated Balance Sheet

As at 31st March, 2015

(₹ lakhs)

	Note No.		Current Year As at 31.03.2015		Previous Year As at 31.03.2014
I. EQUITY AND LIABILITIES					
1) **Shareholders' Funds :**					
(a) Share Capital	3	1,843.01		1,843.01	
(b) Reserves & Surplus	4	50,037.96		43,872.06	
			51,880.97		45,715.07
2) **Minority Interest**			–		24.80
3) **Non-Current Liabilities**					
(a) Long Term Borrowings	5	1,285.35		1,378.88	
(b) Deferred Tax Liabilities (Net)	6	2,706.72		3,053.89	
(c) Other Long Term Liabilities	7	968.65		918.52	
(d) Long Term Provisions	8	1,504.47		1,635.60	
			6,465.19		6,986.89
4) **Current Liabilities**					
(a) Short Term Borrowings	9	7,537.67		5,796.44	
(b) Trade Payables	10	11,985.56		7,066.11	
(c) Other Current Liabilities	11	4,096.71		5,397.74	
(d) Short Term Provisions	12	2,592.23		1,954.34	
			26,212.17		20,214.63
TOTAL			84,558.33		72,941.39
II. ASSETS					
1) **Non Current Assets**					
(a) Fixed Assets					
(i) Tangible Assets	13A	29,608.23		29,613.01	
(ii) Intangible Assets	13B	4,341.72		2,918.24	
(iii) Capital Work In Progress		2,602.63		2,435.85	
(iv) Intangible Assets Under Development		3,668.70		1,976.02	
(b) Goodwill on Consolidation		31.52		11.92	
(c) Non Current Investments	14	17.00		17.00	
(d) Long Term Loans and Advances	15	5,752.82		5,513.21	
(e) Other Non Current Assets	16	0.07		0.14	
			46,022.69		42,485.39
2) **Current Assets**					
(a) Inventories	17	14,912.13		11,021.79	
(b) Trade Receivables	18	15,538.38		13,813.14	
(c) Cash and Bank Balances	19	1,539.84		1,338.55	
(d) Short Term Loans and Advances	20	6,504.28		4,247.70	
(e) Other Current Assets	21	41.01		34.82	
			38,535.64		30,456.00
TOTAL			84,558.33		72,941.39
Significant Accounting Policies	1 & 2				
Notes on Financial Statements	3 to 46				

As per our Report attached

For **Patkar & Pendse**
Chartered Accountants
Firm Registration No. : 107824W

B. M. Pendse
Partner
Membership No. 32625

Sunil D. Joshi
President (Finance) & Company Secretary

Aditi Panandikar
Managing Director
DIN : 00179113

Sundeep V. Bambolkar
Jt. Managing Director & CFO
DIN : 00176613

Mumbai, 27th May, 2015

Consolidated Statement of Profit and Loss Account

For the Year ended 31st March 2015

(₹ lakhs)

	Note No.	Current Year Apr'14- Mar'15	Previous Year Apr'13- Mar'14
INCOME			
1) Revenue from Operations (Gross)	22	86,816.83	74,534.63
Less : Excise Duty Recovery		(1,121.46)	(1,273.72)
Revenue from Operations (Net)		85,695.37	73,260.91
2) Other Income	23	170.94	175.69
Total Revenue (I)		85,866.31	73,436.60
EXPENSES			
3) Cost of Materials Consumed	24	26,606.44	23,298.05
4) Purchase of Stock in Trade	24	5,362.52	4,005.22
5) Changes in Inventories of Finished Goods, Stock in Trade & Work in Progress	24	(1,924.74)	(105.06)
6) Employee Benefits Expense	25	13,975.47	12,954.08
7) Research & Development Expenses ...	26	2,167.15	1,442.86
8) Other Expenses	27	22,957.83	19,627.82
Total Expenses (II)		69,144.67	61,222.97
Earning before Finance Cost, Depreciation, Amortisation and Tax (I - II)		16,721.64	12,213.63
9) Finance Cost	28	1,058.17	1,891.79
10) Depreciation and Amortization Expense	13	4,708.82	3,090.19
Profit before Tax		10,954.65	7,231.65
11) Provision for Tax			
(a) Current		3,063.17	1,517.92
(b) Deferred		(347.16)	(427.48)
(c) Earlier Years Adjustment		256.01	337.91
(d) Mat Credit Adjustment		(298.62)	–
Total Taxes		2,673.40	1,428.35
Profit after Tax before Minority Interest		8,281.25	5,803.30
12) Less: Share of Profit transferred to Minority Interest		–	(5.18)
Profit for the year		8,281.25	5,798.12
13) Earnings Per Share Basic & Diluted (₹ 2/- each)	29	8.99	6.29
Significant Accounting Policies	1 & 2		
Notes on Financial Statements	3 to 46		

As per our Report attached

For **Patkar & Pendse**
Chartered Accountants
Firm Registration No. : 107824W

B. M. Pendse
Partner
Membership No. 32625

Sunil D. Joshi
President (Finance) & Company Secretary

Aditi Panandikar
Managing Director
DIN : 00179113

Sundeep V. Bambolkar
Jt. Managing Director & CFO
DIN : 00176613

Mumbai, 27th May, 2015

Consolidated Cash Flow Statement

For the Year ended 31st March, 2015

(₹ lakhs)

		Current Year Apr'14- Mar'15		Previous Year Apr'13- Mar'14
A) CASH FLOW FROM OPERATING ACTIVITIES :				
Net Profit before tax and extraordinary item		10,954.65		7,231.65
Adjustments for :				
Depreciation and Amortisation Expense	4,708.82		3,090.19	
Profit on sale of Fixed Assets	(0.80)		(2.66)	
Loss on sale of Fixed Assets	0.90		2.28	
Deferred expenses written off	0.07		0.07	
Sundry Balances written back	(0.01)		(0.48)	
Provision for Doubtful Debts / Bad Debts	738.45		203.02	
Interest Income	(63.92)		(68.62)	
Dividend received on Investments	(0.76)		(0.11)	
Unrealised Foreign Exchange (Gain) / Loss	(266.34)		(187.68)	
Finance Cost (Other than Unrealised Foreign Exchange (Gain) / Loss)	1,404.29		2,001.65	
		6,520.70		5,037.66
Operating Profit before Working Capital Change		17,475.35		12,269.31
Adjustments for :				
Trade Payables and Other liabilities	4,735.14		2,271.28	
Trade and Other Receivables	(4,899.05)		(1,484.08)	
Inventories	(3,890.34)		(1,703.53)	
		(4,054.25)		(916.33)
Cash generated from Operations		13,421.10		11,352.98
Income Tax Paid (Net of Refund)		(2,471.10)		(1,472.13)
Net Cash generated from Operating Activities (A)		10,950.00		9,880.85
B) CASH FLOW FROM INVESTING ACTIVITIES :				
Payment towards Capital Expenditure	(8,873.76)		(4,176.49)	
Sale of Fixed Assets	5.59		26.54	
Purchase of Investment	-		(4.90)	
Payment for acquisition of business	(19.60)		-	
Interest Received	45.91		57.15	
Dividend received on Investments	0.76		0.11	
Net Cash used in Investing Activities (B)		(8,841.10)		(4,097.59)

Contd...

Consolidated Cash Flow Statement

For the Year ended 31st March, 2015

... Contd. from previous page

(₹ lakhs)

		Current Year Apr'14- Mar'15		Previous Year Apr'13- Mar'14
C) CASH FLOW FROM FINANCING ACTIVITIES :				
Finance Cost [Other than Unrealised Foreign Exchange Gain / (Loss)]	(1,387.58)		(1,982.50)	
Dividend Paid	(1,508.18)		(1,185.42)	
Proceeds from Long Term Borrowings	1,000.00		400.00	
Repayment of Long Term Borrowings	(216.14)		(76.08)	
Proceeds /(Repayment) from Short Term Borrowings	1,787.24		(716.90)	
Repayment of External Commercial Borrowings	(1,667.62)		(2,337.50)	
Net Cash inflow from Financing Activities (C)		(1,992.28)		(5,898.40)
Net Increase in Cash or Cash Equivalents (A+B+C)		116.62		(115.14)
Cash and Cash Equivalents (Opening)		976.60		1,091.74
Cash and Cash Equivalents (Closing) (Refer note no. 19)		1,093.22		976.60

Notes :

1. The above Cash Flow Statement has been prepared under "Indirect Method" set out in AS-3, issued by Institute of Chartered Accountants of India.
2. Figures in brackets indicate cash outgo.
3. Previous year's figures have been regrouped and reclassified wherever necessary.

