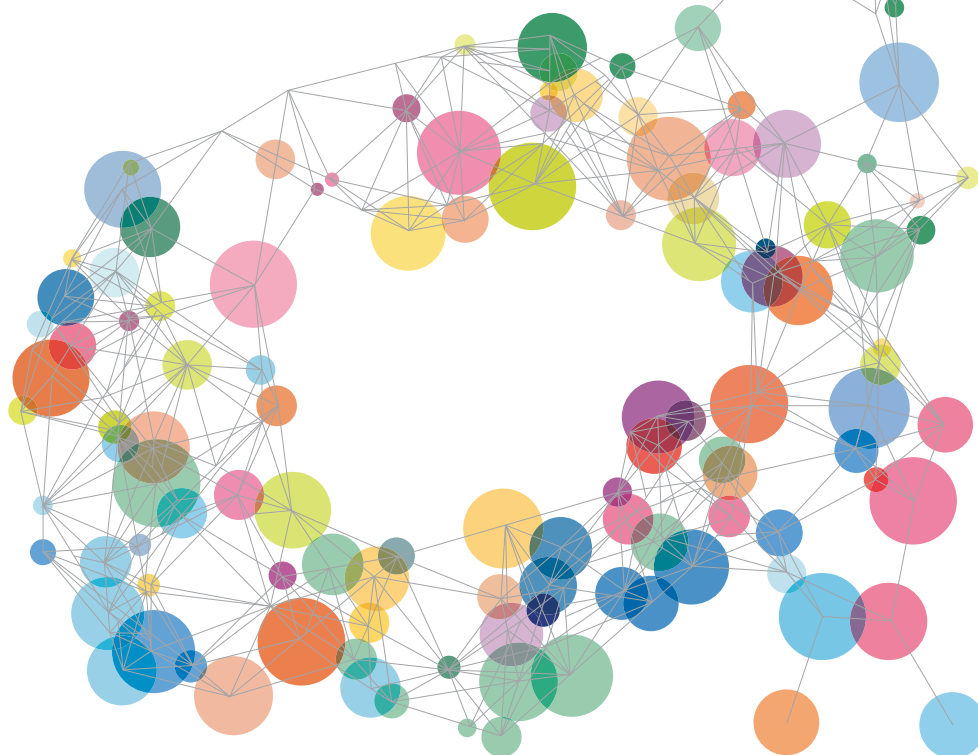




Setting the pace. **Shaping the future.**



Board of Directors



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At Alembic, we are focused on making the good even better through initiatives that not only grow the quantity of our numbers but also enrich their quality...



Through initiatives that not only increase revenues and profits today but in a sustainable way for tomorrow...



Setting the pace. **Shaping the future.**



At Alembic, this enduring philosophy has generated heartening results: profit after tax increased at a compounded rate of 31% in the last three years leading to 2014-15.



Alembic Pharmaceuticals Limited.



Valued at (US\$ billion).

Where you will find us: Alembic (headquartered in Vadodara, India) has five manufacturing facilities and a sprawling R & D centre at Vadodara. Being listed, the Company's shares are listed on the Bombay and National Stock Exchanges.

Mission

Improve healthcare through innovation, commitment and trust.

What we do

Alembic's operations consist of - International Generics, Branded Formulations and APIs.

Alembic Pharmaceuticals Limited.

Setting a higher pace.

Corporate

74%	12%	9200	7000+
Promoters' holding (%)	Institutional holding (%)	Market capitalisation (₹ crore)	Team size

International Generics and API

68	37	72
ANDAs filed in USA	ANDAs approved (tentative four approval)	DMFs filed

India Branded Formulations

19 th	17 th	5	19
Rank in the Indian formulations market	Rank in the doctor's prescription universe	Brands featuring in the top - 300	Brands with revenues in excess of ₹10 crore*

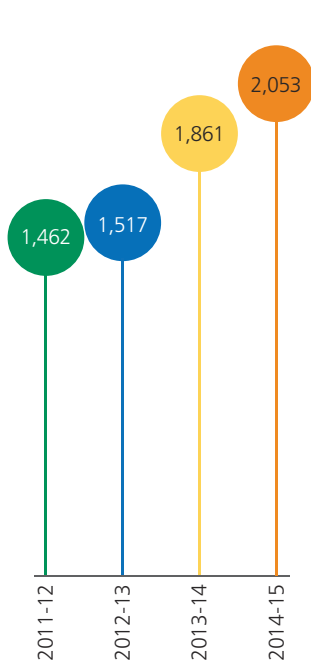
*(Source: ORG, March 2015)

As on March 31, 2015

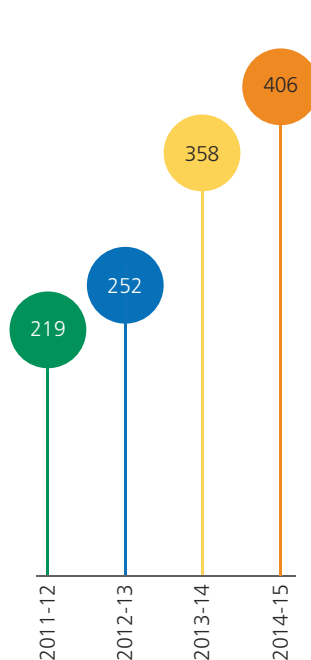
Financial progression

Setting a higher pace.

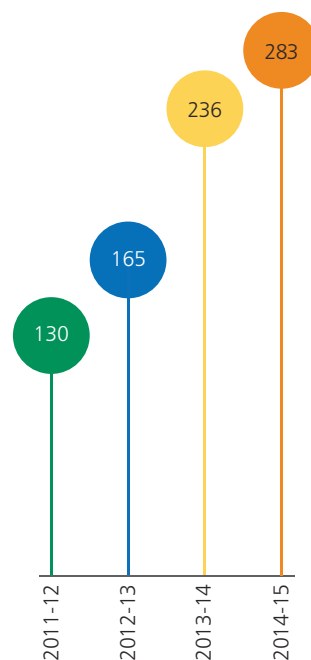
In every single year of the last four.



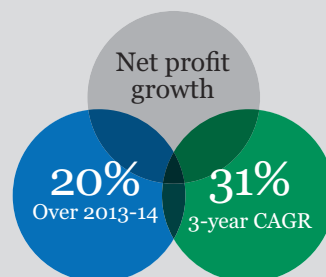
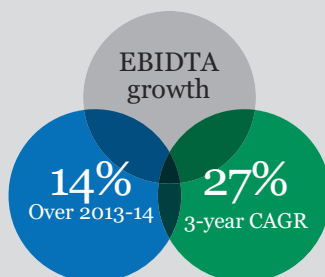
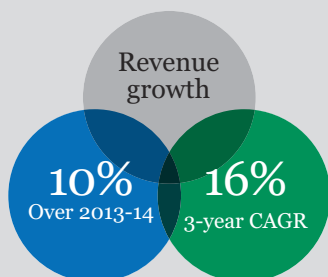
Revenue
(₹ crore)



EBITDA
(₹ crore)

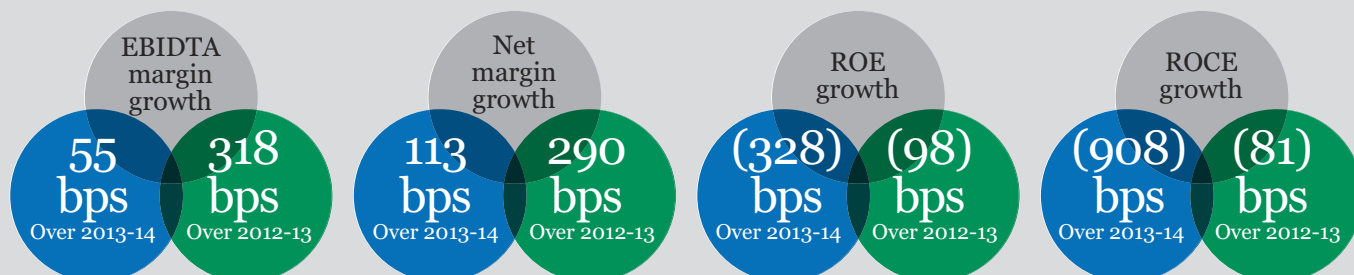
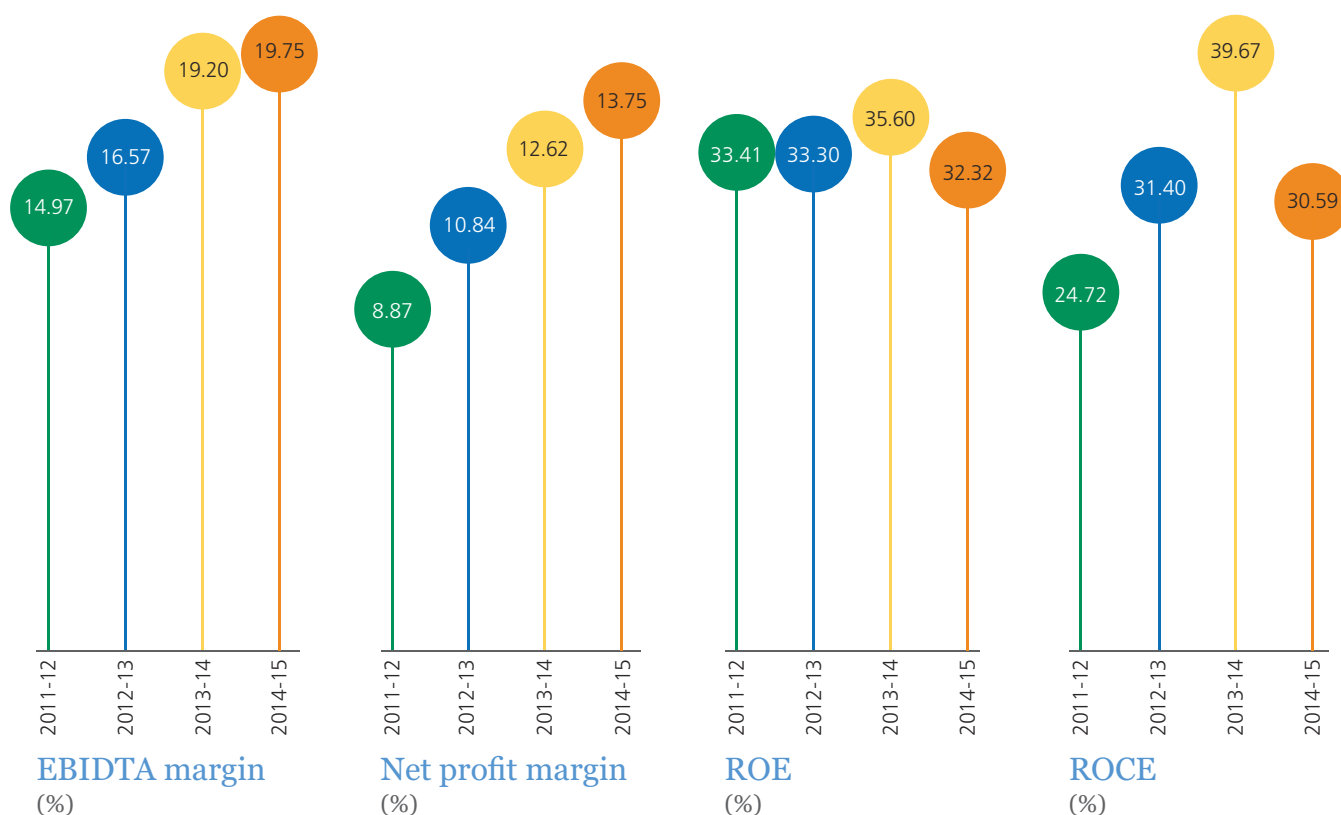


Net profit
(₹ crore)



Financial progression

Profitability.



Shaping our future in the domestic market.

The Indian market is transforming in size and character. As incomes rise and the health care footprint widens, the market for specialised remedies will increase.

Alembic is prepared for this reality. During the year under review, the Company did not just address the business needs of the moment; it strengthened its business through future-facing initiatives.

- Prepared the ground to launch around 20 branded formulations each year in India, a majority intended to address chronic therapies.

- Embarked on setting up a formulations facility in Sikkim

(projected commissioning early 2015-16).

- Created a blueprint to launch new marketing divisions (urology and women's healthcare), expected to generate sizeable revenues in 18-24 months.

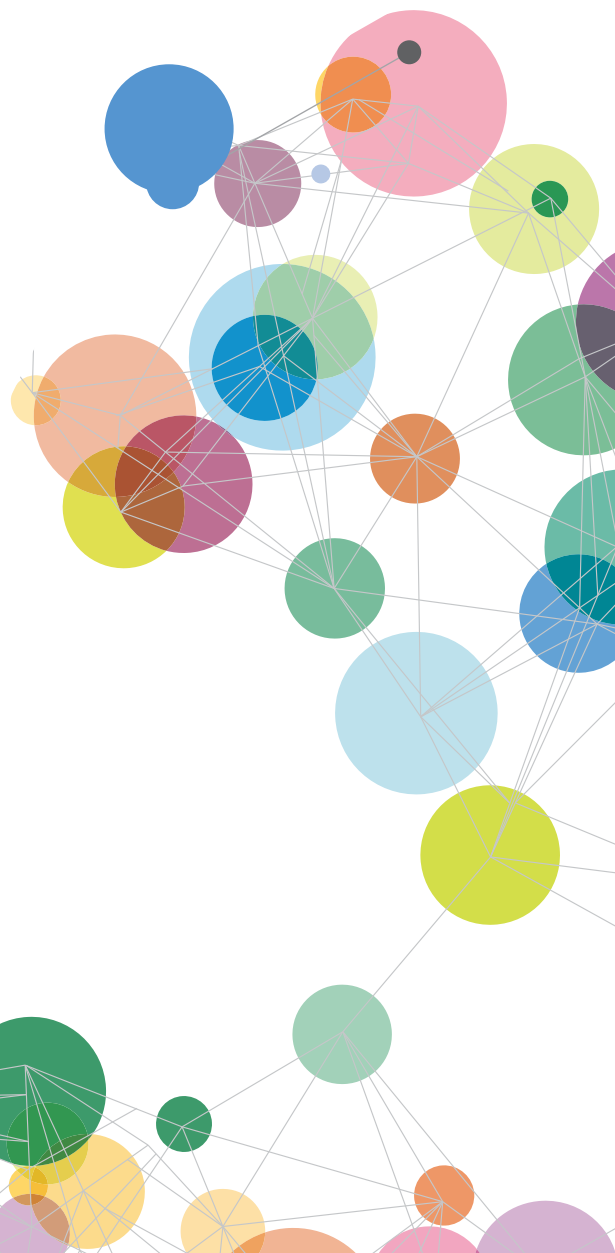
- Trained field employees with a greater focus.

We expect that these initiatives should make it possible for us to sustain market outperformance – at higher margins.

Setting the pace. Shaping our future.



Percentage growth
in our India Branded
Formulations
Business, 2014-15



Shaping our future by targeting global opportunities.

Alembic is driven by the passion to grow its presence as a global industry citizen, its products addressing needs across continents and therapeutic segments.

This widening footprint will address a number of realities, helping de-risk the business from a probable slowdown in any one market and address unmet needs more effectively.

During the year under review, Alembic strengthened its global model through various initiatives.

- Planned to launch about 7-8 products and file 10-12 ANDAs each year in the US, the most remunerative pharmaceutical market in the world.

- Invested in initiatives that will lead to front-end US operations in 2015-16, the benefits becoming visible from 2016-17.

- Alembic's Formulation unit successfully passed USFDA inspection (Zero 483).

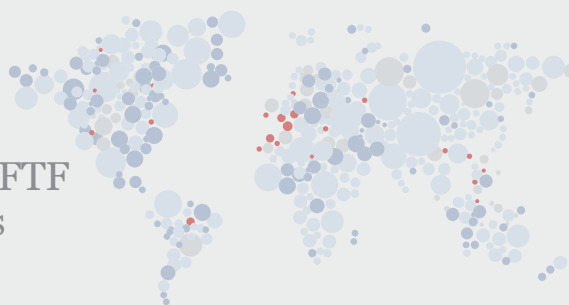
- Filed 29 products in the regulated markets of Europe and Australia in 2014-15 with five approvals during the year

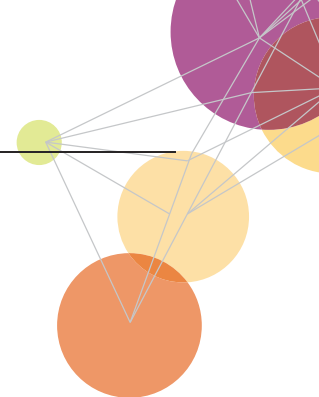
These diverse initiatives are expected to translate into an attractive volume-value play, enhancing realisations and revenues.

Setting the pace. Shaping our future.



Percentage of Para IV / FTF filings out of the ANDAs pending approval with regulatory authorities





Shaping our future through research preparedness.

As the business landscape becomes increasingly complex, the successful companies of the future will be those investing in knowledge and corresponding infrastructure to discover new processes and products.

Alembic reinforced its research competence and commitment through proactive R&D spent (₹139.30 crore, 2014-15) that accounted for 6.8 % of its revenues through multiple initiatives.

- Invested in pilot plants engaged in the research and development of APIs and formulations with the objective to shrink the product development cycle, faster exhibit batches and accelerate document filings with regulatory authorities.

- Invested in sophisticated equipments addressing technology gaps; intensified R&D team training to undertake projects in the areas of complex chemistry, new technologies and diverse delivery platforms.

- Focused on new delivery platforms Company is now aggressively looking at / evaluating into non-oral solid product basket. Company expects sizeable investment for such product basket.

- Invested in a state-of-the-art R&D centre in Hyderabad (12,000 square feet) to deliver niche molecules and superior technologies.

We believe that these initiatives will deepen our product basket, extend our delivery platform to high-growth therapeutic segments and expand our global opportunity canvas.

Number of active research projects three years ago

Number of active research projects today

Setting the pace. Shaping our future.

Shaping our future through enhanced market-readiness.

Alembic addresses two attractive opportunities, one emerging out of its global competitiveness and the other out of its growing Indian presence.

- Streamlined the supply chain; strengthened the function through novel initiatives; introduced predictability models to enhance responsiveness as a result of which on-time delivery performance significantly improved.

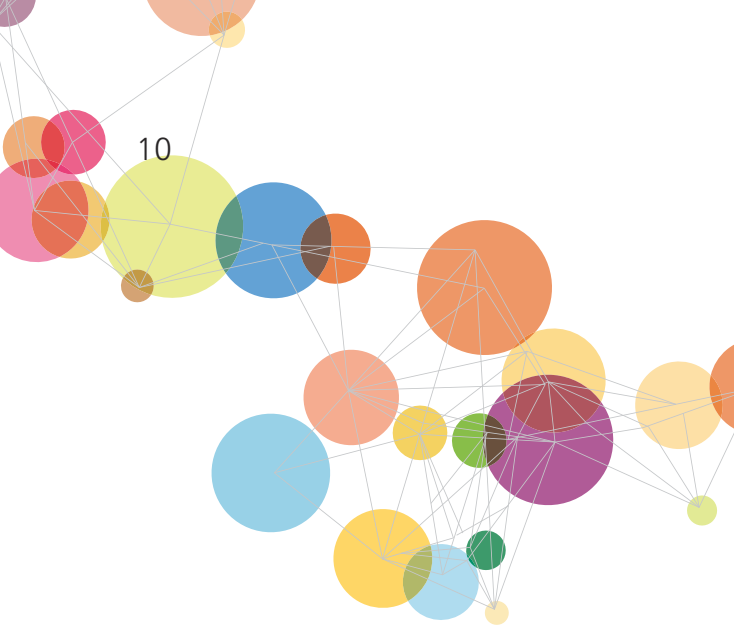
- Added API capacities at existing facilities, which is expected to improve supply reliability and cost competitiveness.

- Invested in IT solutions for document management and artwork packaging (product packaging) to match global regulatory standards.

Setting the pace. Shaping our future.



Percentage of APIs
captive-sourced for
Alembic's formulation
units from its API
plants in 2014-15



“At Alembic, the climb to the summit continues.”

Mr. Chirayu Amin, Chairman and Managing Director, articulates the strategies that the Company is focusing on



Dear shareholders,

Having reached base camp in 2013-14, we climbed higher in 2014-15, reflected in growth in revenues and profitability.

This improvement is creditable considering our higher base and challenging external environments in India and US, the Company's key markets.

At Alembic, what excites us is the pursuit of capability building that should translate into profitable growth.

Strengthening the business

Alembic continued to invest not just in a few spaces but across the board in the pursuit of building a stronger company.

Alembic recognised that a company positioned in growing markets would need adequate capacities to service increased demand; we invested over ₹200 crore in enhancing our API, Formulation and R&D capacities.

Alembic is convinced that a growing company will need research woven around unmet patient needs; we strengthened R&D capabilities with top-of-the-line facilities and equipment that reinforced our innovation pipeline.

Alembic has always prioritised the need to enhance global revenues; in line with this priority, we strengthened our filing capabilities.

Alembic feels that the most successful companies are those that respond with speed to market needs; we streamlined our supply chain.

The US will see the largest per capita increase in medicine spending in the next decade. Alembic is strategically positioned to capitalise on this reality.

Alembic believes in revenue rejuvenation; we worked towards diverse product delivery platforms.

Globalising

Alembic embarked on decisive initiatives to strengthen its positioning as a truly global pharmaceutical company.

We acquired a 49% stake in a new solid oral dosage manufacturing facility in Algeria for an investment of Euro 5.7 million. The joint venture was formed in name of Alembic Mami SPA.

The manufacturing facility is a state-of-the-art formulation plant with an annual capacity of 1.2 billion oral solids. The plant has been designed and developed by a leading European pharmaceutical company in line with cGMP requirements. The plant

possesses attractive headroom for prospective expansion.

The investment in Algeria will provide Alembic with a quick entry into the attractive Algerian market, which is a large African market with a size of US\$3 billion.

We expect to start filing for product registration dossiers in the current year, which should be visible on shelves in 2016-17 and strengthen our presence in the MENA region.

Regulatory compliances

I am happy to report that Alembic's formulations manufacturing facility at Panelav and Bio-equivalence centre at Vadodara successfully passed USFDA audit with 'Zero 483'.

Message to our shareholders

What makes a company like

Alembic relevant to this unfolding reality is that most regulated and pharmerging nations are turning to quality-conscious and low-cost manufacturing countries like India to address their generic requirements.

While the business environment will continue to be marked by complex challenges, the future holds promise.

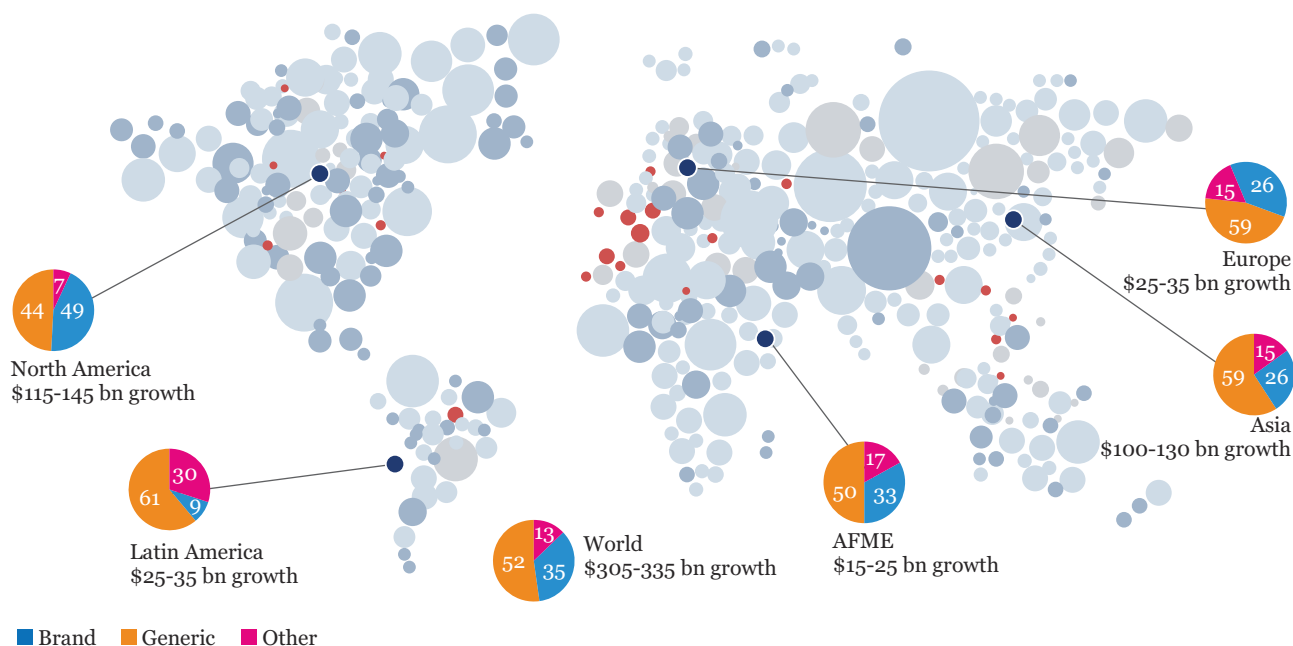
This reality drives us to work harder with the singular objective to make our business profitable and sustainable.

In doing so, we hope to enhance shareholder value in an attractive way across the foreseeable future.

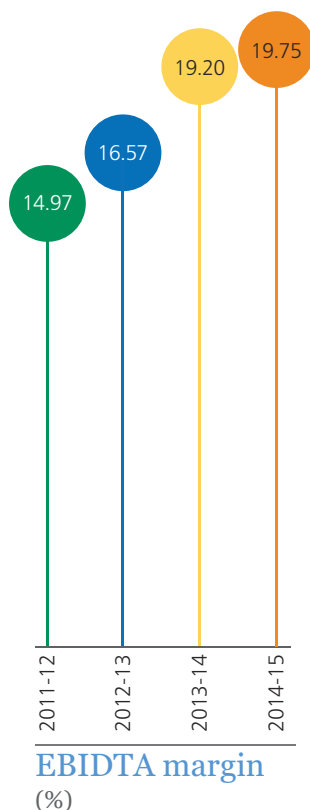
Chirayu Amin

Chairman and Managing Director

Generics to drive global growth



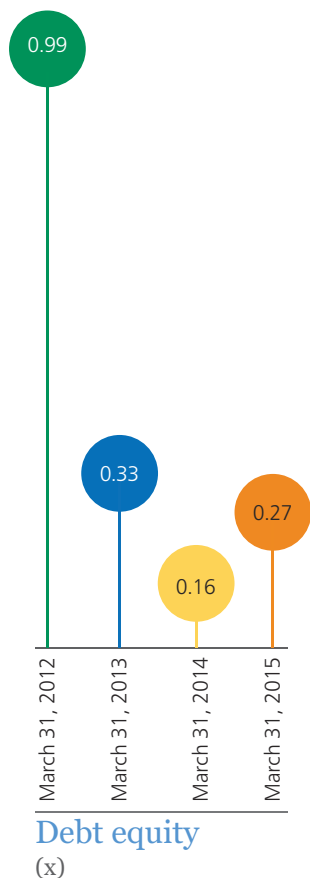
Source: IMS Market Prognosis, September 2014; IMS Institute for Healthcare Informatics, October 2014



“The year 2014-15 was an inflection point at Alembic, reflected in our acceleration.”



Mr. Raj Kumar Baheti, Chief Financial Officer, explains Alembic's financial robustness and value creation strategy



Q Were you pleased with the Company's performance in 2014-15?

The financial year under review was a satisfying one as revenues grew 10% over 2013-14 while EBITDA and Net Profit increased to 14% and 20% respectively.

It would be pertinent remembering that the Company reported exceptional numbers in 2013-14, creating a large base on which we were required to do even better, which is not easy.

Besides, some external realities (NLEM policy which impacted the domestic formulations business, stiff US competition and a European slowdown and a steep devaluation in the EURO that impacted our International Generics segment)

made the operating environment challenging.

What is creditable is that despite these various challenges, we strengthened our profitability. The more challenging the external environment became, the harder we worked and the better we performed.

Q What reasons would you ascribe to the improved profitability?

Alembic's improved profitability was a consequence of timely product launches in India and the streamlining of our supply chain addressing the regulated markets. The combination of these initiatives increased sales throughput (from the new facility) and strengthened customer confidence in our ability to deliver. We took this advantage

“As things stand, Alembic will not be averse to increasing debt on its books to address its growth aspiration as long as the targeted opportunity generates a desired ROI of 24% ± on the incremental investment.”

Mr. Raj Kumar Baheti, Chief Financial Officer

19.75%

Our EBITDA margin of 13-14% climbed to 19.75% in 2014-15. At Alembic, we are focused on an annual margin expansion.

ahead through optimised costs and a lower interest outflow, which enhanced our margins.

Q What initiatives did Alembic take to catalyse prospective growth?

The year 2014-15 could go down as an inflection point in our existence; we created the foundation for the next growth leap through various initiatives:

Investment: We invested ₹200 crore during the year under review in enhancing operational capacity and capability. We embarked on the second expansion phase of our USFDA facility, enhancing our unit's capacity. We invested in a Sikkim unit to manufacture formulations for our domestic business. We added a unit to our API facility, increasing capacity by 100 MTPA. Pilot plant for formulation is progressing well and is expected to be commissioned

in Q1 15-16. This will enable faster and accurate filings in the regulated market.

Clearances: Our formulations unit and R&D facility were successfully audited and certified by the USFDA, which validates our systemic and process competencies at a time when global regulatory standards are becoming increasingly demanding.

Q What could have been the need for sizeable capacity augmentation given the Company's prevailing capacity utilisation?

Even as our USFDA-approved formulation unit operated at 60% of its capacity, we embarked on building capacities for the future for a good reason. The competitive landscape and regulatory challenges keep throwing up interesting opportunities and Alembic invested proactively to capitalise on them.

Q Will this capex impact the Company's debt burden?

Over the last few years, we prepared methodically for this strategic leap. In the last three years, inspite of large capex spent we repaid about ₹110 crore of debt on March 31, 2015. Despite the additional debt that we took on our books to finance the capex, our gearing stood at a healthy 0.27 as on March 31, 2015.

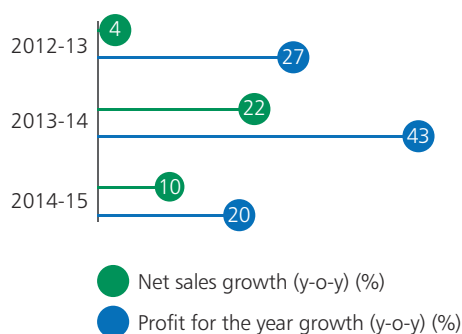
Q Alembic's business margins have strengthened over the years. Will this increase sustain?

Our EBITDA margin of 13-14% climbed to 19.75% in 2014-15. At Alembic, we are focused on continuous margin expansion. We expect that the expansion in EBITDA following the scale-up of newly launched divisions with front-end marketing in USA, will add margins that were earlier shared with our alliance partners.

Shareholder value

Pacing better is emerging stronger.

Over the years, Alembic has enhanced value for its owners through strategic long-term business-building.

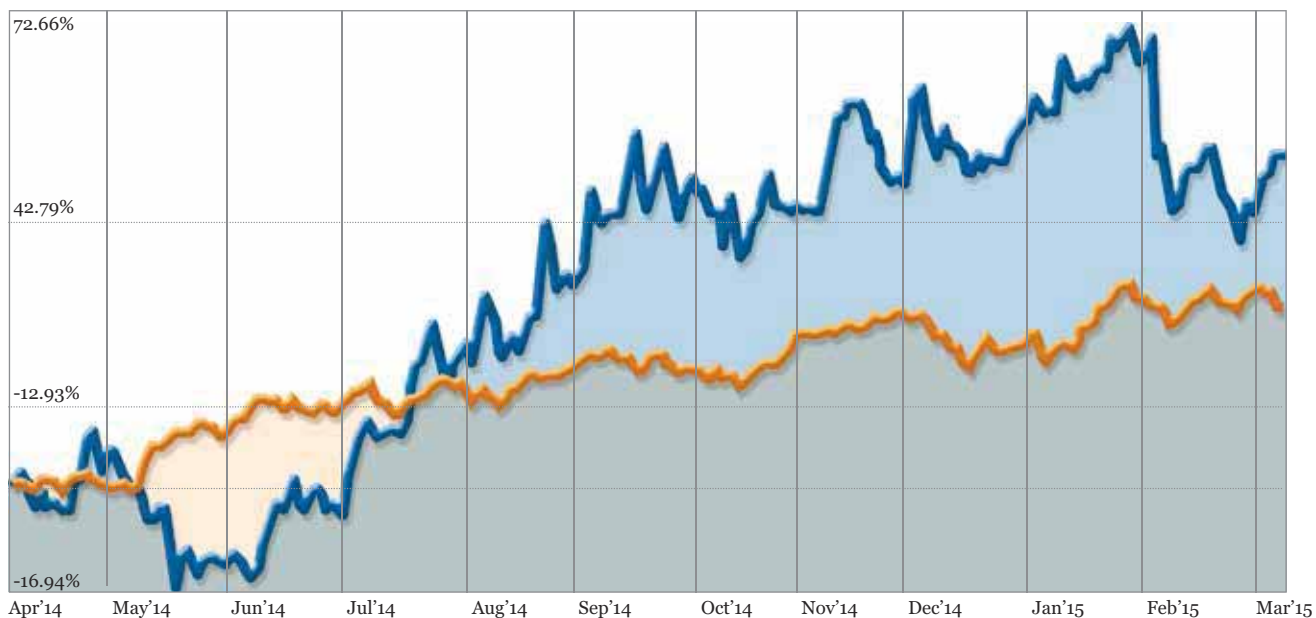


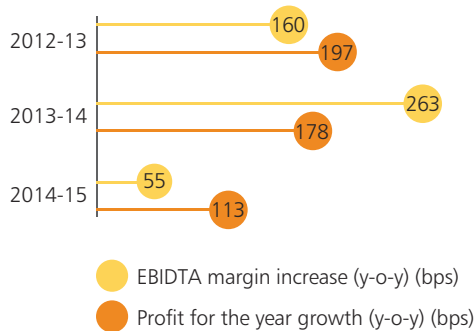
Revenue growth

The Company grew sales (revenues and volumes) across markets and products through accelerated product launches, enhanced capacities, global regulatory approvals, successful customer audits and increased product delivery.

Outperforming the broader index

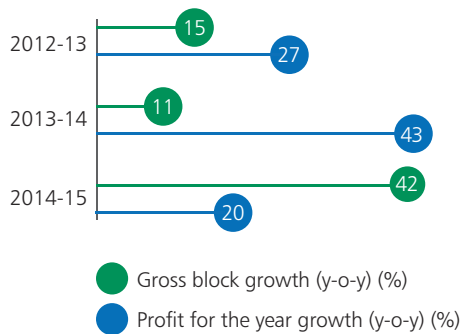
▲ Alembic Pharma ▲ Sensex





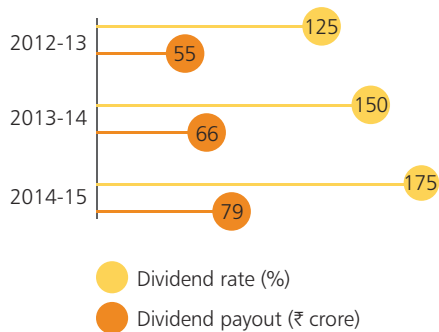
Improving profitability

The Company explored the value chain across all its business segments - from APIs to finished dosages, from acute to chronic therapies, from domestic to regulated markets and from traditional processes to complex chemistry. On the other hand, the Company optimised operating costs, enhancing profitability.



Prudent utilisation

Even as the Company grew free cash flows through volume and value-driven initiatives, it achieved a delicate balance between the need to reinvest and reduce leverage. Hence, even as capacities increased, its debt-equity ratio declined, strengthening sustainability.



