

THRU ONLINE FILING

August 12, 2016

BSE Limited
Phiroze Jeejeebhoy Towers
27th Floor, Dalal Street
Mumbai 400 023

Dear Sirs,

Sub: Annual Report – 2015-16

We are enclosing herewith copy of our Annual Report for the financial year ended 31st March, 2016 for your perusal and record.

Kindly acknowledge the receipt.

Thanking you

Yours faithfully
For Ipca Laboratories Limited



Harish P. Kamath
Corporate Counsel & Company Secretary

Cc: The National Stock Exchange of India Ltd.
Exchange Plaza, 5th Flr, Plot # C/1
G Block, Bandra-Kurla Complex,
Bandra (E), Mumbai 400 051.

Ipca Laboratories Ltd.

www.ipca.com

125, Kandivli Industrial Estate, CTS NO. 328, Kandivli (West), Mumbai 400 067, India | T: +91 22 6210 5000 F: +91 22 6210 5005

Regd. Office: 48, Kandivli Industrial Estate, Kandivli (West), Mumbai 400 067, India | T: +91 22 6647 4444 F: +91 22 2868 6613

E: ipca@ipca.com CIN: L24239MH1949PLC007837



Dignit*i*



Responsibilit*i*



Integrit*i*



Qualit*i*



Safet*i*

Ipca Laboratories Ltd.
Annual Report 2015-16

Ten Years' Highlights

(₹ Crores)

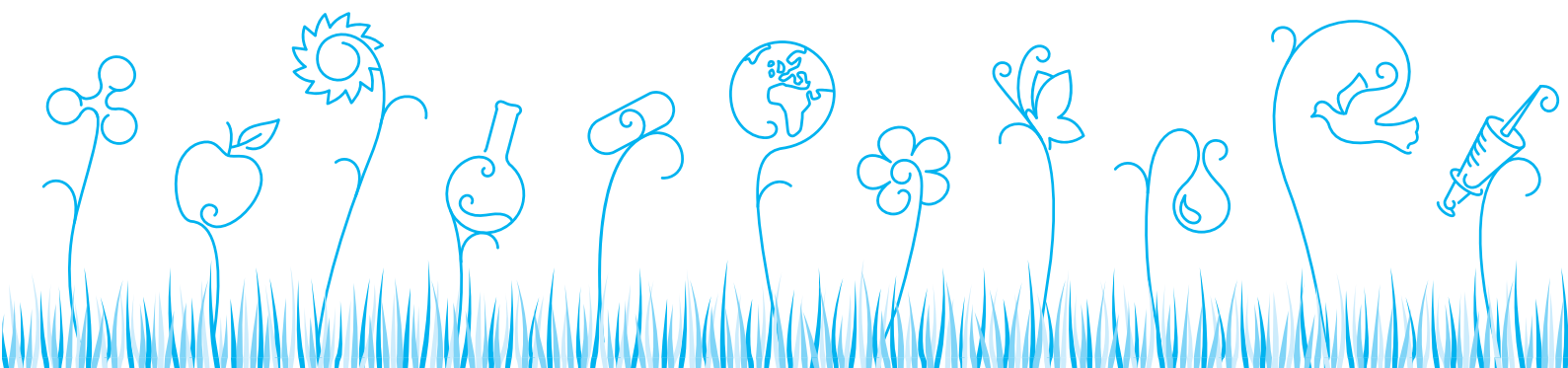
	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16
Total Income*	924.84	1059.16	1275.57	1565.50	1889.61	2342.98	2797.08	3256.25	3120.40	2838.92
Domestic Income*	440.38	522.90	595.18	759.42	864.43	941.01	1081.00	1190.23	1367.54	1410.20
Export Income	484.46	536.26	680.39	806.08	1025.18	1401.97	1716.08	2066.02	1752.86	1428.72
Earning before Interest, Depreciation & Tax	202.52	#186.44	#270.01	#344.65	#384.24	#526.40	#639.95	#826.66	#556.27	#347.13
Profit before Tax	151.24	176.87	124.65	271.73	343.70	368.94	461.37	629.09	357.73	108.52
Net Profit after Tax	122.23	141.12	91.22	209.19	255.37	280.17	331.39	477.37	256.11	91.45
Share Capital	25.00	25.09	24.99	25.04	25.14	25.23	25.24	25.24	25.24	25.24
Reserves & Surplus	461.02	582.57	613.52	849.82	1028.72	1237.04	1544.61	1956.37	2208.09	2280.85
Net Worth	486.02	607.66	638.51	874.86	1053.86	1262.27	1569.85	1981.61	2233.33	2306.09
Net Block	431.48	541.04	579.72	674.75	792.57	1007.33	1204.50	1471.01	2019.91	2097.02
Dividend (%)	75%	80%	110%	140%	160%	160%	200%	250%	50%	-
Earnings per share (₹)	48.89	56.38	36.33	@ 16.75	20.36	22.23	26.27	37.83	20.29	7.25
Book Value per share (₹)	194.41	242.19	255.51	@ 69.86	83.84	100.06	124.39	157.02	176.97	182.73