As per our Report attached

For **Patkar & Pendse**
Chartered Accountants
Firm Registration No. : 107824W

B. M. Pendse
Partner
Membership No. 32625

Sunil D. Joshi
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Aditi Panandikar
Managing Director
DIN : 00179113

Sundeep V. Bambolkar
Jt. Managing Director & CFO
DIN : 00176613

Mumbai, 27th May, 2015

Significant Accounting Policies Consolidated

1. **CORPORATE INFORMATION**

Indoco Remedies Limited (the Company) is a public Limited Company domiciled in India and incorporated under the provision of the Companies Act, VII of 1913. Its Shares are listed on two stock exchanges in India. Indoco Remedies Limited is engaged in the manufacturing and marketing of Formulations (Finished Dosage Forms) and Active Pharmaceutical Ingredients (APIs). The Company caters to both domestic and International markets Company has two subsidiaries Xtend Industrial Designers and Engineers Pvt Ltd (formerly known as Indoco Industrial Designers & Engineers Pvt.Ltd.) and Indoco Pharmchem Ltd.

2. **SIGNIFICANT ACCOUNTING POLICIES**

2.1 **Basis of Accounting and preparation of Financial Statements**

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under provisions of the Companies Act, 2013. The financial statements have been prepared on accrual basis under the historical cost convention.

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 the Schedule III to the Companies Act, 2013.

2.2 **Principles of Consolidation**

The consolidated financial statements relate to Indoco Remedies Limited ('the Company') and its subsidiary companies. The consolidated financial statements have been prepared on the following basis:

The financial statements of the Company and its subsidiary companies are combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra-group transactions in accordance with Accounting Standard (AS) 21 - "Consolidated Financial Statements"

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

Minority Interest's share of net profit of consolidated subsidiaries for the year is identified and adjusted against the income of the group in order to arrive at the net income attributable to shareholders of the Company.

Minority Interest's share of net assets of consolidated subsidiaries is identified and presented in the consolidated balance sheet separate from liabilities and the equity of the Company's shareholders.

2.3 **Use of Estimates**

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialised.

2.4 **Fixed Assets**

TANGIBLE ASSETS

Tangible Assets are stated at historical cost net of recoverable taxes such as CENVAT. In case of fixed assets acquired for new projects / expansion, interest cost on borrowings & other related revenue expenses such as salaries etc. are capitalised.

INTANGIBLE ASSETS

The cost of an intangible asset comprises its purchase price, including any import duties and other taxes (other than those subsequently recoverable from the taxing authorities), and any directly attributable expenditure on making the asset ready for its intended use and net of any trade discounts and rebates.

2.5 **Capital work in progress**

Project under which assets are not ready for their intended use and other capital work in progress are carried at cost, comprising Direct cost, related incidental expenses and attributable interest.

2.6 **Depreciation and Amortisation**

Tangible Assets

Depreciation on Fixed Assets is provided on the straight line method on all assets except assets at Waluj, Rabale & HO which is provided on written down value Method. However, depreciation on residential flat at HO and plant and machinery at Rabale is provided on straight line method. Depreciation is provided based on the useful life of the assets as prescribed in Schedule II of the Companies Act, 2013.

Intangible Assets

Trademarks / Technical Knowhow are recorded at their acquisition cost and amortized on the straight-line-method over their estimated economic life.

All revenue expenditure incurred till the development of ANDAs / DMFs / Dossiers etc. are grouped under Capital WIP. Once the development is complete, the expenditure incurred on the said project is capitalized & grouped under "Intangible Assets" and amortized based on best estimated commercial revenue period, not exceeding 5 years. The carrying value of the capitalized project is reviewed for impairment annually.

2.7 **Borrowing Cost**

Borrowing costs include interest, amortisation of ancillary costs incurred in connection with the arrangement of Borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs, directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use are capitalised as part of the cost of the respective asset. All other Borrowing costs are expensed in the period they occur.

2.8 **Impairment of Tangible Assets and Intangible Assets**

An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. An impairment loss is charged to the Profit and Loss Statement in the year in which an asset is identified as impaired. The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

2.9 **Government Grants and Subsidies**

Government grants are accounted when there is reasonable assurance that the enterprise will comply with the conditions attached to them and it is reasonably certain that the ultimate collection will be made. Capital grants related to specific fixed assets are reduced from the gross value of the respective fixed assets. Revenue grants are recognized in the Profit & Loss account. Subsidies received from the State Government are treated as reserves.

2.10 **Investments**

Current Investments are carried at lower of cost and quoted / fair value, computed category wise. Long Term Investments are stated at cost. Provision for diminution in the value of long term investments is made only if such a decline is other than temporary.

2.11 **Inventories**

Raw Materials, Packing Materials & Consumables are valued at cost or net realizable value, whichever is lower.

Work-in-process is valued at cost including proportionate related overheads or net realizable value, whichever is lower.

Finished goods are valued at cost or net realizable value, whichever is lower.

All materials are valued at weighted average cost.

2.12 **Research & Development Expenses**

Research & Development costs of revenue nature are charged to Profit & Loss account when incurred., Expenditure of capital nature is capitalised and depreciation is provided on these assets as per the provisions as prescribed in Schedule II of the Companies Act, 2013.

2.13 **Revenue Recognition**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised.

2.14 **Sale of goods and services**

1. Sales of products are recognized when risk and rewards of ownership of the product are passed on to the customers, which is generally on dispatch of goods.
2. Export sales are recognized on the basis of Bill of Lading / Airway Bills.
3. All sales revenues are stated at net of returns, discounts and sales tax.
4. Exports benefits available under prevalent scheme are accrued and accounted in the year in which the goods are exported to the extent considered receivable
5. Revenue from services rendered is recognised in the Profit and Loss account based on underlying contract

2.15 **Interest and Dividend Income**

Interest Income is accounted on accrual basis. Dividend income is accounted for when the right to receive it is established.

2.16 **Foreign Currency Transactions**

1. Transactions denominated in foreign currencies are recorded at the exchange rate prevailing on the date of the transaction or that approximates the actual rate at the date of the transaction.
2. Monetary items denominated in foreign currencies at the year end are restated at year end rates. In case of items which are covered by forward exchange contracts the same are denominated at forward rate. The premium / (discount) paid on forward contract is recognized over the life of the contract.
3. Any income or expense on account of exchange difference either on settlement or on translation is recognized in the Profit & Loss account except in case of long term liabilities, where they relate to acquisition of fixed assets in which case they are adjusted to the carrying cost of such assets.

2.17 **Retirement and Other Employees' Benefits**

Company's contribution to Provident, Superannuation Funds is accounted on accrual basis and charged to Profit & Loss account. The Company also provides for unutilized leave benefits to its employees on actuarial valuation. The Company's contribution to LIC for group gratuity policy is charged to Profit and Loss account each year.

2.18 **Income Taxes**

Current tax is determined as the amount of tax payable in respect of taxable income for the year.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives rise to future economic benefits in the form of adjustment of future income tax liability is considered as an asset if there is convincing evidence that the Company will pay normal tax after tax holiday period. Accordingly it is recognized as an asset in the Balance Sheet when it is probable that the future economic benefit associated with it will flow to the Company and the asset can be measured reliably.

Deferred tax is recognised, subject to the consideration of prudence, on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent years.

2.19 **Earnings Per Share (EPS)**

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding as on reporting date. The weighted average number of Equity Shares outstanding during the period is adjusted for events such as Bonus issue, share split that have changed the number of equity shares outstanding, without a corresponding change in resources.

2.20 **Provisions**

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are determined based on the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates.

2.21 **Contingent Liabilities**

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurence or non - occurence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contigent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliabily. Contingent liabilities are disclosed in the Note No.30.

2.22 **Excise Duty**

Excise duty is accounted for as and when paid on the clearance of the goods from bonded premises. Excise duty in respect of finished goods lying in bonded premises are provided for and included in the valuation of inventory.