Rewarding shareholders

The Company rewarded shareholders by enhancing dividend payout.

The pharmaceutical industry

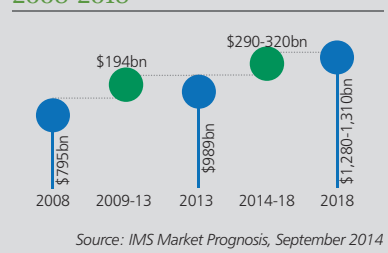
Global

Global spending on medicines is forecast to reach nearly US\$ 1.3 trillion by 2018, an increase of about 30% over 2013. This intensity of growth at a CAGR of 4-7% on a constant currency basis will be higher than the 5.2% recorded over the past five years.

Key demographic trends like the need for better diagnostic and treatment services for chronic conditions and an ageing population will drive demand in developed markets over the next five years. Population growth coupled with improved access to healthcare will drive growth in the emerging markets. Most countries are expected to experience an increase in per capita pharmaceutical spending by 2018.

Global spending growth is expected to stabilise between 4-7% by 2018. Higher spending is expected on specialty medicines over the next

Global spending and growth, 2008-2018



five years, particularly in developed markets -about 40% of the total global growth will come from these medicines.

The world is genericising on account of a growing need to moderate medical expenses across nations. In the US, generics will continue to drive the pharmaceutical industry, largely due to a growing government focus on affordable, quality healthcare while reducing overall spending. This focus is providing heartening results: a 2014 report indicates that an increased reliance by American patients on generic products saved federal and state

programs, consumers, taxpayers, businesses and others a staggering US\$ 239 billion in 2013, translating into a 14% cost saving over 2012. Besides, growth in pharmerging markets is accounted for by 83% non-branded medicine growth, especially generics (*Source: IMS Health Report*)

Generic drugs will account for nearly US\$ 350 billion in revenues by end-2015. The market is expected to grow at a CAGR of 12% over the next five years.

The US

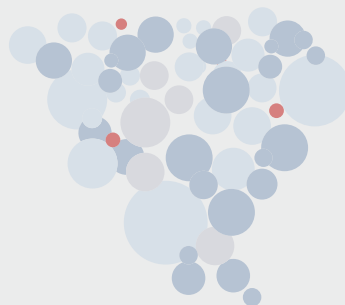
Among the major markets, the United States remains the largest, accounting for over a third of the global pie, and expected to grow at a CAGR of 5-8% through 2018. This is significantly higher than the 3.6% growth clocked during the past five years.

The US generic drugs market accounts for a share of around 45%

Approximately 70% patients in developing countries receive Indian medicines through NGOs like The Clinton Foundation, Bill & Melinda Gates Foundation, Doctors without Borders, the UNCTAD, among others.

India holds over 10% share in the global pharma production with over 60,000 generic brands across 60 therapeutic categories and manufacturing over 400 different Active Pharmaceutical Ingredients (APIs).

The global population aged 65-and-over will grow faster than any other age segment, accounting for almost 30% of the overall population growth over the next five years.



About 86% of the prescriptions dispensed in the United States now comprise generic drugs.

in the global generics market. This share has been growing rapidly on the back of factors such as demand for cost-effective medications, rising healthcare expenditure, increasing ageing population, patent expiration of blockbuster drugs, and enhanced governmental support. Besides, factors such as surging drug prices, lack of FDA support, lengthy product approval processes, and increasing legal controversies related to drug approvals are holding back growth in the generics industry.

According to a report by RNCOS, US Generic Drug Market Outlook 2018, the American generics market,

which was valued at US\$ 43.5 billion in 2013, is anticipated to grow at a CAGR of around 11% till 2018.

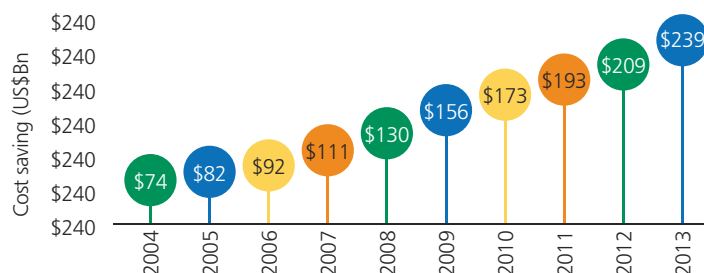
India

India's drugs and pharmaceuticals industry is likely to post total sales worth ₹2.91 trillion (US\$47.88 billion) by 2018, with an average annual growth of at least 14%, aided by a rapidly growing domestic market and the newly emerging export opportunity as patents of about a dozen US blockbuster drugs expire across the next three years. By 2016, patented drugs worth ~US\$92 billion are expected to go off-patent

in the US (US\$65 billion during 2010-12).

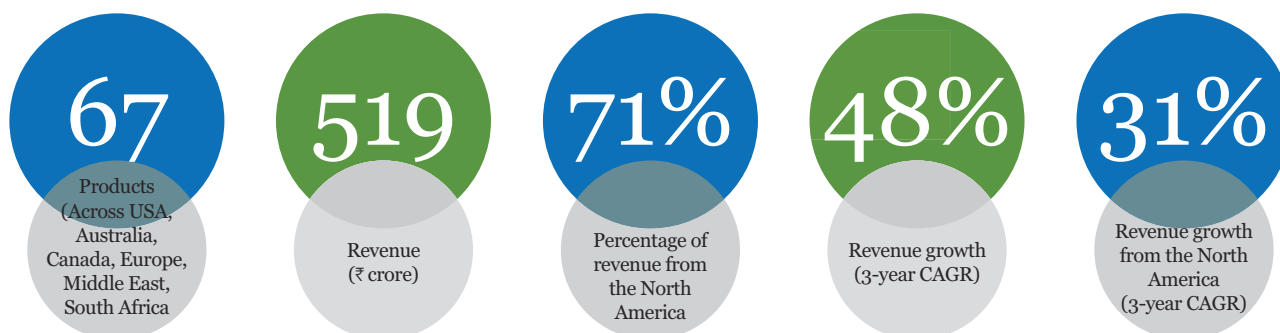
The domestic drugs industry, valued at ₹1.6 trillion presently, is also expected to grow in the local market with increasing awareness, aggressive rural penetration by drug makers, increasing affluence, higher incidence of lifestyle diseases, increased governmental spending in the realm of healthcare through schemes like the Central Government Health Scheme (CGHS), National Programme for Healthcare of the Elderly (NPHCE), Rashtriya Arogya Nidhi (RAN) and Janani Suraksha Yojana (JSY).

A report by the IMS Institute for Healthcare Informatics highlights the savings in medical costs in the US



Generic products helped save the US health system nearly \$1.5 trillion over the past 10 years (2004-13).

International Generics



Overview

From the domestic market, Alembic extended to the US, the world's largest pharmaceutical market. Consequently, the Company's International Generics business hinges around formulation sales to the US.

The US

The Company has 26 products in the US marketed by alliance partners. Besides, the Company filed 68 ANDAs (March 31, 2015), of which 37 are approved (including four tentative approvals), which represents a strong pipeline for prospective launches. These products are manufactured at the Company's

USFDA-certified plant at Panelav.

Other regulated markets

The Company widened its global footprint across regulated markets like Europe, Australia and South Africa. In these markets, the Company adopted a partnership approach in reaching customers.

The International Generics business emerged as the fastest growing within the Company; revenues from regulated markets grew 11 % in 2014-15. The International Generics business accounted for 25% of Company's topline during the year under review compared to 16% three years ago.



Percentage of the Company's APIs consumed in the formulation unit.



Regulated market snapshot 2014-15

The US

- Revenue increased by 11% over the previous year
- Filed 7 ANDAs and received approvals for 5
- Launched 5 products in this geography
- Worked on setting up a front-end marketing piece

Europe and Australia

- Revenue increased by 12% over the previous year
- Filed 8 product registration dossiers and received approvals for 4

2014-15 in retrospect

Performance

- Revenues from International Generics increased 11% from ₹468 crore in 2013-14 to ₹519 crore in 2014-15.
- Revenue growth was largely on account of new product launches; six products were launched in regulated markets.

Challenges

- Some new launches took longer to gain traction due to competition.
- Price erosion and increased competition in some products impacted profitability.
- The discontinuation of some low-margin products affected revenues.

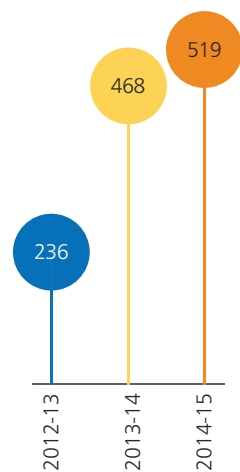
Growing forward

Alembic is enhancing the capacity of its USFDA-certified plant. The Company expects to commence marketing operations directly in the US to strengthen its presence.

A sign of things to come

	The US	Europe	Australia	South Africa	Brazil
Cumulative filings	68	23	14	17	6
Cumulative approvals	37*	6	12	1	1
Product launches	26	1	-	-	-

*Including four tentative approvals



International
Generics-
Revenue
(₹ crore)

International Generics



Mr. Pranav Amin, *Joint Managing Director*

“The year 2014-15 was special; regulatory agencies from key markets audited and certified our operating units.”

The year 2014-15 was exciting.

We bettered our International Generics business on a larger base of 2013-14 in the face of price erosion and intensifying competition.

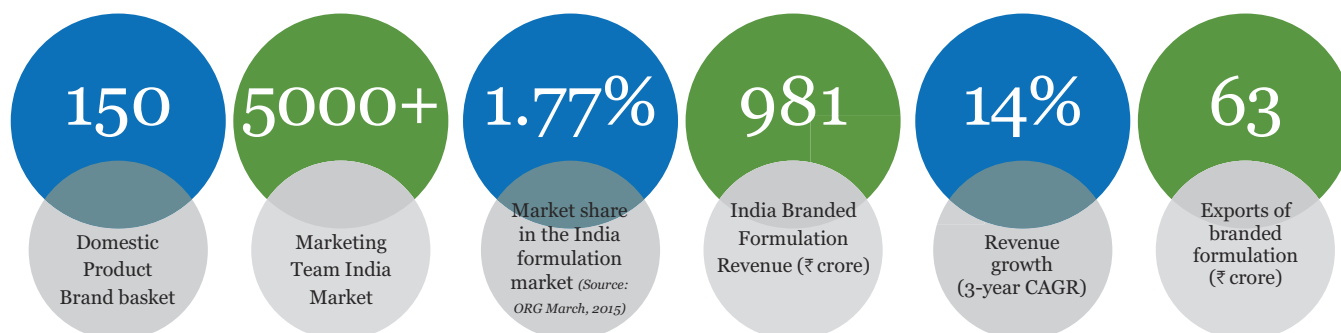
Alembic engaged in a number of strategic initiatives to counter business challenges. The Company selected to dispense certain low-margin products, the portfolio rationalisation being faithful to the Company's conviction that it will not increase market share at any cost but only as long as it enhances profitability.

Alembic strengthened the robustness of its International Generics business through the successful audit and certification of its operating units by global regulatory agencies, a validation of our globally-benchmarked systems.

Going forward, I am optimistic that our growth in this business will be derived from complex new product launches. Our product mix will continue to evolve based on our competitiveness and product viability in the US market. Besides, our presence in other regulated markets (Australia and Europe) is expected to gain progressive traction.

In view of these realities and initiatives, I am optimistic of healthy profitable business growth over the foreseeable future.

Branded Formulations



Overview

Alembic was once a large player in the acute products segment.

Over the years, the Company's focus on the chronic product portfolio yielded rich dividends and this divisional growth outperformed the industry average.

Alembic's branded formulation segment has emerged as the flagship business division, accounting for nearly 51% of the Company's topline during the year under review.

While the Company continues to enjoy a strong presence in the anti-infective, analgesic and cough & cold segments, it will focus on chronic therapies (cardiology, diabetes, gynaecology, GI, orthopaedic, dermatology and respiratory).

In the recent past, the Company altered its marketing model by balancing its product portfolio between divisions. The Company realigned the goals of its medical representatives, shifting focus from cumulative monthly targets to brand-wise sales targets.

2014-15 in retrospect

Performance

- Revenue from domestic branded formulations increased 15% from ₹851 crore in 2013-14 to ₹981 crore in 2014-15.

- The specialty segment grew 21% and acute segment by 9%.

- The share of specialty products in the branded portfolio increased from 54% in 2013-14 to 56%.

Challenges

- The Company discontinued products (valued at about ₹21 crore).

- It reorganised marketing teams to re-establish customer relationships.

- It suffered adversely following NPPA decisions.

Products

- Alembic reported an uptick in the sales volume of Azithral, the division's flagship product.

- The Company launched 29 products SKUs in the domestic market, a majority being specialty

products addressing chronic therapies.

People

The Company added around 1,000 marketing professionals during the year under review with the objective to widen market coverage and deepen penetration.

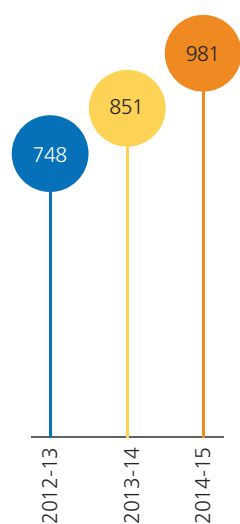
Division

Alembic created multiple task forces and new divisions to catalyse the growth of the specialty – a new cardiology division, a second gastro division was launched, stabilised; respiratory division was rolled out.

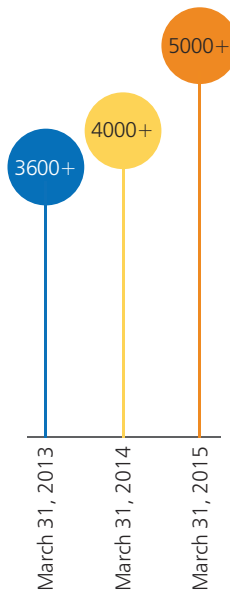
Growing forward

Alembic plans to launch around 20 product SKUs each year, the majority addressing chronic complications. This is expected to increase the share of chronic therapies in the overall revenue basket. The Company also plans to launch two marketing divisions to consolidate its domestic position in the women's health and urology segments.

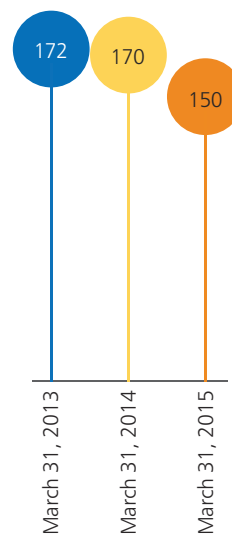
Branded Formulations



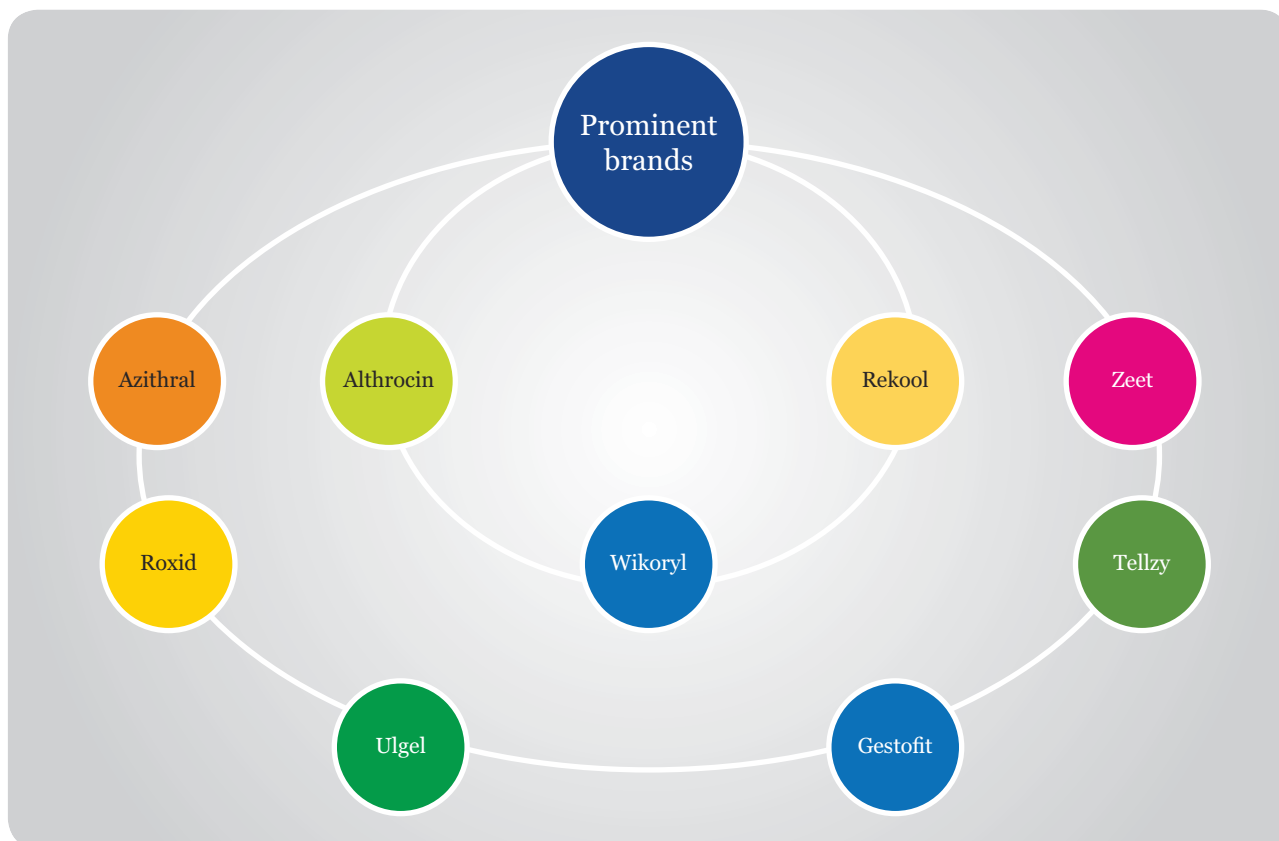
India Branded Formulation-Revenue
(₹ crore)



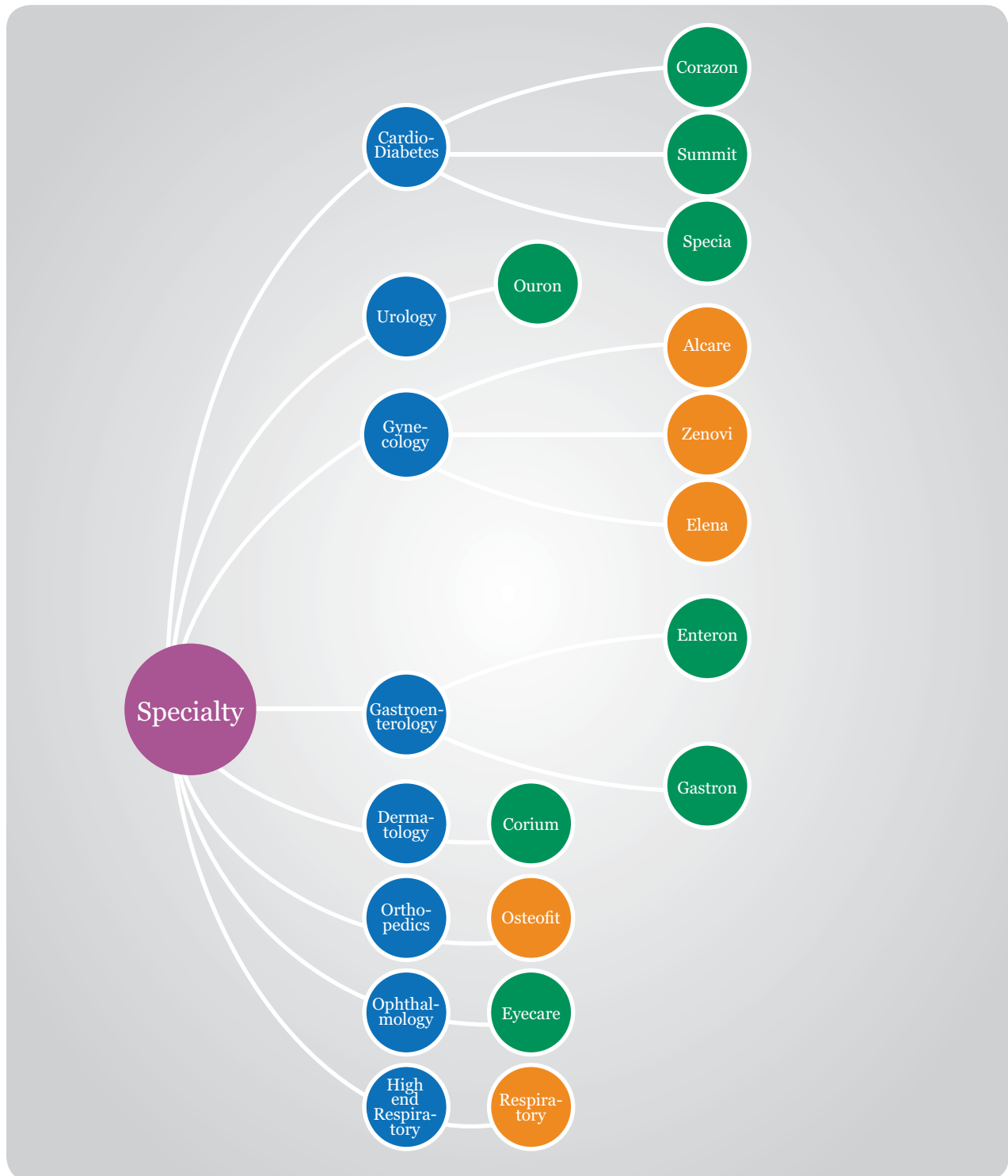
Marketing Team



Number of product Brand

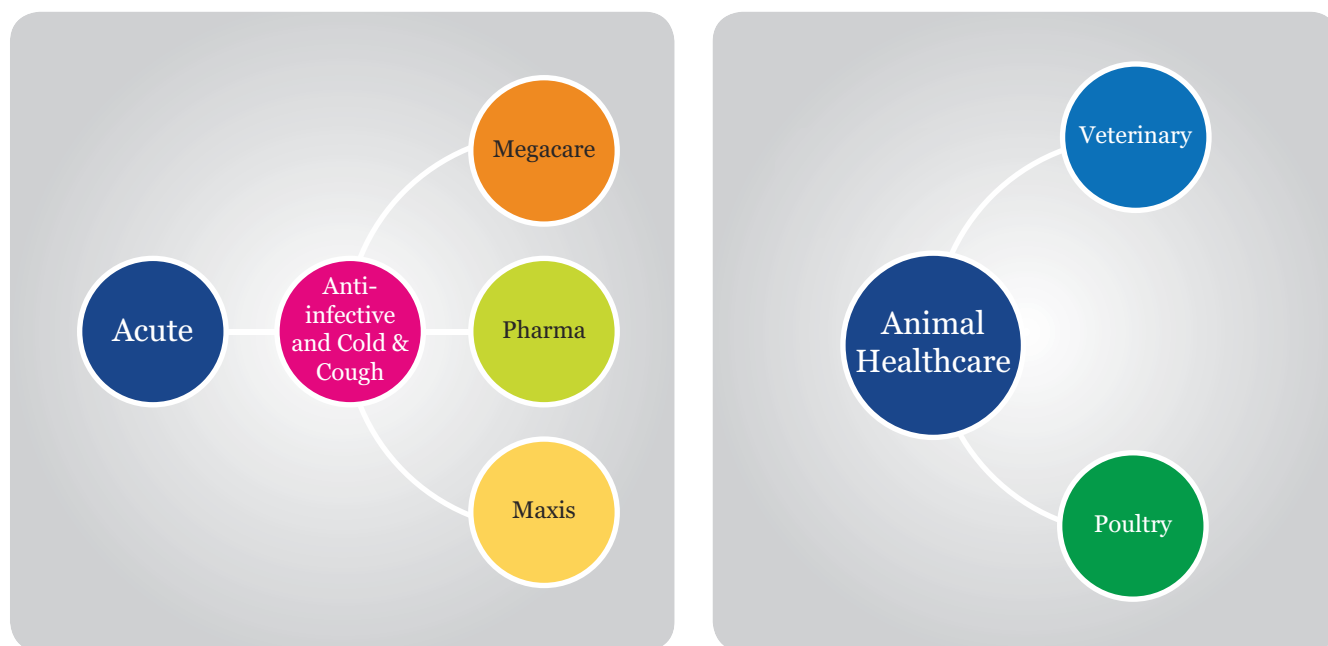


Alembic's marketing structure



Branded Formulations

Alembic's marketing structure



Alembic's outperformance against the industry average

Therapy	MAR MAT 2015				MAR MAT 2014			
	Therapy growth (ORG)	Market share growth (ORG)	Alembic Growth (ORG)	Alembic Growth (PRIM)	Therapy growth (ORG)	Market share growth (ORG)	Alembic Growth (ORG)	Alembic Growth (PRIM)
Cardiology	11	1.77	29	31	12	1.51	27	37
Anti Diabetic	18	1.46	29	27	23	1.33	24	30
Gynaecology	12	2.33	27	28	9	2.05	23	33
Gastrology	14	2.45	11	17	10	2.50	10	15
Dermatological	19	0.44	42	52	20	0.37	200	190
Orthopaedic	12	1.05	4	13	9	1.12	9	20
Ophthalmology	20	1.45	0	(12)	11	1.75	41	34
Anti Infective	10	3.61	4	4	1	3.84	(6)	(3)
Cold & Cough	11	5.38	22	20	13	4.90	9	15
TOTAL	13	1.77	15	15	10	1.74	8	13

Source: ORG, March 2015

At Alembic, we work on speciality therapies, which are progressive in nature, it is our conviction that the specialty segment will outgrow the acute market space.

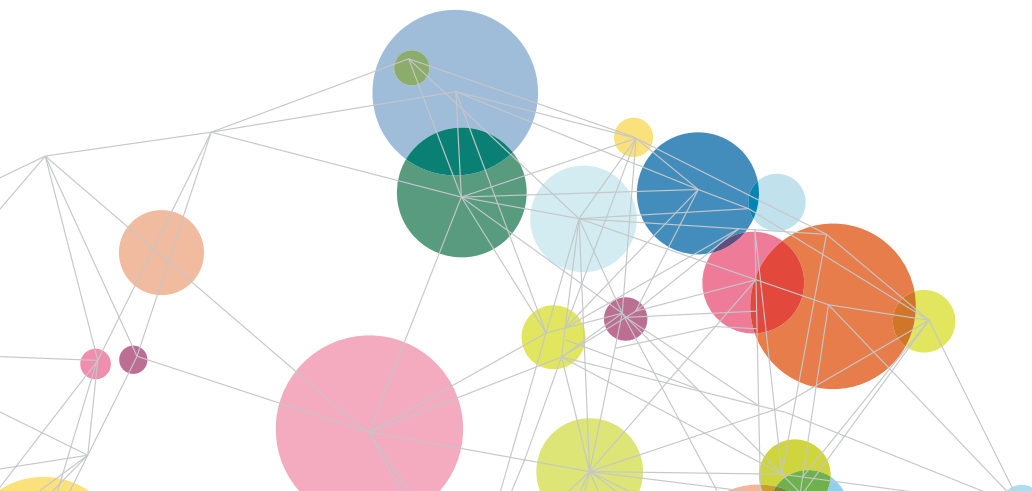
The launch of new products was successful in terms of acceptability and market share creation. While the number of our launches may not be close to that of the five leading Indian pharmaceutical players, we are pleased to report significant momentum that should enable us to address our goals.

Our strategy and execution have performed in tandem and achieved our corporate goals.

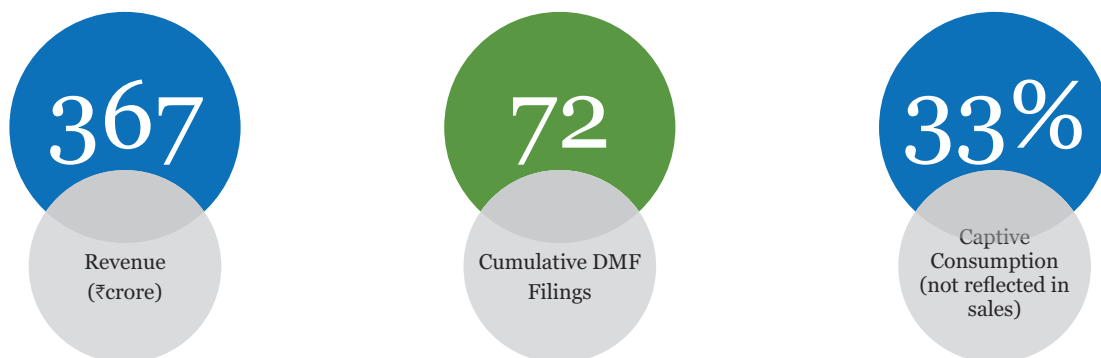


Mr. Shaunak Amin, Joint Managing Director

“We expect to significantly outperform the markets in which we operate.”



APIs



Overview

Alembic's API business represents critical backward integration that makes it possible to formulate niche products that find global acceptability.

The Company's ability to manufacture products involving complex chemistry, long processes and difficult-to-handle molecules represents a competitive advantage.

As a result, the Company's reliance on APIs manufactured in-house increased multifold to 33% in 2014-15 of what it was about five years ago. The Company invested large amount in building state-of-the-art API blocks in the last few years. These capacities will help address the augmented requirement of APIs over the next couple of years.

2014-15 in retrospect

Performance

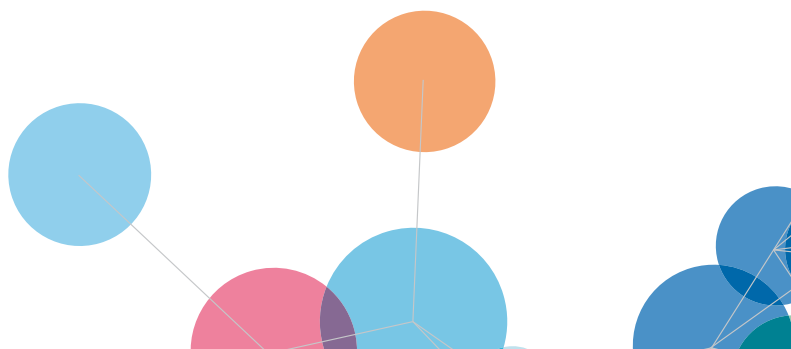
Revenues from the sale of APIs grew 8% from ₹340 crore in 2013-14 to ₹367 crore in 2014-15; of the total sales, nearly 90% was derived from the regulated markets.

Products

The Company commercialised seven new products.

Filings

Alembic filed seven DMFs, increasing the cumulative DMF filing to 72 as on March 31, 2015.



Analysis of financial statements

In fiscal 2014-15, the Company consolidated business operations, preparing itself for the next big leap.

ANALYSIS OF THE STATEMENT OF PROFIT AND LOSS

Net revenue from operations

Increased by 10.32% from ₹1,861 crore in 2013-14 to ₹2,053 crore in 2014-15 – the growth being fuelled by the following:

- Increased thrust on lifestyle therapies which grew sales volume and value – Domestic Branded business grew by 15% over the previous year.
- Increased sale volume to international markets especially the US markets – International Generics business grew by about 11% over the previous year.
- Increased API sales to regulated markets also contributed to business growth.

Operating costs

Overall operating costs increased by 9.81% from ₹1,506 crore in 2013-14 to ₹1,653 crore in 2014-15 in line with business growth. Cost of material consumed declined marginally even as sales volumes increased. This

contrarian result was due to growing volume of high-value international generic products and increase in Branded Domestic business.

Employee expenses jumped by 24.19% from ₹247 crore in 2013-14 to ₹307 crore in 2014-15 - owing to an increase in the team size and the annual increase in employee emoluments.

R&D expenses grew by 7.52% from ₹130 crore in 2013-14 to ₹139 crore in 2014-15 representing 6.8% of turnover. This increase is attributed to significant increase in products under development.

Margins

2014-15 was a year of consolidation after a big-bang 2013-14. EBIDTA margin increased from 19.20% in 2013-14 to 19.75% in 2014-15. Decline in interest cost facilitated in improving the net margin from 12.62% 2013-14 to 13.75% in 2014-15.



Analysis of financial statements

ANALYSIS OF THE BALANCE SHEET

The size of the Balance Sheet grew during the year – capital employed in the business increased by 46% to ₹1,180 crore. This increase was deployed in growing the Company's Gross Block and meet additional working capital requirement.

Networth

The balance under this head increased by 30.95% from ₹676 crore as on March 31, 2014 to ₹885 crore as on March 31, 2015 owing to an increase in the Reserves and Surplus. As a result, the book value per share improved from ₹35.84 as on March 31, 2014 to ₹46.93 as on March 31, 2015. The reserves were entirely free in nature indicating to the strength of the Balance Sheet.

Non-current liabilities

The balance under this head declined by 23.20% from ₹94 crore as on March 31, 2014 to ₹72 crore as on March 31, 2015. This decline was due to primarily due to a decline in long-term borrowing.

Current liabilities

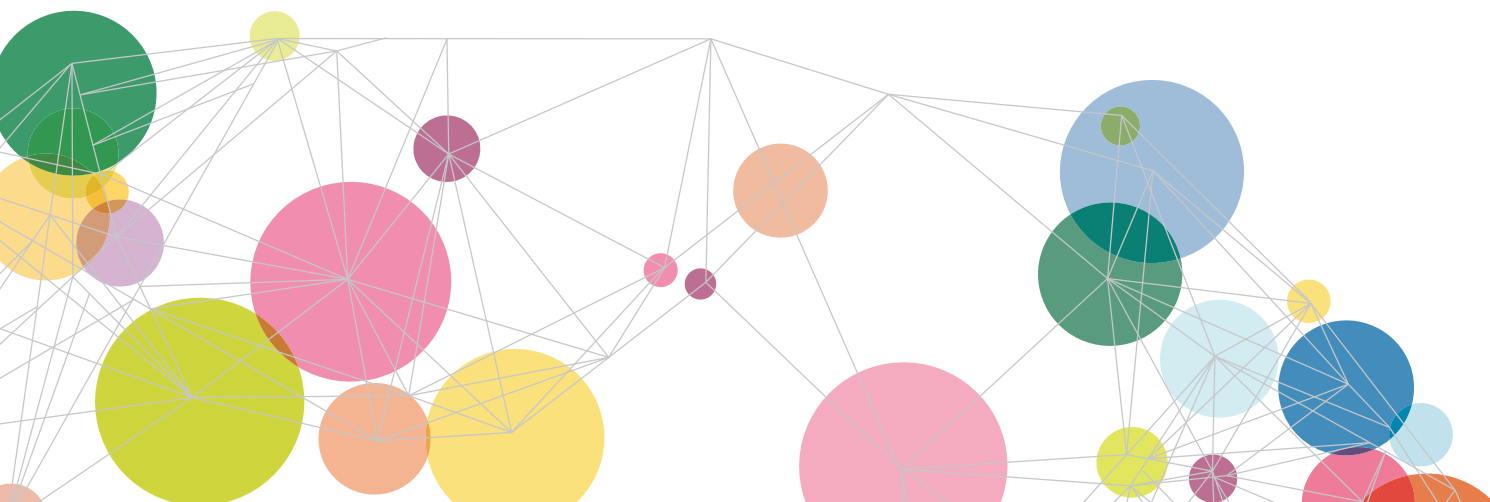
The balance under this head jumped by 52.92% from ₹447 crore as on March 31, 2014 to ₹684 crore as on March 31, 2015. This increase was primarily due to increased reliance on short-term borrowings to fund growing working capital requirements. The balance under trade payables also increased but it was largely in line with business growth.