* Net of Excise Duty and Sales Tax

Before Foreign Exchange Gain /Loss

@ Post Sub-division of each equity share of ₹ 10/- into 5 equity shares of ₹ 2/- each

Contents	Page No.
Management	2
Contacts	3
Notice	4
Directors' Report	13
Report on Corporate Governance	22
Secretarial Audit Report	61
Independent Auditors' Report	63
Standalone Accounts	68
Auditors' Report on Consolidated Accounts	99
Consolidated Accounts	102
Details of Subsidiaries	133
Proxy Form / Attendance Slip	135



Board of Directors	
Premchand Godha (DIN 00012691)	Chairman & Managing Director
Ajit Kumar Jain (DIN 00012657)	Joint Managing Director
Pranay Godha (DIN 00016525)	Executive Director
Prashant Godha (DIN 00012759)	Executive Director
Babulal Jain (DIN 00016573)	Independent Director
Anand T. Kusre (DIN 00818477)	Independent Director
Dev Parkash Yadava (DIN 00778976)	Independent Director
Dr. Ramakanta Panda (DIN 01161791)	Independent Director
Dr. (Mrs.) Manisha Premnath (DIN 05280048)	Independent Director
Corporate Management team	
Premchand Godha	Chairman & Managing Director
Ajit Kumar Jain	Joint Managing Director
Pranay Godha	Executive Director
Prashant Godha	Executive Director
Jeevan L. Nagori	President - Projects
Dr. Ashok Kumar	President - R&D (Chemicals)
N. Guhaprasad	President - International Marketing (Branded Formulations)
Dr. Anil Pareek	President - Medical Affairs & Clinical Research
Sunil Ghai	President - Domestic Marketing
Harish P. Kamath	Corporate Counsel & Company Secretary
E. J. Babu	President - API Exports
A. P. Muralikrishnan Sarma	President - Generics
Sanjay Sinha	President - Operations (Formulations)
Pabitra Kumar Bhattacharya	President - Operations (API)
Dr. Sanjay Kapadia	President - Corporate Quality Assurance
Company Secretary	
Harish P. Kamath (ACS 6792)	
Auditors	
Natvarlal Vepari & Co., Chartered Accountants (Firm Regn. No. 106971W)	
Cost Auditors	
ABK & Associates, Cost Accountants (Firm Regn. No. 000036)	
Secretarial Auditors	
Parikh & Associates, Company Secretaries	

Registered Office

48, Kandivli Industrial Estate
Kandivli (West)
Mumbai 400 067
India
T: +91 22 6647 4444
F: +91 22 2868 6613

Research & Development Centre

48, 58-DD, 123 AB, 125 & 126 (Amalgamated)
Kandivli Industrial Estate
Kandivli (West)
Mumbai 400 067
India
T: +91 22 6210 5000
F: +91 22 6210 5439

Registrars & Share Transfer Agents

Link Intime India Pvt. Ltd.
C-13, Pannalal Silk Mills Compound
L.B.S. Marg, Bhandup (West)
Mumbai 400 078
T: +91 22 2596 3838
F: +91 22 2567 2693

Debenture Trustees

IDBI Trusteeship Services Ltd.
Asian Building, Ground Floor
17, R. Kamani Marg, Ballard Estate
Mumbai 400 001
T: +91 22 4080 7000
F: +91 22 6631 1776
E: itsl@idbitrustee.com

Bankers

HSBC Ltd.
Standard Chartered Bank
Kotak Mahindra Bank
Corporation Bank
BNP Paribas
HDFC Bank Ltd.
Bank of Nova Scotia
Citibank N.A.
Barclays Bank PLC
ICICI Bank Ltd.
DBS Bank Ltd.
Yes Bank Ltd.
United Overseas Bank Ltd.

Works**Madhya Pradesh**

P.O. Sejavta 457 002, Ratlam
T: +91 7412 278000 | F: +91 7412 279083

89 A-B / 90 / 91, Industrial Estate, Pologround
Indore 452 003
T: +91 731 2421172 | F: +91 731 2422082

1, Pharma Zone
SEZ Indore, Pithampur 454 775
T: +91 7292 667777 | F: +91 7292 667020

470, 471 & 481 Sector III, Industrial Area,
Pithampur 454 775
T: +91 07292 256167

Gujarat

Plot No. 69 to 72-B, Sector II, KASEZ
Gandhidham 370 230
T: +91 2836 252385 | F: +91 2836 252313

4722, GIDC Industrial Estate
Ankleshwar 393 002
T: +91 2646 220594 | F: +91 2646 250435

23-24, GIDC Industrial Estate
Nandesari 391 340
T: +91 265 2840795 | F: +91 265 2840868