As per our Report attached

For **Patkar & Pendse**
Chartered Accountants
Firm Registration No. : 107824W

B. M. Pendse
Partner
Membership No. 32625

Sunil D. Joshi
President (Finance) & Company Secretary

Aditi Panandikar
Managing Director
DIN : 00179113

Sundeep V. Bambolkar
Jt. Managing Director & CFO
DIN : 00176613

Mumbai, 27th May, 2015

Notes (Consolidated)
on financial statements for the Year ended 31st March 2015

Note 3 : SHARE CAPITAL

(₹ lakhs)

Particulars	Current Year As at 31.03.2015	Previous Year As at 31.03.2014
1) **Authorised :**		
12,50,00,000 Equity Shares of ₹ 2/- each (Previous Year 12,50,00,000 Equity Shares of ₹ 2/- each)	2,500.00	2,500.00
2) **Issued,Subscribed and Paid up:**		
9,21,50,355 Equity Share of ₹ 2/- each fully paid up (Previous year 9,21,50,355 Equity Share of ₹ 2/- each fully paid up)	1,843.01	1,843.01

A) **Reconciliation of number of Equity Shares outstanding**

Particulars	2014-15 Equity Shares Number	2014-15 Equity Shares ₹ lakhs	2013-14 Equity Shares Number	2013-14 Equity Shares ₹ lakhs
Shares outstanding at the beginning of the year	9,21,50,355	1,843.01	9,21,50,355	1,843.01
Add: Issue of Bonus shares	–	–	–	–
Less: Shares bought back during the year	–	–	–	–
Shares outstanding at the end of the year	9,21,50,355	1,843.01	9,21,50,355	1,843.01

B) **Details of Shares held by each shareholder holding more than 5% shares**

	As at 31 March 2015 Equity Shares No of Shares held @ ₹ 2/- per share	As at 31 March 2015 Equity Shares % holding in that class of Shares	As at 31 March 2014 Equity Shares No of Shares held @ ₹ 2/- per share	As at 31 March 2014 Equity Shares % holding in that class of Shares
Equity Shares with voting rights :				
i) Spa Holdings Pvt Ltd	1 83 35 000	19.90%	1 83 35 000	19.90%
ii) Shanteri Investment Pvt Ltd	1 57 71 755	17.12%	1 57 71 755	17.12%
iii) Aditi Panandikar	55 59 013	6.03%	55 49 013	6.02%
iv) Madhura Anup Ramani	51 84 079	5.62%	51 74 079	5.61%
v) Aruna Suresh Kare	47 74 714	5.18%	47 64 714	5.17%

C) **Terms/rights attached to equity shares**

The Company has only one class of equity shares having a par value of ₹ 2 per share. Each holder of equity shares is entitled to one vote per share. All equity shares of the Company rank pari passu in all respects including the right to dividend. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

During the year ended 31 March 2015, the amount of per share dividend recognized as distributions to equity shareholders was ₹ 1.60 on the face value of ₹ 2/- (Previous year ₹ 1.40 on the face value of ₹ 2/-) of the Company.

In the event of winding-up, subject to the rights of holders of shares issued upon special terms and conditions, the holders of equity shares shall be entitled to receive remaining assets, if any, in proportion to the number of shares held at the time of commencement of winding-up.

Notes (Consolidated)
on financial statements for the Year ended 31st March 2015

Note 4 : RESERVES AND SURPLUS

(₹ lakhs)

	Particulars	Current Year As at 31.03.2015	Previous Year As at 31.03.2014
a)	Capital Reserve		
	Opening Balance	12.64	12.64
	Add: On consolidation of Subsidiaries (Net)	8.40	–
		21.04	12.64
b)	Securities Premium Account	6,420.93	6,420.93
c)	Capital Subsidy		
	(i) Tarapur Unit, Maharashtra	7.50	7.50
	(ii) Baddi Unit, Himachal Pradesh	30.00	30.00
	(iii) Verna Unit, Goa	25.00	25.00
		62.50	62.50
d)	Foreign Currency Monetary Item Translation Difference a/c	(33.93)	(139.88)
e)	General Reserve		
	Opening balance	21,317.84	19,817.74
f)	*Add* : Transferred from Surplus in Statement of Profit & Loss	1,500.10	1,500.10
	Add: On consolidation of Subsidiary (Net) ..	0.20	–
	Closing Balance	22,818.14	21,317.84
g)	Surplus in Statement of Profit & Loss		
	Opening balance	16,198.03	13,411.34
	Add : Net Profit after Tax transferred from Statement of Profit & Loss	8,281.25	5,798.12
	Add: On consolidation of Subsidiary (Net) .	16.20	–
	Amount available for appropriation	24,495.48	19,209.46
	Less : Intra Group Adjustment	(0.14)	(1.83)
	Less : Adjustment relating to Fixed Assets (Refer Note No.43)	(471.40)	–
	Less : Transferred to General Reserve	(1,500.10)	(1,500.10)
	Less : Proposed Dividend	(1,474.41)	(1,290.20)
	Less : Dividend Tax	(300.15)	(219.30)
	Closing balance	20,749.28	16,198.03
	TOTAL	50,037.96	43,872.06

Notes (Consolidated)
on financial statements for the Year ended 31st March 2015

Note 5 : LONG TERM BORROWINGS

(₹ lakhs)

Particulars	Terms of Repayment & Securities	Current Year As at 31.03.2015	Previous Year As at 31.03.2014
Secured			
a) Term Loans from Banks			
Foreign currency loan - External Commercial Borrowings (ECB)	Refer Note No. 5.1	–	179.75
Indian rupee loan	Refer Note No. 5.2	941.60	540.06
Unsecured			
a) Term Loan from Others			
Foreign currency loan - External Commercial Borrowings (ECB)	Refer Note No. 5.1	343.75	659.07
TOTAL.....		1,285.35	1,378.88

Detailed terms of repayment of term loans from banks and security provided in respect of the secured long term borrowings:

Note No.	Name of the Bank	Terms of Repayment & Securities
5.1	Citi Bank N.A.	
	Amount Sanctioned	USD 30,00,000
	Terms of Repayment	The ECB is repayable in 18 quarterly installments of USD 166,667 each commencing from 02nd May, 2010, and ending on 02nd August, 2014. The amount is payable in February, May, August, and November of each year. As on the Balance Sheet date this loan has been repaid in full.
	Rate of Interest	7.50 % p.a. (The rate of interest is fixed as Company has entered into Interest rate swap Agreement).
	Nature of Security	The amount is secured by first charge on present and future moveable assets and specific Plant and Machinery at Patalganga.
5.1	Standard Chartered Bank	
	Amount Sanctioned	USD 50,00,000
	Terms of Repayment	The ECB is repayable in 15 quarterly installments of USD 333,333 each commencing from 06th December, 2010, ending on 06th June, 2014. The amount is payable in the month of March, June, September and December of each year. As on the Balance Sheet date this loan has been repaid in full.
	Rate of Interest	7.30 % p.a. (The rate of interest is fixed as Company has entered into Interest rate swap Agreement).
	Nature of Security	First & exclusive charge on present and future moveable fixed assets at Plot No. R-92 & R-93, T.T.C. Industrial Area, Rabale (excluding assets of Kilolab), and charge on specific movable properties (excluding Vial filling machine from M/s. Capmatic, Canada) at Plot No. L32,L33,L34 Verna Industrial Estate, Verna, Goa.

Note 5 : LONG TERM BORROWINGS *Contd.*

Note No.	*Name of the Bank*	*Terms of Repayment & Securities*
5.1	Standard Chartered Bank	
	Amount Sanctioned	USD 60,00,000
	Terms of Repayment	The ECB is Repayable in 13 quarterly installments of USD 461,538.46 each commencing from 28th November, 2011, ending on 28th November, 2014. The amount is payable in the month of February, May, August, and November of each year. As on the Balance Sheet date this loan has been repaid in full.
	Rate of Interest	6.30 % p.a. (The rate of interest is fixed as Company has entered into Interest rate swap Agreement).
	Nature of Security	First & exclusive charge on all present and future movable properties & immovable fixed assets at new tablet manufacturing facility at Plot No. L 32/33-34, Verna Industrial Area, Verna, Goa.
5.1	DBS Bank Ltd.	
	Amount Sanctioned	USD 45,00,000
	Terms of Repayment	The ECB is repayable in 15 quarterly installments of USD 300,000 each commencing from 08th November, 2011, ending on 06th May, 2015. The amount is payable in the month of February, May, August, and November of each year.
	Rate of Interest	5.05 % p.a. (The rate of interest is fixed as Company has entered into Interest rate swap Agreement).
	Nature of Security	The loan is secured by Charge on Present & future movable fixed assets and Equitable mortgage of Land and Building at Plot No. B -20, M. I. D. C., Waluj, Aurangabad.
5.1	Watson Pharmaceuticals Inc.	
	Amount Sanctioned	USD 1,100,000
	Terms of Repayment	The ECB is repayable in 4 quarterly installments of USD 275,000 each commencing from 31st December, 2015, ending on 30th September, 2016. The amount is payable in the month of March, June, September, and December of each year.
	Rate of Interest	LIBOR + 100 bps
	Nature of Security	The Loan is Unsecured.