Tangible Assets

Net Tangible Assets increased from ₹418 crore to ₹595 crore representing capital expenditure to increase operational capacity and capability. This includes increased Work-in-Progress which represents capital projects which are expected to be completed in the current year.

Current assets

The balance under this head increased by 27% from ₹701 crore as on March 31, 2014 to ₹891 crore as on March 31, 2015. This increase was in line growing business operations in India and international markets.





Internal control systems and their adequacy

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

The Company has appointed M/s. Sharp & Tannan, Chartered Accountants, as internal auditors. The prime objective of this audit is to test the adequacy and effectiveness of all internal control systems and suggest improvements. Significant issues are brought to the attention of the audit committee for periodical review.

Alembic has global IT and communication

networks and applications to support its business activities.

Reputed consulting firm was assigned task of SAP Process Mapping, Controls and Security Review. The assignment involved reviewing Business process mapped to SAP process, review of controls configured in SAP, the effectiveness of automated controls, system administration and configuration analysis and SAP utilisation assessment.

To set the tone for the Company to attain effective and efficient internal control and documentation we have also implemented the Document Management System both for its core operations and for strategic operations.

Moreover, the Company has obtained ISO 9001 and ISO 14001 certification and adheres to the Standard Operating Practices in its manufacturing and operating activities.



Human capital

Alembic's edifice of growth is built on the cornerstone of tireless efforts by its workforce - its 'human capital'. Alembic has on its payroll a rich mix of experience and energy.

The Company's endeavour is not merely to enhance its workforce in numerical terms, but to ensure that their competencies are enhanced in line with changing business needs. Different teams collaborate with each other to inculcate industry-best practices and foster an ethically-motivated working culture.

2014-15 in retrospect

In keeping with the expanding nature of operations, the Company implemented vital people-centric initiatives to enrich its

intellectual capital.

- The Company set in motion the Alembic Talent Pool, an initiative for building a talent pipeline. Under this programme, the Company inducted 50 freshers from leading institutes, provided a one-year structured training programme comprising theory and on-the-job training, cross functional exposure and periodic evaluation. Of the first batch, 44 members were placed in regular positions. The Company plans to continue this exercise.

- The Company initiated the Udaan project, an initiative to identify, train and retain star performers. Under this programme, star performers are bucketed as per their skills and assigned challenging

projects. Group-wise training and structured cross-functional job rotation ensured multi-faceted business exposure.

- Initiated Implementation of Success Factor module.
- Over the last few years, the Company reinvented itself and improved its competitive positioning. Now at an inflection point from where it can either move into an aspirational growth zone or be one amongst others. The Company is now the time to blend the timeless component of our setup with the timely

context. The Company conceived a major strategic initiative that will form the DNA of Organisational Reinvention namely Capability Development and Breakthrough Performance. This initiative, entails leveraging the professional expertise of Executive coaches. They will be working in an advisory capacity across both the organisations for business units as well as HR imperatives. They will help us in strategising, driving robust execution and coaching top leaders to drive transformation.



Information technology

The pharmaceutical industry is becoming increasingly complex. Regulatory standards have become more stringent. Compliances norms have toughened. Operations have globally widened. Given the scenario, IT competencies have emerged as mission-critical in facilitating business growth.

At Alembic, IT integrates operations and processes across plants, corporate and marketing offices, across India and the world. It seamlessly provides real-time data to meet the exacting global regulatory standards and facilitating informed decision-making.

2014-15 in retrospect

- Developed and implemented the Document Management System, which allows document generation with multi-layer authorisations and provides a complete audit trail – a mandatory regulatory requirement.
- Developed the Artwork Management

solution that authenticates the relevance of client artwork on the packaging. Any unwarranted changes in the same are automatically spotted the marketing and production teams informed to address the issue.

- Initiated the server virtualisation project; about 50% of the servers were moved to a cloud platform, which is expected to optimise server maintenance costs and improve uptime.

Going forward, the Company expects to strengthen its IT capability. The investment plan includes completion of the server digitisation initiative, transferring the Disaster Recovery server to a cloud platform. Moreover, the Company plans to implement the sales force automation module where the life cycle of every marketing representative will be integrated with the CRM module for comprehensive data analysis and better relationship development.

The socially responsible corporate

At Alembic, we believe that inclusive growth is not a destination but a journey. A journey made possible by the progressive engagement of all stakeholders in the developmental process. The Company strives to achieve sustainable development across the realms of education, health and livelihood.



The Alembic Group operates and maintains a school for providing basic and higher education (Class IX to XII) to about 300 children in 10 villages. The Company provides free books and medication to students. Moreover, the Company contributed towards construction of a hostel, which provides accommodation to about 200 students. To strengthen passion for learning, the Company provides scholarships to 15 deserving candidates for graduation courses.



Alembic Group is working to improve livelihoods and empower women residing in the vicinity of its operating facilities through multiple programmes.

The Company conducts training sessions for village farmers where experts in various fields of agriculture are invited to impart knowledge on how to improve farming practices. Additionally, the Company sends about 25 farmers each quarter to other farms to observe the benefits of improved farm practices.

Women's empowerment

- Conducts a three-month-long sewing course, upon completion of which sewing machines are provided at 50% of the equipment cost
- Conducts a two-month handicraft course for strengthening expertise

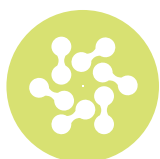


Alembic Group maintains a primary healthcare centre, which caters to about 1,000 patients each month and provides free medicines. It also organises medical camps in neighbouring villages; these camps cover general health check-ups and special ailments.

Risk management

Making the business stronger,

Alembic leveraged its deep domain knowledge to strengthen viability across projects, geographies and market cycles.



How is Alembic making its business STRONGER?

Capacity investment

The Company is investing in capacity addition across both its business segments and other services. It expanded its API and formulation capacities, created R&D pilot facilities and added a new R&D unit (Hyderabad), strengthening its delivery capability.

Marketing investment

The Company added 1000 medical representatives (total 5000), facilitating wider coverage and deeper Indian penetration. For the US market, the Company's front-end is expected to commence operations in 2015-16, complementing existing alliances with marketing giants in that geography. The Company's alliances in other geographies (Australia, Europe and key pharmerging markets) are expected to strengthen business momentum.

Financial stability

The Company's stability is reflected in its attractive debt-equity ratio of 0.27 (March 31, 2015). The Company net working capital cycle stood at healthy 82 days in 2014-15, an index of its growing financial strength.



What is the Company doing to make its business more SUCCESSFUL?

Widening capabilities

Over the years, the Company successfully addressed complex genericisation opportunities, making it possible to launch products in spaces marked by limited competition and outperforming the industry average. Of 30 odd products pending ANDA approval, 15 are either FTF or Para IV opportunities.

successful and sustainable.

Widen opportunities

The Company widened its geographic coverage – from an India focus, the Company is now a meaningful player in the US generics space and engaged in widening its global footprint to other regulated markets (Australia, Europe, South Africa and Latin American nations) and pharmerging nations (Africa, CIS and South East Asia).

Stronger compliances

Over the last few years, Alembic proactively strengthened its operations, documentation and other SOPs. The Company invested in quality management and data management systems to automate extensively, enhancing accuracy and dependability. It engaged consultants to align systems around global standards. The result was reflected in a successful USFDA audit of the Company's formulation facility and Bio-equivalence unit.



How is the Company's growth expected to be SUSTAINABLE?

Product launch pipeline

Alembic has a significant product pipeline awaiting prospective launch. The Company plans to launch 8-10 products in the US each year, which is its key market; in Europe, it expects to launch 10 products over three years; in India, the team aspires to launch 25-30 products annually including line extensions.

Filing pipeline

Alembic has accelerated product filings in regulated and pharmerging markets. In the US, the Company has an ANDA pipeline of 68 products. In Europe, the registration pipeline is 23; in other regulated markets, the registrations yet to be approved are 23.

Development pipeline

The R&D team is working on 60 open projects (for product development) at any given time, which is expected to sustain filing and product launch pipelines into the medium-term.

The Company has registered consolidated revenues from operations of ₹2,056.12 crore for the year under review as compared to ₹1,863.22 crore for the previous year.

Board's Report

Dear members

Your Directors have pleasure in presenting their 5th Annual Report together with the Audited Statement of Accounts for the year ended on 31st March, 2015.

1. Financial Summary and Highlights:

(₹ in lacs)

Stand Alone Basis		Particulars	Consolidated Basis	
2015	2014	For the year ended 31st March	2015	2014
40,839	36,221	Profit for the year before Interest, Depreciation and Tax	40,526	36,091
		Adjusting therefrom:		
111	981	Interest (net)	178	981
4,441	4,049	Depreciation	4,441	4,049
7,625	7,363	Provision for taxation	7,635	7,510
-	-	Share of Profit of Associates	20	-
28,661	23,828	Net Profit	28,292	23,551
-	-	Share of Reserves in Joint Venture	1,496	-
-	-	Share of Loss in Associate	(128)	-
		Adding thereto:		
14,805	7,594	Balance brought forward from previous year	17,986	11,241
43,466	31,422	The amount available is	47,646	34,792
		Appropriating there from:		
6,598	5,655	Provision for Dividend - Equity Shares	6,598	5,845
1,343	961	Provision for Corporate Dividend tax	1,343	961
10,000	10,000	Transfer to General Reserve	10,000	10,000
25,525	14,805	Balance carried forward to Balance Sheet	29,705	17,986

2. Transfer to Reserves:

An amount of ₹10,000 lacs from the net profits for the financial year under review is proposed to be carried to General Reserves.

3. Dividend:

Your Directors recommend Dividend on Equity Shares at ₹3.50 per share (i.e. 175%) of face value ₹2/- per share for the financial year ended on 31st March, 2015 as against ₹3/- per share (i.e. 150%) for the year ended 31st March, 2014.

4. Management Discussion and Analysis Report:

The Report on Management Discussion and Analysis Report as required under clause 49 of the Listing Agreement is included in this Report. Certain statements in the said report may be forward looking. Many factors may affect the actual results,

which could be different from what the Directors envisage in terms of the future performance and outlook.

5. Operations and State of affairs of the Company:

The Company's Standalone revenues from operations were ₹2,019 crore for the year ended 31st March, 2015 as compared to ₹1,843.79 crore for the previous year.

The Company has made Net Profit of ₹286.61 crore on standalone basis for the year under review as compared to ₹238.28 crore for the previous year.

The Company has registered consolidated revenues from operations of ₹2,056.12 crore for the year under review as compared to ₹1,863.22 crore for the previous year.

The break-up of consolidated sales excluding export incentives and other miscellaneous revenues is as under:

		(₹ in lacs)	
Particulars		F.Y. 2014-15	F.Y. 2013-14
Formulations	Branded Domestic	98,084	85,064
	Generic & NSA Domestic	12,274	12,071
	Branded Export	6,349	7,360
	International Generics	51,845	46,837
API	Domestic	6,412	5,491
	Exports	30,238	28,394
Others		1,571	1,624
Total		2,06,773	1,86,841

The Company has made a consolidated profit after tax of ₹282.92 crore for the year under review as compared to ₹235.51 crore for the previous year.

6. Subsidiaries, Associates and Joint Ventures:

As required under Rule 8(1) of the Companies (Accounts) Rules, 2014, the Board's Report has been prepared on standalone financial statements and a report on performance and financial position of each of the subsidiaries and associates included in the consolidated financial statements is included in the financial statements.

In accordance with third proviso of Section 136(1) of the Companies Act, 2013, the Annual Report of the Company, containing therein its standalone and the consolidated financial statements has been placed on the website of the Company, www.alembic-india.com. Further, as per fourth proviso of the said section, audited annual accounts of each of the subsidiary companies have also been placed on the website of the Company, www.alembic-india.com. Shareholders interested in obtaining a copy of the audited annual accounts of the subsidiary companies may write to the Company Secretary at the Company's registered office.

7. Directors:

In accordance with the provisions of the Companies Act, 2013 and the Articles of Association of the Company, Mr. R. K. Baheti, Director of the Company, will retire by rotation at the ensuing Annual General Meeting and is eligible for re-appointment.

During the year under review, the Board has appointed Dr. Archana Hingorani as Additional Director (Independent) w.e.f. 4th February, 2015. She holds office up to the ensuing Annual General Meeting of the Company. The Company has received a notice together with requisite deposit of ₹1 Lac under Section 160 of the Companies Act, 2013, from a member of the Company proposing her candidature for the office of an Independent Director, for a term of 5 consecutive years upto 3rd February, 2015.

The Board has appointed Mr. Pranav Amin, Director & President - International Business and Mr. Shaunak Amin, Director & President - Branded Formulations Business as Joint Managing Directors of the Company w.e.f. 27th April, 2015.

8. Key Managerial Personnel:

Mr. Chirayu Amin, Chairman & Managing Director and CEO,

Mr. Pranav Amin, Director & President - International Business, Mr. Shaunak Amin, Director & President - Branded Formulations Business, Mr. R. K. Baheti, Director - Finance & CFO and Mr. Ajay Kumar Desai, Vice President - Finance & Company Secretary are Key Managerial Personnel of the Company.

During the year under review, pursuant to provisions of the Companies Act, 2013, Mr. R. K. Baheti who was CFO & Company Secretary of the Company, relinquished the office of Company Secretary. He has been designated as Director-Finance & CFO of the Company w.e.f. 28th July, 2014.

Mr. Ajay Kumar Desai has been designated as Vice-President Finance & Company Secretary of the Company w.e.f. 28th July, 2014.

9. Meetings of the Board:

Four (4) Board Meetings were held during the financial year ended 31st March, 2015. The details of the Board Meetings with regard to their dates and attendance of each of the Directors thereat have been provided in the Corporate Governance Report.

10. Independent Directors:

The Independent Directors of the Company have given the declaration to the Company that they meet the criteria of independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013.

11. Performance Evaluation:

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreements, the Board has carried out the annual performance evaluation of the Directors individually as well as evaluation of the working of the Board and of the Committees of the Board, by way of individual and collective feedback from Directors.

The following were the Evaluation Criteria:

(a) For Independent Directors:

- Knowledge and Skills
- Professional conduct
- Duties, Role and functions

(b) For Executive Directors:

- Performance as Team Leader/Member.
- Evaluating Business Opportunity and analysis of Risk Reward Scenarios
- Key set Goals/KRA and achievements
- Professional Conduct, Integrity
- Sharing of Information with the Board

The Directors expressed their satisfaction with the evaluation process.

12. Audit Committee:

The Audit Committee consists of all Independent Directors with Mr. Paresb Saraiya as Chairman and Mr. Milin Mehta and Mr. Pranav Parikh as members. The Committee inter alia reviews the Internal Control System and reports of Internal Auditors and compliance of various regulations. The Committee also reviews at length the Financial Statements before they are placed before the Board.

13. Vigil Mechanism:

Pursuant to the provisions of Section 177(9) & (10) of the Companies Act, 2013 and Listing Agreements, a Vigil Mechanism or 'Whistle Blower Policy' for directors, employees and other stakeholders to report genuine concerns has been established. The same is also uploaded on the website of the Company.

14. Internal Control Systems:

The Company's internal control procedures which includes internal financial controls, ensure compliance with various policies, practices and statutes in keeping with the organization's pace of growth and increasing complexity of operations. The internal auditor team carries out extensive audits throughout the year across all locations and across all functional areas and submits its reports to the Audit Committee of the Board of Directors.

15. Corporate Social Responsibility:

Corporate Social Responsibility (CSR) is not a new term for Alembic. Alembic Group has been proactively carrying out CSR activities since more than Fifty Years. Alembic Group has established, nurtured and promoted various Non Profit Organisations focusing on three major areas – Education, Healthcare and Rural Development.

In compliance with requirements of Section 135 of the Companies Act, 2013, the Company has laid down a CSR Policy. The composition of the Committee, contents of CSR Policy and report on CSR activities carried out during the financial year ended 31st March, 2015 in the format prescribed under Rule 9 of the Companies (Accounts) Rules, 2014 is annexed herewith as Annexure A.

16. Policy on Nomination and Remuneration:

The contents of Nomination and Remuneration Policy of the Company prepared in accordance with the provisions of Section 178 of the Companies Act, 2013 and Clause 49 (IV) of the Listing Agreements are provided in the Corporate Governance Report.

17. Related Party Transactions:

Related party transactions that were entered into during the financial year were on arm's length basis and were in ordinary course of business. There are no materially significant related party transactions made by the Company which may have potential conflict with the interest of the Company.

There are no material related party transactions which are not in ordinary course of business or which are not on arm's length basis and hence there is no information to be provided as required under Section 134(3)(h) of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014.

The Board has approved a policy for related party transactions which has been uploaded on the Company's website. The web-link as required under Listing Agreement is as under:

<http://www.alembic-india.com/upload/05APL-RPT%20policy.pdf>

18. Corporate Governance:

The Report on corporate governance as stipulated under Clause 49 of the Listing Agreement forms part of the Annual Report.

The requisite certificate from M/s. Samdani Shah & Associates, Practising Company Secretaries confirming compliance with the conditions of corporate governance as stipulated under the aforesaid Clause 49, is attached to the Report on corporate governance.

19. Fixed Deposits:

Pursuant to provisions of Section 74 of the Companies Act, 2013, during the year 2014-15, the Company has repaid the deposits accepted prior to 1st April, 2014. As on 31st March, 2015, there were unclaimed deposits amounting to ₹9.43 lacs from 25 deposit holders which have been transferred to current liabilities. There has been no default in repayment of deposits or interest thereon. In F.Y. 2014-15, the Company has not accepted/renewed any deposits.

20. Listing of shares:

The Equity Shares of the Company are listed on the BSE Limited (BSE) with scrip code No. 533573 and on National Stock Exchange of India Limited (NSE) with scrip code of APLTLD. The Company confirms that the annual listing fees to both the stock exchanges for the financial year 2015-16 have been paid.

21. Loans, Guarantee or Investments:

Details of Loans granted, Guarantees given and Investments made during the year under review, covered under the provisions of Section 186 of the Companies Act, 2013 are given as Annexure B.

22. Auditors:**(a) Statutory Auditors:**

In compliance with the Companies (Audit and Auditors) Rules, 2014, M/s. K. S. Aiyar & Co., Chartered Accountants, has been appointed as Statutory Auditors of the Company till the conclusion of Annual General Meeting for the F. Y. 2018-19, as approved by the members at their 4th Annual General Meeting held on 28th July, 2014.

Further, pursuant to the requirement of Section 139 of the Companies Act, 2013, the appointment of Statutory

Auditors is to be ratified by the members at every Annual General Meeting. Members are requested to ratify their appointment for the F. Y. 2015-16.

(b) Secretarial Auditors:

The Board of Directors of the Company appointed M/s. Samdani Shah & Associates, Practising Company Secretaries, Vadodara, to conduct Secretarial Audit for the F.Y. 2015-16.

The Secretarial Audit Report of M/s. Samdani Shah & Associates, Practising Company Secretaries for the financial year ended 31st March, 2015, is annexed as Annexure C.

(c) Cost Auditors:

Mr. H. R. Kapadia, Cost Accountant, Vadodara, Cost Auditor of the Company for F.Y. 2014-15 have been again appointed as Cost Auditor for conducting audit of the cost accounts maintained by the Company relating to Bulk Drugs and Formulations for the F.Y. 2015-16.

(d) Internal Auditors:

The Board of Directors has appointed M/s. Sharp & Tannan Associates, Chartered Accountants as Internal Auditors of the Company for the F. Y. 2015-16.

There is no qualification, reservation, adverse remark or disclaimer by the Statutory Auditors in their report or by the Secretarial Auditors in their Secretarial Audit Report and hence no explanation or comments of the Board is required in this matter.

The Company has in place a mechanism to identify, assess, monitor and mitigate various risks to key business objectives. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis. These are discussed at the meetings of the Audit Committee and the Board of Directors of the Company.

23. Directors' Responsibility Statement:

In terms of the provisions of Companies Act, 2013, the Directors state that:

- (a) in preparation of the annual accounts for the financial year ended 31st March, 2015, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (b) the directors have selected such accounting policies as listed in Note Y to the financial statements and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give true and fair view of the state of affairs of the Company at the end of the financial year as on 31st March, 2015 and of the profit of the Company for that period.
- (c) the directors have taken proper and sufficient care for maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) the directors have prepared the annual accounts on a going concern basis; and
- (e) the directors have laid down internal financial controls to be followed by the Company and that such internal financial

controls are adequate and were operating effectively.

- (f) the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

24. Material Changes:

There have been no material changes and commitments affecting the financial position of the Company since the close of financial year i.e. since 31st March, 2015. Further, it is hereby confirmed that there has been no change in the nature of business of the Company.

25. Extracts of Annual Return:

The extract of Annual Return required under Section 134(3)(a) of the Companies Act, 2013 read with Rule 12(1) of the Companies (Management and Administration) Rules, 2014, forms part of this report as Annexure D.

26. Conservation of energy, Technology Absorption, Foreign Exchange earnings and outgo:

The information required under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014, is annexed herewith as Annexure E.

27. Particulars of employees and related disclosures :

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed herewith as Annexure F.

In terms of the provisions of Section 197(12) of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement showing the names and other particulars of the employees drawing remuneration in excess of the limits set out in the said rules are provided in the Annual Report.

The Annual Report is being sent to the members of the Company excluding the aforesaid information. The said information is available for inspection at the registered office of the Company during working hours and any member interested in obtaining such information may write to the Company Secretary and the same will be furnished on request.

On behalf of the Board of Directors,

Chirayu R. Amin
Chairman & Managing Director
27th April, 2015

Alembic Pharmaceuticals Limited
Regd. Office: Alembic Road, Vadodara-390 003
Tel: 0265-2280550
Fax: 0265-2282506
Web: www.alembic-india.com
Email: apl.investors@alembic.co.in
CIN: L24230GJ2010PLC061123

Annexure -A

Format for the Annual Report on CSR Activities to be included in the Board Report

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

The Company's CSR Policy provides for carrying out CSR activities in the area of Education, Healthcare and Rural Development through various 'Not for Profit Organisations', including Bhailal Amin General Hospital, Rural Development Society, Uday Education Society etc.

The CSR spend may be carried out by way of donation to the corpus of the above 'Not for profit organisations' or contribution towards some specific project being undertaken by any of the organisations.

Weblink to the CSR Policy of the Company:

<http://www.alembic-india.com/upload/05APL-CSR%20Policy.pdf>

2. **The Composition of CSR Committee:**

Mr. Chirayu Amin - Chairman
Mr. K. G. Ramanathan - Member
Mr. Paresh Saraiya - Member

3. Average Net Profit of the Company for the last three financial years: ₹236 crore
4. Prescribed CSR Expenditure (two percent of the amount as in item 3 above): ₹4.72 crore.
5. **Details of CSR Spent during the financial year**
 - (a) Total amount to be spent for the financial year: ₹4.72 crore
 - (b) Amount unspent, if any: ₹1.62 crore
 - (c) Manner in which the amount spent during the financial year is detailed below:

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
S. No.	CSR project or activity identified	Sector in which the project is covered	Projects or programs (1) Local area or other (2) Specify the State and District where projects or programs was undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs Sub-heads 1. Direct Expenditure on projects or programs 2. Overheads:	Cumulative expenditure upto the reporting period	Amount Spent: Direct or through implementing agency
1	Contribution towards construction of Hostel Building for Students of School run by Rural Development Society	Education	Panelav, Dist.	Single Program	Direct Expenditure on the Project – ₹3.10 Crore	₹3.10 Crore	Through Implementing Agency - Rural Development Society. (Panelav Tal. Halol, Panchmahal)

6. In case the Company has failed to spend the two percent of the average net profit of the last three financial years or any part thereof, the Company shall provide the reasons for not spending the amount in its Board Report:

The Company has filed an application to set up a trust 'Alembic CSR Foundation', jointly with other Companies of the Alembic Group, for the purpose of carrying out CSR activities. The approval of Charity Commissioner's office is still awaited.

7. The CSR Committee of the Company hereby confirms that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company.

Signing both on behalf of the Company and the Committee

Sd/-

Chirayu R. Amin

*Chairman & Managing Director
and Chairman of CSR Committee*

Annexure -B

Particulars of Loans, Guarantee or Investments made by the Company:

(₹ in lacs)

Nature of Transaction (whether loan/guarantee/ investments)	Date of making loans, giving guarantee or making investments	Name and address of the person or body corporate to whom it is made or given or whose securities have been acquired	Amount	Purpose of loan/ guarantee/ investments
Investments in liquid scheme of Mutual Funds	03.04.2014	Reliance Mutual Fund (Reliance Liquid Fund -Treasury Plan - Daily Dividend Option) & H Block, 1st Floor, Dhirubhai Ambani Knowledge City, Koparkhairne, Navi Mumbai - 400 710	500.00	Temporary parking of surplus funds
--do--	23.04.2014	--do--	350.00	--do--
--do--	25.04.2014	--do--	200.00	--do--
--do--	22.05.2014	--do--	500.00	--do--
--do--	23.05.2014	--do--	400.00	--do--
--do--	28.05.2014	--do--	150.00	--do--
--do--	28.05.2014	--do--	50.00	--do--
--do--	09.06.2014	--do--	150.00	--do--
--do--	11.06.2014	--do--	500.00	--do--
--do--	13.06.2014	--do--	750.00	--do--
--do--	16.06.2014	--do--	625.00	--do--
--do--	17.06.2014	--do--	300.00	--do--
--do--	17.06.2014	Birla Sun Life Cash Plus - Treasury Plan - Daily Dividend option & 17th Floor, Tower 1, One India Bulls Centre, Mumbai - 400013	300.00	--do--
--do--	23.06.2014	Reliance Mutual Fund (Reliance Liquid Fund -Treasury Plan - Daily Dividend Option) & H Block, 1st Floor, Dhirubhai Ambani Knowledge City, Koparkhairne, Navi Mumbai - 400 710	200.00	--do--
--do--	24.06.2014	--do--	50.00	--do--
--do--	25.06.2014	--do--	450.00	--do--
--do--	27.06.2014	--do--	100.00	--do--
--do--	30.06.2014	--do--	1200.01	--do--
--do--	11.07.2014	--do--	50.00	--do--
--do--	23.11.2014	--do--	650.01	--do--
--do--	24.11.2014	--do--	200.00	--do--
--do--	25.11.2014	--do--	750.00	--do--
--do--	30.12.2014	--do--	200.00	--do--
--do--	27.01.2015	--do--	1500.00	--do--
--do--	10.02.2015	--do--	200.00	--do--
--do--	24.02.2015	--do--	900.00	--do--
--do--	25.03.2015	--do--	700.00	--do--

Note: The above stated investments are gross investments and are not net of redemptions made by the Company.

Nature of Transaction (whether loan/ guarantee/ investments)	Date of making loans, giving guarantee or making investments	Name and address of the person or body corporate to whom it is made or given or whose securities have been acquired	Amount	Purpose of loan/ guarantee/ investment
Corporate Bank Guarantee	11.07.2014	Alembic Global Holding SA Rue Fritz-Courvoisier 40, 2300 La Chaux-de-Fonds, Switzerland	USD 5.00 Millions	To support 100% subsidiary of the Company
--do--	09.10.2014	--do--	Euro 3.50 Millions	--do--

Annexure -C

Form MR-3 Secretarial Audit Report

for the Financial Year ended 31 March, 2015

*[Pursuant to section 204(1) of the Companies Act, 2013 and rule 9
of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]*

To,
The members,
Alembic Pharmaceuticals Limited

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Alembic Pharmaceuticals Limited (the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's Books, Papers, Minute Books, Forms and Returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the Financial Year ended on March 31, 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:

We have examined the Books, Papers, Minute Books, Forms and Returns filed and other records maintained by the Company for the Financial Year ended on March 31, 2015, according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made there under;
- ii. The Securities Contracts (Regulation) Act, 1956 (SCRA) and the rules made there under;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made there under 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) Regulation, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulation, 1992;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulation, 2009;
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulation, 2008;
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulation, 1993 regarding the Companies Act and dealing with client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity shares) Regulation, 2009; and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulation, 1998;
- vi. The Factories Act, 1948;
- vii. Industrial (Development & Regulation) Act, 1951;

- viii. The Prevention of Food Adulteration Act, 1954;
- ix. The Child Labour (Prohibition and Regulation) Act, 1986;
- x. The Contract Labour (Regulation and Abolition) Act, 1970;
- xi. Industrial Employment (Standing Orders) Act, 1946;
- xii. The Payment of Wages Act, 1936;
- xiii. The Minimum Wages Act, 1948;
- xiv. The Payment of Gratuity Act, 1972;
- xv. Employees Provident Funds & Miscellaneous Provisions Act, 1952;
- xvi. The Payment of Bonus Act, 1961;
- xvii. The Maternity Benefits Act, 1961;
- xviii. The Air (Prevention & Control of Pollution) Act, 1981;
- xix. The Environment (Protection) Act, 1986;

We have examined compliance with the applicable clauses of the Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited. We have not examined the Secretarial Standards issued by The Institute of Company Secretaries of India as these are not notified till the date of this report.

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

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

Adequate notice 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 clarification 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.

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

We further report that during the audit period there were no instances of;

1. Public/ Right/preferential issue of shares / debentures/sweat equity, etc.
2. Redemption / buy-back of securities.
3. Merger / amalgamation / reconstruction, etc.
4. Foreign Technical Collaborations.

The Company has entered into a Joint Venture with Adwiya Mami SARL Algeria through its wholly owned subsidiary – Alembic Global Holding SA.

Sd/-

S. Samdani

Partner

Samdani Shah & Asso.

Company Secretaries

FCS # 3677 - CP# 2863

Vadodara,

27th April, 2015

Annexure -D

Form No. MGT - 9

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]

I. REGISTRATION AND OTHER DETAILS:

i)	CIN	L24230GJ2010PLC061123
ii)	Registration Date	16/06/2010
iii)	Name of the Company	Alembic Pharmaceuticals Limited
iv)	Category/Sub-Category of the Company	Company Limited by Shares
v)	Address of the Registered Office and Contact Details	Alembic Road, Vadodara - 390 003, Tel: 0265 2280550, Fax: 0265 2282506, Website: www.alembic-india.com, Email: apl.investors@alembic.co.in
vi)	Whether listed company	Yes
vii)	Name, Address and Contact Details of Registrar and Transfer Agent, if any:	Link Intime India Private Limited, B Tower, 102 & 103 Shangrila Complex, First Floor, Opp. HDFC Bank, Near Radhakrishna Char Rasta, Akota, Vadodara - 390 020, Tel: 0265 2356573 Fax: 0265 2356791, Email: vadodara@linkintime.co.in

II. PRINCIPAL BUSINESS ACTIVITY 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.	Formulations	35250 & 35260	81.47
2.	API	-do-	17.76

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S. No	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1.	Alembic Global Holding SA	NA	Subsidiary	100	2(87)(ii)
2.	Alembic Pharmaceuticals Europe Limited	NA	*	*	2(87)(ii)
3.	Alembic Pharmaceuticals, Inc.	NA	*	*	2(87)(ii)
4.	Alembic Pharmaceuticals Canada Limited	NA	*	*	2(87)(ii)
5.	Alembic Pharmaceuticals Australia Pty Limited	NA	*	*	2(87)(ii)
6.	Alnova Pharmaceuticals SA	NA	*	*	2(87)(ii)
7.	A. G. Research Private Limited	U85120TG2014PTC093661	*	*	2(87)(ii)
8.	Genius LLC	NA	*	*	2(87)(ii)
9.	Rhizen Pharmaceuticals SA	NA	Associate of Subsidiary	40.30%	2(6)
10.	Incozen Therapeutics Private Limited	U24239TG2008PTC059967	Associate	50%	2(6)

*Note: Companies in which 100% holding is with Alembic Global Holding S.A., a wholly owned subsidiary of the Company.