Village Ranu (Taluka Padra) 391 445
T: +91 2662 227300

Union Territory of Dadra & Nagar Haveli

Plot No. 255/1, Village Athal
Silvassa 396 230
T: +91 260 2640301 | F: +91 260 2640303

Plot No. 65, 99 & 126, Danudyog Indl. Estate
Silvassa 396 230
T: +91 260 2640850 | F: +91 260 2640646

Maharashtra

H-4, G4 to G7, MIDC, Waluj Indl. Area
Aurangabad 431 136
T: +91 240 6611501 | F: +91 240 2564113

C 89 to C 95, MIDC Industrial Area
Mahad 402 309
T: +91 2145 232058 | F: +91 2145 232055

T-139, MIDC, Tarapur, Palghar 401 506
T: +91 02525 205273

Uttarakhand

C-6, Sara Indl. Estate, Chakrata Road
Rampur, Dehradun 248 197
T: +91 135 2699195 | F: +91 135 2699171

Sikkim

393 / 394, Melli-Jorethang Road
Gom Block, Bhariikhola, South District 737 121
Telefax: +91 3595 276372

NOTICE is hereby given that the 66th ANNUAL GENERAL MEETING of Ipca Laboratories Limited (CIN L24239MH1949PLC007837) will be held at Shri Bhaidas Maganlal Sabhagriha, Swami Bhaktivedanta Marg, J.V.P.D. Scheme, Vile Parle (W), Mumbai 400 056 on Thursday, 11th August, 2016 at 3.30 p.m. to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt:
 - a) the Audited Financial Statements of the Company for the financial year ended on 31st March, 2016 together with the Reports of the Board of Directors and Auditors thereon; and
 - b) the Audited Consolidated Financial Statements of the Company for the financial year ended on 31st March, 2016 together with the Report of the Auditors thereon.
2. To appoint a Director in place of Mr. Ajit Kumar Jain (DIN 00012657) who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Mr. Pranay Godha (DIN 00016525) who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint Auditors and fix their remuneration and in this regard to consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

"RESOLVED THAT M/s. Natvarlal Vepari & Co., Chartered Accountants (Firm Registration No. 106971W) be and are hereby appointed as Statutory Auditors of the Company to hold the office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting upon such remuneration, taxes and out of pocket expenses, as may be fixed by the Board of Directors of the Company."

SPECIAL BUSINESS:

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

"RESOLVED that pursuant to the provisions of Sections 196, 197, 203, Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), the Company hereby accords its approval to the re-appointment of and remuneration payable to Mr. Prashant Godha (DIN 00012759) as the Executive Director of the Company for a further period of 5 years commencing 16th August, 2016 on the terms and conditions including remuneration as approved by the Nomination and Remuneration Committee of the Board and as set out in the agreement dated 30th May, 2016 entered into between the Company and Mr. Prashant Godha, a copy whereof initialled by the Chairman for the purpose of identification is placed before the meeting, which agreement is hereby specifically approved.

RESOLVED FURTHER THAT the Board be and is hereby authorised to do all such acts, matters, deeds and things and to take such steps as expedient or desirable to give effect to this resolution."
6. To consider and, if thought fit, to pass the following resolution as a Special Resolution :

"RESOLVED that pursuant to the provisions of Sections 196, 197, 203, Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), the consent of the shareholders be and is hereby accorded for the continuation of Mr. Premchand Godha (DIN 00012691) as the Managing Director of the Company, as per the terms and conditions of his appointment as Managing Director specified in the Resolution passed by the shareholders at the 63rd Annual General Meeting of the Company held on 30th July, 2013, for the residual period of his tenure till 31st March, 2018, even though he shall attain the age of seventy years on 8th January, 2017."

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

“RESOLVED THAT pursuant to the provisions of Section 148 (3) and such other applicable provisions, if any, of the Companies Act, 2013 read with rules made thereunder, M/s. ABK & Associates, Cost Accountants (Firm Registration No. 000036) who have been appointed as the Cost Auditors of the Company to conduct the audit of the cost records for the financial year 2016-17 be paid remuneration of ₹ 5,00,000/- (Rupees Five Lacs Only) plus service tax and reimbursement of traveling and other out of pocket expenses.”

NOTES

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and a proxy need not be a member of the Company. Proxies, in order to be effective must be received at the registered office of the Company not less than 48 hours before the commencement of the meeting. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. In case a proxy is proposed to be appointed by a member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder. A Proxy Form is attached herewith.

2. Corporate Members intending to send their authorised representative to attend the meeting are requested to send a certified true copy of the Board resolution authorising their representative to attend and vote on their behalf at the meeting.

3. The Register of Members and Share Transfer Books of the Company will remain closed from Saturday, 6th August, 2016 to Thursday, 11th August, 2016 (both days inclusive).

4. The information required to be provided regarding the directors seeking re-appointment is furnished in the Report on Corporate Governance.