Notes (Consolidated)
on financial statements for the Year ended 31st March 2015

Note 5 : LONG TERM BORROWINGS *Contd.*

Note No.	*Name of the Bank*	*Terms of Repayment & Securities*
5.2	Jankalyan Sahakari Bank Ltd.	
	Amount Sanctioned	₹ 4,00,00,000
	Terms of Repayment	The Term Loan is repayable in 59 monthly installments of ₹ 6,67,000/- and last installment of ₹ 6,47,000/- each commencing from 14th November, 2011 ending on 14th October, 2016. As on the Balance Sheet date this loan has been prepaid in full.
	Rate of Interest	13.25 % p.a.
	Nature of Security	Mortgage of Land & Building situated at Plot No. R - 94, T.T.C. Industrial Area, Rabale, Thane Belapur Road, Rabale.
5.2	IDBI Bank Ltd.	
	Amount Sanctioned	₹ 4,00,00,000
	Terms of Repayment	The Term Loan is repayable in 16 quarterly installments of ₹ 25,00,000/- each commencing from 01st March, 2015 ending on 1st December, 2018.
	Rate of Interest	11.75 % p.a.
	Nature of Security	Primary : First and Exclusive charge over the assets (Kilolab) created at Rabale, MIDC, Thane Belapur Road, Navi Mumbai 400 701, out of the sanctioned term loan Collateral : First Pari Passu Charge on the entire moveable fixed assets of the Company at Plot No. R - 92 & R - 93, T. T. C. Industrial Area, Rabale, MIDC Thane Belapur Road, Navi Mumbai 400 701 (Excluding AMD second floor)
5.2	Saraswat Co op Bank Ltd.	
	Amount Sanctioned	₹ 10,00,00,000
	Terms of Repayment	The Term Loan is Repayable in 59 equal monthly installments of ₹ 16,67,000/- each and 60 th installment of ₹ 16,47,000/-commencing from 16th August, 2014 ending on 16th July, 2019
	Rate of Interest	11% p.a.
	Nature of Security	Primary : First and Exclusive charge over the assets created at Rabale, MIDC Thane Belapur Road, Navi Mumbai 400 701, out of the sanctioned term loan (AMD 2 nd Floor) Collateral : First Pari Passu Charge on the entire moveable fixed assets of the Company at Plot No. R - 92 & R - 93, T. T. C. Industrial Area, Rabale, MIDC Thane Belapur Road, Navi Mumbai 400 701 (Excluding Kilo Lab)

Notes (Consolidated)
on financial statements for the Year ended 31st March 2015

Note 6 : DEFERRED TAX LIABILITIES (Net)

(₹ lakhs)

Particulars	Current Year As at 31.03.2015	Previous Year As at 31.03.2014
a) Deferred Tax Liability		
i) On fiscal allowances on fixed assets	3,385.31	3,691.77
	3,385.31	3,691.77
b) Deferred Tax Assets		
i) On employees' separation and retirement etc.	(530.44)	(572.53)
ii) On Provision for Doubtful Debts	(148.15)	(60.32)
iii) Others	–	(5.03)
	(678.59)	(637.88)
TOTAL	2,706.72	3,053.89

Note 7 : OTHER LONG TERM LIABILITIES

Unsecured

a) Advance from Others	335.71	325.58
b) Security Deposit Payable	632.94	592.94
TOTAL.....	968.65	918.52

Note 8 : LONG TERM PROVISIONS

a) Retirement Benefits	1,059.54	1,310.01
b) Other Long-Term Benefits	444.93	325.59
TOTAL.....	1,504.47	1,635.60

Notes (Consolidated)
on financial statements for the Year ended 31st March 2015

Note 9 : SHORT TERM BORROWINGS

(₹ lakhs)

Particulars	Repayment and Rate of Interest	Current Year As at 31.03.2015	Previous Year As at 31.03.2014
Secured (Refer Note)			
Loans from Banks			
(a) Cash Credit Facility	Refer Note No. 9.1	**2,727.24**	1,949.45
(b) Foreign Currency Export Packing Credit	Refer Note No. 9.2	**1,507.21**	711.40
(c) Packing Credit in Rupee	Refer Note No. 9.3	**300.00**	–
(d) Working Capital Demand Loan	Refer Note No. 9.4	**–**	500.00
Unsecured			
Loans from Banks			
(a) Cash Credit Facility	Refer Note No. 9.1	**503.98**	86.84
(b) Foreign Currency Export Packing Credit	Refer Note No. 9.2	**9.24**	1,498.75
(c) Packing Credit in Rupee	Refer Note No. 9.3	**400.00**	–
(d) Working Capital Demand Loan	Refer Note No. 9.4	**1,000.00**	–
(e) Short Term Loan	Refer Note No. 9.5	**1,000.00**	1,000.00
(f) Loan from Others	Refer Note No. 9.6	**90.00**	50.00
TOTAL.....		**7,537.67**	5,796.44

Note : Cash Credit, Foreign Currency, Export Packing Credit, Packing Credit in Rupee and Working Capital Demand Loan facilities are part of Working Capital facilities availed from various Banks and are secured by hypothecation by way of first pari passu charge on all its stocks and book debts. Cash Credit facility of ₹ 142.09 lakhs is availed from Yes Bank Ltd. and it is secured by Corporate Guarantee of ₹ 200 Lakhs issued by Indoco Remedies Ltd.

Note No.	Type of Loan	Repayment and Rate of Interest
9.1	Cash Credit Facility	Is repayable on demand and carries interest @ 10.90 % p.a. to 13 % p.a. (Previous year @ 10.20 % p.a. to 13% p.a.)
9.2	Foreign Currency Export Packing Credit	Is payable on completion of the tenure. It carries interest @ LIBOR + 40 bps to 75 bps. (Previous year LIBOR + 75 bps to 145 bps)
9.3	Export Packing Credit in Rupee	Is payable on completion of the tenure. It carries interest @ 9.65 % p.a. to 9.75% p.a. (Previous Year Nil)
9.4	Working Capital Demand Loan	Is repayable on demand and carries interest @ 9.60 % p.a. to 10.75 % p.a. (Previous year @ 9.75 % p.a. to 11.25 % p.a.)
9.5	Short Term Loan	Is repayable on demand and carries interest @ 10.60% p.a (Previous year @ 11% p.a.)
9.6	Loan from Others	Is repayable on demand and carries interest @ 11 % p.a (Previous year @ 11% p.a.)

Notes (Consolidated)
on financial statements for the Year ended 31st March 2015

Note 10 : TRADE PAYABLES

(₹ lakhs)

Particulars	Current Year As at 31.03.2015	Previous Year As at 31.03.2014
a) Trade payables		
(i) Acceptances	640.34	527.29
(ii) Other than Acceptances (Refer Note No. 42)	11,345.22	6,538.82
TOTAL	11,985.56	7,066.11

Note 11 : OTHER CURRENT LIABILITIES

Secured		
a) Term Loans from Banks		
Foreign currency loan -ECB (Refer Note No. 5.1)	187.50	1,948.01
Indian rupee loan (Refer Note No. 5.2.)	300.04	76.08
	487.54	2,024.09
b) Interest accrued but not due on borrowings	25.14	28.63
c) Unclaimed Dividend	19.86	18.54
d) Statutory Dues	331.84	330.75
Unsecured		
a) Term Loans from Others		
Foreign Currency loan -ECB (Refer Note No. 5.1)	343.75	–
b) Other Current Liabilities	2,888.58	2,995.73
TOTAL	4,096.71	5,397.74

Note 12 : SHORT TERM PROVISIONS

a) Provision for Leave Encashment	56.28	48.94
b) Provision For Bonus	265.99	256.76
c) Proposed Dividend	1,474.41	1,290.20
d) Dividend Tax	300.15	219.30
e) Provision for Tax (Net of Advance Income Tax)	495.40	139.14
TOTAL	2,592.23	1,954.34

Notes (Consolidated)
on financial statements for the Year ended 31st March 2015

Note 13 : FIXED ASSETS

(₹ lakhs)