IV. SHAREHOLDING PATTERN (Equity Share Capital Break up 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	1,34,02,430	-	1,34,02,430	7.11	1,34,02,430	-	1,34,02,430	7.11	-
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt (s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	12,63,36,190	-	12,63,36,190	67.02	12,63,36,190	-	12,63,36,190	67.02	-
e) Banks/Fl	-	-	-	-	-	-	-	-	-
f) Any Other....	-	-	-	-	-	-	-	-	-
Sub-total (A)(1):-	13,97,38,620	-	13,97,38,620	74.13	13,97,38,620	-	13,97,38,620	74.13	-
(2) Foreign									
a) NRIs- Individuals	-	-	-	-	-	-	-	-	-
b) Other - Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks/Fl	-	-	-	-	-	-	-	-	-
e) Any Other	-	-	-	-	-	-	-	-	-
Sub-total (A) (2):-	-	-	-	-	-	-	-	-	-
Total Shareholding of Promoter (A) = (A)(1)+(A)(2)	13,97,38,620	-	13,97,38,620	74.13	13,97,38,620	-	13,97,38,620	74.13	-
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	17,09,682	-	17,09,682	0.91	36,66,824	-	36,66,824	1.95	1.04
b) Banks/Fl	8,59,771	15,100	8,74,871	0.46	9,30,872	15,100	9,45,975	0.50	0.04
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	1,71,77,764	-	1,71,77,764	9.11	1,71,14,586	-	1,71,14,586	9.08	(0.03)
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others	-	3,600	3,600	0.00	7,72,894	3,600	7,76,494	0.41	0.41
Sub-total (B) (1):-	1,97,47,217	18,700	1,97,65,917	10.49	2,24,85,176	18,700	2,25,03,876	11.94	1.45
2. Non-Instituitions									
a) Bodies Corp.									
i) Indian	16,11,482	25,000	16,36,482	0.87	20,14,889	18,400	20,33,289	1.08	0.21
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual Shareholders holding nominal share capital upto ₹1 lacs	1,60,67,553	49,38,535	2,10,06,088	11.14	1,50,14,929	46,05,990	1,96,20,919	10.41	(0.73)
ii) Individual shareholders holding nominal share capital in excess of ₹1 lacs	55,64,827	-	55,64,827	2.95	40,36,127	-	40,36,127	2.14	(0.81)
c) Others	7,81,305	22,675	8,03,980	0.43	5,63,408	19,675	5,83,083	0.31	(0.12)
Sub-total (B)(2):-	2,40,25,167	49,86,210	2,90,11,377	15.39	2,16,29,353	46,44,065	2,62,73,418	13.94	(1.45)
Total Public Shareholding (B)=(B)(1)+(B)(2)	4,37,72,384	50,04,910	4,87,77,294	25.87	4,41,14,529	46,62,765	4,87,77,294	25.87	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	18,35,11,004	50,04,910	18,85,15,914	100	18,38,53,149	46,62,765	18,85,15,914	100	-

(ii) Shareholding of Promoters

Details of Shareholding of promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total shares of the Company	% shares pledged/encumbered to total shares	No. of Shares	% of total shares of the Company	% shares pledged/encumbered to total shares	
1.	Alembic Limited	5,50,00,000	29.18	-	5,50,00,000	29.18	-	Nil
2.	Chirayu Amin	45,51,465	2.42	-	45,21,465	2.40	-	-0.02
3.	Pranav Amin	10,09,800	0.54	-	10,09,800	0.54	-	Nil
4.	Shaunak Amin	10,06,980	0.53	-	10,06,980	0.53	-	Nil

Details of Shareholding of persons and entities of promoter group

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total shares of the Company	% shares pledged/encumbered to total shares	No. of Shares	% of total shares of the Company	% shares pledged/encumbered to total shares	
1.	Shreno Limited	1,83,68,780	9.74	-	1,83,68,780	9.74	-	Nil
2.	Whitefield Chemtech Private Limited	1,82,85,230	9.70	-	1,82,85,230	9.70	-	Nil
3.	Sierra Investments Limited	1,71,67,670	9.11	-	1,71,67,670	9.11	-	Nil
4.	Nirayu Private Limited	1,62,13,755	8.60	-	1,62,13,755	8.60	-	Nil
5.	Malika Amin	30,05,730	1.59	-	30,05,730	1.59	-	Nil
6.	Udit Amin	10,06,980	0.53	-	10,06,980	0.53	-	Nil
7.	Yera Amin	10,80,915	0.57	-	10,80,915	0.57	-	Nil
8.	Vidyanidhi Trust	8,09,550	0.43	-	8,09,550	0.43	-	Nil
9.	Ninochaka Kothari	6,32,900	0.34	-	6,32,900	0.34	-	Nil
10.	Shreya Mukharji	3,39,860	0.18	-	3,39,860	0.18	-	Nil
11.	Arogyavardhini Society	2,80,950	0.15	-	2,80,950	0.15	-	Nil
12.	Anup Kothari	1,90,000	0.10	-	1,90,000	0.10	-	Nil
13.	Jyoti Patel	4,87,800	0.27	-	4,87,800	0.27	-	Nil
14.	Utkarsh Vidyakendra	1,46,250	0.08	-	1,46,250	0.08	-	Nil
15.	Ujjwal Vidyalyaya	62,250	0.03	-	62,250	0.03	-	Nil
16.	Naintara Amin	30,000	0.02	-	30,000	0.02	-	Nil
17.	Samira Amin	30,000	0.02	-	30,000	0.02	-	Nil
18.	Ranvir Amin	30,000	0.02	-	30,000	0.02	-	Nil
19.	Viramya Packlight Limited	900	0.00	-	900	0.00	-	Nil
20.	Paushak Limited	855	0.00	-	855	0.00	-	Nil
21.	Inaaya Amin	-	-	-	30,000	0.02	-	0.02

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

Sl No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
	At the beginning of the year	13,97,38,620	74.13	13,97,38,620	74.13
	Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for the increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc.)	No change during the year			
	At the end of the year	13,97,38,620	74.13	13,97,38,620	74.13

(iv) Shareholding Pattern of Top Ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sl No.	At the beginning/end of the year	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1.	Shreno Limited	1,83,68,780	9.7439	1,83,68,780	9.7439
2.	Whitefield Chemtech Private Limited	1,82,85,230	9.6996	1,82,85,230	9.6996
3.	Sierra Investments Limited	1,71,67,670	9.1067	1,71,67,670	9.1067
4.	Nirayu Private Limited	1,62,13,755	8.6007	1,62,13,755	8.6007
5.	Malika Amin	30,05,730	1.5944	30,05,730	1.5944
6.	Yera Amin	10,80,915	0.5734	10,80,915	0.5734
7.	Udit Amin	10,06,980	0.5342	10,06,980	0.5342

Sl No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
8.	Lotus Global Investments Limited				
	At the beginning of the year	57,80,340	3.0662	57,80,340	3.0662
	Date wise Increase/Decrease in Shareholding during the year specifying the reasons for the increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc.)				
	13.02.15	(3,58,000) (Sold)	(0.1899)	54,22,341	2.8763
	20.02.15	(2,00,000) (Sold)	(0.1061)	52,22,341	2.7702
	27.02.15	(3,13,756) (Sold)	(0.1664)	49,08,585	2.6038
	13.03.15	(7,42,100) (Sold)	(0.3936)	41,66,485	2.2102
	27.03.15	(49,587) (Sold)	(0.0264)	41,16,898	2.1838
	At the end of the year (or on the date of separation, if separated during the year)	41,16,898	2.1838	41,16,898	2.1838

SI No.			Shareholding at the beginning of the year		Cumulative Shareholding during the year	
			No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
9.	Elara India Opportunities Fund Limited					
	At the beginning of the year		56,75,383	3.0106	56,75,383	3.0106
	Date wise Increase/Decrease in Shareholding during the year specifying the reasons for the increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc.)	04.04.14	23,500 (Purchase)	0.0124	56,98,883	3.0230
		23.05.14	17,000 (Purchase)	0.0090	57,15,883	3.0320
		18.07.14	(20,000) (Sold)	(0.0106)	56,95,883	3.0214
		25.07.14	(20,000) (Sold)	(0.0106)	56,75,883	3.0108
		08.08.14	(20,000) (Sold)	(0.0106)	56,55,883	3.0002
		14.11.14	(33,532) (Sold)	(0.0178)	56,22,351	2.9824
		21.11.14	(16,468) (Sold)	(0.0087)	56,05,883	2.9737
		28.11.14	20,000 (Purchase)	0.0106	56,25,883	2.9843
		05.12.14	14,000 (Purchase)	0.0074	56,39,883	2.9917
		19.12.14	20,000 (Purchase)	0.0106	56,59,883	3.0023
		23.01.15	(30,000) (Sold)	(0.0159)	56,29,883	2.9864
		13.02.15	1,10,000 (Purchase)	0.0584	57,39,883	3.0448
		27.02.15	(50,000) (Sold)	(0.0265)	56,89,883	3.0183
		13.03.15	(50,000) (Sold)	(0.0265)	56,39,883	2.9917
		20.03.15	(75,000) (Sold)	(0.0398)	55,64,883	2.9519
		27.03.15	(50,000) (Sold)	(0.0265)	55,14,883	2.9254
	At the end of the year (or on the date of separation, if separated during the year)		55,14,883	2.9254	55,14,883	2.9254

SI No.			Shareholding at the beginning of the year		Cumulative Shareholding during the year	
			No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
10.	SBI Tax Advantage Fund Series I					
	At the beginning of the year		5,65,000	0.2997	5,65,000	0.2997
	Date wise Increase/Decrease in Shareholding during the year specifying the reasons for the increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc.)	25.04.14	(4,15,000) (Sold)	0.2201	1,50,000	0.0796
		30.05.14	(1,50,000) (Sold)	0.0796	-	-
	At the end of the year (or on the date of separation, if separated during the year)		-	-	-	-

Sl No.			Shareholding at the beginning of the year		Cumulative Shareholding during the year	
			No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
11.	William Blair Emerging India Collective Investment Fund					
	At the beginning of the year		10,24,512	0.5435	10,24,512	0.5435
	Date wise Increase/Decrease in Shareholding during the year specifying the reasons for the increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc.)	11.04.14	(52,244) (Sold)	(0.0277)	9,72,268	0.5157
		25.04.14	(22,543) (Sold)	(0.0120)	9,49,725	0.5038
		30.05.14	(29,568) (Sold)	(0.0157)	9,20,067	0.4881
		13.06.14	15,552 (Purchase)	0.0082	9,35,619	0.4963
		25.07.14	24,432 (Purchase)	0.0130	9,60,051	0.5093
		15.08.14	(1,48,854) (Sold)	(0.0790)	8,11,197	0.4303
		29.08.14	(1,04,038) (Sold)	(0.0552)	7,07,159	0.3751
		12.09.14	(53,257) (Sold)	(0.0282)	6,53,902	0.3469
		10.10.14	(22,580) (Sold)	(0.0120)	6,31,322	0.3349
		28.11.14	(73,414) (Sold)	(0.0390)	5,57,908	0.2959
		09.01.15	(8,000) (Sold)	(0.0042)	5,49,908	0.2917
		30.01.15	(18,304) (Sold)	(0.0097)	5,31,604	0.2820
		13.02.15	(2,52,509) (Sold)	(0.1340)	2,79,095	0.1480
		20.02.15	(1,05,887) (Sold)	(0.0561)	1,73,208	0.0919
	At the end of the year (or on the date of separation, if separated during the year)		1,73,208	0.0919	1,73,208	0.0918

Sl No.			Shareholding at the beginning of the year		Cumulative Shareholding during the year	
			No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
12.	SBI Magnum Midcap Fund					
	At the beginning of the year		3,01,868	0.1601	3,01,868	0.1601
	Date wise Increase/Decrease in Shareholding during the year specifying the reasons for the increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc.)	19.12.14	1,604 (Purchase)	0.0009	3,03,472	0.1610
		31.12.14	37,000 (Purchase)	0.0196	3,40,472	0.1806
		30.01.15	1,66,766 (Purchase)	0.0885	5,07,238	0.2691
		06.02.14	30,000 (Purchase)	0.0159	5,37,238	0.2850
		27.03.15	2,50,000 (Sold)	0.1326	2,87,238	0.1524
	At the end of the year (or on the date of separation, if separated during the year)		2,87,238	0.1524	2,87,238	0.1524

SI No.			Shareholding at the beginning of the year		Cumulative Shareholding during the year	
			No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
13.	ICICI Prudential Balanced Advantage Fund					
	At the beginning of the year		-	-	-	-
	Date wise Increase/ Decrease in Shareholding during the year specifying the reasons for the increase/decrease (e.g. allotment/transfer/ bonus/sweat equity etc.)	20.06.14	85,956 (Purchase)	0.0456	85,956	0.0456
		30.06.14	45,640 (Purchase)	0.0242	1,31,596	0.0698
		04.07.14	(1,31,596) (Sold)	0.0698	-	-
		13.03.15	1,09,184 (Purchase)	0.0579	1,09,184	0.0579
		20.03.15	1,03,118 (Purchase)	0.0547	2,12,302	0.1126
		27.03.15	2,06,449 (Purchase)	0.1095	4,18,751	0.2221
		31.03.15	63,053 (Purchase)	0.0335	4,81,804	0.2556
	At the end of the year (or on the date of separation, if separated during the year)		4,81,804	0.2556	4,81,804	0.2556

SI No.			Shareholding at the beginning of the year		Cumulative Shareholding during the year	
			No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
14.	ICICI Prudential Exports and other services Fund					
	At the beginning of the year		-	-	-	-
	Date wise Increase/ Decrease in Shareholding during the year specifying the reasons for the increase/decrease (e.g. allotment/transfer/ bonus/sweat equity etc.)	30.05.14	1,00,000 (Purchase)	0.0530	1,00,000	0.0530
		05.12.14	99,984 (Purchase)	0.0531	1,99,984	0.1061
		12.12.14	1,00,016 (Purchase)	0.0530	3,00,000	0.1591
		09.01.15	65,733 (Purchase)	0.0349	3,65,733	0.1940
		16.01.15	29,066 (Purchase)	0.0154	3,94,799	0.2094
	At the end of the year (or on the date of separation, if separated during the year)		3,94,799	0.2094	3,94,799	0.2094

SI No.			Shareholding at the beginning of the year		Cumulative Shareholding during the year	
			No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
15.	Cresta Fund Limited					
	At the beginning of the year		-	-	-	-
	Date wise Increase/ Decrease in Shareholding during the year specifying the reasons for the increase/decrease (e.g. allotment/transfer/ bonus/sweat equity etc.)	13.02.15	3,58,000 (Purchase)	0.1899	3,58,000	0.1899
		27.02.15	4,60,000 (Purchase)	0.2440	8,18,000	0.4339
		13.03.15	7,221,00 (Purchase)	0.3831	15,40,100	0.8170
	At the end of the year (or on the date of separation, if separated during the year)		15,40,100	0.8170	15,40,100	0.8170

SI No.			Shareholding at the beginning of the year		Cumulative Shareholding during the year	
			No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
16.	Goldman Sachs India Fund Limited					
	At the beginning of the year		3,76,689	0.1998	3,76,689	0.1998
	Date wise Increase/ Decrease in Shareholding during the year specifying the reasons for the increase/decrease (e.g. allotment/transfer/ bonus/sweat equity etc.)	23.05.14	(95,626) (Sold)	(0.0507)	2,81,063	0.1491
		20.06.14	1,29,558 (Purchase)	0.0687	4,10,621	0.2178
		05.09.14	21,947 (Purchase)	0.0117	4,32,568	0.2295
		14.11.14	3,26,482 (Purchase)	0.1731	7,59,050	0.4026
		21.11.14	1,22,043 (Purchase)	0.0648	8,81,093	0.4674
		12.12.14	44,020 (Purchase)	0.0233	9,25,113	0.4907
		30.01.15	1,01,625 (Purchase)	0.0539	10,26,738	0.5446
		06.02.15	34,495 (Purchase)	0.0183	10,61,233	0.5629
		27.02.15	1,04,626 (Purchase)	0.0555	11,65,859	0.6184
		06.03.15	1,49,288 (Purchase)	0.0792	13,15,147	0.6976
	At the end of the year (or on the date of separation, if separated during the year)		13,15,147	0.6976	13,15,147	0.6976

(v) Shareholding of Directors and Key Managerial Personnel:

Sl No.	For each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1	Chirayu Amin, Chairman and Managing Director				
	At the beginning of the year	45,51,465	2.42	45,51,465	2.42
	Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for the increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc.)	(30,000) (Gift of Shares)	0.02	45,21,465	2.40
	At the end of the year	45,21,465	2.40	45,21,465	2.40

Sl No.	For each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
2	Pranav Amin, Director & President – International Business				
	At the beginning of the year	10,09,800	0.54	10,09,800	0.54
	Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for the increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc.)	-	-	-	-
	At the end of the year	10,09,800	0.54	10,09,800	0.54

Sl No.	For each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
3	Shaunak Amin, Director & President – Branded Formulations Business				
	At the beginning of the year	10,06,980	0.53	10,06,980	0.53
	Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for the increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc.)	-	-	-	-
	At the end of the year	10,06,980	0.53	10,06,980	0.53

Mr. R. K. Baheti, Director-Finance & CFO and Mr. Ajay Kumar Desai, Vice President-Finance & Company Secretary of the Company do not hold any shares in the Company. None of the Independent Directors hold any shares in the Company.

V. INDEBTEDNESS

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

(₹ in lacs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	7,134.11	1,998.57	1,807.07	10,939.75
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	18.82	-	115.82	134.64
Total (i+ii+iii)	7,152.93	1,998.57	1,922.29	11,074.39
Change in Indebtedness during the financial year				
• Addition	9,223.25	1,001.43	-	-
• Reduction	-	-	(1,922.29)	8,301.79
Net Change	9,223.25	1,001.43	(1,922.29)	8,301.79
Indebtedness at the end of the financial year				
i) Principal Amount	16,360.79	3,000.00	-	19,360.79
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	15.39	-	-	15.39
Total (i+ii+iii)	16,376.18	3,000.00	-	19,376.18

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

(₹ in lacs)

Sl. No.	Particulars of Remuneration	Name of MD/WTD/Manager				Total Amount
		Chirayu Amin	Pranav Amin	Shaunak Amin	R. K. Baheti	
1	Gross Salary					
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	403.06	348.88	375.00	210.05	1,336.99
	(b) Value of Perquisites u/s 17(2) Income Tax Act, 1961	0.40	0.40	0.40	1.40	2.60
	(c) Profits in lieu of salary under section 17(3) Income Tax Act, 1961	-	-	-	-	-
2	Stock Option	-	-	-	-	-
3	Sweat Equity	-	-	-	-	-
4	Commission					
	- as % of profit	1,387.08	-	-	-	1,387.08
5	Others, please specify	-	-	-	-	-
	Total	1,790.54	349.28	375.40	211.45	2,726.67
	Ceiling as per the Act					3,925.97

B. Remuneration to other Directors:

(₹ in lacs)

Sl. No.	Particulars of Remuneration	Name of Directors					Total Amount
		Paresh Saraiya	Milin Mehta	K. G. Ramanathan	Pranav Parikh	Dr. Archana Hingorani	
1	Independent Directors						
	• Fee for attending board/committee	3.80	2.80	2.50	1.70	0.40	11.20
	• Commission	6.00	6.00	6.00	6.00	1.00	25.00
	• Others, Please specify	-	-	-	-	-	-
	Total (1)	9.80	8.80	8.50	7.70	1.40	36.20
2.	Other Non-Executive Directors (2)	NA	NA	NA	NA	NA	NA
	Total Managerial Remuneration = (1+2)	9.80	8.80	8.50	7.70	1.40	36.20
	Overall Ceiling as per the Act						392.60

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

(₹ in lacs)

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Ajay Desai - Company Secretary	CFO	Total
1	Gross Salary (a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961 (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	Covered at point VI-A above.	68.89	Covered at point VI-A above.	68.89
2.	Stock Option	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission - as % of profit	-	-	-	-
5.	Others, please specify	-	-	-	-
	Total		68.89	-	68.89

Note: The above stated figures for remuneration are extracted from Form 16 of the Individual Managerial Personnel and Key Managerial Personnel for the F.Y. 2014-15. Whereas the figures for the managerial remuneration in Corporate Governance Report and Board's Report are prepared on the basis of accrual accounting principle and hence are not comparable.

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	None				
Punishment					
Compounding					
B. Directors					
Penalty	None				
Punishment					
Compounding					
C. Other Officers in default					
Penalty	None				
Punishment					
Compounding					

Annexure -E

Information required under section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 pertaining to Conservation of energy, Technology Absorption, Foreign Exchange earnings and outgo

(A) Conservation of Energy

(i) Steps taken or impact on conservation of energy:

- Effective Load balancing exercise.
- Controlling operation of the HVAC resulting in power saving.
- Shifted from CFL to LED Lighting with less energy consumption.
- Procuring AHUs with VFDs.
- Shifting load of reciprocating refrigeration compressor on screw compressor.
- Recovery of flash steam and generating hot water.

(ii) Steps taken for utilising alternate sources of energy:

Installed automatic solar light sensors for external street lighting.

(iii) Capital Investment on energy conservation equipments:

The Company continuously endeavors to discover usages on new technologies and tools to save the energy and reduce consumption.

(B) Technology Absorption:

i. Efforts made towards technology absorption:

Technological Innovation has become increasingly critical for Companies more so in pharmaceuticals sector as they struggle to achieve and maintain competitive advantage. The foundation of competitive advantage in the pharmaceutical industry lies in successful innovation. The Pharmaceutical industry spends more as a percentage of sales on Research and Development than any other industry

We, at Alembic, have chosen to develop techno sensitive

niche products which offer high value advantage. Further, we have a special technology transfer team which has helped us in smooth transfer of the technology from lab to plant which is reflecting in the good number of DMF & ANDA filing, which includes few very complex molecules, in this year.

ii. Benefits derived like product improvement, cost reduction, product development or import substitution:

- The Company filed 7 ANDAs with US FDA and 6 DMFs in this fiscal year. The cumulative ANDA filings stood at 68 and 33 approvals have been received till 31st March, 2015 including 1NDA. The continuous research activities have lead to commercialization of 26 formulations for USA market.
- The Company has 415 scientists working across two development centers.
- Our endeavour to expand our product pipeline and the tenacity of purpose has established itself making us a strongly research-driven Organisation.
- Till date 583 patents for Active Pharmaceutical Ingredients (APIs) and Intermediates as well as 239 patents for formulations have been filed.
- With increase in thrust on cost optimization, at Alembic Research Centre, scientists have focused on specific cost reduction projects for the molecules which are already generic in the regulated market, which has experienced a price erosion.
- Technology for new products have been developed at the lab scale and also on the synthetic front.

iii. Information regarding technology imported, during the last 3 years: Nil

iv. Expenditure incurred on Research and Development:

(₹ in lacs)

Particulars	2015	2014
a) Capital	1,768	1,313
b) Recurring	12,162	11,643
c) Total	13,930	12,956
d) Total R&D expenditure as a percentage of total turnover	6.78	6.95

(C) Foreign exchange earnings and Outgo:

The details of foreign exchange earned in terms of actual inflows during the year and the foreign exchange outgo during the year in terms of actual outflows are as under:

(₹ in lacs)		
For the period ended on 31st March,	2015	2014
Income		
Export (FOB basis)	80,845.47	75,017.48
Royalty	1,997.39	2,179.09
Expenditure		
Raw Materials (CIF basis)	20,497.24	17,649.20
Packing Material, Components and Spare Parts (CIF basis)	649.60	1,682.72
Professional and Consultancy fees	1,364.92	576.62
Interest	123.89	185.79
Others	8,836.41	6,181.34

Annexure -F

As per the provisions of Section 197 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, every listed company are required to disclose following information in the Board's Report.

Variations in the market capitalization	₹3,196.28 crore
Price Earnings Ratio as at the closing date of current financial year	29.91
Price Earnings Ratio as at the closing date of previous financial year	22.55
Percentage increase over decrease in the market quotations of the shares of the Company in comparison to the rate at which the Company came out with the last public offer in case of listed companies and in case of unlisted companies, the variations in the net worth of the Company as at the close of current financial year and previous financial year	NA

Ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year

Name	Ratio to Employees
Chirayu Amin – Chairman & Managing Director	1 : 0.00153
Pranav Amin – Director & President – International Business	1 : 0.00807
Shaunak Amin – Director & President – Branded Formulations Business	1 : 0.00754
R. K. Baheti - Director-Finance & CFO	1 : 0.01342

Annexure -F (Contd.)

Percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year

Name	% Increase
Chirayu Amin – Chairman & Managing Director	16.35
Pranav Amin – Director & President – International Business	8.19
Shaunak Amin – Director & President – Branded Formulations Business	18.33
R. K. Baheti - Director-Finance & CFO	13.59
Ajay Desai – Vice President-Finance & Company Secretary (Appointed w.e.f. 28th July, 2014)	N.A.
Percentage increase in the median remuneration of employees in the financial year	2.27*
Number of permanent employees on the rolls of company	7210
Explanation on the relationship between average increase in remuneration and company performance	Increase in Profit Before Tax - 16% Increase in overall remuneration - 22.62%
Comparison of the remuneration of the Key Managerial Personnel against the performance of the Company	Increase in remuneration of KMP – 14.11%
Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration	8.86% (Non- Managerial Personnel) 14.11% (Managerial Personnel)
Comparison of the each remuneration of the Key Managerial Personnel against the performance of the Company	Same as above
Key parameters for any variable component of remuneration availed by the directors	Company Performance, Periodical Reviews, Skills and Competence
Ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year	N.A.

*Explanation: The Percentage increase in the Median remuneration of employees is lower on account of new recruitments during the year.

We affirm that the remuneration paid to the Managerial and Non-Managerial Personnel is as per the remuneration policy of the Company.

Report on Corporate Governance

1. Company's Philosophy

Corporate governance is about commitment to values and ethical business conduct. It is about how an organization is managed. Timely and accurate disclosure of information regarding the financial situation, performance, ownership and management of the Company is an important part of corporate governance.

The Company has always been committed to the principles of good corporate governance.

Alembic, while striving to achieve financial targets, seeks to follow the business principles and ethics in all its dealings and believes in customer orientation, teamwork, commitment, growth and trust as its corporate values. The Board of Directors strives to represent the shareholders' interest to ensure optimal returns. At the same time, it is also responsible to all the other stakeholders including customers, employees, suppliers and to the communities where it operates.

Alembic endeavors to make its management team empowered to take the Company forward within the framework of effective accountability, which in turn enables the conversion of opportunities into achievements for the betterment of the Company and its stakeholders. The Board has also institutionalized good management practices to bring about an atmosphere of accountability. Systems are being put into place to ensure effective strategic planning,

optimum risk management, financial plans and budgets, integrity of internal controls and reporting, communication policy with emphasis on transparency and full disclosure on the various facts of the Company's operations, its functioning and its financial and compliance with all statutory / regulatory requirements not only in the letter of the law but also in its spirit.

2. Board of Directors

■ Composition of the Board

The Board of Directors consist of 3 Executive Promoter Directors, 1 Executive Professional Director and 5 Non-Executive Independent Directors. The Chairman of the Board is an Executive Director. As on 31st March, 2015 and on the date of this report, the Board meets the requirement of having at least one woman director and not less than 50% of the Board strength comprising of Non-Executive Directors as 5 out of 9 Directors are Non-Executive Independent Directors including 1 Woman Director.

■ Number of Board Meetings held and the dates of the Board Meetings

Four (4) Board Meetings were held during the year ended 31st March, 2015 on 28th April, 2014, 28th July, 2014, 20th October, 2014 and 4th February, 2015. The time gap between any two meetings was not exceeding one hundred and twenty days.

- Attendance of the Director at the Board Meetings and at the last AGM and Number of other Public Limited Companies in which the Director is a Director / Committee Member

Name of Director	Category	No. of Board Meetings held & attended during the Financial Year	Attendance at the last AGM	No. of other Directorships (excluding Directorships in foreign & Private Companies)	No. of Committees Membership / Chairmanship	
					As Chairman	As Member
Mr. C. R. Amin Chairman & Managing Director	Promoter Executive	4 out of 4	Yes	7	-	2
Mr. Pranav Amin Director & President – International Business	Promoter Executive	4 out of 4	Yes	1	-	1
Mr. Shaunak Amin Director & President-Branded Formulations Business	Promoter Executive	4 out of 4	Yes	1	-	-
Mr. R. K. Baheti Director-Finance & CFO	Executive	4 out of 4	Yes	3	-	1
Mr. K. G. Ramanathan	NED (I)*	4 out of 4	Yes	-	1	1
Mr. Pranav Parikh	NED (I) *	3 out of 4	No	1	-	1
Mr. Paresh Saraiya	NED (I) *	4 out of 4	Yes	3	3	1
Mr. Milin Mehta	NED (I) *	4 out of 4	Yes	2	2	2
Dr. Archana Hingorani#	NED (I) *	1 out of 1	NA	9	-	1

* NED (I) means Non-Executive- Independent Director

Appointed w.e.f. 4th February, 2015.

As required by Section 165(1) the Companies Act, 2013 and Clause 49 of the Listing Agreements, none of the Directors holds Directorships in more than 20 Companies (Public or Private), 10 Public Companies, membership of Board Committees (Audit & Stakeholders Relationship Committees) in excess of 10 and Chairmanship of Board Committee in excess of 5. None of the Directors serve as Independent Director in more than 7 listed Companies. None of the Director who serves as Whole Time Director in any listed Company serve as Independent Director in more than three listed Companies.

3. Audit Committee

■ Composition & Terms of Reference

The Audit Committee comprises of 3 Non-Executive Independent Directors viz. Mr. Paresh Saraiya, Mr. Pranav Parikh and Mr. Milin Mehta. Mr. Paresh Saraiya is Chairman of the Audit Committee. The terms of reference of the

Committee cover the matters specified for Audit Committee under the Listing Agreement and the provisions of Companies Act, 2013 and rules made thereunder.

The Statutory Auditors, Internal Auditors, Cost Auditors and other relevant Senior Management persons are invited to attend the Meetings of Audit Committee. The Company Secretary of the Company acts as Secretary to the Committee. Mr. Paresh Saraiya, Chairman of Audit Committee was present at the last Annual General Meeting held on 28th July, 2014.

■ Meetings and the attendance during the year

There were Four (4) meetings of the Audit Committee held during the year on 28th April, 2014, 28th July, 2014, 20th October, 2014 and 4th February, 2015.

The attendance of each member of the Committee is given below:

Name of Director	Category of Director	No. of Meetings Attended
Mr. Paresh Saraiya	Non-Executive - Independent	4
Mr. Milin Mehta	Non-Executive - Independent	4
Mr. Pranav Parikh	Non-Executive - Independent	3

4. Nomination and Remuneration Committee

Pursuant to the provisions of Section 178 of the Companies Act, 2013 and Clause 49 of the Listing Agreements, the Board of Directors of the Company reconstituted and renamed Remuneration Committee as "Nomination and Remuneration Committee". The Nomination and Remuneration Committee of Directors comprises of four Directors viz. Mr. K. G. Ramanathan, Mr. C. R. Amin, Mr. Paresh Saraiya and Mr. Milin Mehta. Mr. K. G. Ramanathan is Chairman of the Nomination and Remuneration Committee. The terms of reference of the Committee cover the matters specified for Nomination and Remuneration Committee under the provisions of Listing Agreement and Companies Act, 2013 and rules made thereunder.

■ Policy on Directors' Appointment and Remuneration

1.1 Appointment criteria and qualifications

- a) A person who is proposed to be appointed as Director of the Company should be eligible to be appointed as Director and must hold Director Identification Number issued by the Central Government and possess such qualification, expertise and experience as prescribed under the Act.
- b) Without prejudice to generality of the above, a person who is proposed to be appointed as an Independent Director shall also be subject to compliance of provisions of Section 149(6).
- c) KMP or Senior Management personnel shall have adequate qualification, expertise and experience in the relevant field for which the appointment is proposed to be made.
- d) The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the concerned position.

1.2 Term / Tenure

a) Managing Director/Whole-time Director/Manager (Managerial Personnel)

The Company shall appoint or re-appoint any person as its Managerial Personnel for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.

b) Independent Director

- An Independent Director shall hold office for a term of up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.
- No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.

1.3 Evaluation

The Committee shall carry out evaluation of performance of every Director, KMP and Senior Management Personnel at such interval as deemed fit.

1.4 Removal

The Committee may recommend the Board for removal of a Director, KMP or Senior Management Personnel for reasons recorded in writing. The Procedure for removal of any Director shall be as per the provisions of the Act in this regard.

1.5 Retirement

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

2.1 Remuneration Policy

- a) The remuneration / compensation / commission etc. to the Managerial Personnel will be determined by the Committee and recommended to the Board for approval which shall be subject to the prior/post approval of the shareholders of the Company and Central Government, wherever required.
- b) The remuneration and commission to be paid to the Managerial Personnel shall be in accordance with the percentage / slabs / conditions as per the provisions of the Act.
- c) Increments to the existing remuneration / compensation structure may be recommended by the Committee to the Board which should be within the limits approved by the Shareholders in the case of Managerial Personnel.
- d) Where any insurance is taken by the Company on behalf of its Managerial Personnel, Chief Executive Officer, Chief Financial Officer, the Company Secretary and any other employees for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel. Provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.

2.2 Remuneration to Managerial Personnel, KMP, Senior Management Personnel and Other Employees

a) Fixed pay

The Managerial Personnel shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee in accordance with the provisions of the Companies Act, 2013 and rules made thereunder for the time being in force. The breakup of the pay scale and quantum of perquisites including employer's contribution to P.F. pension scheme, medical expenses, club fees,

other non-monetary benefits etc. shall be decided and approved by the Board on the recommendation of the Committee and approved by the shareholders and Central Government, wherever required.

b) Variable Pay

The Managerial Personnel shall be eligible to performance linked incentives as may be determined by the Board from time to time.

c) Commission

The Managerial Personnel may be paid commission if approved by the shareholders. The shareholders may authorise the Board to decide commission to be paid to any Managerial Personnel of the Board.

d) Minimum Remuneration

If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Managerial Personnel in accordance with the provisions of Schedule V of the Companies Act, 2013 and if it is not able to comply with such provisions, with the previous approval of the Central Government.

e) Provisions for excess remuneration

If any Managerial Personnel draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Act or without the prior sanction of the Central Government, where required, he / she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive recovery of such sum refundable to it unless permitted by the Central Government.

f) The remuneration to Company Secretary, Senior Management Personnel and other employees shall be governed by the HR Policy of the Company.

2.3 Remuneration to Non-Executive / Independent Directors

a) Remuneration

The remuneration shall be in accordance with the provisions of the Companies Act, 2013 and rules made thereunder for the time being in force.

b) Sitting Fees

The Non-Executive / Independent Director may receive fees for attending meetings of the Company. Provided that the amount of such fees shall not exceed ₹1 Lac per meeting of the Board or Committee or such amount as may be prescribed under the Act. Additionally the Non-Executive Directors shall be reimbursed travelling and incidental expenses incurred for attending the meetings.

c) Commission

Commission may be paid within the monetary limit approved by shareholders, subject to the limit not exceeding 1% of the profits of the Company computed as per the applicable provisions of the Act.

d) Stock Options

An Independent Director shall not be entitled to any stock option of the Company.

■ **Details of Remuneration paid to Directors**

a) Executive Directors

All elements of remuneration package i.e. salary, benefits, bonus, pension etc. paid to Executive Directors during the financial year are as under:

(₹ in lacs)			
Name & Designation of Executive Director	Salary & Perquisites	Commission	Total
Mr. Chirayu Amin Chairman & Managing Director	449.44	1,513.30	1,962.74
Mr. Pranav Amin Director & President -International Business	373.91	-	373.91
Mr. Shaunak Amin Director & President -Branded Formulations Business	400.00	-	400.00
Mr. R. K. Baheti Director-Finance & CFO	224.84	-	224.84
Total	1,448.19	1,513.30	2,961.49

Notes:

- Mr. Chirayu Amin, Chairman & Managing Director: Appointed for a period of 5 years w.e.f. 1st April, 2011.
- Mr. Pranav Amin, Director & President - International Business: Appointed for a period of 5 years w.e.f. 1st April, 2011.
- Mr. Shaunak Amin, Director & President - Branded Formulations Business: Appointed for a period of 5 years w.e.f. 2nd May, 2013.
- Mr. R. K. Baheti, Director-Finance & CFO : Appointed for a period of 5 years w.e.f. 1st April, 2011.
- There is no provision for payment of severance fees.
- The Company does not have any Stock Options Scheme.

b. Non-Executive Directors

Non-Executive Directors are paid ₹40,000/- as sitting fees for attending Board Meetings, ₹20,000/- for Audit Committee Meetings and ₹10,000/- for other Committee Meetings.

The Details of sitting fees paid to the Non-Executive Directors during the Financial Year 2014-2015 are as under:

(Amount in ₹)

Name of Director	Sitting Fees	Commission	Total
Mr. K. G. Ramanathan	2,50,000	6,00,000	8,50,000
Mr. Paresh Saraiya	3,70,000	6,00,000	9,70,000
Mr. Milin Mehta	2,80,000	6,00,000	8,80,000
Mr. Pranav Parikh	1,70,000	6,00,000	7,70,000
Dr. Archana Hingorani	40,000	1,00,000	1,40,000

The Board has approved the payment of commission to Non-Executive Independent Directors for the year 2014-15 which is within the limit approved by the members of the Company at the 2nd Annual General Meeting of the Company held on 9th August, 2012.

None of the Non-Executive Directors has any pecuniary relationship or transactions with the Company and its associates except Mr. Milin Mehta where two other Companies under same management have paid a total of ₹4.65 lacs to M/s. K. C. Mehta & Co, Chartered Accountants as fees for professional services provided by the firm to those Companies. Mr. Milin Mehta is partner of the said firm. The Board does not consider the firm's association with group companies to be of a material nature so as to affect independence of judgment of Mr. Milin Mehta as an Independent Director of the Company.

Criteria for Performance Evaluation of Independent Directors

The Criteria for performance evaluation of Independent Directors is disclosed in the Board's Report.

5. Stakeholders' Relationship Committee

Pursuant to the provisions of Section 178 of the Companies Act, 2013 and Clause 49 of the Listing Agreements, the Board of Directors of the Company reconstituted and renamed Shareholders'/Investors' Grievances Committee as "Stakeholders Relationship Committee". The Stakeholders' Relationship Committee comprises of 3 Directors viz. Mr. Paresh Saraiya, Mr. Pranav Amin and Mr. R. K. Baheti. Mr. Paresh Saraiya, Non-Executive – Independent Director is Chairman of the Stakeholders' Relationship Committee.

Mr. Ajay Kumar Desai, Vice President-Finance & Company Secretary is the Compliance Officer of the Company.

Details of No. of Shareholders' complaints received so far: 17

No. of complaints not solved to the satisfaction of shareholders: Nil

No. of pending complaints: Nil

Meetings and the attendance during the year

Four (4) meetings of Stakeholders' Relationship Committee were held during the year ended 31st March, 2015.

The attendance of each member of the Committee is given below:

Name of Director	Category of Director	No. of Meetings Attended
Mr. Paresh Saraiya	Non-Executive - Independent	4
Mr. Pranav Amin	Executive - Promoter	4
Mr. R. K. Baheti	Executive - Non Independent	4

6. General Body Meetings

Details of the location and time of the last three AGMs are as under:

Financial Year	Location	Date	Time	No. of Special Resolutions passed
2011-12	"Sanskriti", Alembic Corporate Conference Centre, Opp. Pragati Sahakari Bank Ltd., Alembic Colony, Vadodara 390 003.	9th August, 2012	4.00 p.m.	4
2012-13	"Sanskriti", Alembic Corporate Conference Centre, Opp. Pragati Sahakari Bank Ltd., Alembic Colony, Vadodara 390 003.	7th August, 2013	4.00 p.m.	2
2013-14	"Sanskriti", Alembic Corporate Conference Centre, Opp. Pragati Sahakari Bank Ltd., Alembic Colony, Vadodara 390 003.	28th July, 2014	4.00 p.m.	7

* Whether any special resolution passed last year through postal ballot: No

* Whether any special resolution is proposed to be conducted through postal ballot: No

7. Notes on Directors seeking appointment / re-appointment as required under Clause 49 VIII E 1 of the Listing Agreement entered into with Stock Exchanges

Mr. R. K. Baheti retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for reappointment and Dr. Archana Hingorani seeks appointment at the ensuing Annual General Meeting.