5. Members are requested to:

- (a) intimate to the Company / their Depository Participant (“DP”), changes, if any, in their registered address at an early date;
- (b) quote their Registered Folio No. and/or DP Identity and Client Identity number in their correspondence;
- (c) bring their copy of the Annual Report and the Attendance Slip with them at the Annual General Meeting;
- (d) encash the dividend warrants on their receipt as dividend remaining unclaimed for seven years are now required to be transferred to the ‘Investor Education and Protection Fund’ established by the Central Government under the provisions of the Companies Act, 2013. Pursuant to Section 124(5) of the Companies Act, 2013, all unclaimed dividend declared and paid upto 2nd interim dividend for the financial year 2008-09 have been transferred by the Company to the Investor Education and Protection Fund. Members who have not encashed their dividend warrants for subsequent period are requested to encash the same immediately.
- (e) The Ministry of Corporate Affairs (MCA) on 10th May, 2012 notified the IEPF (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012 (IEPF Rules) which is applicable to the Company. The objective of the IEPF Rules is to help the shareholders ascertain status of the unclaimed amounts. In terms of the said IEPF Rules, the Company has uploaded the information of the unclaimed dividends in respect of the dividend for the financial year from 2008-09 till dividend for the financial year 2014-15, on the website of the Company viz. www.ipca.com.

6. All documents referred in the notice will be available for inspection by the members at the Registered Office of the Company from 11.00 a.m. to 1.00 p.m. on all working days (excluding Saturday) upto the date of the Annual General Meeting and shall also be placed before the members at the said Annual General Meeting.
7. Statement setting out material facts under Section 102 of the Companies Act, 2013 in respect of special business is annexed hereto.
8. Electronic copy of the Notice of the 66th Annual General Meeting of the Company, inter alia, indicating the process and manner of remote e-voting along with Attendance Slip and Proxy Form is being sent to all the members whose e-mail IDs are registered with the Company / Depository Participant(s) for communication purpose unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the notice of the 66th Annual General Meeting of the Company, inter alia, indicating the process and manner of remote e-voting alongwith Attendance Slip and Proxy Form is being sent in the permitted mode.
9. Members may also note that the Notice of 66th Annual General Meeting will also be available on the Company's website www.ipca.com for their download. Even after registering for e-communication, members are entitled to receive such communication in physical form upon making a request for the same. For any communication, shareholders may also send requests to the Company's investors e-mail id investors@ipca.com.
10. Voting through electronic means:
 - I. In compliance with 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 (Amended Rules 2015) and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide members facility to exercise their right to vote at the 66th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by National Securities Depository Limited (NSDL).
 - II. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper. The shareholders who do not have access to remote e-voting or who do not wish to cast the vote electronically may request the Company for physical ballot paper for casting their vote, which will be provided by the Company upon request. Such ballot paper duly filled in may be sent to The Scrutinizer c/o Ipca Laboratories Limited, 48, Kandivli Industrial Estate, Kandivli (West), Mumbai – 400 067 so as to reach the scrutinizer on or before 5.00 p.m. on 10th August, 2016.
 - III. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
 - IV. The remote e-voting period commences on Monday, 8th August, 2016 (9:00 am) and ends on Wednesday, 10th August, 2016 (5:00 pm). During this period members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 5th August, 2016, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Any person who is not a Member as on the cut off date should treat this notice for information purpose only. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.

- V. The process and manner for remote e-voting are as under:
- A. In case a Member receives an email from NSDL [for members whose email IDs are registered with the Company/Depository Participants]:
- (i) Open email and open PDF file viz; "Ipca Laboratories remote e-voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for remote e-voting. Please note that the password is an initial password.
 - (ii) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com>.
 - (iii) Click on Shareholder – Login
 - (iv) Put user ID and password as initial password/PIN noted in step (i) above. Click Login.
 - (v) Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
 - (vi) Home page of remote e-voting opens. Click on remote e-Voting: Active Voting Cycles.
 - (vii) Select "REVEN" (Remote E-Voting Event Number) of Ipca Laboratories Ltd.
 - (viii) Now you are ready for remote e-voting as Cast Vote page opens.
 - (ix) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
 - (x) Upon confirmation, the message "Vote cast successfully" will be displayed.
 - (xi) Once you have voted on the resolution, you will not be allowed to modify your vote.
 - (xii) Institutional shareholders (i.e. other than individuals, HUF, NRI, etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to scrutinizer@ipca.com with a copy marked to evoting@nsdl.co.in.
- B. In case a Member receives physical copy of the Notice of AGM [for members whose email IDs are not registered with the Company / Depository Participants or who request physical copy of notice]:
- (i) Initial password is provided as below at the bottom of the Attendance Slip for the AGM :
REVEN (Remote E-Voting Event Number)_USER ID_PASSWORD/PIN.
 - (ii) Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast vote.
- VI. In case of any queries, you may refer the frequently asked questions (FAQs) for members and remote e-voting user manual for members available at the downloads section of www.evoting.nsdl.com or call on toll free No. 1800 222 990.
- VII. If you are already registered with NSDL for e-voting, then you can use your existing user ID and password/ PIN for casting your vote.
- VIII. You can also update your mobile number and e-mail ID in the user profile details of the folio which may be used for sending future communication(s).