	GROSS BLOCK					ACCUMULATED DEPRECIATION / AMORTISATION						NET BLOCK	
	Balance as at 1st April 2014	Additions	Disposal/ Sales	Adjustments	Balance as at 31st March '2015	Balance as at 1st April '2014	Depreciation/ Amortisation the year	Transferred to Retained Earnings	Eliminated on Disposal/Sale of Assets	Adjustments	Balance as at 31st March 2015	As at 31st March 2015	As at 31st March 2014
A) Tangible Assets													
i) Land	525.89	67.77	–	–	593.66	7.47	0.20	–	–	–	7.67	585.99	518.42
ii) Buildings & Premises	11,073.96	646.30	–	–	11,720.26	2,884.57	265.70	1.39	–	–	3,151.66	8,568.60	8,189.39
iii) Plant & Machinery	11,404.45	1,020.78	–	0.14	12,425.09	2,627.65	815.25	–	–	4.03	3,438.87	8,986.22	8,776.80
iv) Handling Equipments	764.76	36.49	–	–	801.25	366.37	60.49	–	–	–	426.86	374.39	398.39
v) Pollution Control Equipments	262.01	5.13	–	–	267.14	151.22	25.77	34.79	–	–	211.78	55.36	110.79
vi) Laboratory Equipments	3,631.45	1,063.14	0.49	–	4,694.10	847.69	519.92	64.37	0.03	–	1,431.95	3,262.15	2,783.76
vii) R&D Equipments	1,944.75	11.28	–	–	1,956.03	873.14	357.58	102.95	–	–	1,333.67	622.36	1,071.61
viii) Plant - Utilities	4,430.50	245.76	–	–	4,676.26	1,343.95	323.82	–	–	–	1,667.77	3,008.49	3,086.55
ix) Electrical Installations	2,165.22	135.05	–	–	2,300.27	801.39	365.15	97.40	–	–	1,263.94	1,036.33	1,363.83
x) Furniture & Fixtures	1,444.51	273.94	–	–	1,718.45	697.05	136.45	45.17	–	–	878.67	839.78	747.46
xi) Office Equipments	448.38	36.63	–	–	485.01	225.81	61.25	66.51	–	–	353.57	131.44	222.57
xii) Computers	1,464.05	178.82	–	–	1,642.87	1,088.30	227.41	58.18	–	–	1,373.89	268.98	375.75
xiii) Networking Instruments	43.43	–	–	–	43.43	42.06	0.07	0.25	–	–	42.38	1.05	1.37
xiv) Air-conditioning Units	2,576.93	174.15	–	–	2,751.08	863.72	203.28	–	–	–	1,067.00	1,684.08	1,713.21
xv) Vehicles	426.06	–	14.23	–	411.83	172.95	64.49	0.39	9.01	–	228.82	183.01	253.11
Total - Tangible Assets	**42,606.35**	**3,895.24**	**14.72**	**0.14**	**46,486.73**	**12,993.34**	**3,426.83**	**471.40**	**9.04**	**4.03**	**16,878.50**	**29,608.23**	**29,613.01**
Previous year	**40,254.95**	**2,407.70**	**54.47**	**1.83**	**42,606.35**	**11,155.07**	**1,869.54**	**–**	**28.31**	**2.96**	**12,993.34**	**29,613.01**	**–**
B) Intangible Assets													
i) Trade Mark	1,032.30	–	–	–	1,032.30	634.25	87.26	–	–	–	721.51	310.79	398.05
ii) Technical Knowhow	1.15	–	–	–	1.15	1.09	–	–	–	–	1.09	0.06	0.06
iii) ANDAs, DMFs, Dossiers, etc.	4,504.13	2,709.50	–	–	7,213.63	1,984.00	1,198.76	–	–	–	3,182.76	4,030.87	2,520.13
Total - Intangible Assets	**5,537.58**	**2,709.50**	**–**	**–**	**8,247.08**	**2,619.34**	**1,286.02**	**–**	**–**	**–**	**3,905.36**	**4,341.72**	**2,918.24**
Previous year	**4,438.82**	**1,098.76**	**–**	**–**	**5,537.58**	**1,395.74**	**1,223.60**	**–**	**–**	**–**	**2,619.34**	**2,918.24**	**–**
Total Fixed Assets	**48,143.93**	**6,604.74**	**14.72**	**0.14**	**54,733.81**	**15,612.68**	**4,712.85**	**471.40**	**9.04**	**4.03**	**20,783.86**	**33,949.95**	**32,531.25**
Previous year	**44,693.77**	**3,506.46**	**54.47**	**1.83**	**48,143.93**	**12,550.81**	**3,093.14**	**–**	**28.31**	**2.96**	**15,612.68**	**32,531.25**	**–**
Capital Work-in-Progress												2,602.63	2,435.85
Intangible Assets Under Development												3,668.70	1,976.02
Total												40,221.28	36,943.12

Notes (Consolidated)
on financial statements for the Year ended 31st March 2015

Note 14 : NON-CURRENT INVESTMENTS

(₹ lakhs)

Particulars	Current Year As at 31.03.2015	Previous Year As at 31.03.2014
Unquoted : (at cost)		
a) Non-Trade - Other		
Other then Subsidiary Companies		
(1) Shivalik Solid Waste Management Ltd. Baddi (20,000 Shares of ₹ 10 each)	2.00	2.00
(2) Indoco Analytical Solution LLP ..... (Contribution from Indoco Remedies Ltd.)	4.90	4.90
	6.90	6.90
b) Shares of Saraswat Co-op. Bank Ltd. ..... (1,000 Shares of ₹10 each)	0.10	0.10
c) Shares of Jankalyan Sahakari Bank Ltd. ..... (1,00,000 Shares of ₹10 each)	10.00	10.00
TOTAL	17.00	17.00

Note 15 : LONG TERM LOANS AND ADVANCES

Unsecured, considered good		
a) Capital Advances	554.28	144.75
b) Deposit Others	166.39	127.88
c) Tender Deposits	12.13	37.14
d) MAT Credit Adjustment	4,646.32	4,842.38
e) Pre-paid Expenses	21.45	24.79
f) Other Loans & Advances	352.25	336.27
TOTAL	5,752.82	5,513.21

Note 16 : OTHER NON-CURRENT ASSETS

a) Other Non Current Assets	0.07	0.14
TOTAL	0.07	0.14

Notes (Consolidated)
on financial statements for the Year ended 31st March 2015

Note 17 : INVENTORIES

(₹ lakhs)

	Particulars	Current Year As at 31.03.2015	Previous Year As at 31.03.2014
a)	Raw and Packing Materials	6,693.78	4,743.07
b)	Work in Progress	2,089.54	1,507.83
c)	Finished Goods	4,297.70	3,567.84
d)	Stock in Trade	1,226.13	612.96
e)	Stores and Spares	604.98	590.09
	TOTAL	14,912.13	11,021.79

Note 18 : TRADE RECEIVABLES

Unsecured

a)	Debts outstanding for more than six months from the date they are due for payment		
	Considered Good	2,254.29	2,115.26
	Considered Doubtful	435.86	177.48
		2,690.15	2,292.74
	Less: Provision for doubtful debts	(435.86)	(177.48)
		2,254.29	2,115.26
b)	Other Debts - Considered Good	13,284.09	11,697.88
	TOTAL	15,538.38	13,813.14

Notes (Consolidated)
on financial statements for the Year ended 31st March 2015

Note 19 : CASH AND BANK BALANCES

(₹ lakhs)

Particulars	Current Year As at 31.03.2015	Previous Year As at 31.03.2014
a) **Cash and Cash Equivalents**		
(i) Cash on hand	13.26	4.54
(ii) Balances with Banks		
In Current Accounts	507.37	710.96
In EEFC Accounts	526.24	32.70
In Fixed Deposit Accounts	46.35	228.40
Sub Total	1,093.22	976.60
b) **Other Bank Balances**		
(i) In Earmarked Accounts		
Unpaid Dividend Accounts	19.86	18.54
Margin Accounts	426.76	343.41
	446.62	361.95
TOTAL (a + b)	1,539.84	1,338.55

Note 20 : SHORT TERM LOANS & ADVANCES

Unsecured, considered good

a) Advances to Suppliers	735.90	169.02
b) Tender Deposit	21.39	9.69
c) Employee Advances	819.09	441.44
d) Pre-Paid Expenses	391.68	379.72
e) Balance with Customs, Central Excise Authorities	4,536.22	3,247.83
TOTAL	6,504.28	4,247.70

Note 21 : OTHER CURRENT ASSETS

a) Interest Receivable	32.17	14.16
b) Insurance Claim Receivable	–	12.40
c) Other Current Assets	8.84	8.26
TOTAL	41.01	34.82