Mr. Pranav Amin and Mr. Shaunak Amin seek appointment as Joint Managing Directors of the Company at the ensuing Annual General Meeting.

Mr. R. K. Baheti, is commerce graduate and a fellow member of the Institute of Chartered Accountants of India. He is also a fellow member of the Institute of Company Secretaries of India with experience in finance, accounts, taxation and management function. He holds Directorships in Alembic Exports Limited, Sierra Investments Limited and Sierra Healthcare Limited and is member of Stakeholders Relationship Committee of Alembic Pharmaceuticals Limited.

Dr. Archana Hingorani is a Bachelor of Arts (Economics) with post-graduate qualifications in Management (MBA) as well as a Ph.D. in Corporate Finance from the University of Pittsburgh, USA. Dr. Hingorani is Chief Executive Officer & Executive Director of IL&FS Investment Managers Limited. She is also a member of the India CEO Forum - International Market Assessment, Asia, Young Presidents' Organization, Mumbai Chapter, United Nations Environment Programme, Finance Initiative, CII National Committee on Infrastructure Finance and is on the Advisory Council of Emerging Markets Private Equity Association (EMPEA). She has over 28 years' experience in the financial services business, teaching and research. She holds directorships in IL&FS Urban Infrastructure Managers Limited, IL&FS Trust Company Limited, IL&FS Portfolio Management Services Limited, IL&FS Energy Development Company Limited, IL&FS Education & Technology Services Limited, IL&FS Maritime Infrastructure Company Limited, Pan India Motors Private Limited, QVC Realty Company Limited, Ramky Enviro Engineers Limited and Yatra Capital Limited. Dr. Archana Hingorani is a member of HRD Committee of IL&FS Urban Infrastructure Managers Limited, a member of Remuneration Committee of IL&FS Portfolio Management Services Limited, a member of Project Committee of QVC Realty Limited and a member of Audit Committee IL&FS Education & Technology Services Limited.

Mr. Pranav Amin has done Bachelor of Science in Economics/Industrial Management from the Carnegie Mellon University in Pittsburgh, USA. He worked as a Jr. Financial Analyst at Dendrite Inc. in New Jersey, USA. Dendrite focuses on Customer Relationship Management

software catering mainly to Pharmaceutical Companies. He pursued his M.B.A in International Management from Thunderbird, The American Graduate School of International Management. He was Director & President - International Business of the Company and heading the International Business division of the Company since 2007. He holds Directorships in Gujarat Flying Club, Quick Flight Limited, Incozen Therapeutics Private Limited and A.G. Research Private Limited. Mr. Amin is a member of the Stakeholders Relationship Committee of the Company. He holds 10,09,800 Equity Shares of the Company. He is the son of Mr. Chirayu Amin, Chairman and Managing Director and brother of Mr. Shaunak Amin, Director and President - Branded Formulations Business of the Company.

Mr. Shaunak Amin has graduated from University of Massachusetts, USA with Economics as his specials. He has varied work experience with renowned Multinationals including Merrill Lynch, Hong Kong and Shanghai Banking Corporation etc. His extensive experience in Sales and Marketing has benefited the Company immensely in achieving new heights in sales. Mr. Shaunak Amin was Director & President of the Company and is heading the Branded Formulations Division of the Company since 2009. He holds directorships in AGI Developers Limited, Gujarat Flying Club and Incozen Therapeutics Private Limited. He holds 10,06,980 Equity Shares of the Company. He is the son of Mr. Chirayu Amin, Chairman and Managing Director and brother of Mr. Pranav Amin, Director & President - International Business of the Company

8. Disclosure

(i) Related Party Transactions

There are no materially significant related party transactions that may have potential conflict with the interest of the Company at large.

The Board has approved a policy for related party transactions which has been uploaded on the Company's website. The weblink as required under Listing Agreements is as under:

<http://www.alembic-india.com/upload/05APL-RPT%20policy.pdf>

(ii) Compliance

There was no non-compliance by the Company or penalties, strictures imposed on the Company by Stock Exchanges or SEBI or any statutory authority on any matter related to capital markets, during the last three years.

(iii) Whistle Blower Policy

In terms of Clause 49 of the Listing Agreements, the Company has established vigil mechanism for directors, employees and other stakeholders to report concerns about unethical behavior, actual or suspected fraud or violation of the Company's code of conduct or ethical policy.

The Whistle Blower Policy is placed on the website of the Company and weblink to the same is as under:

<http://www.alembic-india.com/upload/05APL-Whistle%20Blower%20Policy.pdf>

The Company has provided opportunities to encourage employees to become whistle blowers. It has also ensured a mechanism within the same framework to protect them from any kind of harm. It is hereby affirmed that no personnel has been denied access to the Audit Committee.

(iv) Details of Compliance with Mandatory requirements and adoption of Non-mandatory requirements of Clause 49

Mandatory requirements:

The Companies complies with all the mandatory requirements of Clause 49 of the Listing Agreement on Code of Corporate Governance.

Non-Mandatory requirements:

- a) Office for non-executive Chairman at company's expense: Not Applicable
- b) Half-yearly declaration of financial performance to each household of shareholders: Not complied
- c) Audit Qualifications: Complied as there are no audit qualifications
- d) Separate posts of Chairman & CEO: Not complied
- e) Reporting of Internal Auditors directly to Audit Committee: Complied

(v) Independent Directors' Meeting

During the year under review, the Independent Directors met on 4th February, 2015, inter alia, to discuss:

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

All Independent Directors were present at the Meeting.

(vi) Familiarisation program for Independent Directors

The Company has conducted the Familiarisation program for Independent Directors during the year. The details for the same have been disclosed on the website of the Company at the following web-link.

<http://www.alembic-india.com/upload/05APL-Note%20on%20Familiarisation%20Program.pdf>

(vii) Policy for determining 'material' subsidiaries'

The Company has formed the policy for determining

'material' subsidiaries'. The same has been placed on the website of the Company and weblink to the same is as under:

<http://www.alembic-india.com/upload/05APL-Policy%20on%20Material%20Subsidiaries.pdf>

(viii) Shareholding of Non-Executive Directors

None of the Non-Executive Directors hold any shares in the Company.

(ix) Disclosure of relationships between directors inter-se

Mr. Chirayu Amin, Chairman & Managing Director is the father of Mr. Pranav Amin, Director & President – International Business and Mr. Shaunak Amin, Director & President – Branded Formulations Business. No other Director of the Company is related to any other Director.

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

The Company has in place a Policy on prevention of Sexual Harassment 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.

During the year, the Company had received one complaint and the same has been disposed off.

(xi) Code of Conduct

The Board has adopted code of conduct for all Board Members and Senior Management Personnel of the Company and the said code of conduct is posted on the web site of the Company (www.alembic-india.com). A declaration signed by the CEO on behalf of the Board of Directors is given below:

We hereby confirm that:

As provided under Clause 49 of the Listing Agreement, all Board Members and Senior Management Personnel have affirmed compliance with the code of conduct of the Company for the year ended 31st March, 2015 and the copy of the code of conduct is put on the website of the Company viz. www.alembic-india.com

On behalf of the Board of Directors
Mr. Chirayu R. Amin
 (CEO)

(xii) CEO/CFO Certificate

As required under Clause 49 (IX) of the Listing Agreement with the Stock Exchanges, the Chairman & Managing Director (CEO) & Director-Finance & CFO of the Company has certified to the Board regarding inter alia, the correctness of the financial statements for the year ended 31st March, 2015.

9. Means of Communication

Quarterly Results	:	The results will be published in newspapers having wide coverage
Which Newspapers wherein results normally published	:	Will be published normally in- The Economic Times (English), The Economic Times (Gujarati) or any other leading newspapers
Any website, where displayed	:	www.alembic-india.com
Whether it also displays official news releases and	:	Yes
The presentations made to institutional investors or to the analysts	:	Yes

10. General Shareholder Information

1.	Annual General Meeting Date, Time and Venue	31st July, 2015 at 3:00 p.m. "Sanskriti", Alembic Corporate Conference Centre, Opp. Pragati Sahakari Bank Ltd., Alembic Colony, Vadodara 390 003.
2.	Financial Year	2014 - 2015
3.	Date of Book Closure	24th July, 2015 to 31st July, 2015, both days inclusive
4.	Dividend Payment Date	On or before 7th August, 2015
5.	Listing on Stock Exchanges	BSE Limited (BSE) Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001 National Stock Exchange of India Limited (NSE) Exchange Plaza, Bandra-Kurla Complex, Bandra (East), Mumbai -400 051
6.	Stock Code	BSE (533573) NSE (APLLTD)

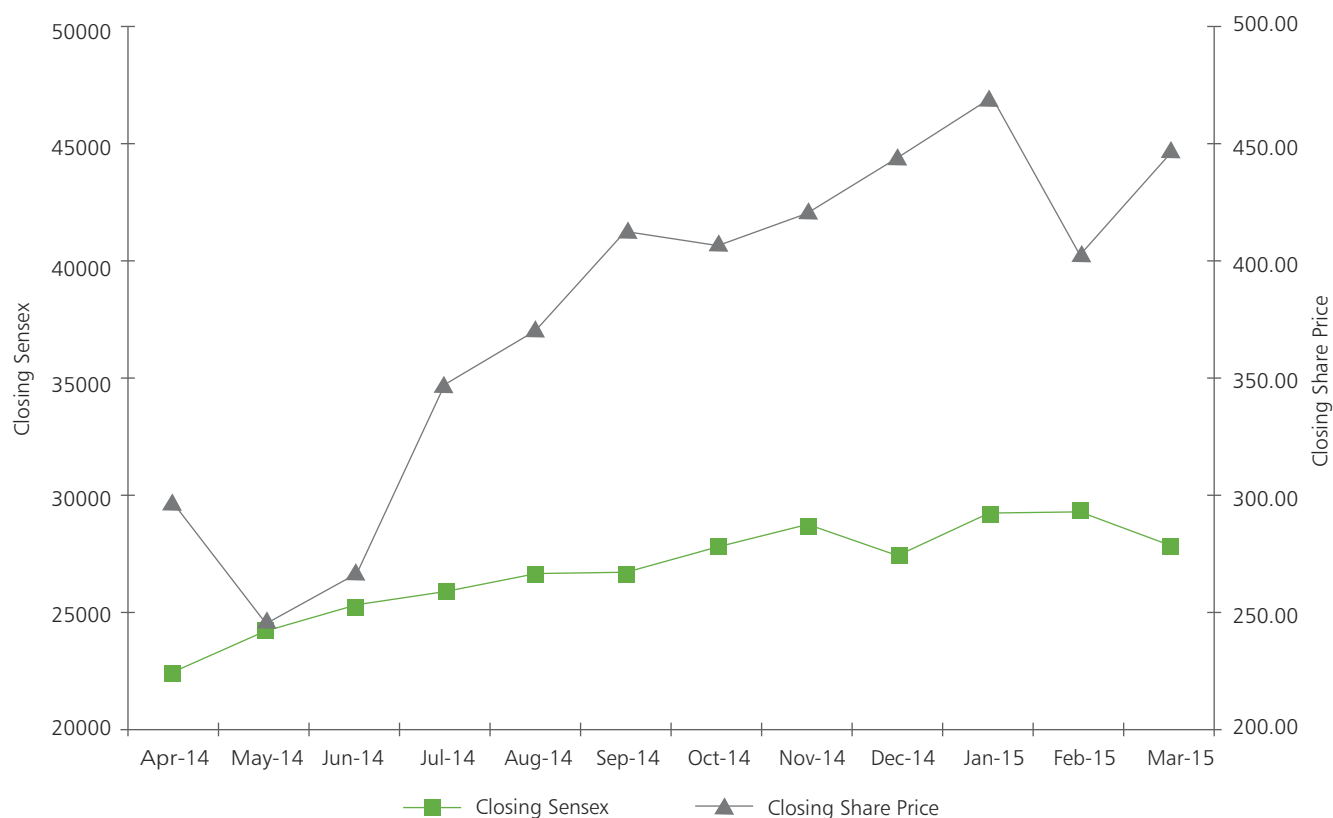
7. Market Price Data

(Amount in ₹)

Month	Bombay Stock Exchange		National Stock Exchange	
	Month's High Price	Month's Low Price	Month's High Price	Month's Low Price
Apr-2014	315.70	268.10	314.75	267.10
May-2014	303.95	228.00	302.00	227.00
Jun-2014	285.45	238.00	286.00	238.00
Jul-2014	370.35	268.90	370.70	269.60
Aug-2014	408.00	332.00	408.00	330.70
Sep-2014	449.70	371.05	450.20	370.00
Oct-2014	427.40	381.00	428.00	379.10
Nov-2014	469.00	402.00	467.60	400.85
Dec-2014	468.00	403.95	468.75	405.00
Jan-2015	494.65	443.00	494.50	440.00
Feb-2015	489.20	381.90	488.90	381.25
Mar-2015	460.25	402.55	465.80	401.55

On 31st March, 2015, the closing price of the shares of the Company on BSE was ₹453.25 and on NSE was ₹454.60

8. Share Performance of the Company in comparison to BSE Sensex:



9.	Registrar and Transfer Agents	<p>Link Intime India Pvt. Limited B-102 & 103, Shangrila Complex, First Floor, Opp. HDFC Bank, Near Radhakrishna Char Rasta, Akota, Vadodara-390020 Tel:(0265) 2356573, 2356794 Fax:(0265) 2356791 Email: vadodara@linkintime.co.in</p>
10.	Share Transfer System	<p>Share transfers will be registered and returned within a period of Fifteen days from the date of receipt, if documents are accurate in all respects.</p> <p>Stakeholders' Relationship Committee has delegated powers to Registrar and Transfer Agent to effect transfer/transmission, name deletion, renewal of shares, duplicate, etc.</p> <p>Total number of shares transferred in physical form during the year were 1,08,100 (previous year 1,01,630).</p>

11. Distribution of Shareholding

The Distribution of Shareholdings as on 31st March, 2015 is given as under:

Number of Share of Face Value	Number of Shareholders	% of total Shareholders	Number of Shares	% of total Shares
1	2	3	4	5
1-500	42,034	85.21	59,96,577	3.18
501-1000	3,694	7.49	28,64,954	1.52
1001-2000	1,827	3.70	27,18,245	1.44
2001-3000	620	1.26	15,74,268	0.84
3001-4000	268	0.54	9,58,065	0.51
4001-5000	219	0.44	10,14,695	0.54
5001-10000	318	0.65	22,64,557	1.20
10001 and above	348	0.71	17,11,24,553	90.77
TOTAL	49,328	100	18,85,15,914	100

The Distribution of Shareholdings as on 31st March, 2015 is given as under:

Sr. No.	Category	No. of Shares Held	% of Voting Strength
1.	Promoters & Associates	13,97,38,620	74.13
2.	Mutual Funds & UTI	36,66,824	1.95
3.	Banks, Financial Institutions & Insurance Companies	9,45,972	0.50
4.	Foreign Institutional Investors	1,71,14,586	9.08
5.	Private Corporate Bodies	20,33,289	1.08
6.	Indian Public	1,18,28,523	12.55
7.	NRIs / OCBs	4,19,154	0.22
8.	Others (Clearing Members, Trusts etc.)	9,40,423	0.49
	Total	18,85,15,914	100

12	Dematerialisation of Shares and Liquidity	As on 31st March, 2015, 18,38,53,149 shares (97.53%) are held in dematerialised form by the shareholders.
13	Outstanding GDRs/ADRs/Warrants or any Convertible instruments, conversion date and likely impact on equity	Not applicable
14	Plant Locations	a. Panelav, Tal. Halol, Dist. Panchmahal -389 350, Gujarat. b. Plot No. 21, 22, EPIP Phase I, Jharmajri, Baddi, Tehsil -Nalagarh, Dist. Solan, Himachal Pradesh. c. Village Karakhadi, Tal. Padra, Dist. Vadodara. d. Samardung Busty, Namthang, South Sikkim.
15	Investor Correspondence	1. Company Secretary & Compliance Officer Alembic Pharmaceuticals Limited Alembic Road, Vadodara-390003 Tel: 0265 2280550 Fax: 0265 2282506 Email Id: apl.investors@alembic.co.in 2. Link Intime India Private Ltd B-102/103, Shangrila Complex, 1st Floor, Opp. HDFC Bank, Radha Krishna Char Rasta, Akota – Vadodara-390020 Ph.: 0265-2356573-2356794 Email: vadodara@linkintime.co.in

Corporate Governance Certificate

To
The Members of
Alembic Pharmaceuticals Limited

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

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

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

We state that in respect of investor grievances received during the year ended 31st March, 2015, no investor grievances are pending against the Company, as per the records maintained by the Company and presented to the Stakeholders Relationship Committee.

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

Date: 27.04.2015
Place: Vadodara

S. Samdani
Partner
Samdani Shah & Asso
Company Secretaries
FCS/CP NO. 3677/2863

Independent Auditor's Report

To The Members of
Alembic Pharmaceuticals Limited

Report on the Standalone Financial Statements

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

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these 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 also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

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 of 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.
2. As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid 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 the written representations received

from the directors as on 31st March, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31st 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 Company has disclosed the impact of pending litigations on its financial position (net of provision made) in its financial statements – Y (II) (II) 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 were no amounts that were required to be transferred to the Investor Education and Protection Fund by the Company during the year.

For K.S.AIYAR & Co
Chartered Accountants
Firm's Registration No. 100186W

RAGHUVIR M. AIYAR
Partner

Mumbai

Date: 27th April, 2015

Membership No. 38128

Annexure to Auditor's Report

Re: Alembic Pharmaceuticals Limited

Referred to in paragraph 1 on Report on Other Legal and Regulatory Requirements of our report

- (i) (a) The company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets, however, item wise value in respect of assets other than land, buildings and vehicles prior to 1982 are not available.
- (b) These fixed assets have been physically verified by the management during the year as per the phased programme of physical verification of fixed assets. As informed to us the programme is such that all the fixed assets will get physically verified in three year time. In our opinion the same is reasonable having regard to the size of the Company and the nature of its fixed assets. No material discrepancies were noticed on such verification.
- (ii) (a) Physical verification of inventory has been conducted at reasonable intervals by the management.
- (b) The procedures of physical verification of inventory 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 is maintaining proper records of inventory. No material discrepancies were noticed on physical verification.
- (iii) The company has not granted any secured or unsecured loans to any party covered in the register maintained under section 189 of the Companies Act, 2013. Therefore the requirements of sub-clause (a) and (b) of clause (iii) are not applicable to the Company.
- (iv) There is an adequate internal control system commensurate with the size of the company and the nature of its business, for the purchase of inventory and fixed assets and for the sale of goods and services. There is a no continuing failure to correct major weaknesses in internal control system.
- (v) The Company had accepted deposits prior to the commencement of Companies Act, 2013. In terms of Section 74(1)(b) of the Companies Act, 2013 such deposits amounting to ₹1,797.64 Lacs have been repaid during the year and an amount of ₹9.43 Lacs and interest due thereon of ₹0.50 Lacs are unclaimed as at the year end.
- During the year, the Company has not accepted any deposits from public in terms of Section 73 of the Companies Act, 2013.
- We are informed that no order has been passed by Company Law Board or National Company Law Tribunal or Reserve Bank of India or Court or any other tribunal. Accordingly, the Company has complied with the provisions of Section 73 to 76 of the Companies Act, 2013.
- (vi) Central Government has specified the maintenance of cost records under Sub-Section (l) of Section 148 of the Companies Act, 2013. Such accounts and records have been made and maintained by the Company.
- (vii) (a) The Company is generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax cess and any other statutory dues with the appropriate authorities.
- (b) Dues of income tax or sales tax or wealth tax or service tax or duty of customs or duty of excise or value added tax or cess have not been deposited on account of any dispute are as under.

Statute & Nature of dues	Amount not deposited (₹)	Forum where dispute is pending	Period
Sales Tax Act	4,82,244	Joint Commissioner Appeals	2008-2009
Sales Tax, interest and penalty	13,12,295	High Court	1999-2000
	1,63,84,603	Asst. Commissioner Demand	2003-2004
	44,830	Additional Commissioner	2004-2005
	1,53,406	Sr. Joint Commissioner	2006-2007

Statue & Nature of dues	Amount not deposited (₹)	Forum where dispute is pending	Period
	23,28,932	Jt. Commissioner Appeals	2009-2010
	20,06,174	Jt. Commissioner Appeals	2010-2011
	23,00,108	Jt. Commissioner Appeals	2011-2012
	23,68,469	Jt. Commissioner Appeals	2012-2013
	20,92,750	Jt. Commissioner Appeals	2013-2014
	7,65,686	Jt. Commissioner Appeals	2006-2007
	8,27,211	Tribunal	2009-2010
	1,84,321	Additional Commissioner	01-04-2006 to 30-11-2008
	24,654	Additional Commissioner	01-12-2008 to 31-10-2009
	15,06,831	Additional Commissioner	2007-2008
	53,89,411	Additional Commissioner	2008-2009
	64,32,292	Additional Commissioner	2009-2010
	2,95,000	Joint Commissioner Appeals	2013-2014
	11,85,131	Jt. Commissioner	2011-2012
	3,40,990	Jt. Commissioner	2010-2011
Central Sales Tax Act	1,51,971	Additional Commissioner	01-04-2006 to 30-11-2008
	75,612	Additional Commissioner	01-12-2008 to 31-10-2009
	2,46,931	Deputy Commissioner II	2003-2004
	1,50,355	Joint Commissioner (Appeals)	2005-2006
	10,93,955	Deputy Commissioner II	2006-2007
	26,302	Additional Commissioner	2008-2009
	28,481	Additional Commissioner	2009-2010
	1,23,800	Jt. Commissioner Appeals	2006-2007
	3,24,342	Jt. Commissioner Appeals	2010-2011
The Central Excise Act	2,13,95,574	CESTAT	2005-2006
Excise Duty, Interest & Penalty	9,85,233	CESTAT	2011-2012
	16,091	Commissioner (Appeal)	2007-2008
	2,10,579	CESTAT	1998-2009
	35,000	Commissioner (Appeal)	2009-2010
	50,03,165	High Court	2005-2006
	1,20,99,486	High Court	2005-2006
	55,306	Commissioner (Appeals)	2008-2009

Statue & Nature of dues	Amount not deposited (₹)	Forum where dispute is pending	Period
	121,276	Commissioner (Appeals)	2010-2011
	10,181,463	CESTAT	2006-2011
	34,712	Asst. Commissioner	2007-2008
	2,75,323	CESTAT	2007-08 to July 2011
	56,760	CESTAT	2011-2012
The Bombay Stamp Act	5,01,18,535	Supreme Court	2011-2012
Income Tax Act	4,58,530	ITAT	2011-2012

(c) The is no amount required to be transferred to investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made thereunder.

(viii) The Company has been registered for a period of less than five years. Therefore, requirement of the Order of reporting on accumulated losses and cash losses is not applicable.

(ix) The Company has not defaulted in repayment of dues to a financial institution or bank or debenture holders.

(x) The Company has given guarantees for loans taken by its Wholly Owned Subsidiary from banks and the terms and conditions of the same are not prejudicial to the interest of the Company.

(xi) The Company did not raise any term loans during the year. The term loans which were raised in earlier years and are outstanding as at year end were used in earlier years for the purpose for which they were taken.

(xii) No fraud on or by the Company has been noticed or reported during the year.

For K.S.AIYAR & Co
Chartered Accountants
Firm's Registration No. 100186W

Mumbai
Date: 27th April, 2015

RAGHUVIR M. AIYAR
Partner
Membership No. 38128

Balance Sheet

₹ in lacs

Particulars	Note No	As at 31st March, 2015		As at 31st March, 2014	
I. EQUITY AND LIABILITIES					
(1) Shareholder's Funds					
(a) Share Capital	A	3,770.32		3,770.32	
(b) Reserves and Surplus	B	79,586.20		59,199.28	
			83,356.51		62,969.60
(2) Non-Current Liabilities					
(a) Long-Term Borrowings	C	1,880.00		5,222.00	
(b) Deferred Tax Liabilities (Net)	D	3,143.34		2,271.70	
(c) Other Long Term Liabilities	E	1,284.37		1,270.37	
(d) Long Term Provisions	F	936.15	7,243.86	668.06	9,432.13
(3) Current Liabilities					
(a) Short-Term Borrowings	G	14,980.79		2,542.37	
(b) Trade Payables	H	30,238.38		28,189.96	
(c) Other Current Liabilities	I	5,836.09		6,062.11	
(d) Short-Term Provisions	J	9,460.09	60,515.35	7,048.45	43,842.90
Total			1,51,115.73		1,16,244.63
II. ASSETS					
(1) Non-Current Assets					
(a) Fixed Assets					
(i) Tangible Assets	K	48,867.99		39,696.06	
(ii) Capital Work-in-Progress		8,314.03		2,066.92	
(b) Non-Current Investments	L	3,332.85		3,332.85	
(c) Long Term Loans and Advances	M	6,502.72	67,017.59	4,164.17	49,260.00
(2) Current Assets					
(a) Inventories	N	38,248.29		31,077.82	
(b) Trade Receivables	O	33,794.00		26,055.87	
(c) Cash and Bank Balances	P	440.50		533.85	
(d) Short-Term Loans and Advances	Q	11,615.34	84,098.13	9,317.10	66,984.63
Total			1,51,115.73		1,16,244.63
Significant Accounting Policies and Other Explanatory notes and Information	Y				

Note: See accompanying notes referred to above which form an integral part of the Financial Statements

As per our report of even date

For K. S. Aiyar & Co.
Chartered Accountants
Firm Registration No. 100186W

Chirayu R. Amin
Chairman &
Managing Director

Pranav Amin
Director & President -
International Business

Shaunak Amin
Director & President -
Branded Formulation
Business

K.G. Ramanathan
Director

Raghuvir M. Aiyar
Partner
Membership No 38128

Pranav Parikh
Director

Pareesh Saraiya
Director

Milin Mehta
Director

Dr. Archana Hingorani
Director

R.K. Baheti
Director - Finance & CFO

Ajay Desai
Vice President-Finance & Company Secretary
Vadodara : 27th April, 2015

Mumbai : 27th April, 2015

Statement of Profit and Loss

₹ in lacs

Particulars	Note No	Year ended 31st March, 2015		Year ended 31st March, 2014	
I. Revenue from Operations	R	2,03,404.38		1,85,149.71	
Less : Excise Duty		1,504.78	2,01,899.60	771.00	1,84,378.71
II. Other Income	S		57.23		319.27
III. Total Revenue (I + II)			2,01,956.83		1,84,697.98
IV. Expenses					
Cost of Materials Consumed	T	54,049.40		55,592.93	
Purchase of Finished Goods		24,661.93		19,806.75	
Changes in Inventories of Finished Goods and Work in Process	T	(7,288.90)		(4,064.84)	
Employee Benefit Expenses	U	29,656.71		24,445.94	
Research and Development Expenses	V	10,903.07		10,509.63	
Other Expenses	W	49,135.96	1,61,118.19	42,186.12	1,48,476.53
V. Profit Before Interest, Depreciation and Tax			40,838.64		36,221.45
Finance Costs	X		110.88		980.89
Depreciation			4,441.27		4,048.72
VI. Profit Before Tax			36,286.49		31,191.85
VII. Tax Expense					
Current Tax (MAT)		7,625.00		6,700.00	
Less : MAT Credit Entitlement		739.29		—	
Deferred Tax		739.29	7,625.00	663.21	7,363.21
VIII. Profit for the year			28,661.49		23,828.64
IX. Earning per Equity Share (FV ₹ 2/- per share)					
Basic & Diluted (In ₹)			15.20		12.64
Significant Accounting Policies and Other Explanatory Notes and Information	Y				

Note: See accompanying notes referred to above which form an integral part of the Financial Statements

As per our report of even date

For K. S. Aiyar & Co.
Chartered Accountants
Firm Registration No. 100186W

Chirayu R. Amin
Chairman &
Managing Director

Pranav Amin
Director & President -
International Business

Shaunak Amin
Director & President -
Branded Formulation
Business

K.G. Ramanathan
Director

Raghuvir M. Aiyar
Partner
Membership No 38128

Pranav Parikh
Director

Paresh Saraiya
Director

Milin Mehta
Director

Dr. Archana Hingorani
Director

R.K. Baheti
Director - Finance & CFO

Ajay Desai
Vice President-Finance & Company Secretary
Vadodara : 27th April, 2015

Mumbai : 27th April, 2015

Cash Flow Statement

₹ in lacs

Particulars	Year ended 31st March, 2015		Year ended 31st March, 2014	
A CASH FLOW FROM OPERATING ACTIVITIES				
Net Profit Before Tax		36,286.49		31,191.85
Add:				
1 Depreciation	4,441.27		4,048.72	
2 Interest Charged	313.62		1,039.98	
3 Unrealised Foreign Exchange Loss / (Gain)	(1,057.68)		1,194.71	
4 (Gain)/Loss on Sale of Fixed Assets	0.64	3,697.86	22.74	6,306.15
Less:				
1 Interest Income	202.74		59.10	
2 Dividend Income	10.65	213.39	2.84	61.94
Operating Profit before change in Working Capital		39,770.95		37,436.06
Working capital changes:				
Add / (Less):				
1 (Increase) / Decrease in Inventories	(7,170.48)		(4,394.48)	
2 (Increase) / Decrease in Trade Receivables	(7,033.97)		(3,173.06)	
3 (Increase) / Decrease in Short-Term Loans and Advances	(2,295.36)		(1,384.83)	
4 (Increase) / Decrease in Long-Term Loans and Advances	(1,599.26)		(576.29)	
5 Increase / (Decrease) in Trade Payables	2,104.49		4,729.74	
6 Increase / (Decrease) in Other Current Liabilities	501.81		578.82	
7 Increase / (Decrease) in Short Term Provisions	371.99		(194.12)	
8 Increase / (Decrease) in Long Term Provisions	268.09	(14,852.69)	62.00	(4,352.21)
Cash generated from Operations		24,918.26		33,083.85
Add / (Less):				
Direct Taxes paid (Net of refunds)		(6,910.22)		(6,765.70)
Net Cash inflow from Operating Activities (A)		18,008.04		26,318.15
B CASH FLOW FROM INVESTING ACTIVITIES				
Add:				
1 Proceeds from Sale of Fixed Assets	5.40		10.16	
2 Interest Received	199.86		77.07	
3 Dividend Received	10.65	215.91	2.84	90.07
Less:				
1 Purchase of Tangible Assets / Increase in Capital Work-in-Progress	20,067.09		8,196.27	
2 Purchase of Investments (Net)	–	20,067.09	2,997.43	11,193.70
Net Cash inflow from Investing Activities (B)		(19,851.18)		(11,103.63)

Cash Flow Statement (Contd.)

₹ in lacs

Particulars	Year ended 31st March, 2015		Year ended 31st March, 2014	
C CASH FLOW FROM FINANCIAL ACTIVITIES				
Add:				
1 Increase / (Decrease) in Other Long Term Liabilities	14.00		(5.70)	
2 Proceeds from Short-Term Borrowings	12,438.42	12,452.42	–	(5.70)
Less:				
1 Repayment of Long-Term Borrowings	3,719.91		4,073.90	
2 Repayment of Short-Term Borrowings	–		4,469.08	
3 Dividends Paid (including Distribution Tax)	6,549.64		5,457.79	
4 Interest and Other Finance Costs	433.08	10,702.63	1,099.17	15,099.94
Net Cash Inflow from Financing Activities (C)		1,749.79		(15,105.64)
I Net (decrease)/increase in Cash and Cash Equivalents		(93.35)		108.88
II Add: Cash and Cash Equivalents at the Beginning of the Period	414.93		367.34	
Other Bank Balances	118.92	533.85	57.63	424.97
III Cash and Cash Equivalents at the End of the Period	99.40		414.93	
Other Bank Balances	341.10	440.50	118.92	533.85

As per our report of even date

For K. S. Aiyar & Co.
Chartered Accountants
Firm Registration No. 100186W

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Managing Director

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Dr. Archana Hingorani
Director

R.K. Baheti
Director - Finance & CFO

Ajay Desai
Vice President-Finance & Company Secretary

Mumbai : 27th April, 2015

Vadodara : 27th April, 2015

Notes to the Financial Statement

A Share Capital

₹ in lacs

As at 31st March	2015	2014
(a) Authorised		
20,00,00,000 Equity shares of ₹ 2/- each	4,000.00	4,000.00
	4,000.00	4,000.00
(b) Shares issued, subscribed and fully paid		
18,85,15,914 Equity shares of ₹ 2/- each	3,770.32	3,770.32
Out of above 13,35,15,914 equity shares of ₹ 2/- each were issued to the share holders of Alembic Limited as per the Scheme of Arrangement and without payment being received in cash		
	3,770.32	3,770.32

(c) Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period :

	2015		2014	
	Numbers	Amount in lacs	Numbers	Amount in lacs
At the beginning of the period	18,85,15,914	3,770.32	18,85,15,914	3,770.32
Outstanding at the end of the period	18,85,15,914	3,770.32	18,85,15,914	3,770.32

(d) The rights, preferences and restrictions including restrictions on the distribution of dividends and the repayment of capital

The company is having only one class of shares i.e Equity carrying a nominal value of ₹ 2/- per share

Every holder of the equity share of the Company is entitled to one vote per share held.

In the event of liquidation of the Company, the equity shareholders will be entitled to receive remaining assets of the Company after the distribution / repayment of all creditors. The distribution to the equity shareholders will be in proportion of the number of shares held by each shareholder.

The Company declares and pays dividend on the equity shares in Indian Rupees. Dividend proposed by the Board of Directors is subject to approval of the shareholders at the ensuing Annual General Meeting.

During the year ended 31st March, 2015 an amount of ₹ 3.50 of dividend per equity share was proposed for the equity shareholders (P.Y. ₹ 3.00 per equity share).