- IX. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 5th August, 2016.
- X. Any person, who acquires shares of the Company and becomes member of the Company after despatch of notice and holding shares as of the cut-off date i.e. 5th August, 2016 may obtain the login ID and password by sending an e-mail to evoting@nsdl.co.in by mentioning their Folio No. / DP ID and Client ID No. However, if you are already registered with NSDL for remote e-voting, then you can use your existing User ID and password for casting your vote. If you forget your password, you can reset your password by using "Forgot User Details / Password" option available on www.evoting.nsdl.com or contact NSDL at the following Toll Free No: 1800 222 990.
- XI. A person whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.
- XII. Mr. P. N. Parikh (Membership No. FCS327 CP1228) or failing him Ms. Jigyasa N. Ved (Membership No. FCS6488 CP6018) or failing them Mr. Mitesh Dhabliwala (Membership No. FCS8331 CP9511) of M/s. Parikh & Associates, Practising Company Secretaries have been appointed as the Scrutinizer to scrutinize the remote e-voting process (including voting at the meeting) in a fair and transparent manner.
- XIII. The Chairman shall, at the AGM, at the end of discussion on resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of ballot paper for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting/physical ballot facility.
- XIV. The Scrutinizer shall after the conclusion of voting at the AGM, first count the votes cast through physical ballot facility and at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than 48 hours of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- XV. The Results declared alongwith the report of the Scrutinizer shall be displayed at the Registered Office of the Company and placed on the website of the Company www.ipca.com and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to BSE Ltd. (BSE) and National Stock Exchange of India Ltd. (NSE).

Registered Office:

48, Kandivli Industrial Estate,
Kandivli (West), Mumbai 400 067.
Tel : 022 – 6210 6050
E-mail: investors@ipca.com
Website: www.ipca.com
CIN: L24239MH1949PLC007837

Mumbai
30th May, 2016

By Order of the Board
For **Ipca Laboratories Ltd**

Harish P. Kamath
Corporate Counsel & Company Secretary
ACS 6792

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 5

At the meeting of the Board of Directors of the Company held on 30th May, 2016, Mr. Prashant Godha (DIN 00012759) has been re-appointed as the Executive Director of the Company for a further period of 5 (five) years with effect from 16th August, 2016. Accordingly, an agreement setting out terms and conditions of his re-appointment including remuneration payable to him has been entered into by the Company with Mr. Prashant Godha, Executive Director on 30th May, 2016.

This re-appointment is in compliance with Sections 196, 197, 203, Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and is subject to the approval of the shareholders.

Mr. Prashant Godha, aged 41 years is a graduate in Commerce and has done his Post Graduate Diploma in Business Management and has experience of over 16 years in pharmaceuticals marketing and general management.

He was initially appointed as an Additional Director on the Board of the Company with effect from 28th July, 2011 and was appointed as the Executive Director of the Company with effect from 16th August, 2011.

He holds 7,31,800 equity shares in the Company. Details of number of board meetings held and attended by him during his tenure as Director of the Company are given in the Corporate Governance Report of the respective financial year annexed with the Company's Annual Reports which are available on the Company's website www.ipca.com.

He is also a Director of the following companies:

1. Saraswati Entertainment Pvt. Ltd.	2. Mexin Medicaments Pvt. Ltd.
3. Paschim Chemicals Pvt. Ltd.	4. Kaygee Laboratories Pvt. Ltd.
5. Paranthapa Investments & Traders Pvt. Ltd.	6. Gudakesh Investment & Traders Pvt. Ltd.
7. Kaygee Investments Pvt. Ltd.	8. Bilav Software Pvt. Ltd.

He is not a member of any Committee of the Board in other companies in which he is a Director.

The Agreement referred to in the resolution at item 5 of the accompanying notice sets out the remuneration and other terms and conditions applicable to Mr. Prashant Godha upon his re-appointment as the Executive Director.