Notes (Consolidated)
on financial statements for the Year ended 31st March 2015

Note 22 : REVENUE FROM OPERATIONS

(₹ lakhs)

	Particulars	Current Year Apr '14-Mar '15	Previous Year Apr '13-Mar '14
a)	Sale of Products		
	Domestic Sales	54,377.99	47,818.89
	Export Sales	26,650.78	21,102.22
		81,028.77	68,921.11
b)	Sale of Services		
	Export Sales-Dossiers	5,031.58	4,332.38
	Sales - Engg.Services	81.02	82.35
	Analytical & Testing Income	201.28	164.32
		5,313.88	4,579.05
c)	Other Operating Revenue		
	Exchange Gain (Net) (other than considered in Finance Cost)	(36.19)	680.11
	Export Incentives	496.78	341.79
	Scrap Sale	13.59	12.57
		474.18	1,034.47
	Total Revenue from Operations (Gross) (a + b + c)	86,816.83	74,534.63
	Less :		
d)	Excise Duty	(1,121.46)	(1,273.72)
	TOTAL	85,695.37	73,260.91

Note 23 : OTHER INCOME

a)	Interest Received	63.92	68.62
b)	Sundry Balances Written Back	0.01	0.48
c)	Sundry Receipts	105.45	103.82
d)	Dividend Received	0.76	0.11
e)	Profit on Sale of Fixed Assets	0.80	2.66
	TOTAL	170.94	175.69

Notes (Consolidated)
on financial statements for the Year ended 31st March 2015

Note 24 : COST OF MATERIALS CONSUMED

(₹ lakhs)

Particulars	Current Year Apr '14-Mar '15	Previous Year Apr '13-Mar '14
a) Cost of Material Consumed		
Opening Stock	4,743.07	3,597.97
Add : Purchases (Net of Excise Duty)	28,557.15	24,443.15
Less : Closing Stock	(6,693.78)	(4,743.07)
	26,606.44	23,298.05
b) Purchase of Stock in Trade	5,362.52	4,005.22
c) Changes in Inventories of Finished Goods, Stock in Trade & Work in Progress		
Inventories at the beginning of the year		
Op.Stock - Finished Goods	3,567.84	3,581.89
Op.Stock - Stock in Trade	612.96	840.33
Op.Stock - WIP	1,507.83	1,161.35
	5,688.63	5,583.57
Inventories at the end of the year		
Cl.Stock - Finished Goods	(4,297.70)	(3,567.84)
Cl.Stock - Stock in Trade	(1,226.13)	(612.96)
Cl.Stock - WIP	(2,089.54)	(1,507.83)
	(7,613.37)	(5,688.63)
Net (Increase) / Decrease	(1,924.74)	(105.06)
TOTAL	30,044.22	27,198.21

Note 25 : EMPLOYEE BENEFITS EXPENSE

a) Salaries, Wages and Bonus	11,840.91	10,024.83
b) Contribution to Provident and Other Funds	1,030.23	1,839.32
c) Staff Welfare Expenses	1,104.33	1,089.93
TOTAL	13,975.47	12,954.08

Note 26 : RESEARCH & DEVELOPMENT EXPENSES

a) R&D Employee Cost	753.87	598.43
b) Other R&D Expenses	1,413.28	844.43
TOTAL	2,167.15	1,442.86

Notes (Consolidated)
on financial statements for the Year ended 31st March 2015

Note 27 : OTHER EXPENSES

(₹ lakhs)

	Particulars		Current Year Apr '14-Mar '15		Previous Year Apr '13-Mar '14
a)	Consumable Stores		156.34		113.09
b)	Job Work Charges		541.37		449.64
c)	Power and Fuel		2,039.44		1,826.37
d)	Rent, Rates and Taxes		249.53		219.79
e)	Insurance		131.93		135.06
f)	Repairs :				
	(i) Building	87.92		88.33	
	(ii) Plant and Machinery	473.56		413.67	
	(iii) Others	976.40		913.41	
			1,537.88		1,415.41
g)	Packing and Delivery Expenses		2,830.23		2,496.45
h)	Analytical Expenses		889.13		636.96
i)	Turnover and Additional Tax		275.34		189.14
j)	Advertising and Sales Promotion Expenses		3,160.24		2,468.84
k)	Commission and Incentives on sales		2,531.39		2,125.07
l)	Travelling, Conveyance and Motor Car Expenses		4,750.30		4,462.70
m)	Legal and Professional Fees		332.19		275.90
n)	Director's Sitting Fees		6.05		4.55
o)	Postage and Telephone Expenses		237.09		211.46
p)	Printing and Stationery Expenses		485.86		537.70
q)	Payments to Auditors				
	(i) Audit Fees	5.47		4.11	
	(ii) Tax Audit Fees	3.20		1.25	
	(iii) Other Services	1.00		0.50	
			9.67		5.86
r)	Loss on sale of Assets		0.90		2.28
s)	Miscellaneous Expenditure Written Off		0.07		0.07
t)	Provision for Doubtful Debts		392.18		162.00
u)	Bad Debts written off				
	(a) Bad Debts written off	480.07		274.42	
	(b) *Less* : Transfer from Provision for Doubtful Debts	(133.89)		(221.26)	
			346.18		53.16
v)	Corporate Social Resposibility		133.93		45.51
w)	Miscellaneous Expenses		1,920.59		1,790.81
	TOTAL		22,957.83		19,627.82

Notes (Consolidated)
on financial statements for the Year ended 31st March 2015

Note 28 : FINANCE COST

(₹ lakhs)

	Particulars	Current Year Apr '14-Mar '15	Previous Year Apr '13-Mar '14
a)	Interest Expense	674.48	947.79
b)	Other Financial charges	95.09	82.91
c)	Exchange (Gain) / Loss - Net	288.60	861.09
	TOTAL	1,058.17	1,891.79

Note 29 : EARNINGS PER SHARE (EPS)

Basic and Diluted

	Current Year	Previous Year
Total Operations		
Net Profit for the year (₹ lakhs)	8,281.25	5,798.12
Weighted average number of equity shares...	9,21,50,355	9,21,50,355
Earnings per share (₹ 2/-)	8.99	6.29

Notes (Consolidated)
on financial statements for the Year ended 31st March 2015

(₹ In lakhs)

	As at 31st March, 2015	As at 31st March, 2014
Note 30 :		
Contingent Liabilities not provided for:		
A) Matters under dispute		
i) Sales Tax (₹ 163.03 lakhs has been paid under protest Previous year ₹ 118.08 lakhs)**	**441.79**	396.83
ii) Excise / Service Tax***	**363.94**	363.94
iii) Income Tax*	**23.34**	134.84
B) Bank Guarantees	**81.60**	98.47
C) Letters of Credit	**162.12**	538.19
D) Estimated amount of contracts remaining to be executed on Capital Account, net of advances of ₹ 341.00 lakhs (Previous year ₹ 201.64 lakhs)	**637.32**	776.13
E) Corporate Guarantee given to Bank on behalf of the Subsidiary.	**200.00**	200.00

Legal Case - The Company had availed a factoring facility from a Bank who refused to pay the amount of USD 25,004 to it on failure of a Customer to pay for the same. The case is pending in the City Civil Court.

*** Income Tax demand comprises of**

a) TDS of ₹ 15.88 Lakhs (Previous year - ₹ 127.38 Lakhs) for Short Deduction appearing in traces.

b) Penalty demand of ₹ 7.46 Lakhs (Previous year - ₹ 7.46 Lakhs) raised by assessing officer, as per order under section 271(1)(c) of the Income Tax Act 1961 due to disallowance pertaining to depreciation on land for Assessment Year 2002-03, 2003-04. Company is in appeal before ITAT against said order.

**** Sales Tax demand comprises of**

a) ₹ 421.58 Lakhs (Previous year - ₹ 375.23 Lakhs) (₹ 163.03 Lakhs has been paid under protest Previous year ₹118.08 Lakhs) in respect of order from sales tax dept, Andhra Pradesh for classification dispute. The Company has filed an appeal before High Court which is yet to be heard.

b) ₹ 20.21 Lakhs (Previous year - ₹ 20.21 Lakhs) as the amount of demand raised by sales tax officer for Financial Year 2007-08 and 2009-10 on account of input credit of entry tax. Company has filed appeal before Commissioner.

c) ₹ Nil (Previous year - ₹ 1.39 Lakhs) as the amount of demand raised by sales tax officer for year 2009-10 on account of adjustment of refund. The Company has filed an appeal with Commissioner appeals. During the current year the ruling has been issued in favour of the Company.