(e) Shares in the company held by each shareholder holding more than 5 percent shares specifying the number of shares held

As at 31st March	2015		2014	
	Numbers	% held	Numbers	% held
1 Alembic Limited	5,50,00,000	29.18%	5,50,00,000	29.18%
2 Shreno Limited	1,83,68,780	9.74%	1,83,68,780	9.74%
3 Sierra Investments Limited	1,71,67,670	9.11%	1,71,67,670	9.11%
4 Whitefield Chemtech Limited	1,82,85,230	9.70%	1,82,85,230	9.70%
5 Nirayu Private Limited	1,62,13,755	8.60%	1,62,13,755	8.60%

Notes to the Financial Statement

B Reserves and Surplus

₹ in lacs

As at 31st March	2015		2014	
(a) Capital Reserve				
Balance as per the last financial statements		30.00		30.00
(b) General Reserve				
Balance as per the last financial statements	44,364.19		34,582.99	
Less : Utilised for prior year depreciation as per the provision contained in Note 7(b) of the schedule II to the Companies Act, 2013	132.51		–	
Less : Reversal of Deferred Tax Asset on account of Intangible assets pursuant to the order of Hon'ble Gujarat High Court	200.58		218.80	
Add : Amount transferred from Surplus Balance in the Statement of Profit & Loss	10,000.00	54,031.10	10,000.00	44,364.19
(c) Surplus / (Deficit) in the Statement of Profit and Loss				
Balance as per last financial statements	14,805.09		7,593.07	
Profit for the year	28,661.49		23,828.64	
	43,466.58		31,421.71	
Appropriations				
Less : Proposed final Equity Dividend amount per share ₹ 3.50 (PY : ₹ 3.00)	6,598.06		5,655.48	
Tax on Proposed Equity Dividend	1,343.43		961.15	
Transfer to General Reserve	10,000.00		10,000.00	
	17,941.49		16,616.63	
Net Surplus in the Statement of Profit and Loss		25,525.09		14,805.09
		79,586.20		59,199.28

C Long-Term Borrowings

As at 31st March	Non-Current Maturities		Current Maturities	
	2015	2014	2015	2014
(a) Term loans (Secured)				
Foreign Currency loan from Banks - @ Coupon of LIBOR plus 1.50% p.a. plus proportionate front end fees Secured against first hypothecation charge on all movable plant and machinery ranking pari passu with other lenders Redeemable in 15 equal quarterly installments of USD 1 MN starting from May-13	1,880.00	4,194.70	2,500.00	2,395.60
(b) Deposits (Unsecured)				
Deposits from Shareholders	–	99.80	–	397.00
Deposits from Public	–	927.50	–	382.77
Interest rate varying from 9% to 11% and maturity period is 12 / 24 / 36 months				
	1,880.00	5,222.00	2,500.00	3,175.37
The above amount includes amount disclosed under the head Other Current Liabilities (Note I)	–	–	(2,500.00)	(3,175.37)
	1,880.00	5,222.00	–	–

Notes to the Financial Statement

D Deferred Tax Liabilities (Net)

₹ in lacs

As at 31st March	2015		2014	
(a) Deferred Tax Liabilities				
Depreciation		4,768.05		3,903.68
(b) Deferred Tax Assets				
Provision for Doubtful debts	211.09		232.04	
Preliminary Expense and Demerger Expense	4.56		19.44	
Intangible Asset	601.71		802.29	
Others	807.36	1,624.72	578.21	1,631.98
		3,143.34		2,271.70

E Other Long Term Liabilities

As at 31st March	2015		2014	
Trade Deposits		1,284.37		1,270.37
		1,284.37		1,270.37

F Long Term Provisions

As at 31st March	Long-term		Short-term	
	2015	2014	2015	2014
(a) Provision for Employee Benefits				
Provision for Gratuity	–	–	357.22	29.32
Provision for Leave benefits	936.15	668.06	427.94	383.85
	936.15	668.06	785.16	413.17
Amount disclosed under the head Short Term Provisions (Note J)			(785.16)	(413.17)
	936.15	668.06	–	–
(b) Others				
Proposed Equity Dividend	–	–	6,598.06	5,655.48
Provision of Tax on Proposed Equity Dividend	–	–	1,343.43	961.15
	–	–	7,941.49	6,616.63
Amount disclosed under the head Short Term Provisions (Note J)			(7,941.49)	(6,616.63)
	936.15	668.06	–	–

G Short Term Borrowings

As at 31st March	2015		2014	
From Banks				
(a) Working Capital facilities (Secured)		11,980.79		543.81
Secured against first hypothecation on Stocks and Book Debts ranking pari passu - @ varying Coupon repayable on demand				
(b) Others (Unsecured)		3,000.00		1,998.57
Varying Coupon repayable within 180 days with an option of roll over				
		14,980.79		2,542.37

Notes to the Financial Statement

H Trade Payables

₹ in lacs

As at 31st March	2015		2014	
(a) Due to Micro and Small Enterprises		96.32		88.31
(b) Other Trade Payables		30,142.06		28,101.65
		30,238.38		28,189.96

I Other Current Liabilities

As at 31st March	2015		2014	
(a) Current maturities of long-term debt (Note C)		2,500.00		3,175.37
(b) Interest accrued but not due on borrowings		16.68		133.61
(c) Unpaid dividends		180.69		113.70
(d) Unpaid / Unclaimed matured deposits and interest accrued thereon				
Unclaimed matured Deposits	9.43		49.43	
Interest accrued thereon	0.50	9.93	3.03	52.46
(e) Other payables / liabilities				
Statutory	1,165.51		981.82	
Others	1,963.28	3128.79	1,605.16	2,586.98
		5,836.09		6,062.11

J Short Term Provisions

As at 31st March	2015		2014	
(a) Provision for Employee Benefits (Note F)		785.16		413.17
(b) Others				
Proposed equity dividend and Tax thereon (Note F)		7,941.49		6,616.63
Provision for Income Tax	23,107.00		15,478.25	
Less : Income Tax paid	(22,373.57)	733.43	(15,459.60)	18.65
		9,460.09		7,048.45

K Tangible Assets

DESCRIPTION	GROSS BLOCK				DEPRECIATION				NET BLOCK		
	As on 01/04/14	Addition	Deductions	As on 31/03/15	As on 01/04/14	Deductions	During the Year	Adj to Gen Res	As on 31/03/15	As on 31/03/15	As on 31/03/14
Free Hold Land	192.44	—	—	192.44	—	—	—	—	—	192.44	192.44
Lease Hold Land	1,634.78	—	—	1,634.78	97.68	—	17.21	—	114.89	1,519.89	1,537.10
Buildings	15,642.59	3,360.52	—	19,003.11	2,622.12	—	510.65	2.82	3,135.59	15,867.52	13,020.47
Employees Quarters	28.30	—	—	28.30	6.59	—	—	—	6.59	21.71	21.71
Plant & Equipments	36,551.49	8,000.13	—	44,551.62	17,032.97	—	3,091.98	77.22	20,202.17	24,349.45	19,518.52
R&D Equipments	8,817.49	1,768.02	9.36	10,576.16	5,772.34	9.36	456.38	—	6,219.36	4,356.80	3,045.15
Furniture & Fixtures	805.36	161.54	—	966.90	356.72	—	125.36	20.91	502.99	463.91	448.64
Vehicles	2,519.61	465.80	32.00	2,953.41	813.65	25.96	207.23	9.19	1,004.11	1,949.30	1,705.96
Office Equipments	314.37	63.96	—	378.33	108.31	—	32.45	90.60	231.36	146.97	206.06
TOTAL	66,506.44	13,819.98	41.36	80,285.06	26,810.38	35.32	4,441.27	200.74	31,417.07	48,867.99	39,696.06
Previous Year	57,246.13	9,355.53	95.22	66,506.44	22,823.98	62.32	4,048.72	—	26,810.38	39,696.06	—

Note :

- (a) Pursuant to the provisions of Companies Act, 2013 (the Act) becoming effective from 1st April, 2014, the Company has adopted the specified useful life of its Fixed Assets as per Schedule II to the Act and consequently;
- (i) Depreciation for the year is lower by ₹ 82.54 lacs.
- (ii) Depreciation charge in respect of earlier years amounting to ₹ 200.74 lacs (Net of Tax ₹ 132.51 lacs) has been adjusted from the General Reserve of the Company.
- (b) Borrowing cost capitalised during the year amounting to ₹ 532.33 lacs.
- (c) Sales proceeds are deducted from gross cost where cost is unascertainable.

Notes to the Financial Statement

L Non Current Investments (Long Term Investments - At cost)

₹ in lacs

As at 31st March	2015		2014	
(a) Trade Investments				
Unquoted Equity Instruments				
Investment in Wholly Owned Subsidiary				
45,00,000 (PY: 45,00,000) equity shares of CHF 1 each fully paid up in Alembic Global Holding SA		3,031.05		3,031.05
Others				
10,00,000 (PY: 10,00,000) equity shares of ₹ 10 each at a premium of ₹ 20 each fully paid up in Incozen Therapeutics Pvt. Ltd. towards seed funding for Contract Research		300.00		300.00
(b) Non - Trade Investments				
Unquoted Equity Instruments				
18,000 (PY: 18,000) equity shares of ₹ 1 each fully paid up in Shivalik Solid Waste Management Ltd.		1.80		1.80
		3,332.85		3,332.85

M Long Term Loans and Advances (Unsecured, considered good)

As at 31st March	2015		2014	
(a) Capital Advances		2,144.58		757.24
(b) Security Deposits		252.18		260.26
(c) Security Deposits given to related parties		3,366.67		3,146.67
(d) MAT Credit Receivable		739.29		–
		6,502.72		4,164.17

N Inventories (Refer Note Y (g) of Accounting Policies for Basis of Valuation)

As at 31st March	2015		2014	
(a) Raw Materials				
API, Chemicals and Intermediates	3,677.79		4,371.53	
Excipients	4,699.38		3,808.44	
Solvents & Catalyst	451.92	8,829.09	929.17	9,109.14
(b) Packing Materials		1,814.62		1,639.14
(c) Work-in-Process		2,416.45		1,676.36
(d) Finished Goods				
API, Chemicals and Intermediates	14,302.07		9,946.58	
Formulations - Tablets and Capsules	1,855.42		2,460.54	
Formulations - Injectables	331.19		153.75	
Formulations - Oral Preparation and Ointments	603.24		853.70	
Others	4,327.13	21,419.05	2,635.20	16,049.77
(e) Traded Goods				
Formulations - Tablets and Capsules	1,810.40		1,167.22	
Formulations - Injectables	371.26		280.69	
Formulations - Oral Preparation and Ointments	1,327.12	3,508.78	881.35	2,329.26
(f) Stores and Spares		260.30		274.15
		38,248.29		31,077.82

Notes to the Financial Statement

O Trade Receivables (Unsecured)

₹ in lacs

As at 31st March	2015		2014	
(a) Over Six months from the due date				
Considered good	545.49		610.20	
Considered doubtful	621.03		682.68	
Less : Provision for doubtful debts	621.03	545.49	682.68	610.20
(b) Others Considered good		33,248.51		25,445.67
		33,794.00		26,055.87

P Cash and Bank Balances

As at 31st March	2015		2014	
(a) Cash and Cash Equivalents				
Balances with Banks	65.11		380.91	
Cash on hand	34.29	99.40	34.01	414.92
(b) Other Bank Balances				
Unpaid Dividend Account	180.69		113.70	
Margin Money Deposit Account	160.41	341.10	5.22	118.92
		440.50		533.85

Q Short Term Loans and Advances (Unsecured, considered good)

As at 31st March	2015		2014	
Others				
Advance against Expenses - Employees		371.45		350.50
Advance recoverable in cash or in kind		11,243.90		8,640.90
Advance recoverable in cash or in kind from related parties		–		325.70
		11,615.34		9,317.10

Notes to the Financial Statement

R Revenue from Operations

₹ in lacs

For the year ended 31st March	2015		2014	
(a) Sale of products				
Domestic	1,17,393.70		1,04,105.85	
Exports	82,205.37		77,158.40	
		1,99,599.07		1,81,264.26
Export Incentives		1,477.43		1,455.44
Royalty		1,997.39		2,179.08
(b) Other Operating Revenues				
Others		330.48		250.92
		2,03,404.38		1,85,149.71
Sale of Products - Broad head wise				
Bulk Drugs, Chemicals and Intermediates	36,065.25		33,729.76	
Formulations - Tablets and Capsules	1,20,224.55		1,05,987.17	
Formulations - Injectables	8,274.08		11,045.83	
Formulations - Oral Preparation and Ointments	35,035.19		30,501.50	
	1,99,599.07		1,81,264.26	

S Other Income

For the year ended 31st March	2015		2014	
(a) Dividend		10.65		2.84
(b) Other Miscellaneous Income		—		100.42
(c) Insurance Claims		46.57		216.01
		57.23		319.27

T Cost Of Material Consumed

For the year ended 31st March	2015		2014	
Inventory at the beginning of the year	10,748.28		10,438.17	
Add : Purchases	53,944.84		55,903.04	
	64,693.11		66,341.21	
Less : Inventory at the end of the year	10,643.71	54,049.40	10,748.28	55,592.93
Details of Material Consumed				
Bulk Drug and Drug intermediates	29,605.15		29,205.15	
Excipients	9,252.40		8,780.94	
Solvents & Catalyst	6,784.08		6,705.41	
Packing Material	7,462.25		9,057.80	
Others	945.52		1,843.63	
	54,049.40		55,592.93	
Changes in inventories of Finished Goods, Work in process				
(a) Inventory at the end of the year				
Work in Process	2,416.45		1,676.36	
Finished Goods	24,927.83	27,344.28	18,379.03	20,055.39
(b) Inventory at the beginning of the year				
Work in Process	1,676.36		1,448.48	
Finished Goods	18,379.03	20,055.39	14,542.07	15,990.55
		(7,288.90)		(4,064.84)

Notes to the Financial Statement

U Employee Benefit Expenses

₹ in lacs

For the year ended 31st March	2015		2014	
(a) Salaries and Wages		28,131.86		23,459.84
(b) Contribution / Provisions for Provident and other funds		923.49		614.31
(c) Staff welfare expense		601.36		371.79
		29,656.71		24,445.94

V Research and Development Expenses

For the year ended 31st March	2015		2014	
(a) Material Consumption		2,905.46		2,231.31
(b) Employees Cost				
Salaries and Wages	3,388.60		2,723.94	
Contribution / Provisions for Provident and other funds	134.20	3,522.80	110.01	2,833.95
(c) Utilities				
Power	587.29		477.71	
Others	17.69	604.98	41.49	519.20
(d) Bio-Study Expense & Filing Fees		944.82		1,206.96
(e) Others		2,925.01		3,718.20
		10,903.07		10,509.63

W Other Expenses

For the year ended 31st March	2015		2014	
(a) Consumption of Stores, Spares, Laboratory Material and Analytical Expense		2,785.44		3,059.93
(b) Power and Fuel		4,328.55		3,206.36
(c) Manufacturing and Labour Charges		1,586.45		1,520.21
(d) Repairs and Maintenance				
Machinery	753.43		590.17	
Buildings	425.13		799.82	
Others	354.78	1,533.34	569.15	1,959.14
(e) Freight and Forwarding Charges		2,701.76		2,785.64
(f) Marketing and Publicity Expense and Selling Commission		20,318.68		16,075.13
(g) Excise Duty		796.49		424.67
(h) Rent		608.64		408.18
(i) Rates and Taxes		725.55		1,098.62
(j) Insurance		304.57		309.46
(k) Travelling Expense		8,751.69		6,837.54
(l) Communication Expenses		1,570.59		1,360.90
(m) Legal & Professional Fees		1,729.96		1,225.71
(n) Payment to Auditor		66.42		61.12
(o) Exchange Difference (net)		(61.55)		750.45
(p) Bad Debts written off	239.63		65.55	
Less : Bad Debts Provision Utilised	239.63	–	65.55	–
(q) Provision for Doubtful Debts		177.98		206.30
(r) Expenses on CSR Activities		309.76		–
(s) Miscellaneous Expenses		901.63		896.78
		49,135.96		42,186.12

X Finance Costs

For the year ended 31st March	2015		2014	
Interest Expense		313.62		1,039.98
Less : Interest Income		202.74		59.10
		110.88		980.89

Notes to the Financial Statement

Y I Significant Accounting Policies

a) Basis of Preparation of Financial Statements

The Financial Statements of the Company have been prepared and presented in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) under the Historical Cost Convention on an accrual basis of accounting. The Company has prepared Financial Statements to comply in all material respects with the Accounting Standards specified under Section 133 of the Companies Act 2013 read with rule 7 of Companies (Accounts) Rules 2014.

The Accounting Policies adopted in the preparation in Financial Statements are consistent with those of previous year.

The Company has elected to present earning before interest, tax, depreciation and amortisation (EBITDA) as a separate line item on the face of the Statement of the Profit and Loss.

b) Use of Estimates and Judgements

In preparation of the Financial Statements, in conformity with Indian GAAP the management is required to make Judgements, Estimates and assumptions that affect the reported amount of assets and liabilities and disclosures of contingent liabilities on the date of the Financial Statements and the reported amount of revenues and expenses for the year. All though these estimates are based on the management's best knowledge of current events and actions, uncertainty of these assumptions and estimates could result in the outcomes different from the estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Any revision to accounting estimates is recognised prospectively in the current and future periods.

c) Fixed Assets

Certain Fixed Assets have been recorded at a value transferred as per the Scheme of Arrangement.

Other Fixed Assets are recorded at cost of acquisition / construction less accumulated depreciation and impairment losses, if any. Cost comprises of the purchase price net of Cenvat, Service Tax and Value Added Tax and any attributable cost of bringing the assets to its working condition for its intended use.

d) Depreciation / Amortisation

Depreciation on Fixed Assets is provided on Straight Line Basis as per the useful life prescribed in Schedule II of the Companies Act 2013.

Leasehold Land is amortized over the period of lease.

e) Borrowing Cost

Borrowing Costs directly attributable to the acquisition and construction of an asset which takes a substantial period of time to get ready for their intended use are capitalised as part of the cost

of such assets until such time the asset is ready for its intended use.

All other borrowing costs are recognised in the statement of profit and Loss in the period they are incurred.

f) Investments

Investments are classified into Current and Long Term Investments. Current Investments are valued at lower of cost and fair value. Long Term Investments are stated at cost less provision, if any, for decline other than temporary in their value.

Certain Investment in Subsidiary company are stated at a value transferred as per the Scheme of Arrangement. The subsequent investments in the Subsidiary are valued at cost.

g) Inventories

All Inventories are valued at lower of cost and net realisable value.

Raw Materials, Stores and Spares & Packing Material are valued at lower of cost determined on weighted average basis and net realisable value.

Work in process is valued at lower of cost and net realisable value.

Finished Goods are valued at lower of cost including excise payable thereon and net realisable value.

Traded Goods are valued at lower of Purchase price and net realisable value.

Slow moving Raw Materials, Stores & Spares are valued at estimated net realizable value.

h) Revenue from Operations

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.

Revenue is recognised when the significant risks and rewards of the ownership of the goods have been passed to the buyer. Sales are disclosed inclusive of excise duty, but net of sales return, service tax, value added tax and CST.

Income from operations includes revenue earned, as per the terms agreed with the customers, from development of products and assignment of patent rights.

Export benefits available under prevalent schemes are accounted to the extent considered receivable.

i) R & D Expenses

All revenue expenses related to R & D including expenses in relation to development of product/ processes and expenses incurred in relation to compliances with international regulatory authorities in obtaining of Abbreviated New Drug Applications (ANDA) are charged to the Statement of Profit & Loss in the year in which it is incurred.

Notes to the Financial Statement

Y I Significant Accounting Policies (Contd.)

j) Foreign Exchange Transactions

Foreign Currency transactions are initially recorded at the rate of exchange prevailing on the date of transaction.

Monetary assets and liabilities related to foreign currency transactions remaining unsettled at the end of the year are converted at year end exchange rates.

The difference in conversion of monetary assets & liabilities and realized gains & losses on foreign exchange transaction are recognized in the Statement of Profit and Loss.

In respect of forward cover contracts for future probable transactions, the mark to market loss as at the year end is charged to Statement of Profit and Loss.

k) Employee benefits

Defined Contribution plan

Contribution to pension fund, Superannuation payable as per superannuation scheme is provided by payment to superannuation trust fund, administered by the HDFC Standard Life Insurance Company Ltd. and ICICI Prudential Life Insurance Company Ltd. and ESIC and labour welfare fund are recognised as an expense in the statement of profit and loss.

Defined Benefit plan

The Company's contribution to provident fund, administered through a Company managed trust, is recognised as an expense in the Statement of Profit and Loss.

The gratuity liability, actuarially valued, is funded through the scheme administered by the Life Insurance Corporation of India (LIC) and HDFC Standard Life Insurance and the amounts paid / provided under the scheme are charged to Statement of Profit and Loss.

Accumulated leave liability (other than sick leave) as at the year end is provided as per actuarial valuation. Accumulated sick leave is provided for at actuals in the Statement of Profit and Loss.

l) Taxes on Income

Provision for taxation comprises of Current Tax and Deferred Tax. Current Tax provision has been made on the basis of reliefs and deductions available under the Income Tax Act, 1961. Deferred tax resulting from "timing differences" between taxable and accounting income is accounted in accordance with Accounting Standard 22 (AS-22) "Accounting for taxes on income" notified under the Companies (Accounting) Rules, 2014, using the tax rates and laws that are enacted or substantively enacted as on the balance sheet date. The deferred tax asset is recognised and carried forward only to the extent that there is a reasonable certainty that the assets can be realised in future. However, where

there is unabsorbed depreciation or carry forward losses under taxation laws, deferred tax assets are recognized only if there is virtual certainty of realisation of such assets. Deferred tax assets are reviewed as at each Balance sheet date to reassess its realisation.

The benefit of credit against the payment made towards MAT for the earlier years is available in accordance with the provisions of section 115J (AA) of Income Tax Act 1961 over a period of subsequent 10 assessment year and it is recognized to the extent of deferred tax liability in view of the certainty involved of its realization against reversal of deferred tax liability.

m) Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognised only when there is a present obligation as a result of past events and when a reliable estimate of the amount of the obligation can be made. Contingent liability is disclosed for (i) Possible obligations which will be confirmed only by the future events not wholly within the control of the company or (ii) Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation can not be made. Contingent Assets are not recognised in the financial statements.

n) Impairment of assets

In accordance with Accounting Standard 28 (AS 28) on 'Impairment of Assets' where there is an indication of impairment of the Company's assets, the carrying amounts of the Company's assets are reviewed at each Balance Sheet date to determine whether there is any impairment. The recoverable amount of the assets (or where applicable that of the cash generating unit to which the asset belongs) is estimated at the higher of its net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of the assets and from its disposal at the end of its useful life. An impairment loss is recognised whenever the carrying amount of an asset or a cash-generating unit exceeds its recoverable amount. Impairment loss is recognized in the Statement of the Profit and Loss. If at the Balance Sheet date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the lower of recoverable amount and the carrying amount that would have been determined had no impairment loss being recognised.

o) Earning per share

Basic and diluted earnings per share are computed by dividing the net profit after tax attributable to equity shareholders for the year, with the weighted average number of equity shares outstanding during the year.

Notes to the Financial Statement

Y II Other Explanatory Notes and Information

₹ in lacs

As at 31st March	2015	2014
I Estimated amount of contracts net of advances remaining to be executed on capital accounts	4,766.34	1,123.34

As at 31st March	2015	2014
II Contingent liabilities not provided for		
(a) Letter of Credit, Guarantees and Counter Guarantees	8,864.67	4,150.32
(b) Liabilities Disputed in appeals		
Excise duty	730.23	762.96
Sales Tax	503.28	397.98
Income Tax	7.78	12.32
(c) Claims against the company not acknowledged as debt	342.64	342.64
(d) Non fulfilment of export obligation against advance licence	–	35.92
(e) Disputed liability in respect of Ministry of Industry, Department of Chemicals and Petrochemicals in respect of price of Rifampicin allowed in formulations and landed cost of import.	34.93	34.93

III Defined benefit plans / compensated absences - As per actuarial valuation

As at 31st March	Gratuity Funded	
	2015	2014
Expense recognised in the Statement of Profit & Loss		
Current Service Cost	207.95	190.60
Interest Cost	103.91	97.62
Employer Contributions	–	–
Expected return on plan assets	(116.15)	(100.17)
Net Actuarial (Gains) / Losses	433.81	(161.75)
Past Service Cost	–	–
Settlement Cost	–	–
Total Expense	629.52	26.31
Net Asset / (Liability) recognised		
Present value of Defined Benefit Obligation	1,882.34	1,283.11
Fair value of plan assets	1,581.19	1,329.23
Funded status [Surplus / (Deficit)]	(301.15)	46.11
Net Asset / (Liability)	(301.15)	46.11
Change in Obligation		
Present value of Defined Benefit Obligation at the beginning of the year	1,283.11	1,224.41
Current Service Cost	207.95	190.60
Interest Cost	103.91	97.62
Settlement Cost	–	–
Past Service Cost	–	–
Employer Contributions	–	–
Actuarial (Gains) / Losses	412.26	(161.75)
Benefits Payments	(124.90)	(67.77)
Present value of Defined Benefit Obligation at the end of the year	1,882.33	1,283.11

Notes to the Financial Statement

Y II Other Explanatory Notes and Information (Contd.)

₹ in lacs

As at 31st March	Gratuity Funded	
	2015	2014
Change in Assets		
Plan Assets at the beginning of the year	1,329.23	996.83
Adjustment to the Opening Fund	(81.91)	–
Expenses deducted from the fund	(0.92)	–
Employer Contributions	365.10	300.00
Assets acquired in amalgamation in previous year	–	–
Settlements	–	–
Expected return on plan assets	116.15	100.17
Funds to be transfer as per the Scheme of Arrangement	–	–
Actual benefits paid	(124.90)	(67.77)
Actuarial (Gains) / Losses	(21.55)	–
Plan Assets at the end of the year	1,581.20	1,329.23
Actuarial Assumptions:		
Discount Rate	7.80%	9.10%
Expected rate of return on Plan Assets	8.00%	9.00%
Mortality pre retirement	*LIC Rates	*LIC Rates
Mortality post retirement	NA	NA
Turnover rate	5% to 1%	5% to 1%
Medical premium inflation	NA	NA
Rate of escalation in salary (p.a.)	4.75%	4.75%
* Indian Assured Lives Mortality (2006-08)		

As at 31st March	Leave Encashment	
	2015	2014
Expense recognised in the Statement of Profit & Loss		
Current Service Cost	113.43	103.97
Interest Cost	63.80	44.65
Employer Contributions	–	–
Expected return on plan assets	–	–
Net Actuarial (Gains) / Losses	392.32	147.48
Past Service Cost	–	–
Settlement Cost	–	–
Total Expense	569.55	296.10
Net Asset / (Liability) recognised in the Balance Sheet		
Present value of Defined Benefit Obligation	993.31	734.20
Fair value of Plan Assets	–	–
Funded status [Surplus / (Deficit)]	(993.31)	(734.20)
Net Asset / (Liability)	(993.31)	(734.20)

Notes to the Financial Statement

Y II Other Explanatory Notes and Information (Contd.)

₹ in lacs

As at 31st March	Leave Encashment	
	2015	2014
Change in Obligation	–	–
Present value of Defined Benefit Obligation at beginning of the year	734.20	650.87
Current Service Cost	113.43	103.97
Interest Cost	63.80	44.65
Settlement Cost	–	–
Past Service Cost	–	–
Employer Contributions	–	–
Actuarial (Gains) / Losses	392.32	147.48
Benefits Payments	(310.44)	(212.77)
Present value of Defined Benefit Obligation at the end of the year	993.31	734.20

IV The year end foreign currency exposure that have not been hedged by a derivative instrument or otherwise are as follows:

Amount in lacs

As at 31st March	2015		2014	
(a) Amount receivable in foreign currency on account of the following				
Export of Goods and Services	USD	352.02	USD	243.93
	AUD	37.56	EUR	29.10
	EUR	35.38	GBP	0.64
	CAD	4.14		–
	GBP	0.94		–
Advance to Suppliers	USD	23.95	USD	13.07
	JPY	0.86	JPY	17.05
	EUR	1.99	EUR	2.39
	GBP	0.21	GBP	0.20
	CHF	1.08	CHF	0.39
	AUD	0.01	AUD	0.01
(b) Amount payable in foreign currency on account of the following				
Purchase of Goods and Services	USD	43.82	USD	36.76
	EUR	1.35	EUR	1.14
	AUD	0.03	GBP	0.10
	CAD	0.02	CHF	0.01
	CHF	0.01		–
Advance from Customers	USD	55.7	USD	7.60
	EUR	4.30	EUR	1.03
	GBP	0.11	GBP	0.05
	CAD	1.88		–
	AUD	0.44		–
Loans payable	USD	100.08	USD	110.04

Notes to the Financial Statement

Y II Other Explanatory Notes and Information (Contd.)

V Disclosure required under Micro, Small and Medium Development Act 2006

₹ in lacs

As at 31st March	2015	2014
(a) The Principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year	16.06	35.80
(b) The amount of interest paid by the buyer in terms of Section 16, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	–	–
(c) The amount of interest due and payable for the period of delay in making payment	–	–
(d) The amount of interest accrued and remaining unpaid at the end of each accounting year	0.88	0.99
(e) The 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 enterprise, for the purpose of disallowance as a deductible expenditure under Section 23	0.88	0.99

VI Segment Reporting

Primary Segment

The Company has identified “Pharmaceuticals” as the only primary reportable segment.

In view of the inter-woven/inter-mixed nature of business and manufacturing facility, other secondary segmental information is not ascertainable.

VII Disclosures in respect of Related Parties pursuant to Accounting standard - AS 18 - issued by the Central Government Of India pursuant to Companies (Accounting Standards) Rules 2014 are as follows

List of Related Parties with whom the Company has entered into transactions during the year

(a) Controlling Companies: There is no controlling Company

(b) Subsidiary and Fellow Subsidiary:

- 1 Alembic Global Holding SA (Subsidiary of Alembic Pharmaceuticals Limited)
- 2 Alembic Pharmaceuticals Australia Pty Ltd. (Subsidiary of Alembic Global Holding SA)
- 3 Alembic Pharmaceuticals Europe Limited (Subsidiary of Alembic Global Holding SA)
- 4 Alnova Pharmaceuticals SA (Subsidiary of Alembic Global Holding SA)
- 5 Alembic Pharmaceuticals Inc. (Subsidiary of Alembic Global Holding SA)
- 6 Alembic Pharmaceuticals Canada Ltd. (Subsidiary of Alembic Global Holding SA)
- 7 AG Research Private Limited (Subsidiary of Alembic Global Holding SA)
- 8 Genius LLC (Subsidiary of Alembic Global Holding SA)

(c) Associate Companies:

- | | |
|------------------------------------|---|
| 1 Alembic Limited | 6 Paushak Limited |
| 2 Whitefield Chemtech Pvt. Limited | 7 Sierra Investments Limited |
| 3 Nirayu Pvt. Limited | 8 Viramya Packlight Ltd. |
| 4 Quick Flight Limited | 9 Incozen Therapeutics Pvt. Limited |
| 5 Shreno Limited | 10 Rhizen Pharmaceuticals SA (Associate of Alembic Global Holding SA) |

(d) Joint Venture

- 1 Alembic Mami SPA (Joint venture of Alembic Global Holding SA)

Notes to the Financial Statement

Y II Other Explanatory Notes and Information (Contd.)

(e) Key Management personnel

- 1 Shri C .R. Amin, *Chairman and Managing Director*
- 2 Shri R. K. Baheti, *Director - Finance & CFO*
- 3 Shri Pranav Amin, *Director & President - International Business*
- 4 Shri Shaunak Amin, *Director & President - Branded Formulation Business*
- 5 Shri Ajay Desai, *Vice President - Finance & Company Secretary*

(f) Relatives of Key Management Personnel :

- 1 Smt. Malika Amin
- 2 Shri Udit Amin
- 3 Ms. Yera Amin
- 4 Ms. Jyoti Patel
- 5 Ms.Ninoshaka Kothari
- 6 Ms. Shreya Mukherji

During the year, the following transactions were carried out with related parties and relative of Key Management Personnel in the ordinary course of the business

₹ in lacs

For the year ended 31st March	Associates		Subsidiaries		Key Management Personnel	
	2015	2014	2015	2014	2015	2014
(a) Purchase of Goods/DEPB						
-Individually more than 10%						
Alembic Limited	4,306.99	5,943.34	—	—	—	—
Sierra Investments Limited	1,101.85	1,351.12	—	—	—	—
-Others	1,053.81	491.68	—	—	—	—
(b) Sale of Goods/DEPB						
-Individually more than 10%						
Alembic Limited	854.29	854.75	—	—	—	—
Alembic Global Holding SA	—	—	10,727.38	1,476.41	—	—
-Others	39.67	222.93	—	—	—	—
(c) Purchase of Fixed Assets						
-Individually more than 10%						
Shreno Limited	13.27	279.73	—	—	—	—
-Others	1.66	14.70	—	—	—	—
(d) Rendering of services						
-Individually more than 10%						
Shreno Limited	3.79	2.56	—	—	—	—
(e) Receiving of services						
-Individually more than 10%						
Alembic Limited	350.52	943.29	—	—	—	—
Shreno Limited	692.65	633.49	—	—	—	—
Paushak Ltd.	130.86	—	—	—	—	—
-Others	87.16	185.14	—	—	—	—

Notes to the Financial Statement

Y II Other Explanatory Notes and Information (Contd.)

₹ in lacs

For the year ended 31st March	Associates		Subsidiaries		Key Management Personnel	
	2015	2014	2015	2014	2015	2014
(f) Reimbursement of expenses						
-Individually more than 10%						
Paushak Ltd.	356.04	261.37	—	—	—	—
(g) Rent Paid						
-Individually more than 10%						
Alembic Limited	329.78	206.83	—	—	—	—
Shreno Limited	42.00	42.00	—	—	—	—
(h) Deposit Given						
-Individually more than 10%						
Alembic Limited	220.00	397.00	—	—	—	—
-Others	—	—	—	—	—	—
(i) Interest Received						
-Individually more than 10%						
Alembic Limited	—	50.65	—	—	—	—
(j) Dividend Paid						
-Individually more than 10%						
Alembic Limited	1,650.00	1,375.00	—	—	—	—
Shreno Limited	551.06	459.22	—	—	—	—
Sierra Investments Limited	503.76	429.19	—	—	—	—
Nirayu Pvt Limited	486.41	405.34	—	—	—	—
Whitefield Chemtech Pvt Limited	548.56	457.13	—	—	—	—
Shri C. R. Amin	—	—	—	—	135.64	113.79
Shri Pranav Amin	—	—	—	—	30.29	25.25
Shri Shaunak Amin	—	—	—	—	30.21	25.17
-Others	11.32	0.04	—	—	—	—
(k) Loans Given						
-Individually more than 10%						
Alembic Limited	—	4,205.00	—	—	—	—
(l) Corporate Guarantee Given						
-Individually more than 10%						
Shreno Limited	1,000.00	1,000.00	—	—	—	—
Alembic Global Holding SA	—	—	5,476.65	—	—	—
(m) Equity Contributions						
-Individually more than 10%						
Alembic Global Holding SA	—	—	—	2,997.43	—	—
(n) KMP Remuneration						
Salary & Perquisites						
Shri C. R. Amin	—	—	—	—	449.44	299.84
Shri Pranav Amin	—	—	—	—	373.91	345.59
Shri Shaunak Amin	—	—	—	—	400.00	338.05
Shri R. K. Baheti	—	—	—	—	224.84	195.30
Shri Ajay Desai	—	—	—	—	63.81	—
Commission						
Shri C. R. Amin	—	—	—	—	1513.30	1,387.08

Notes to the Financial Statement

Y II Other Explanatory Notes and Information (Contd.)

₹ in lacs

For the year ended 31st March		Associates		Subsidiaries		Key Management Personnel	
		2015	2014	2015	2014	2015	2014
(o)	Outstanding balance as at 31st March,	2015	2014	2015	2014	2015	2014
	Advances						
	-Individually more than 10%						
	Alembic Limited	–	136.57	–	–	–	–
	Shreno Limited	–	131.72	–	–	–	–
	Paushak Limited	–	52.28	–	–	–	–
	-Others	–	5.13	–	–	–	–
	Creditors						
	-Individually more than 10%						
	Alembic Limited	1,598.79	884.09	–	–	–	–
	Sierra Investments Limited	239.33	201.73	–	–	–	–
	-Others	255.72	127.69	–	–	–	–
	Deposit Given						
	-Individually more than 10%						
	Alembic Limited	3,366.67	3,146.67	–	–	–	–
	Investments						
	-Individually more than 10%						
	Incozen Therapeutics Pvt. Limited	300.00	300.00	–	–	–	–
	Debtors						
	-Individually more than 10%						
	Alembic Global Holding SA	–	–	6,464.88	1,476.41	–	–
	Rhizen Pharmaceuticals SA	–	194.64	–	–	–	–
	-Others	65.64	18.93	–	–	–	–

For the year ended on 31st March		Relatives of Key Managerial Personnel	
		2015	2014
(p)	Dividend Paid		
	-Individually more than 10%		
	Smt. Malika Amin	89.79	75.14
	Shri Udit Amin	30.21	25.17
	Ms. Yera Amin	32.43	27.02
	-Others	53.49	38.77

VIII Listing Agreement clause 32 disclosure

Disclosures as required under clause 32 of listing agreement have not been given as there are no such transactions with any such party/Employee.