The abstract of the terms and conditions of his re-appointment as mentioned in the said Agreement are as follows:

1. Period: 5 (five) years with effect from 16th August, 2016.
2. The Executive Director shall exercise and perform such powers and duties as the Board shall from time to time determine and subject to any directions and restrictions given and imposed by the Board.
3. The Executive Director shall devote his whole-time attention and abilities to the business of the Company.
4. During the period of his employment, the Executive Director shall whenever required by the Company undertake such traveling in India and elsewhere as the Board may from time to time direct in connection with or in relation to the business of the Company.
5. Remuneration:
 - a) Salary of ₹ 5,00,000/- (Rupees Five Lacs only) per month with such annual increment as may be decided by the Board subject to a ceiling of ₹ 10,00,000/- (Rupees Ten Lacs Only) per month.
 - b) Commission: Such remuneration by way of commission, in addition to the above salary and perquisite, calculated with reference to the net profit of the Company in a particular financial year and as may be determined by the Board of Directors of the Company, subject to the overall ceilings stipulated under Section 197 and other applicable provisions of the Companies Act, 2013 but not more than 200% of his annual salary. The specific amount payable to the Executive Director will be based on certain performance criteria to be laid down by the Board and will be payable annually after annual accounts have been adopted by the shareholders.

c) Perquisites: In addition to the salary and commission, the Executive Director shall be entitled to the following perquisites:

i) Housing: The expenditure incurred by the Company on hiring furnished accommodation for the Executive Director will be subject to a maximum of sixty per cent of the salary. In case no accommodation is provided by the Company, the Executive Director shall be entitled to the house rent allowance subject to the said ceiling of 60% of the salary.

Explanation: The expenditure incurred by the Company on gas, electricity, water and furnishings shall be valued as per the Income-Tax Rules, 1962. This shall, however, be subject to a ceiling of ten per cent of the salary of the Executive Director.

ii) Medical, hospitalization and health-care expenses: Actual expenses incurred for the Executive Director and his family including mediclaim insurance policy premium to be paid by the Company.

iii) Leave travel concession: For the Executive Director and his family, once in a year incurred in accordance with any rules specified by the Company subject to a ceiling of one month salary.

iv) Club fees: Fees of clubs subject to a maximum of two clubs. This will not include admission and life membership fee.

v) Personal accident insurance: As per any rules specified by the Company.

vi) Provident fund: Company's contribution to provident fund shall be as per the scheme applicable to the employees of the Company.

vii) Contribution to National Pension Scheme / Super Annuation Fund: Company's contribution to any national pension scheme or superannuation fund shall be in accordance with the rules of the scheme as may be applicable or as may be framed / decided by the Company.

viii) Gratuity: As per the rules of the Company, payable in accordance with the approved gratuity fund and which shall not exceed half a month's salary for each completed year of service.

ix) Encashment of unavailed privilege leave at the end of the tenure of the appointment.

x) Company maintained car with driver.

xi) Land line telephone(s) at the residence and mobile phone(s) for official use.

6. In the event of no profit or inadequacy of profit, the Company shall pay the aforesaid remuneration by way of salary and perquisites as minimum remuneration subject to the provisions of Schedule V of the Companies Act, 2013 or with the approval of Central Government, if required.

7. The Executive Director shall be entitled to annual privilege leave on full salary for a period of thirty days and such leave shall be allowed to be accumulated for not more than one hundred twenty days during the tenure of this appointment.

8. The Executive Director shall be entitled to:

a) the reimbursement of entertainment expenses actually and properly incurred by him in the course of the legitimate business of the Company.

b) the reimbursement of travelling, hotel and other expenses incurred by him in India and abroad exclusively on the business of the Company.

9. The Executive Director shall not be paid any sitting fee for attending the meetings of the Board of Directors or committee thereof.

10. The Executive Director shall not become interested or otherwise concerned directly or through his wife and/or children, in any selling agency of the Company.

11. The Executive Director shall not during the continuance of his employment with the Company or at any time thereafter divulge or disclose to any person whomsoever or to make any use whatsoever for his own purpose or for any purpose other than that of the Company of any information or knowledge obtained by him during his employment as to the business or affairs of the Company.

12. The Executive Director shall, at the time of termination of his employment, deliver to the Company any property or other documents of the Company in his possession.
13. The Company may forthwith terminate the employment, if the Executive Director shall at anytime be prevented by ill-health or accident from performing his duties.
14. The Company shall be entitled to forthwith terminate the agreement if the Executive Director becomes insolvent or makes any composition or arrangement with his creditors or he ceases to be a Director of the Company.
15. In the case of death of the Executive Director in the course of his employment, the Company shall pay to his legal representatives the remuneration for the then current month in addition to such other sum as the Board may determine.
16. The Company may by giving not less than thirty days notice in writing determine this agreement if the Executive Director is guilty of inattention to or negligence in the conduct of the Company's business.
17. Notwithstanding anything to the contrary contained in the Agreement, either party shall be entitled to terminate the Agreement, at anytime by giving to the other party 60 days notice in writing in that behalf without the necessity of showing any cause.
18. The terms and conditions including the remuneration payable to the Executive Director for the appointment and/or agreement may be altered and varied from time to time by the Board as it may, in its discretion, deem fit.

Except Mr. Prashant Godha himself and his father Mr. Premchand Godha, Chairman & Managing Director and his brother Mr. Pranay Godha, Executive Director and their respective relatives, none of the other Directors or Key Managerial Personnel of the Company or their relatives may be considered to be interested or concerned in this appointment.