*****Excise tax demand comprises of**

a) Company appeal is pending before CESTAT for wrong availment of notification on exempted goods ₹ 0.66 Lakhs (Previous year - ₹ 0.66 Lakhs).

b) Appeal pending before Dy Commissioner for classification dispute ₹ 5.04 Lakhs (Previous year - ₹ 5.04 Lakhs).

Note 30 : *Contd.*

c) Appeal pending before CESTAT for classification dispute ₹ 2.71 Lakhs (Previous year - ₹ 2.71 Lakhs).

d) CENVAT credit on input service ₹ 91.97 Lakhs (Previous year - ₹ 91.97 Lakhs), appeal pending before CESTAT.

e) Company has Filed an appeal before CESTAT for valuation of physician sample ₹ 1.25 Lakhs (Previous year - ₹ 1.25 Lakhs).

f) Company appeal is pending before Divisional Dy. Commissioner for wrong availment of CENVAT credit ₹ 0.79 Lakhs (Previous year - ₹ 0.79 Lakhs).

g) Central excise department is in appeal before Supreme Court for Differential duty on intermixture of vitamins/ minerals amounting to ₹ 2.91 Lakhs (Previous year - ₹ 2.91 Lakhs).

h) CENVAT credit on input service Rs 247.21 Lakhs (Previous year - ₹ 247.21 Lakhs), appeal pending before Commissioner of Service Tax.

i) Company appeal is pending before CESTAT for CENVAT credit availment on physician sample amounting to ₹ 0.20 Lakhs (Previous year - ₹ 0.20 Lakhs).

j) Central excise department is in appeal at Supreme Court for valuation of physician sample ₹ 11.20 Lakhs (Previous year - ₹ 11.20 Lakhs).

Note 31 :
Additions during the year include addition to R & D assets which are as follows:

(₹ In lakhs)

	Current Year 2014-15	*Previous Year 2013-14*
Additions in R&D Assets		
Building	**488.11**	57.23
Computer	**67.28**	–
Laboratory Equipments	**542.94**	175.79
Office Equipment	**7.69**	–
R&D Equipments (Instruments)	**11.28**	22.93
Plant Utility (Equipments)	**19.02**	1.66
Electric Installation	**126.39**	–
Furniture & Fixtures and Office & Data Processing Equipments	**242.61**	34.37
Vehicle	**–**	18.62
Air Conditioning & Ventilation	**130.59**	–
	1,635.91	310.60

Notes (Consolidated)
on financial statements for the Year ended 31st March 2015

Note 32 :

Expenditure incurred on R&D activities is as follows:

Additions in R&D Assets *(₹ In lakhs)*

	Current Year 2014-15	Previous Year 2013-14
Building	488.11	57.23
Equipments & other capital expenditure	1,147.80	253.37
Total Capital Expenditure	1,635.91	310.60
Revenue Expenditure	2,167.15	1,442.86
Total R&D Expenditure	3,803.06	1,753.46

Research & Development expenses include salary & wages, chemicals / materials consumed, electricity, travel, repairs, insurance premium and such similar expenses.

Note 33 :

Tax deducted at source from Other Income consists of:

₹ 17.23 lakhs on account of Professional or Tech Services (Previous year ₹ 13.85 lakhs)

₹ 3.90 lakhs on account of Interest received (Previous year ₹ 5.34 lakhs)

₹ 7.62 lakhs on account of Contracts (Previous year ₹ 2.39 lakhs)

Note 34 :

Segment Reporting:

Primary Segment:

The Company has only one business segment i.e. Pharmaceutical.

Secondary Segment: (Geographical) *(₹ In lakhs)*

Sales and Services	Current Year 2014-15	Previous Year 2013-14
India	53,538.83	46,791.84
Outside India	31,682.36	25,434.60
Total	85,221.19	72,226.44

Note 35 :

A) The Company is exposed to risk associated with foreign currency fluctuations as well as interest rate. The Company has entered into forward contract and derivative contracts to hedge the interest rate risk & currency risk. However the Company does not use these contracts for any speculative purposes.

The outstanding position of the forward contracts as at 31st March, 2015 is ₹ 6,654.88 lakhs (Previous Year ₹ 4,695.56 Lakhs) with Banks. Category wise break up is given here under:

Category

Forward Contract

Particulars		*As at 31st March,2015*			*As at 31st March,2014*	
		In FCY	*₹ In lakhs*		*In FCY*	*₹ In lakhs*
Receivables						
USD	$	29,75,000	1,955.45	$	12,00,000	719.24
Euro	€	12,86,625	1,040.13	€	11,00,000	866.94
GBP	£	25,04,138	2,642.85	£	11,50,000	1,078.98
Sub total			5,638.43			2,665.16
Imports / Loans (PCFC)						
USD	$	16,00,000	1,016.45	$	31,68,000	2,030.40
Sub Total			1,016.45			2,030.40
TOTAL			6,654.88			4,695.56

Un-hedged foreign currency exposure as at 31st March, 2015 is:

		As at 31st March,2015			*As at 31st March,2014*	
		In FCY	*₹ In lakhs*		*In FCY*	*₹ In lakhs*
ECB Loan	$	14,00,000.00	875.00	$	46,51,284.16	2,786.82
PCFC	$	8,00,000.00	500.00	$	3,00,000.00	179.75
Letter of Credit -USD	$	14,57,196.75	910.75	$	12,61,030.00	755.55
Letter of Credit - Euro	€	2,924.00	1.96	€	–	–
Bills on Collection -USD	$	4,47,672.00	279.80	$	8,60,545.00	515.60
Bills on Collection -Euro	€	2,64,013.15	177.07	€	8,991.00	7.41
Bills on Collection -CHF	CHF	45,330.90	29.13	CHF	2,43,136.48	164.60
Bills on Collection -GBP	£	1,111.00	1.03	£	–	–

B) Some of the ECB loans availed in JPY & SGDs have been converted into USD by entering into derivative contracts. The Company has also entered into Interest Rate Swap agreements for all the ECBs. Thus, any cross currency movement in USD / JPY & USD / SGD as well as any movement in LIBOR has no impact on the future financials of the Company.

Notes (Consolidated)
on financial statements for the Year ended 31st March 2015

Note 36 :

The Company has opted to avail the option provided under paragraph 46A of AS 11: The Effects of changes in Foreign Exchange Rates inserted vide notification dated 29th December, 2011. Consequently, the foreign exchange differences on long term Foreign Currency Monetary item is accumulated in a "Foreign Currency Monetary item Translation Difference Account" and accordingly exchange loss on long term foreign currency loans have been amortised over the balance period of such loans.

Note 37 :

Related Party Disclosure as required by Accounting Standard 18 issued by the Institute of Chartered Accountants of India.

I. Related Parties

A. Enterprises that control or are controlled by the reporting company:

Holding Companies	Not Applicable
Subsidiary Companies	Not Applicable
Fellow Subsidiaries	Not Applicable

B. Associates and Joint Ventures of reporting company:

Associates	Indoco Analytical Solutions LLP.
Joint Ventures	Nil

C. (i) Individuals owning and having control of the reporting company

Mr. Suresh G. Kare, Mrs. Aruna S. Kare, Ms. Aditi Panandikar, Mrs. Madhura Ramani

(ii) Their relatives :

Dr. Milind Panandikar, Dr. Anup Ramani, Mr. Ramnath Kare, Mrs. Suman Naik, Mrs. Sudha Pai, Mrs. Laxmi Bambolkar, Mrs. Pratima Vaidya, Mrs. Amita Rajadhyaksha, Mrs. Meera Karnik

D. (i) Key Management personnel:

Mr. Suresh G. Kare, Ms. Aditi Panandikar, Mr. Sundeep V. Bambolkar

(ii) Their relatives:

Mrs. Aruna S. Kare, Mrs. Madhura A. Ramani, Mr. Ramnath Kare, Mrs. Suman Naik, Mrs. Sudha Pai, Mrs. Laxmi Bambolkar, Dr. Milind Panandikar, Mrs. Neeta Bambolkar, Mr. Vasant Bambolcar, Ms. Manali Bambolkar, Mr. Paresh Bambolkar

E. Enterprises controlled by key management personnel :

SPA Holdings Pvt. Ltd., Shanteri Investments Pvt. Ltd., Indoco Capital Markets Ltd., A K Services, Suresh Kare Foundation ,Warren Generics s.r.o

II. Transactions in respect of which disclosures to be made

(₹ In lakhs)