Notes to the Financial Statement

Y II Other Explanatory Notes and Information (Contd.)

IX Earning Per Share (EPS)

For the year ended on 31st March	2015	2014
(a) Profit after tax but before Extra Ordinary Items available for equity shareholders	₹ 28,661.49 lacs	₹ 23,828.64 lacs
(b) Profit after Tax available for equity shareholders	₹ 28,661.49 lacs	₹ 23,828.64 lacs
(c) Weighted Average number of equity shares	18,85,15,914	18,85,15,914
(d) Basic and Diluted Earnings per share before Extra Ordinary Items (Face value per share ₹ 2/- each)	₹ 15.20	₹ 12.64
(e) Basic and Diluted Earnings per share after Extra Ordinary Items (Face value per share ₹ 2/- each)	₹ 15.20	₹ 12.64

X Auditors Fees and Expenses

For the year ended on 31st March	2015	2014
(a) Statutory Auditors		
As Auditors	27.50	27.00
In Other Capacity		
(i) Other Services		
a Limited Review	25.50	22.50
b Others	7.00	6.50
(ii) Reimbursement of expenses	1.92	1.87
(b) Cost Auditors		
As Cost Auditors	1.50	1.25
(c) Tax Auditor		
Tax Audit fee	2.00	2.00
(d) Secretarial Audit		
Secretarial Audit Fee	1.00	–
	66.42	61.12

XI Income in Foreign Currency

For the year ended on 31st March	2015	2014
(a) Export (FOB basis)	80,845.47	75,017.48
(b) Royalty	1,997.39	2,179.09
	82,842.87	77,196.58

XII Expenditure in Foreign Currency

For the year ended on 31st March	2015	2014
(a) Raw Materials (CIF basis)	20,497.24	17,649.20
(b) Packing Material, Components and Spare parts (CIF basis)	649.60	1,682.72
(c) Professional and Consultancy Fees	1,364.92	576.62
(d) Interest	123.89	185.79
(e) Others	8,836.41	6,181.34
	31,472.06	26,275.67

Notes to the Financial Statement

Y II Other Explanatory Notes and Information (Contd.)

XIII Break up of Imported /Indigenous Material

₹ in lacs

For the year ended on 31st March	2015	2014
(a) Value of imported raw materials, spares parts and components consumed	22,342.18	21,915.41
(b) Value of indigenous raw materials, spare parts and components consumed	33,256.45	35,673.80
(c) Percentage of above to total consumption:		
(i) Imported raw materials, spare parts and components consumed	40%	38%
(ii) Indigenous raw materials, spare parts and components consumed	60%	62%

XIV In view of usual uncertainties attached with future projections, the company has restricted recognition of MAT Credit Asset to the extent of Deferred Tax Liability, which hitherto was not recognised.

XV Pre-operative expenses pending capitalisation included in Capital Work-In-Progress represent direct attributable expenditure for setting up of plants commencement of commercial operation. The detail of pre-operative expenses are

For the year ended on 31st March	2015
Opening Balance	24.66
Incurred during the current year	
Salaries, allowance and contribution to funds	67.67
Professional Fees	6.67
Travelling Expenses	28.67
Others	175.18
Total	302.85
Less: Capitalised during the year	–
Closing balance	302.85

XVI The previous year's figures have been regrouped / rearranged wherever necessary to make it comparable with the current year.

As per our report of even date

For K. S. Aiyar & Co.
Chartered Accountants
Firm Registration No. 100186W

Chirayu R. Amin
Chairman &
Managing Director

Pranav Amin
Director & President -
International Business

Shaunak Amin
Director & President -
Branded Formulation
Business

K.G. Ramanathan
Director

Raghuvir M. Aiyar
Partner
Membership No 38128

Pranav Parikh
Director

Paresh Saraiya
Director

Milin Mehta
Director

Dr. Archana Hingorani
Director

R.K. Baheti
Director - Finance & CFO

Ajay Desai
Vice President-Finance & Company Secretary
Vadodara : 27th April, 2015

Mumbai : 27th April, 2015

Independent Auditor's Report

To The Members of
Alembic Pharmaceuticals Limited

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of **ALEMBIC PHARMACEUTICALS LIMITED** (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), its associates and jointly controlled entity, comprising of the Consolidated Balance Sheet as at 31st March, 2015, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the 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 of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group including its Associates and Jointly controlled entity 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. The respective Board of Directors of the companies included in the Group and of its associates and jointly controlled entity are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the respective companies 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 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, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's 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 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 consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the 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 an adequate internal financial controls system over financial reporting in place and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the 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 and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph (a) of the Other Matters paragraph below, 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, its associates and jointly controlled entity as at 31st March, 2015, and their consolidated profit and their consolidated cash flows for the year ended on that date.

Other Matters

The financial statements of subsidiaries, jointly controlled entity

and associates have been audited by other auditors or were subjected to a limited review by other auditors, whose reports have been furnished to us by the Management and our opinion and report in terms of Sub-Sections (3) and (11) of Section 143 of the Act, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, jointly controlled entity and associates, is based solely on the reports of the other auditors.

- (a) We did not audit the financial statements / financial information of any of the eight subsidiaries and one jointly controlled entity whose financial statements / financial information reflect Total Assets of ₹22,606.74 Lacs as at 31st March, 2015, Total Revenues of ₹14,613.64 Lacs and Net Cash Inflows amounting to ₹369.54 Lacs for the year ended on that date, as considered in the Consolidated Financial Statements.
- (b) The Consolidated Financial Statements also include the Group's share of net profit of ₹ 24.77 Lacs for the year ended 31st March, 2015 as considered in the consolidated financial statements, in respect of two associates whose financial statements / financial information have not been audited by us.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above 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 auditors' reports of the Holding company, subsidiary company and associate company incorporated in India, 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 purposes 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 consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
 - (c) The Consolidated Balance Sheet, the Consolidated

Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant 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 as on 31st March, 2015 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary company and associate company incorporated in India, none of the directors of the Group companies its associate company incorporated in India is disqualified as on 31st 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 Auditor's) 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 Group, its associates and jointly controlled entity— Refer Note Y (I) to the consolidated financial statements.
 - ii. The Group, its associates and jointly controlled entity did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts that were required to be transferred to the Investor Education and Protection Fund by the Holding Company, its subsidiary company and associate company incorporated in India.

For K.S.AIYAR & Co

Chartered Accountants

Firm's Registration No. 100186W

RAGHUVIR M. AIYAR

Partner

Mumbai

Date: 27th April, 2015

Membership No. 38128

Annexure to Auditor's Report

Re: Alembic Pharmaceuticals Limited.

Referred to in paragraph 1 on Report on Other Legal and Regulatory Requirements of our report on Consolidated Financial Statements.

- | | |
|--|--|
| <p>(i) (a) The Holding Company, its subsidiary company and associate company incorporated in India are maintaining proper records showing full particulars, including quantitative details and situation of fixed assets, however, item wise value in respect of assets other than land, buildings and vehicles prior to 1982 of the Holding Company are not available.</p> <p>(b) These fixed assets have been physically verified by the management during the year as per the phased programme of physical verification of fixed assets. As informed to us the programme is such that all the fixed assets will get physically verified in three year time. In our opinion the same is reasonable having regard to the size of the entities and the nature of its fixed assets. No material discrepancies were noticed on such verification.</p> <p>(ii) (a) Physical verification of inventory has been conducted at reasonable intervals by the management of the Holding Company and its associate company incorporated in India, the subsidiary company incorporated in India does not have any inventory and hence the requirements of sub-clause (b) and (c) of clause (ii) are not applicable to that extent.</p> <p>(b) The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Holding Company and its associate incorporated in India and the nature of its business.</p> <p>(c) The Holding Company and its associate company incorporated in India are maintaining proper records of inventory. No material discrepancies were noticed on physical verification.</p> <p>(iii) The Holding Company, its subsidiary company and associate company incorporated in India have not granted any secured or unsecured loans to any party covered in the register maintained under section 189 of the Companies Act, 2013. Therefore the requirements of sub-clause (a) and (b) of clause (iii) are not applicable to these companies.</p> <p>(iv) There is an adequate internal control system</p> | <p>commensurate with the size of the Holding Company, its subsidiary company and associate company incorporated in India and the nature of their business, for the purchase of inventory and fixed assets and for the sale of goods and services. There is a no continuing failure to correct major weaknesses in internal control system.</p> <p>(v) The Holding Company had accepted deposits prior to the commencement of Companies Act, 2013. In terms of section 74(1)(b) of the Companies Act, 2013 such deposits amounting to ₹1,797.64 Lacs have been repaid during the year and an amount of ₹9.43 Lacs and interest due thereon of ₹0.50 Lacs are unclaimed as at the year end.</p> <p>During the year, the Holding Company has not accepted any deposits from public in terms of section 73 of the Companies Act, 2013.</p> <p>No deposits were accepted by the subsidiary company and associate company incorporated in India.</p> <p>We are informed that no order has been passed by Company Law Board or National Company Law Tribunal or Reserve Bank of India or Court or any other tribunal.</p> <p>Accordingly, the Holding Company, its subsidiary company and associate company incorporated in India, have complied with the provisions of section 73 to 76 of the Companies Act, 2013.</p> <p>(vi) Central Government has specified the maintenance of cost records under sub-section (l) of section 148 of the Companies Act, 2013. Such accounts and records have been made and maintained by the Holding company. This requirement is not applicable to the Subsidiary company and associate company incorporated in India.</p> <p>(vii) (a) The Holding Company, its subsidiary company and associate company incorporated in India are generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax cess and any other statutory dues with the appropriate authorities.</p> <p>(b) In respect of Holding Company, dues of income tax</p> |
|--|--|

Annexure to Auditor's Report

or sales tax or wealth tax or service tax or duty of customs or duty of excise or value added tax or cess have not been deposited on account of any dispute are as under.

Statue & Nature of dues	Amount not deposited (₹)	Forum where dispute is pending	Period
Sales Tax Act	4,82,244	Joint Commissioner Appeals	2008-2009
Sales Tax, interest and penalty	13,12,295	High Court	1999-2000
	1,63,84,603	Asst. Commissioner Demand	2003-2004
	44,830	Additional Commissioner	2004-2005
	1,53,406	Sr. Joint Commissioner	2006-2007
	23,28,932	Jt. Commissioner Appeals	2009-2010
	20,06,174	Jt. Commissioner Appeals	2010-2011
	23,00,108	Jt. Commissioner Appeals	2011-2012
	23,68,469	Jt. Commissioner Appeals	2012-2013
	20,92,750	Jt. Commissioner Appeals	2013-2014
	7,65,686	Jt. Commissioner Appeals	2006-2007
	8,27,211	Tribunal	2009-2010
	1,84,321	Additional Commissioner	01-04-2006 to 30-11-2008
	24,654	Additional Commissioner	01-12-2008 to 31-10-2009
	15,06,831	Additional Commissioner	2007-2008
	53,89,411	Additional Commissioner	2008-2009
	64,32,292	Additional Commissioner	2009-2010
	2,95,000	Joint Commissioner Appeals	2013-2014
	11,85,131	Jt. Commissioner	2011-2012
	3,40,990	Jt. Commissioner	2010-2011
Central Sales Tax Act	1,51,971	Additional Commissioner	01-04-2006 to 30-11-2008
	75,612	Additional Commissioner	01-12-2008 to 31-10-2009
	2,46,931	Deputy Commissioner II	2003-2004
	1,50,355	Joint Commissioner (Appeals)	2005-2006
	10,93,955	Deputy Commissioner II	2006-2007
	26,302	Additional Commissioner	2008-2009
	28,481	Additional Commissioner	2009-2010
	1,23,800	Jt. Commissioner Appeals	2006-2007
	3,24,342	Jt. Commissioner Appeals	2010-2011

Statute & Nature of dues	Amount not deposited (₹)	Forum where dispute is pending	Period
The Central Excise Act	2,13,95,574	CESTAT	2005-06
Excise Duty, Interest & Penalty	9,85,233	CESTAT	2011-2012
	16,091	Commissioner (Appeal)	2007-08
	2,10,579	CESTAT	1998-99
	35,000	Commissioner (Appeal)	2009-10
	50,03,165	High Court	2005-06
	1,20,99,486	High Court	2005-06
	55,306	Commissioner (Appeals)	2008-09
	121,276	Commissioner (Appeals)	2010-11
	10,181,463	CESTAT	2006-11
	34,712	Asst. Commissioner	2007-08
	2,75,323	CESTAT	2007-08 to July 2011
	56,760	CESTAT	2011-12
The Bombay Stamp Act	5,01,18,535	Supreme Court	2011-12
Income Tax Act	4,58,530	ITAT	2011-12

In respect of Subsidiary company and associate company incorporated in India, there were no dues of income tax or sales tax or wealth tax or service tax or duty of customs or duty of excise or value added tax or cess that have not been deposited on account of any dispute.

(c) There is no amount required to be transferred to investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made thereunder by the Holding Company, its subsidiary and associate incorporated in India.

(viii) The Holding Company and its subsidiary company incorporated in India are registered for a period of less than five years. Therefore, requirement of the Order of reporting on accumulated losses and cash losses is not applicable. In case of associate company incorporated in India, the accumulated losses as at the end of the year are less than 50% on net worth and it has not incurred cash losses during the current financial year and in the immediately preceding financial year;

(ix) The Holding Company, its subsidiary company and associate company incorporated in India have not defaulted in repayment of dues to a financial institution or bank or debenture holders.

(x) The Holding Company has given guarantees for loans taken by its Wholly Owned Subsidiary from banks and the terms and conditions of the same are not prejudicial to the interest of the Company. The Subsidiary company and the associate company incorporated in India have not given any guarantee for the loans taken by others from banks or financial institution.

(xi) The Holding Company, subsidiary incorporated in India and the associate incorporated in India did not raise any term loans during the year. The term loans which were raised in earlier years by the Holding Company and the associate incorporated in India and are outstanding as at year-end were used in earlier years for the purpose for which they were taken.

(xii) No fraud on or by the Holding Company, its subsidiary company and associate company incorporated in India has been noticed or reported during the year.

For K.S.AIYAR & Co
Chartered Accountants
Firm's Registration No. 100186W

RAGHUVIR M. AIYAR
Partner

Mumbai
Date: 27th April, 2015

Membership No. 38128

Consolidated Balance Sheet

₹ in lacs

Particulars	Note No	As at 31st March, 2015		As at 31st March, 2014	
I. EQUITY AND LIABILITIES					
(1) Shareholder's Funds					
(a) Share Capital	A	3,770.32		3,770.32	
(b) Reserves and Surplus	B	83,765.66		62,379.95	
(c) Foreign Currency Translation Reserve		927.88	88,463.86	1,406.69	67,556.96
(2) Non-Current Liabilities					
(a) Long-Term Borrowings	C	1,880.00		5,222.00	
(b) Deferred Tax Liabilities (Net)	D	3,143.34		2,271.70	
(c) Other Long Term Liabilities	E	1,284.37		1,270.37	
(d) Long Term Provisions	F	936.15	7,243.86	668.06	9,432.13
(3) Current Liabilities					
(a) Short-Term Borrowings	G	21,969.88		2,542.37	
(b) Trade Payables	H	31,087.60		28,843.95	
(c) Other Current Liabilities	I	5,863.26		6,062.11	
(d) Short-Term Provisions	J	9,488.29	68,409.03	7,288.13	44,736.57
Total			1,64,116.75		1,21,725.66
II. ASSETS					
(1) Non-Current Assets					
(a) Fixed Assets					
(i) Tangible Assets	K	51,159.13		39,696.06	
(ii) Capital Work-in-Progress		8,314.03		2,066.92	
(b) Goodwill		3,528.07		–	
(c) Non-Current Investments	L	226.41		335.57	
(d) Long Term Loans and Advances	M	11,815.19	75,042.84	9,482.30	51,580.84
(2) Current Assets					
(a) Inventories	N	38,277.06		31,077.82	
(b) Trade Receivables	O	36,116.73		27,337.29	
(c) Cash and Bank Balances	P	2,682.56		2,396.13	
(d) Short-Term Loans and Advances	Q	11,997.57	89,073.91	9,333.59	70,144.81
Total			1,64,116.75		1,21,725.66
Significant Accounting Policies and Other Explanatory Notes and Information	Y				

Note: See accompanying notes referred to above which form an integral part of the Financial Statements

As per our report of even date

For K. S. Aiyar & Co.
Chartered Accountants
Firm Registration No. 100186W

Chirayu R. Amin
Chairman &
Managing Director

Pranav Amin
Director & President -
International Business

Shaunak Amin
Director & President -
Branded Formulation
Business

K.G. Ramanathan
Director

Raghuvir M. Aiyar
Partner
Membership No 38128

Pranav Parikh
Director

Pareesh Saraiya
Director

Milin Mehta
Director

Dr. Archana Hingorani
Director

R.K. Baheti
Director - Finance & CFO

Ajay Desai
Vice President-Finance & Company Secretary
Vadodara : 27th April, 2015

Mumbai : 27th April, 2015

Consolidated Statement of Profit and Loss

₹ in lacs

Particulars	Note No	Year ended 31st March, 2015		Year ended 31st March, 2014	
I. Revenue from Operations	R	2,07,117.44		1,87,092.61	
Less : Excise Duty		1,504.78	2,05,612.66	771.00	1,86,321.61
II. Other Income	S		230.43		319.27
III. Total Revenue (I + II)			2,05,843.09		1,86,640.88
IV. Expenses					
Cost of Materials Consumed	T	54,049.40		55,592.93	
Purchase of Finished Goods		24,692.89		19,806.75	
Changes in Inventories of Finished Goods and Work in Process	T	(7,288.90)		(4,064.84)	
Employee Benefit Expenses	U	30,675.91		24,700.43	
Research and Development Expenses	V	12,162.26		11,643.22	
Other Expenses	W	51,025.04	1,65,316.61	42,871.66	1,50,550.16
V. Profit Before Interest, Depreciation and Tax			40,526.48		36,090.72
Finance Costs	X		178.04		980.89
Depreciation			4,441.29		4,048.72
VI. Profit Before Tax			35,907.15		31,061.12
VII. Tax Expense					
Current Tax (MAT)		7,634.91		6,847.07	
Less : MAT Credit Entitlement		739.29		—	
Deferred Tax		739.29	7,634.91	663.21	7,510.28
VIII. Profit for the year			28,272.24		23,550.84
Share of Profit / (Loss) of Associates			20.21		—
IX. Net Profit after Tax and Share of Profit / (Loss) of Associates			28,292.46		23,550.84
IX. Earning per Equity Share (FV ₹ 2/- per share)					
Basic & Diluted (In ₹)			15.01		12.49
Significant Accounting Policies and Other Explanatory Notes and Information	Y				

Note: See accompanying notes referred to above which form an integral part of the Financial Statements

As per our report of even date

For K. S. Aiyar & Co.
Chartered Accountants
Firm Registration No. 100186W

Chirayu R. Amin
Chairman &
Managing Director

Pranav Amin
Director & President -
International Business

Shaunak Amin
Director & President -
Branded Formulation
Business

K.G. Ramanathan
Director

Raghuvir M. Aiyar
Partner
Membership No 38128

Pranav Parikh
Director

Paresh Saraiya
Director

Milin Mehta
Director

Dr. Archana Hingorani
Director

R.K. Baheti
Director - Finance & CFO

Ajay Desai
Vice President-Finance & Company Secretary
Vadodara : 27th April, 2015

Mumbai : 27th April, 2015

Consolidated Cash Flow Statement

₹ in lacs

Particulars	Year ended 31st March, 2015		Year ended 31st March, 2014	
A CASH FLOW FROM OPERATING ACTIVITIES				
Net Profit Before Tax	35,907.15		31,061.11	
Add : Share of Reserves in Joint Venture	1,495.50		–	
Add : Share of Loss from Associates	(107.47)	37,295.18	–	31,061.11
Add:				
1 Depreciation	4,441.29		4,048.72	
2 Interest Charged	380.78		1,039.98	
3 Unrealised Foreign Exchange Loss / (Gain)	(1,057.68)		1,194.71	
4 Foreign Currency Translation Reserve	(478.81)		731.84	
5 (Gain)/Loss on Sale of Fixed Assets	0.64	3,286.24	22.74	7,037.99
Less:				
1 Interest Income	202.74		59.10	
2 Dividend Income	10.65	213.39	2.84	61.94
Operating Profit before change in Working Capital		40,368.03		38,037.14
Working capital changes:				
Add / (Less):				
1 (Increase) / Decrease in Inventories	(7,199.24)		(4,394.48)	
2 (Increase) / Decrease in Trade Receivables	(13,063.76)		(5,882.10)	
3 (Increase) / Decrease in Short-Term Loans and Advances	(2,661.10)		(1,401.32)	
4 (Increase) / Decrease in Long-Term Loans and Advances	(1,593.60)		(2,209.74)	
5 Increase / (Decrease) in Trade Payables	7,288.20		6,288.25	
6 Increase / (Decrease) in Other Current Liabilities	528.98		578.82	
7 Increase / (Decrease) in Short Term Provisions	182.18		(194.12)	
8 Increase / (Decrease) in Long Term Provisions	268.09	(16,250.25)	62.00	(7,152.69)
Cash generated from Operations		24,117.78		30,884.45
Add / (Less):				
Direct Taxes paid (Net of refunds)		(6,941.81)		(6,887.08)
Net Cash inflow from Operating Activities (A)		17,175.97		23,997.37
B CASH FLOW FROM INVESTING ACTIVITIES				
Add:				
1 Proceeds from Sale of Fixed Assets	5.40		10.16	
2 Interest Received	199.86		77.07	
3 Dividend Received	10.65	215.91	2.84	90.07
Less:				
1 Purchase of Tangible Assets / Increase in Capital Work-in-Progress	22,358.26		8,196.27	
2 Purchase of Investments (Net)	3,418.92	25,777.18	–	8,196.27
Net Cash inflow from Investing Activities (B)		(25,561.27)		(8,106.20)

Consolidated Cash Flow Statement (Contd.)

₹ in lacs

Particulars	Year ended 31st March, 2015		Year ended 31st March, 2014	
C CASH FLOW FROM FINANCIAL ACTIVITIES				
Add:				
1 Increase / (Decrease) in Other Long Term Liabilities	14.00		(5.70)	
2 Proceeds from Short-Term Borrowings	19,427.51	19,441.51	–	(5.70)
Less:				
1 Repayment of Long-Term Borrowings	3,719.91		4,073.90	
2 Repayment of Short-Term Borrowings	–		4,469.08	
3 Dividends Paid (including Distribution Tax)	6,549.64		5,457.79	
4 Interest and Other Finance Costs	500.24	10,769.79	1,099.17	15,099.95
Net Cash Inflow from Financing Activities (C)		8,671.72		(15,105.65)
I Net (decrease)/increase in Cash and Cash Equivalents		286.42		785.52
II Add: Cash and Cash Equivalents at the Beginning of the Period	2,277.21		1,552.97	
Other Bank Balances	118.92	2,396.12	57.63	1,610.60
III Cash and Cash Equivalents at the End of the Period	2,341.46		2,277.21	
Other Bank Balances	341.10	2,682.56	118.92	2,396.12

As per our report of even date

For K. S. Aiyar & Co.
Chartered Accountants
Firm Registration No. 100186W

Chirayu R. Amin
Chairman &
Managing Director

Pranav Amin
Director & President -
International Business

Shaunak Amin
Director & President -
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Business

K.G. Ramanathan
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Partner
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Milin Mehta
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Dr. Archana Hingorani
Director

R.K. Baheti
Director - Finance & CFO

Ajay Desai
Vice President-Finance & Company Secretary

Mumbai : 27th April, 2015

Vadodara : 27th April, 2015

Notes to the Consolidated Financial Statement

A Share Capital

₹ in lacs

As at 31st March	2015	2014
(a) Authorised		
20,00,00,000 Equity shares of ₹ 2/- each	4,000.00	4,000.00
	4,000.00	4,000.00
(b) Shares issued, subscribed and fully paid		
18,85,15,914 Equity shares of ₹ 2/- each	3,770.32	3,770.32
Out of above 13,35,15,914 equity shares of ₹ 2/- each were issued to the share holders of Alembic Limited as per the Scheme of Arrangement and without payment being received in cash		
	3,770.32	3,770.32

(c) Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period :

	2015		2014	
	Numbers	Amount in lacs	Numbers	Amount in lacs
At the beginning of the year	18,85,15,914	3,770.32	18,85,15,914	3,770.32
Outstanding at the end of the year	18,85,15,914	3,770.32	18,85,15,914	3,770.32

(d) The rights, preferences and restrictions including restrictions on the distribution of dividends and the repayment of capital

The company is having only one class of shares i.e. Equity carrying a nominal value of ₹ 2/- per share

Every holder of the equity share of the Company is entitled to one vote per share held.

In the event of liquidation of the Company, the equity shareholders will be entitled to receive remaining assets of the Company after the distribution / repayment of all creditors. The distribution to the equity shareholders will be in proportion of the number of shares held by each shareholder.

The Company declares and pays dividend on the equity shares in Indian Rupees. Dividend proposed by the Board of Directors is subject to approval of the shareholders at the ensuing Annual General Meeting.

During the year ended 31st March, 2015 an amount of ₹ 3.50 of dividend per equity share was proposed for the equity shareholders (P.Y. ₹ 3.00 per equity share).

(e) Shares in the company held by each shareholder holding more than 5 percent shares specifying the number of shares held

As at 31st March	2015		2014	
	Numbers	% held	Numbers	% held
1 Alembic Limited	5,50,00,000	29.18%	5,50,00,000	29.18%
2 Shreno Limited	1,83,68,780	9.74%	1,83,68,780	9.74%
3 Sierra Investments Limited	1,71,67,670	9.11%	1,71,67,670	9.11%
4 Whitefield Chemtech Limited	1,82,85,230	9.70%	1,82,85,230	9.70%
5 Nirayu Private Limited	1,62,13,755	8.60%	1,62,13,755	8.60%

Notes to the Consolidated Financial Statement

B Reserves and Surplus

₹ in lacs

As at 31st March	2015		2014	
(a) Capital Reserve				
Balance as per the last financial statements		30.00		30.00
(b) General Reserve				
Balance as per the last financial statements	44,364.19		34,582.99	
Less : Utilised for prior year depreciation as per the provision contained in Note 7(b) of the Schedule II to the Companies Act, 2013	132.51		–	
Less : Reversal of Deferred Tax Asset on account of Intangible assets pursuant to the order of Hon'ble Gujarat High Court	200.58		218.80	
Add : Amount transferred from Surplus Balance in the Statement of Profit & Loss	10,000.00	54,031.10	10,000.00	44,364.19
(c) Surplus / (Deficit) in the Statement of Profit and Loss				
Balance as per last financial statements	17,985.76		11,241.36	
Share of Reserves in Joint Venture as per transitional provision of AS-27	1,495.50		–	
Share of Loss in Associates till 31st March, 2014 as per transitional provision of AS-23	(127.69)		–	
Profit for the year	28,292.46		23,550.84	
	47,646.03		34,792.20	
Appropriations				
Less : Proposed final Equity Dividend amount per share ₹ 3.50 (PY : ₹ 3.00)	6,598.06		5,655.48	
Proposed final Equity Dividend from Subsidiary (Malta)	–		189.81	
Tax on Proposed Equity Dividend	1,343.43		961.15	
Transfer to General Reserve	10,000.00		10,000.00	
	17,941.49		16,806.43	
Net Surplus in the Statement of Profit and Loss		29,704.54		17,985.76
		83,765.66		62,379.95

C Long-Term Borrowings

As at 31st March	Non-Current Maturities		Current Maturities	
	2015	2014	2015	2014
(a) Term loans (Secured)				
Foreign Currency loan from Banks - @ Coupon of LIBOR plus 1.50% p.a. plus proportionate front end fees Secured against first hypothecation charge on all movable plant and machinery ranking pari passu with other lenders Redeemable in 15 equal quarterly installments of USD 1 MN starting from May-13	1,880.00	4,194.70	2,500.00	2,395.60
(b) Deposits (Unsecured)				
Deposits from Shareholders	–	99.80	–	397.00
Deposits from Public	–	927.50	–	382.77
Interest rate varying from 9% to 11% and maturity period is 12 / 24 / 36 months				
	1,880.00	5,222.00	2,500.00	3,175.37
The above amount includes amount disclosed under the head Other Current Liabilities (Note I)	–	–	(2,500.00)	(3,175.37)
	1,880.00	5,222.00	–	–

Notes to the Consolidated Financial Statement

D Deferred Tax Liabilities (Net)

₹ in lacs

As at 31st March	2015		2014	
(a) Deferred Tax Liabilities				
Depreciation		4,768.05		3,903.68
(b) Deferred Tax Assets				
Provision for Doubtful debts	211.09		232.04	
Preliminary Expense and De-merger Expense	4.56		19.44	
Intangible Asset	601.71		802.29	
Others	807.36	1,624.72	578.21	1,631.98
		3,143.34		2,271.70

E Other Long Term Liabilities

As at 31st March	2015		2014	
Trade Deposits		1,284.37		1,270.37
		1,284.37		1,270.37

F Long Term Provisions

As at 31st March	Long-term		Short-term	
	2015	2014	2015	2014
(a) Provision for Employee Benefits				
Provision for Gratuity	–	–	357.22	29.32
Provision for Leave benefits	936.15	668.06	427.94	383.85
	936.15	668.06	785.16	413.17
Amount disclosed under the head Short Term Provisions (Note J)			(785.16)	(413.17)
	936.15	668.06	–	–
(b) Others				
Proposed Equity Dividend	–	–	6,598.06	5,845.28
Provision of Tax on Proposed Equity Dividend	–	–	1,343.43	961.15
	–	–	7,941.49	6,806.43
Amount disclosed under the head Short Term Provisions (Note J)			(7,941.49)	(6,806.43)
	936.15	668.06	–	–

G Short Term Borrowings

As at 31st March	2015		2014	
From Banks				
(a) Working Capital facilities (Secured)		18,969.88		543.81
Secured against first hypothecation on Stocks and Book Debts ranking pari passu - @ varying Coupon repayable on demand				
(b) Others (Unsecured)		3,000.00		1,998.57
Varying Coupon repayable within 180 days with an option of roll over				
		21,969.88		2,542.37

Notes to the Consolidated Financial Statement

H Trade Payables

₹ in lacs

As at 31st March	2015		2014	
(a) Due to Micro and Small Enterprises		96.32		88.31
(b) Other Trade Payables		30,991.28		28,755.64
		31,087.60		28,843.95

I Other Current Liabilities

As at 31st March	2015		2014	
(a) Current maturities of long-term debt (Note C)		2,500.00		3,175.37
(b) Interest accrued but not due on borrowings		39.48		133.61
(c) Unpaid dividends		180.69		113.70
(d) Unpaid / Unclaimed matured deposits and interest accrued thereon				
Unclaimed matured Deposits	9.43		49.43	
Interest accrued thereon	0.50	9.93	3.03	52.46
(e) Other payables / liabilities				
Statutory	1,165.51		981.82	
Others	1,967.64	3,133.15	1,605.16	2,586.98
		5,863.26		6,062.11

J Short Term Provisions

As at 31st March	2015		2014	
(a) Provision for Employee Benefits (Note F)		785.16		413.17
(b) Others				
Proposed equity dividend and Tax thereon (Note F)		7,941.49		6,806.43
Provision for Income Tax	23,155.12		15,582.65	
Less : Income Tax paid	(22,393.49)	761.63	(15,514.11)	68.53
		9,488.29		7,288.14

K Tangible Assets

DESCRIPTION	GROSS BLOCK				DEPRECIATION				NET BLOCK		
	As on 01/04/14	Addition	Deductions	As on 31/03/15	As on 01/04/14	Deductions	During the Year	Adj to Gen Res	As on 31/03/15	As on 31/03/15	As on 31/03/14
Free Hold Land	192.44	251.43	—	443.87	—	—	—	—	—	443.87	192.44
Lease Hold Land	1,634.78	—	—	1,634.78	97.68	—	17.21	—	114.89	1,519.89	1,537.10
Buildings	15,642.59	3,459.13	—	19,101.72	2,622.12	—	510.65	2.82	3,135.59	15,966.13	13,020.47
Employees Quarters	28.30	—	—	28.30	6.59	—	—	—	6.59	21.71	21.71
Plant & Equipments	36,551.49	9,871.40	—	46,422.89	17,032.97	—	3,091.98	77.22	20,202.17	26,220.72	19,518.52
R&D Equipments	8,817.49	1,768.02	9.36	10,576.16	5,772.34	9.36	456.38	—	6,219.36	4,356.80	3,045.15
Furniture & Fixtures	805.36	193.80	—	999.16	356.72	—	125.36	20.91	502.99	496.17	448.64
Vehicles	2,519.61	500.15	32.00	2,987.76	813.65	25.96	207.23	9.19	1,004.11	1,983.65	1,705.96
Office Equipments	316.08	67.21	—	383.29	110.02	—	32.48	90.60	233.10	150.19	206.06
TOTAL	66,508.15	16,111.15	41.36	82,577.94	26,812.09	35.32	4,441.29	200.74	31,418.80	51,159.13	39,696.06
Previous Year	57,247.84	9,355.53	95.22	66,508.15	22,825.69	62.32	4,048.72	—	26,812.09	39,696.06	—

Note :

- Pursuant to the provisions of Companies Act, 2013 (the Act) becoming effective from 1st April, 2014, the Company has adopted the specified useful life of its Fixed Assets as per Schedule II to the Act and consequently;
 - Depreciation for the year is lower by ₹ 82.54 lacs.
 - Depreciation charge in respect of earlier years amounting to ₹ 200.74 lacs (Net of Tax ₹ 132.51 lacs) has been adjusted from the General Reserve of the Company
- Borrowing cost capitalised during the year amounting to ₹ 532.33 lacs.
- Sales proceeds are deducted from gross cost where cost is unascertainable.