The Board recommends approval to his re-appointment as the Executive Director of the Company.

Item No. 6

As per the requirement of Section 196 read with Schedule V of the Companies Act, 2013, where a Managing or Wholetime Director of a Company has attained the age of 70 years, then his appointment/continuation in appointment needs to be approved by a special resolution passed by the Company in General Meeting.

Mr. Premchand Godha (DIN 00012691), Managing Director will attain the age of 70 years on 8th January 2017. Your directors, upon recommendation of Nomination and Remuneration Committee, in their meeting held on 30th May, 2016 have approved his continuation as the Managing Director of the Company for the residual period of his tenure as Managing Director till 31st March, 2018, upon the same terms and conditions as contained in the resolution passed by the members at the 63rd Annual General Meeting held on 30th July, 2013 and have accordingly, recommended this resolution for the approval of the shareholders as a special resolution.

Except Mr. Premchand Godha himself and his sons Mr. Pranay Godha and Mr. Prashant Godha, Executive Directors and their relatives, none of the other Directors or Key Managerial Personnel of the Company or their respective relatives may be considered to be interested or concerned in passing of this resolution.

The Board of Directors accordingly recommend the resolution set out at Item No. 6 of the accompanying notice for the approval of the members.

Item No. 7

The Board of Directors on the recommendation of the Audit Committee have appointed M/s ABK & Associates, Cost Accountants (Firm Registration No. 000036), as the Cost Auditors of the Company for the financial year 2016-17. A Certificate issued by the above firm regarding their eligibility for appointment as Cost Auditors will be available for inspection at the registered office of the Company during normal business hours on any working day, excluding Saturday.

As per Rule 14 of the Companies (Audit and Auditors) Rules 2014, the remuneration payable to the Cost Auditors is to be ratified by the shareholders. The Board has decided the remuneration payable to M/s. ABK & Associates

as Cost Auditors as mentioned in the resolution on the recommendation of the Audit Committee. Hence this resolution is put for the consideration of the shareholders.

None of the Directors and Key Managerial personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the resolution set out at Item No. 7.

The Board of Directors accordingly recommend the resolution set out at Item No. 7 of the accompanying Notice for the approval of the members.

Registered Office:

48, Kandivli Industrial Estate,
Kandivli (West), Mumbai 400 067.
Tel : 022 – 6210 6050
E-mail: investors@ipca.com
Website: www.ipca.com
CIN: L24239MH1949PLC007837

By Order of the Board
For **Ipca Laboratories Ltd**

Harish P. Kamath
Corporate Counsel & Company Secretary
ACS 6792

Mumbai
30th May, 2016

ROUTE MAP OF THE AGM VENUE



📍 Shri Bhaidas Maganlal Sabhagriha - AGM Venue

DIRECTORS' REPORT

TO THE MEMBERS

Your Directors have pleasure in presenting the 66th Annual Report and Audited Financial Statements for the year ended 31st March, 2016.

STANDALONE FINANCIAL RESULTS		
	(₹ crores)	
	For the year ended 31.3.2016	For the year ended 31.3.2015
Sales and other Income (net of Excise duty)	2838.92	3120.40
Profit before finance cost, depreciation & Foreign Exchange (Gain) / Loss	347.13	556.27
Less : Finance cost	29.67	25.62
Depreciation and Amortisation	169.72	177.17
Foreign Exchange (Gain)/Loss	39.22	(4.25)
Profit before tax	108.52	357.73
Less : Provision for taxation		
Current Tax	22.00	74.50
Deferred Tax	(4.93)	27.12
Net Profit	91.45	256.11
YOUR DIRECTORS RECOMMEND THE FOLLOWING APPROPRIATIONS		
Surplus in Profit & Loss Account as per last Balance Sheet	825.90	627.48
Net Profit for the year	91.45	256.11
Less:		
Transfer to General Reserve	-	42.50
Proposed dividend	-	12.62
Tax on Proposed Dividend	-	2.57
Balance as at year end	917.35	825.90

TRANSFER TO RESERVES

The Company does not propose to transfer any amount to the general reserve out of the amount available for appropriation and the entire amount of ₹ 917.35 crores available for appropriation is proposed to be retained in the statement of profit and loss.

CONSOLIDATED FINANCIAL STATEMENTS

In accordance with Accounting Standard AS-21, the audited consolidated financial statements are provided in the Annual Report.

MANAGEMENT DISCUSSION AND ANALYSIS

a) Industry Structure and Development

The global pharmaceutical market is now estimated to be US \$ 1.1 trillion and is expected to grow at a CAGR of about 5% over next few years. A move to value based outcomes in drug research, increased penetration of specialty drugs, greater patient access to medicines and continued rise of emerging markets will be primary drivers behind increase in global medicine spending through 2020.