Particulars of transaction		*Enterprises that control or are controlled by reporting company*	*Associates and Joint Ventures of reporting company*	*Individuals owning and having control over the reporting company and their relatives*	*Key Management personnel and their relatives*	*Enterprises controlled by key management personnel*
		(A)	*(B)*	*(C)*	*(D)*	*(E)*
Purchases or sales of goods (finished or unfinished)		–	–	–	–	–
Purchases or sales of fixed assets		–	–	–	–	–
Rendering or receiving of services	C.Y.	–	–	–	10.53	190.67
	P.Y	–	–	–	2.99	77.86

Note 37 : *Contd.*

Agency arrangements	C.Y.	–	–	–	–	–
	P.Y	–	–	–	–	–
Remuneration paid	C.Y	–	–	–	397.13	–
	P.Y.	–	–	–	392.56	–
Transfer of research and development		–	–	–	–	–
License agreements	C.Y.	–	–	–	13.26	34.37
	P.Y	–	–	–	13.26	32.62
Finance (including loans and equity contributions in cash or in kind)	C.Y	–	–	–	13.72	7.73
	P.Y	4.90	–	–	–	2.85
Guarantees and collaterals	C.Y	–	–	–	–	–
	P.Y	–	–	–	–	–
Management contracts including for deputation of employees		–	–	–	–	–
Receivable	C.Y	–	–	–	–	–
	P.Y	–	–	–	–	–
Payable	C.Y	–	–	–	–	–
	P.Y	–	–	–	–	–

III. Transactions with related parties in ordinary course/ not in normal course/ not on an arm's length basis

(₹ In lakhs)

Particulars of transaction		*Enterprises that control or are controlled by reporting company*	*Associates and Joint Ventures of reporting company*	*Individuals owning and having control over the reporting company and their relatives*	*Key Management personnel and their relatives*	*Enterprises controlled by key management personnel*
		(A)	*(B)*	*(C)*	*(D)*	*(E)*
(i) Transactions in the ordinary course	C.Y.	–	–	–	434.64	232.77
	P.Y.	4.90	–	–	408.81	113.33
(ii) Transactions not in the normal course		–	–	–	–	–
(iii) Transaction not on an arm's length basis		–	–	–	–	–
(iv) Justification for (iii)		–	–	–	–	–

Notes (Consolidated)
on financial statements for the Year ended 31st March 2015

Note 38 :

Imported and Indigenous Materials Consumed :

	Current Year Apr' 14 - Mar' 15 ₹ in lakhs	%	Previous Year Apr' 13 - Mar' 14 ₹ in lakhs	%
(a) Raw and Packing Materials				
(i) Imported	5,815.02	21.86	3,837.52	16.47
(ii) Indigenous	20,791.42	78.14	19,460.53	83.53
Total	26,606.44	100.00	23,298.05	100.00
(b) Stores and Spares consumed				
(i) Imported	121.60	77.78	78.50	69.41
(ii) Indigenous	34.74	22.22	34.59	30.59
Total	156.34	100.00	113.09	100.00

Note 39 :

₹ in lakhs

	Current Year Apr' 14 - Mar' 15	Previous Year Apr' 13 - Mar' 14
Earnings in Foreign Currency (FOB value)	31,011.84	24,803.48

Note 40 :

Expenditure in Foreign Currency :

(a) On travel and export promotion	364.53	122.87
(b) On interest on Foreign Currency Loan	86.11	282.62
(c) Others	1,305.47	1,128.78

Note 41 :

Value of Imports CIF Basis

(a) Raw Materials / Packing Materials	5,332.99	3,531.16
(b) Capital Goods	837.95	353.33
(c) Consumable Stores	114.58	72.00

Notes (Consolidated)
on financial statements for the Year ended 31st March 2015

Note 42 :

Disclosure required under the Micro, Small and Medium Enterprises Development Act, 2006 (the Act) are given as follows:

		Current Year As at 31.03.2015	(₹ lakhs) Previous Year As at 31.03.2014
(a)	Principal Amount Due Interest due on the above	50.57	15.91
(b)	Interest paid during the year beyond the appointed day	–	–
(c)	Amount of interest due and payable for the period of delay in making payment without adding the interest specified under the Act	–	–
(d)	Amount of interest accrued and remaining unpaid at the end of the year.	–	–
(e)	Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small Enterprises for the purpose of disallowance as a deductible expenditure under section 23 of the Act.	–	–

The above information regarding Micro Enterprises and small Enterprises has been determined on the basis of information available with the Company. No interest has been accrued on delayed payments, if any.

Note 43 :

Pursuant to the enactment of Companies Act 2013, the Company has applied the estimated useful life as specified in Schedule II, except in certain assets as disclosed in the Accounting policy on Depreciation, Amortisation and depletion. Accordingly the unamortised carrying value is being depreciated / amortised over the revised / remaining useful lives. The written down value of Fixed Assets whose lives have expired at 1st April,2014 have been adjusted net of tax , in the opening balance of Profit and Loss account amounting to ₹ 471.40 Lakhs.

Note 44 :

On 21st April,2015 there was a fire at our Indore Central Warehouse, Samples and Goods to the tune of ₹ 6.65 Crores has been damaged in the fire. The same were adequately insured. The Company has lodged a claim for the same with Insurance Company.

Note 45 :

On 6th April,2015 the Company acquired the Clinical Research organisation (CRO) a division from Pirmal Enterprise Limited.

Note 46 :

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

As per our Report attached

For **Patkar & Pendse**
Chartered Accountants
Firm Registration No. : 107824W

B. M. Pendse
Partner
Membership No. 32625

Sunil D. Joshi
President (Finance) & Company Secretary

Aditi Panandikar
Managing Director
DIN : 00179113

Sundeep V. Bambolkar
Jt. Managing Director & CFO
DIN : 00176613

Mumbai, 27th May, 2015

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PROXY FORM

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

CIN: L85190MH1947PLC005913

Name of the Company: **Indoco Remedies Limited**

Registered Office: Indoco House, 166 CST Road, Kalina, Santacruz East, Mumbai 400098

e-mail : compliance.officer@indoco.com • website : www.indoco.com

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

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

1. Name: .....
   Address: .....
   ..... E-mail ID: .....
   Signature: ....., or failing him/her
2. Name: .....
   Address: .....
   ..... E-mail ID: .....
   Signature: ....., or failing him/her
3. Name: .....
   Address: .....
   ..... E-mail ID: .....
   Signature: .....

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Sixty Eighth Annual General Meeting of the Company, to be held on Thursday 30th July, 2015, at 11.30 a.m. at MIG Cricket Club, MIG Colony, Bandra (East), Mumbai 400051, Maharashtra and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.:

1. To receive, consider and adopt
   (a) the Profit and Loss Account for the year ended 31st March, 2015, Audited Balance Sheet and Cash Flow as on 31st March 2015 together with the Reports of the Board of Directors and Auditors thereon.
   (b) The Audited Consolidated Balance Sheet as on 31st March 2015 and the Profit and Loss Account for the year ended 31st March 2015 of the Company.
2. To declare dividend on Equity Shares for the year ended 31st March, 2015.
3. To appoint a Director in place of Mr. Sundeep V Bambolkar (DIN 00176613), who retires by rotation and being eligible, offers himself, for re-appointment.
4. To appoint Statutory Auditors and to fix their remuneration.

SPECIAL BUSINESS

5. To approve the remuneration of the Cost Auditors - M/s Sevekari, Khare & Associates, Cost Accountants for the financial year ended 31st March 2016

Signed this_____ day of_____ 2015

Signature of shareholder_____

Signature of Proxy holder(s) _____

Affix 1 Re. Revenue Stamp

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.

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INDOCO REMEDIES LTD.

An Eventful Year

Safe Harbour

Statements made in this Annual Report describing the Company's objective, projections, estimates and expectations may be 'Forward-looking statements' within the meaning of applicable securities laws and regulations. Actual results could differ from those expressed or implied due to risks, uncertainties and inaccurate assumptions.

A SURESH G. KARE ENTERPRISE

Painting presented to Indoco by the students of
Chetana Apangmati Vikas Sanstha, Kolhapur, one of the institutions nurtured by Indoco

INDOCO REMEDIES LTD.

Indoco House, 166 C.S.T. Road, Kalina, Santacruz (E), Mumbai - 400 098, India.
Tel.: +91 22 26541851 - 55 ▪ Fax: +91 22 26520787 ▪ Website: www.indoco.com

Coverpage: A child using a special computer donated to Muskaan Foundation through our CSR initiative