Notes to the Consolidated Financial Statement

L Non Current Investments (Long Term Investments - At cost)

₹ in lacs

As at 31st March	2015		2014	
(a) Trade Investments				
Unquoted Equity Instruments				
Investment in Associates				
10,00,000 (PY: 10,00,000) equity shares of ₹ 10 each at a premium of ₹ 20 each fully paid up in Incozen Therapeutics Pvt. Ltd. towards seed funding for Contract Research	300.00			
Less : Reduction in carrying value till 31st March, 2014 as per transitional provision of AS-23	95.60			
Less : Share in Loss for the Year 2014-15	14.19	190.21		300.00
50,000 (PY: 50,000) equity shares of CHF 1 each fully paid up in Rhizen Pharmaceuticals SA for drug discovery and clinical development	32.09			
Less : Share in Loss till 31st March, 2014 as per transitional provision of AS-23	32.09			
Add : Share in Profit for the Year 2014-15	34.40	34.40		33.77
(b) Non - Trade Investments				
Unquoted Equity Instruments				
18,000 (PY: 18,000) equity shares of ₹ 1 each fully paid up in Shivalik Solid Waste Management Ltd.		1.80		1.80
		226.41		335.57

M Long Term Loans And Advances (Unsecured, considered good)

As at 31st March	2015		2014	
(a) Capital Advances		2,144.58		757.24
(b) Security Deposits		347.19		260.26
(c) Security Deposits given to related parties		3,366.67		3,146.67
(d) Other Loans and Advances		5,217.46		5,318.13
(e) MAT Credit Receivable		739.29		-
		11,815.19		9,482.30

N Inventories (Refer Note Y (g) of Accounting Policies for Basis of Valuation)

As at 31st March	2015		2014	
(a) Raw Materials				
API, Chemicals and Intermediates	3,706.55		4,371.53	
Excipients	4,699.38		3,808.44	
Solvents & Catalyst	451.92	8,857.85	929.17	9,109.14
(b) Packing Materials		1,814.62		1,639.14
(c) Work-in-Process		2,416.45		1,676.36
(d) Finished Goods				
API, Chemicals and Intermediates	14,302.07		9,946.58	
Formulations - Tablets and Capsules	1,855.42		2,460.54	
Formulations - Injectables	331.19		153.75	
Formulations - Oral Preparation and Ointments	603.24		853.70	
Others	4,327.13	21,419.05	2,635.20	16,049.77
(e) Traded Goods				
Formulations - Tablets and Capsules	1,810.40		1,167.22	
Formulations - Injectables	371.26		280.69	
Formulations - Oral Preparation and Ointments	1,327.12	3,508.78	881.35	2,329.26
(f) Stores and Spares		260.30		274.15
		38,277.06		31,077.82

Notes to the Consolidated Financial Statement

O Trade Receivables (Unsecured)

₹ in lacs

As at 31st March	2015		2014	
(a) Over Six months from the due date				
Considered good	2,866.70		610.20	
Considered doubtful	621.03		682.68	
Less : Provision for doubtful debts	621.03	2,866.70	682.68	610.20
(b) Others Considered good		33,250.03		26,727.08
		36,116.73		27,337.29

P Cash and Bank Balances

As at 31st March	2015		2014	
(a) Cash and Cash Equivalents				
Balances with Banks	2,306.76		2,241.93	
Cash on hand	34.70	2,341.46	35.28	2,277.21
(b) Other Bank Balances				
Unpaid Dividend Account	180.69		113.70	
Margin Money Deposit Account	160.41	341.10	5.22	118.92
		2,682.56		2,396.13

Q Short Term Loans and Advances (Unsecured, considered good)

As at 31st March	2015		2014	
Others				
Advance against Expenses - Employees		411.14		350.50
Advance recoverable in cash or in kind		11,586.42		8,657.39
Advance recoverable in cash or in kind from related parties		–		325.70
		11,997.57		9,333.59

Notes to the Consolidated Financial Statement

R Revenue from Operations

₹ in lacs

For the year ended 31st March	2015		2014	
(a) Sale of products				
Domestic	1,17,393.70		1,04,105.85	
Exports	85,904.45	2,03,298.15	79,101.30	1,83,207.16
Export Incentives		1,477.43		1,455.44
Royalty		1,997.39		2,179.08
(b) Other Operating Revenues				
Others		344.47		250.92
		2,07,117.44		1,87,092.61
Sale of Products - Broad head wise				
Bulk Drugs, Chemicals and Intermediates	36,649.95		33,740.42	
Formulations - Tablets and Capsules	1,22,060.38		1,07,007.26	
Formulations - Injectables	9,165.10		11,722.19	
Formulations - Oral Preparation and Ointments	35,422.72		30,737.29	
	2,03,298.15		1,83,207.16	

S Other Income

For the year ended 31st March	2015		2014	
(a) Dividend		10.65		2.84
(b) Other Miscellaneous Income		173.20		100.42
(c) Insurance Claims		46.57		216.01
		230.43		319.27

T Cost Of Material Consumed

For the year ended 31st March	2015		2014	
Inventory at the beginning of the year	10,748.28		10,438.17	
Add : Purchases	53,944.84		55,903.04	
	64,693.11		66,341.21	
Less : Inventory at the end of the year	10,643.71	54,049.40	10,748.28	55,592.93
Details of Material Consumed				
Bulk Drug and Drug intermediates	29,605.15		29,205.15	
Excipients	9,252.40		8,780.94	
Solvents & Catalyst	6,784.08		6,705.41	
Packing Material	7,462.25		9,057.80	
Others	945.52		1,843.63	
	54,049.40		55,592.93	
Changes in inventories of Finished Goods, Work in process				
(a) Inventory at the end of the year				
Work in Process	2,416.45		1,676.36	
Finished Goods	24,927.83	27,344.28	18,379.03	20,055.39
(b) Inventory at the beginning of the year				
Work in Process	1,676.36		1,448.48	
Finished Goods	18,379.03	20,055.39	14,542.07	15,990.55
		(7,288.90)		(4,064.84)

Notes to the Consolidated Financial Statement

U Employee Benefit Expenses

₹ in lacs

For the year ended 31st March	2015		2014	
(a) Salaries and Wages		29,151.06		23,714.33
(b) Contribution / Provisions for Provident and other funds		923.49		614.31
(c) Staff welfare expense		601.36		371.79
		30,675.91		24,700.43

V Research and Development Expenses

For the year ended 31st March	2015		2014	
(a) Material Consumption		2,905.46		2,231.31
(b) Employees Cost				
Salaries and Wages	3,388.60		2,723.94	
Contribution / Provisions for Provident and other funds	134.20	3,522.80	110.01	2,833.95
(c) Utilities				
Power	587.29		477.71	
Others	17.69	604.98	41.49	519.20
(d) Bio-Study Expense & Filing Fees		2,204.02		2,340.55
(e) Others		2,925.01		3,718.20
		12,162.26		11,643.22

W Other Expenses

For the year ended 31st March	2015		2014	
(a) Consumption of Stores, Spares, Laboratory Material and Analytical Expense		2,785.44		3,059.93
(b) Power and Fuel		4,331.25		3,206.92
(c) Manufacturing and Labour Charges		1,586.45		1,520.21
(d) Repairs and Maintenance				
Machinery	753.43		590.17	
Buildings	425.13		799.82	
Others	359.95	1,538.51	572.52	1,962.51
(e) Freight and Forwarding Charges		2,701.76		2,785.64
(f) Marketing and Publicity Expense and Selling Commission		21,767.03		16,617.57
(g) Excise Duty		796.49		424.67
(h) Rent		671.63		449.60
(i) Rates and Taxes		731.19		1,098.62
(j) Insurance		309.33		312.97
(k) Travelling Expense		8,930.04		6,905.70
(l) Communication Expenses		1,624.20		1,377.02
(m) Legal & Professional Fees		2,215.83		1,564.55
(n) Payment to Auditor		85.69		64.83
(o) Exchange Difference (net)		(536.24)		375.13
(p) Bad Debts written off	239.63		65.55	
Less : Bad Debts Provision Utilised	239.63	–	65.55	–
(q) Provision for Doubtful Debts		177.98		206.30
(r) Expenses on CSR Activities		309.76		–
(s) Miscellaneous Expenses		998.71		939.50
		51,025.04		42,871.66

X Finance Costs

For the year ended 31st March	2015		2014	
Interest Expense		380.78		1,039.98
Less : Interest Income		202.74		59.10
		178.04		980.89

Notes to the Consolidated Financial Statement

Y Significant Accounting Policies and Other Explanatory Notes and Informations

₹ in lacs

As at 31st March	2015	2014
I Contingent liabilities not provided for		
(a) Letter of Credit, Guarantees and Counter Guarantees	8,864.67	4,150.32
(b) Liabilities Disputed in appeals		
Excise duty	730.23	762.96
Sales Tax	503.28	397.98
Income Tax	7.78	12.32
(c) Claims against the company not acknowledged as debt	342.64	342.64
(d) Non fulfilment of export obligation against advance licence	–	35.92
(e) Disputed liability in respect of Ministry of Industry, Department of Chemicals and Petrochemicals in respect of price of Rifampicin allowed in formulations and landed cost of import.	34.93	34.93

II Basis of Preparation

The Financial Statements of the subsidiaries, associates and joint venture used in the consolidation are drawn up to the same reporting date as that of the Alembic Pharmaceuticals Limited ("the Company"), namely 31st March, 2015.

III Principles of Consolidation

The Consolidated Financial Statements consists of Alembic Pharmaceuticals Limited ("the Company") and its subsidiaries, associates and joint venture (collectively referred to as "the Group"). The Consolidated Financial Statements have been prepared on the following basis:

The financial statements of the Company and its subsidiaries have been consolidated on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after eliminating intra-group balances and intra-group transactions resulting in unrealised profits or losses as per Accounting Standard 21 – "Consolidated Financial Statements" specified under Section 133 of the Companies Act 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014.

Interests in jointly controlled entities have been accounted by using the proportionate consolidation method as per Accounting Standard -27 specified under Section 133 of the Companies Act 2013 read with Rule 7 of the Companies (Accounts) Rules 2014.

Investment and share of profit of associate has been consolidated as per the equity method.

In case of foreign subsidiaries, being non-integral operations, revenue items are consolidated at the average rate prevailing during the year. All assets and liabilities are converted at the rates prevailing at the end of the year. Any exchange difference arising on consolidation is recognised in the "Foreign Currency Translation Reserve".

The difference between the cost of investment in the subsidiaries and joint venture, and the Group's share of Net Assets at the time of acquisition of shares in the subsidiaries and joint venture is recognised in the financial statements as Goodwill or Capital Reserve as the case may be.

Interests in Joint Ventures have been accounted by using the proportionate consolidation method as per Accounting Standard 27 – "Financial Reporting of Interests in Joint Ventures" specified under Section 133 of the Companies Act 2013 read with Rule 7 of the Companies (Accounts) Rules 2014.

The Group accounts for its share of post-acquisition changes in net assets of associates, after eliminating unrealised profits and losses resulting

Notes to the Consolidated Financial Statement

Y Significant Accounting Policies and Other Explanatory Notes and Informations (Contd.)

from transactions between the Company and its associates to the extent of its share, through its Consolidated Statement of Profit and Loss, to the extent such change is attributable to the associate's Statement of Profit and Loss and through its reserves for the balance based on available information.

The difference between the cost of investment in the associates and the Group's share of Net Assets at the time of acquisition of share in the associates is identified in the financial statements as Goodwill or Capital Reserve as the case may be.

IV Companies included in Consolidation

Name	Nature	Country of Incorporation	Proportion of Ownership Interest as on 31.03.2015
Alembic Global Holding SA	Subsidiary	Switzerland	100% subsidiary of Alembic Pharmaceuticals Limited
Alembic Pharmaceuticals Australia Pty Ltd.	Subsidiary	Australia	100% subsidiary of Alembic Global Holding SA
Alembic Pharmaceuticals Europe Limited	Subsidiary	Malta	100% subsidiary of Alembic Global Holding SA
Alnova Pharmaceuticals SA	Subsidiary	Switzerland	100% subsidiary of Alembic Global Holding SA
Alembic Pharmaceuticals Canada Ltd.	Subsidiary	Canada	100% subsidiary of Alembic Global Holding SA
AG Research Private Limited	Subsidiary	Hyderabad, India	100% subsidiary of Alembic Global Holding SA
Genius LLC	Subsidiary	Ukraine	100% subsidiary of Alembic Global Holding SA
Alembic Mami SPA	Joint Venture	Algeria	49% shareholding of Alembic Global Holding SA
Rhizen Pharmaceuticals SA	Associate	Switzerland	40.3% shareholding of Alembic Global Holding SA
Incozen Therapeutics Pvt Limited	Associate	India	50% shareholding of Alembic Pharmaceuticals Limited

Note:

- Alembic Pharmaceutical Inc. is incorporated without issue of any shares and is not required to compile financial statements.
- Consolidated financial statements of previous year did not include share of profit / loss of (i) Incozen Therapeutics Pvt. Limited and (ii) Rhizen Pharmaceuticals SA, hence are not comparable to that extent. Consolidated financial statements include share of profit / loss of stand alone results of Rhizen Pharmaceuticals SA (associate) as it does not present consolidated financial statements. Rhizen has wholly owned subsidiary: Rhizen Oncotherapeutics SA with investment of ₹64.18 lacs.

V Accounting Policies

The accounting policies of the Company and that of its subsidiaries and components are similar and as per generally accepted accounting principles in India.

VI Translation of Accounts

In Consolidated Financial Statements, the Financial Statements of subsidiary companies have been translated into INR considering as non-integral operations of the Company as prescribed under AS 11: The Effects of Changes in Foreign Exchange Rates specified under Section 133 of the Companies Act 2013 read with Rule 7 of the Companies (Accounts) Rules 2014.

Notes to the Consolidated Financial Statement

Y Significant Accounting Policies and Other Explanatory Notes and Informations (Contd.,)

VII Additional Information

Alembic Pharmaceuticals Limited	Net Assets (Total Assets - Total Liabilities)		Share in Profit or Loss	
	As a % of consolidated Net Assets	Amount (₹ in lacs)	As % of consolidated profit or loss	Amount (₹ in lacs)
Parent : Alembic Pharmaceuticals Limited	94.23	83,356.51	101.30	28,661.49
Subsidiaries :				
1. Indian : NA	Nil	Nil	Nil	Nil
2. Foreign :				
Alembic Global Holding SA (wholly owned subsidiary of Alembic Pharmaceuticals Limited)*	9.32	8,248.18	(1.25)	(354.84)
Minority interest in all subsidiaries	Nil	Nil	Nil	Nil
Associates :				
(Investment as per the equity method)				
1. Indian : Incozen Therapeutics Pvt Limited	Nil	—	(0.05)	(14.19)
2. Foreign : NA	Nil	Nil	Nil	Nil
Joint Ventures :				
(As per proportionate consolidation / investment as per equity method)				
1. Indian : NA	Nil	Nil	Nil	Nil
2. Foreign : NA	Nil	Nil	Nil	Nil

*Note: Information in respect of Alembic Global Holding SA is as per its Consolidated Financial Statements.

VIII Form AOC-I

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

Part "A": Subsidiaries		₹ in Lacs
1	Name of the subsidiary	Alembic Global Holding SA
2	Reporting period for the subsidiary	31st March, 2015
3	Reporting currency and Exchange rate as on the last date of the relevant Financial year	1 CHF - 64.18 INR
4	Share capital	2,887.96
5	Reserves & surplus	5,360.22
6	Total assets	22,572.34
7	Total Liabilities	14,358.55
8	Investments	34.40
9	Turnover	14,613.64
10	Profit before taxation	(379.34)
11	Provision for taxation	9.91
12	Profit after taxation	(389.25)
13	Proposed Dividend	NA
14	% of shareholding	100%

Notes:

- The following company's accounts are consolidated in Alembic Global Holding SA, a wholly owned subsidiary of Alembic Pharmaceuticals Limited:
 - Alembic Pharmaceuticals Europe Limited (Subsidiary of Alembic Global Holding SA)
 - Alembic Pharmaceuticals Canada Limited (Subsidiary of Alembic Global Holding SA)
 - Alembic Pharmaceuticals Australia Pty Limited (Subsidiary of Alembic Global Holding SA)

Notes to the Consolidated Financial Statement

Y Significant Accounting Policies and Other Explanatory Notes and Informations (Contd.,)

- iv. Alnova Pharmaceuticals SA (Subsidiary of Alembic Global Holding SA)
- v. Genius LLC (Subsidiary of Alembic Global Holding SA)
- vi. AG Research Private Limited (Subsidiary of Alembic Global Holding SA)
- vii. Rhizen Pharmaceuticals SA (Associate of Alembic Global Holding SA)
- viii. Alembic Mami SPA (Joint Venture of Alembic Global Holding SA)
2. Names of subsidiaries which are yet to commence operations - Alembic Pharmaceuticals Inc, USA
3. Names of subsidiaries which have been liquidated or sold during the year. - NA

Part "B": Associates and Joint Ventures		₹ in Lacs
	Name of Associates	Incozen Therapeutics Pvt. Ltd.
1	Latest audited Balance Sheet Date	31st March, 2015
2	Shares of Associate/Joint Ventures held by the Company on the year end	
i	No. of Shares	1,000,000
ii	Amount of Investment in Associates	300
ii	Extend of Holding %	50%
3	Description of how there is significant influence	—
4	Reason why the associate/joint venture is not consolidated	NA
	Networth attributable to Shareholding as per latest audited Balance Sheet	190.21
	Profit / Loss for the year	(28.38)
i	Considered in Consolidation	(14.19)
ii	Not Considered in Consolidation	(14.19)

Notes:

- 1 Names of associates or joint ventures which are yet to commence operations. - NA
- 2 Names of associates or joint ventures which have been liquidated or sold during the year. - NA

IX EPS

Particulars	Year ended 31st March, 2015
Profit after tax but before Extraordinary Items available for equity shareholders	₹ 28,292.46 lacs
Profit after tax available for equity shareholders	₹ 28,292.46 lacs
Weighted average numbers of equity shares	18,85,15,914
Basic and Diluted Earnings per share before Extraordinary Items (Face Value per share ₹ 2/- each)	₹ 15.01
Basic and Diluted Earnings per share after Extraordinary Items (Face Value per share ₹ 2/- each)	₹ 15.01

As per our report of even date

For K. S. Aiyar & Co.
Chartered Accountants
Firm Registration No. 100186W

Chirayu R. Amin
Chairman &
Managing Director

Pranav Amin
Director & President -
International Business

Shaunak Amin
Director & President -
Branded Formulation
Business

K.G. Ramanathan
Director

Raghuvir M. Aiyar
Partner
Membership No 38128

Pranav Parikh
Director

Paresh Saraiya
Director

Milin Mehta
Director

Dr. Archana Hingorani
Director

R.K. Baheti
Director - Finance & CFO

Ajay Desai
Vice President-Finance & Company Secretary
Vadodara : 27th April, 2015

Mumbai : 27th April, 2015

“The future depends on what you do today.”

- Mahatma Gandhi

NOTICE

Alembic Pharmaceuticals Limited
 Regd. Off: Alembic Road, Vadodara-390003
 Tel: 0265 2280550 Fax: 0265 2282506
 Web: www.alembic-india.com
 Email: apl.investors@alembic.co.in
 CIN: L24230GJ2010PLC061123

Notice is hereby given that the 5th Annual General Meeting of the Members of Alembic Pharmaceuticals Limited will be held at "Sanskriti", Alembic Corporate Conference Center, Opp. Pragati Sahakari Bank Limited, Alembic Colony, Vadodara - 390 003, on Friday, the 31st July, 2015 at 3:00 p.m. to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements of the Company for the year ended 31st March, 2015 including Balance Sheet as at 31st March, 2015, the Statement of Profit and Loss and the Cash Flow Statement for the year ended on that date and the Reports of the Board of Directors and Auditors thereon.
2. To declare dividend on Equity Shares.
3. To appoint a Director in place of Mr. R. K. Baheti (DIN: 00332079), who retires by rotation and being eligible, offers himself for re-appointment.
4. To ratify appointment of M/s. K. S. Aiyar & Co., Chartered Accountants (FRN: 100186W) as Statutory Auditors of the Company in accordance with the resolution passed by the members at the 4th Annual General Meeting held on 28th July, 2014 and to authorize the Board of Directors 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:

Appointment of Dr. Archana Hingorani (DIN: 00028037) as an Independent Director:

"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152, 161 and other applicable provisions of the Companies Act, 2013 and rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV of the Companies Act, 2013, Dr. Archana Hingorani (DIN: 00028037), who was appointed as an Additional Director of the Company w.e.f. 4th February, 2015 and who holds office upto the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing from a member alongwith requisite deposit of ₹1 lac, pursuant to the provisions of Section 160 of the Companies Act, 2013 signifying the intention to propose the candidature of Dr. Archana Hingorani for the office of an Independent Director, be and is hereby appointed as an Independent Director of the Company to hold office for a term of 5 (five) consecutive years upto 3rd February, 2020."

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

Ratification of Remuneration to the Cost Auditor for the F.Y. 2014-15:

"RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), the remuneration payable to Mr. H. R. Kapadia, Cost Accountant (FRN: 100067) appointed by the Board of Directors of the Company to conduct the audit of the cost records of the Company for the financial year 2014-2015, amounting to ₹1.50 lacs excluding service tax, travelling and other out-of-pocket expenses incurred by him in connection with the aforesaid audit, be and is hereby ratified and confirmed."

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

Ratification of Remuneration to the Cost Auditor for the F.Y. 2015-16:

"RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), the remuneration payable to Mr. H. R. Kapadia, Cost Accountant (FRN: 100067) appointed by the Board of Directors of the Company to conduct the audit of the cost records of the Company for the financial year 2015-2016, amounting to ₹1.50 lacs excluding service tax, travelling and other out-of-pocket expenses incurred by him in connection with the aforesaid audit, be and is hereby ratified and confirmed."

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

Appointment of Mr. Pranav Amin as Joint Managing Director of the Company:

"RESOLVED THAT pursuant to the provisions of Sections 196, 197, 198, 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and rules framed thereunder, (including any statutory modifications or re-enactment thereof for the time being in force) ('the Act') the approval of the members of the Company, be and is hereby accorded to the appointment of Mr. Pranav Amin as the Joint Managing Director of the Company w.e.f. 27th April, 2015 for the remaining period of his appointment as an Executive Director i.e., upto 31st March, 2016 on the same terms and conditions and remuneration as approved by members of the Company at the 4th Annual General Meeting held on 28th July, 2014.

RESOLVED FURTHER THAT the Board of Directors and Company Secretary of the Company be and are hereby severally authorized to do all such acts, deeds and things as may be necessary and expedient to give effect to this resolution."

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

Appointment of Mr. Shaunak Amin as Joint Managing Director of the Company:

"**RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 198, 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and rules framed thereunder, (including any statutory modifications or re-enactment thereof for the time being in force) ('the Act') the approval of the members of the Company, be and is hereby accorded to the appointment of Mr. Shaunak Amin as the Joint Managing Director of the Company w.e.f. 27th April, 2015 for the remaining period of his appointment as an Executive Director i.e., upto 1st May, 2018 on the same terms and conditions and remuneration as approved by members of the Company at the 4th Annual General Meeting held on 28th July, 2014.

RESOLVED FURTHER THAT the Board of Directors and Company Secretary of the Company be and are hereby severally authorized to do all such acts, deeds and things as may be necessary and expedient to give effect to this resolution."

NOTES:

1. **ANY MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
2. **A person can act as a 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, provided such person shall not act as a proxy for any other person or shareholder.**
3. The Proxy form duly completed must reach the Registered Office of the Company not later than forty-eight hours before the time of commencement of the meeting.
4. The Register of Members of the Company will remain closed from **24th July, 2015 to 31st July, 2015 (both days inclusive)**, for the purpose of payment of dividend.
5. The dividend when sanctioned will be made payable on or before 7th August, 2015, to those members whose names stand on the Register of Members of the Company on 24th July, 2015 in case of Physical shares and to those members as per the beneficiary position to be given by NSDL and CDSL. Members are requested to notify promptly any change in their registered addresses.
6. All documents referred to in the Notice are open for inspection at the Registered Office of the Company between 11.00 a.m. and 1.00 p.m. on any working day except Saturdays and

holidays up to the date of Annual General Meeting.

7. All the work related to share registry in terms of both - physical and electronic - are being conducted by Company's R & T Agents - M/s. Link Intime India Pvt. Limited, B-102 & 103, Shangrila Complex, First Floor, Opp. HDFC Bank, Near Radhakrishna Char Rasta, Akota, Vadodara 390020 Tel: (0265) 2356573, 2356794 Fax: (0265) 2356791 Email Id: vadodara@linkintime.co.in. The Shareholders are requested to send their communication to the aforesaid address in future.
8. The Company has designated an exclusive E-mail Id: apl.investors@alembic.co.in for redressal of Shareholders'/Investors' complaints/grievance. In case you have any queries, complaints or grievances, then please write to us at the above mentioned E-mail address.
9. Updation of Email Id: The Shareholders are requested to intimate their Email Id to the Company or update their email registered with Depository Participants, if the same is changed.
10. **Voting through electronic means:**

Pursuant to the provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended by the Companies (Management and Administration) Amendment Rules, 2015, and Clause 35B of the Listing Agreement, the Company is pleased to provide its members the facility to exercise their right to vote by electronic means. The facility of casting votes using an electronic voting system from a place other than the AGM venue ('remote e-voting') will be provided to the members by Central Depository Services (India) Limited (CDSL).

The Company is providing facility for voting by electronic means and the business may be transacted through such electronic voting. The facility for voting through ballot paper shall also be made available at the meeting and members attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise their right at the meeting. The members who have cast their vote by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.

- A. **The 'Step by Step' procedure and instructions for casting your vote electronically are as under:**
 - i. The e-voting period begins on 28th July, 2015 (9:00 a.m.) and end on 30th July, 2015 (5:00 p.m.). During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as at the cut-off date of 24th July, 2015, may cast their vote electronically. Any person, who acquires shares of the Company and becomes member of the Company after dispatch of the notice and holding shares as on 24th July, 2015, may obtain the login Id and password by standing request at helpdesk.evoting@cdslindia.com. The e-voting module shall be disabled by CDSL for voting after 30th July, 2015 (5.00 p.m.).
 - ii. Open your web browser during the voting period and log on to the e-voting website www.evotingindia.com.
 - iii. Next click on "Shareholders" tab to cast your votes.
 - iv. Now Enter your User ID
For CDSL: 16 digits beneficiary ID,

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

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:

PAN	Enter your 10 digits alpha-numeric PAN issued by Income Tax Department when prompted by the system while e-voting (applicable for both demat shareholders as well as physical shareholders) Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN Field. The Sequence Number is printed on address label/ sticker affixed on the back page of the Annual Report. In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. E.g. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
DOB#	Enter the date of birth as recorded in your demat account or in the Company records for the said demat account or folio in dd/mm/yyyy format
Dividend Bank Details#	Enter your dividend bank details as recorded in your demat account or in the Company records for the said demat account or folio.

please enter DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or member, please enter the member id/folio no. in the Dividend Bank details field as mentioned in instruction (iv).

- viii. After entering these details appropriately, click on "SUBMIT" tab.
- ix. Members holding shares in physical form will then reach directly to the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily change their login password in the new password field. Kindly note that this password can be used by the Demat holders for voting for resolutions of any other Company on which they are eligible to vote, provided that such 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. Click on the EVSN for the relevant Company (ALEMBIC PHARMACEUTICALS LIMITED) on which you choose to vote.
- xi. 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.

- xii. Click on the "Resolutions File Link" if you wish to view the entire Resolutions.
- xiii. 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.
- xiv. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- xv. You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- xvi. If Demat account holder has forgotten the password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- xvii. 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 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 custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
 - 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
- xviii. Mr. Sushil Samdani, Partner, M/s. Samdani Shah & Associates, Practising Company Secretaries, Vadodara has been appointed as the Scrutinizer for conducting the e-voting process.

Registered Office:

By Order of the Board,

Alembic Road,
Vadodara - 390 003
Date: 27th April, 2015

Ajay Kumar Desai
Vice President-Finance &
Company Secretary

Explanatory Statement as required under Section 102 of the Companies Act, 2013

Item No. 5

The Board of Directors, on the recommendation of Nomination and Remuneration Committee, had appointed Dr. Archana Hingorani as an Additional Director with effect from 4th February, 2015.

Dr. Archana Hingorani (DIN: 00028037) is a Bachelor of Arts (Economics) with post-graduate qualifications in Management (MBA) as well as a Ph.D. in Corporate Finance from the University of Pittsburgh, USA. She is currently working as CEO and Executive Director of IL&FS Investment Managers Ltd. She is also a member of the India CEO Forum – International Market Assessment, Asia, Young Presidents' Organization, Mumbai Chapter, United Nations Environment Program, Finance Initiative, CII National Committee on Infrastructure Finance and is on the Advisory Council of Emerging Markets Private Equity Association (EMPEA). She has over 28 years of experience in financial services, teaching and research.

The other details of Dr. Archana Hingorani in terms of Clause 49 of the Listing Agreement are provided in Corporate Governance Report. Copy of the draft letter for appointment of Dr. Archana Hingorani as an Independent Director would be available for inspection without any fee by the members at the Registered Office of the Company.

In the opinion of the Board, Dr. Archana Hingorani fulfils the conditions specified in the Companies Act, 2013 and rules made thereunder for her appointment as an Independent Director of the Company and is independent of the management.

The Board of Directors is of the opinion that her vast knowledge and varied experience will be of great value to the Company and hence recommends the Resolution at Item No. 5 of this Notice for your approval.

None of the Directors, Key Managerial Personnel and relatives thereof other than Dr. Archana Hingorani, has any concern or interest, financial or otherwise, in the resolution at Item No. 5 of the Notice.

Item No. 6 & 7

The Ministry of Corporate Affairs has notified the Companies (Cost Records and Audit) Rules, 2014 on 30th June, 2014. According to the said rules, the Company is required to get its Cost Records audited from a qualified Cost Accountant. The Board of Directors of the Company, on the recommendation of Audit Committee, at their respective meetings held on 28th July, 2014, approved the appointment and remuneration of Mr. H. R. Kapadia, Cost Accountant, to conduct the audit of the cost records of the Company for the financial year ended 31st March, 2015.

In terms of the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (the Rules), the remuneration payable to Cost Auditor is to be ratified by the Members of the Company.

As the notice of the previous Annual General Meeting was circulated to the Members prior to the notification of the Companies (Cost Records and Audit) Rules, 2014, the remuneration of cost auditor for the financial year 2014-15 is now proposed to be ratified at this Annual General Meeting.

Mr. H. R. Kapadia, Cost Accountant has also been appointed by the Board, on the recommendation of the Audit Committee, to conduct the audit of the cost records of the Company for the financial year 2015-16.

Accordingly, the Members are requested to ratify the remuneration payable to the Cost Auditor for the financial year 2014-15 and 2015-16 as set out in the resolution for aforesaid services to be rendered by him.

The Board of Directors recommend passing of the Ordinary Resolution as set out at Item No. 6 & 7 of the Notice.

None of the Directors, Key Managerial Personnel and relatives thereof has any concern or interest, financial or otherwise in the resolution at Item No. 6 & 7 of the Notice.

Item No. 8 & 9

Mr. Pranav Amin was appointed as Director & President – International Business w.e.f. 1st April, 2011 and Mr. Shaunak Amin was appointed as Director & President - Branded Formulations Business w.e.f. 2nd May, 2013.

The Company has made significant growth under their leadership. The roles and responsibilities undertaken by Mr. Pranav Amin and Mr. Shaunak Amin are not reflected in their designations. Considering the same, the Board of Directors of the Company at its meeting held on 27th April, 2015 has, on the basis of recommendation of the Nomination and Remuneration Committee, appointed Mr. Pranav Amin and Mr. Shaunak Amin as Joint Managing Directors of the Company for the remaining term of their appointment on the same terms and conditions and remuneration as approved by the members at the 4th Annual General Meeting held on 28th July, 2014.

The brief resume of Mr. Pranav Amin and Mr. Shaunak Amin together with other details as required under Clause 49 of the Listing Agreements is provided in the Corporate Governance Report.

None of the Directors, Key Managerial Personnel and relatives thereof other than Mr. Chirayu Amin, Mr. Pranav Amin and Mr. Shaunak Amin and their relatives, has any concern or interest, financial or otherwise, in the resolution at Item No. 8 & 9 of the Notice.

Registered Office:

Alembic Road,
Vadodara - 390 003
Date: 27th April, 2015

By Order of the Board,

Ajay Kumar Desai
Vice President-Finance &
Company Secretary

Proxy form

CIN : L24230GJ2010PLC061123
 Name of the Company : Alembic Pharmaceuticals Limited
 Registered office : Alembic Road, Vadodara – 390003, Gujarat, India
 Phone: +91-265-2280550 Fax: +91-265-2282506
 Email: apl.investors@alembic.co.in
 Website: www.alembic-india.com

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

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

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

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 5th Annual General Meeting of the Company, to be held on Friday, 31st July, 2015 at 3:00 p.m. at "Sanskriti", Alembic Corporate Conference Center, Opp. Pragati Sahakari Bank Limited, Alembic Colony, Vadodara – 390 003 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolution
Ordinary Business	
1	Adoption of Audited Financial Statements for the year ended 31st March, 2015.
2	Declaration of dividend on Equity Shares.
3	Re-appointment of Mr. R. K. Baheti, who retires by rotation.
4	Ratification of appointment of M/s. K. S. Aiyar & Co., Chartered Accountants as Statutory Auditors of the Company.
Special Business	
5	Appointment of Dr. Archana Hingorani as an Independent Director.
6	Ratification of Remuneration payable to the Cost Auditor for the F. Y. 2014-15.
7	Ratification of Remuneration payable to the Cost Auditor for the F. Y. 2015-16.
8	Appointment of Mr. Pranav Amin as Joint Managing Director of the Company.
9	Appointment of Mr. Shaunak Amin as Joint Managing Director of the Company.

Signed this..... day of..... 20.....

Signature of shareholder(s).....

Signature of Proxy holder(s).....

Affix
Revenue
Stamp of
₹1

Notes:

1. 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.
2. Please complete all details including details of member(s) before submission.

Attendance Slip

(To be handed over at the entrance of the Meeting Hall)

CIN : L24230GJ2010PLC061123
Name of the Company : Alembic Pharmaceuticals Limited
Registered office : Alembic Road, Vadodara – 390003, Gujarat, India
Phone: +91-265-2280550 Fax: +91-265-2282506
Email: apl.investors@alembic.co.in
Website: www.alembic-india.com

Name of the Member(s) / Proxy* (In Block Letters)	
Folio No.	
DP ID – Client ID	
No. of Shares held	

I hereby record my presence at the 5th Annual General Meeting of the Company held on Friday, 31st July, 2015 at 3:00 p.m. at "Sanskriti", Alembic Corporate Conference Center, Alembic Colony, Vadodara – 390 003.

.....
Signature of the Member(s) / Proxy*

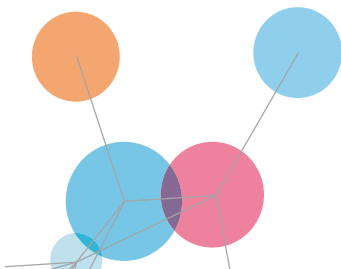
Notes:

1. Members are requested to bring their copies of Annual Report at the AGM.
2. *Please strike off whichever is not applicable.



Cautionary statement

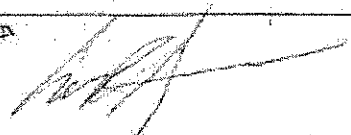

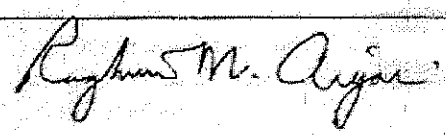
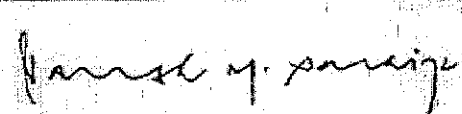
The report contains forward-looking statements, which may be identified by their use of words like 'plans', 'expects', 'will', 'anticipates', 'believes', 'intends', 'projects', 'estimates' or other words of similar meaning. All statements that address expectations or projections about the future, including but not limited to statements about the Company's strategy for growth, product development, market position, expenditures, and financial results, are forward-looking statements. Forward looking statements are based on certain assumptions and expectations of future events. The Company cannot guarantee that these assumptions and expectations are accurate or will be realised. The Company's actual results, performance or achievements could thus differ materially from those projected in any such forward looking-statements. The Company assumes no responsibility to publicly amend, modify or revise any forward-looking statements, on the basis of any subsequent developments, information or events.



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info@trisyscom.com

FORM A
(Pursuant to Clause 31(a) of the Listing Agreement)

**Format of covering letter of the annual audit report to be filed with the
Stock Exchange**

1.	Name of the Company	Alembic Pharmaceuticals Limited
2.	Annual Financial Statements for the Year ended	31 st March, 2015
3.	Type of Audit Observation	Un-qualified
4.	Frequency of Observation	Not Applicable
5.	To be signed by-	
	CEO/Managing Director	X (RA) 
	CFO	
	Auditor of the Company	
	Audit Committee Chairman	

CIN:
L24230GJ2010PLC061123

ALEMBIC PHARMACEUTICALS LIMITED

REGD. OFFICE : ALEMBIC ROAD, VADODARA - 390 003, INDIA • TEL : (0265) 2280550, 2280880 • FAX : (0265) 2282506
Website : www.alembic-india.com • E-mail : alembic@alembic.co.in