Thanks to advances in science and technology, the research based pharmaceutical industry is entering an exciting new era in medicine development. The research methods are evolving and the innovative pharmaceutical industry aims to turn fundamental research into innovative treatments that are widely available and accessible to patients.

b) Outlook, Risks and Concerns

The outlook for the pharmaceuticals industry remains positive. The pharma industry growth will be driven mainly by population growth, ageing population and increased healthcare spending in pharmerging countries.

Though in the world pharmaceutical market, India is ranked 3rd in volume terms, it has a negligible 1.4% share by value terms. Branded generics constitute 70% of Indian domestic pharmaceutical market. Indian pharmaceutical market is considered to be highly fragmented and consolidation has become an important feature of this industry. Indian pharma industry is today diversified into various spheres of pharma activities including manufacturing of branded and generics formulations and APIs, Research & Development, clinical research and laboratory testing.

Indian pharmaceuticals exports have significantly increased from US\$ 2 billion in 2006 to about US\$ 14 billion in 2015. USA with 28% is India's largest pharma export destination followed by European Union. It is estimated that 40% of the generics drugs sold in the USA are manufactured in India. Indian pharmaceuticals manufacturing facilities registered with US FDA at 500 plus is also highest for any country outside USA.

Indian companies are focusing on global generic and API business, R&D activities and contract research and manufacturing alliances. India is also fast emerging as a preferred pharmaceuticals manufacturing location.

Increasing use of pharmaceutical generics in developed markets to reduce healthcare cost will provide attractive growth opportunities to generics manufacturers and thus Indian pharmaceutical industry is poised for an accelerated growth in the coming years.

However, poor public healthcare funding and infrastructure, low per capita consumption of medicines in developing and under developed countries including India, currency fluctuations, regulatory issues, government mandated price controls, inflation and resultant all round increase in input costs are few causes of concern.

During the year under report, there was no change in the nature of Company's business.

c) Financial Performance and Operations Review

During the financial year under report, the Company registered a total income of ₹ 2838.92 crores as against ₹ 3120.40 crores in the previous year, a degrowth of 9%.

The ongoing US FDA regulatory issues adversely impacted the Company's business. The Company's branded formulations business in the emerging markets also suffered due to significant currency fluctuations.

The Company is in the process of implementing comprehensive remedial measures at all its manufacturing sites to ensure quality and regulatory compliances. These remedial measures included review of all processes and procedures, revamping of training system, recruitment of senior quality personnel as well as automation of quality control laboratories. Your Company is committed in resolving the regulatory challenges faced at the earliest. The Company is also committed to its philosophy of highest quality in manufacturing, operations, systems, integrity and cGMP culture. Your management is confident that implementation of remedial measures will ensure that the Company will regain all its regulatory approvals in due course of time.

During the financial year under report, the Earnings before interest, depreciation and foreign exchange loss amounted to ₹ 347.13 crores as against ₹ 556.27 crores in the previous financial year. The operations have resulted in a net profit of ₹ 91.45 crores during the financial year under report as against ₹ 256.11 crores in the previous financial year, a de-growth of 64%. The reduction in the net profit is mainly on account of lower sales due to regulatory issues in North America, lower institutional business and also lower branded formulations business in the emerging markets due to significant currency fluctuations.

Break-up of Sales					(₹ Crores) (net of excise duty & sales tax)			
	2015-16				2014-15			
	Domestic	Exports	Total	Growth	Domestic	Exports	Total	Growth
Formulations	1206.70	922.05	2128.75	-10%	1128.73	1239.21	2367.94	-3%
APIs & Intermediates	140.66	506.67	647.33	-6%	178.32	513.65	691.97	-10%
Net Total Sales	1347.36	1428.72	2776.08	-9%	1307.05	1752.86	3059.91	-4%
Growth	3%	-18%	-9%		15%	-15%	-4%	

d) International Business

The products of the Company are now exported to nearly 120 countries across the globe. During the financial year under report, the international business amounted to ₹ 1428.72 crores as against ₹ 1752.86 crores in the previous year. Formulation exports of the Company decreased by 26% to ₹ 922.05 crores and exports of APIs and Drug Intermediates decreased by 1% to ₹ 506.67 crores.

Continent-wise Exports					(₹ Crores)			
	2015-16				2014-15			
	Formulations	APIs and Intermediates	Total	% to exports	Formulations	APIs and Intermediates	Total	% to exports
Europe	373.50	175.10	548.60	38%	469.32	175.70	645.02	37%
Africa	198.82	20.10	218.92	15%	328.99	20.00	348.99	20%
Americas	113.30	151.96	265.26	19%	154.60	149.77	304.37	17%
Asia	55.87	148.03	203.90	14%	56.98	157.36	214.34	12%
CIS	92.99	6.63	99.62	7%	146.59	7.18	153.77	9%
Australasia	87.57	4.85	92.42	7%	82.73	3.64	86.37	5%
Total	922.05	506.67	1428.72	100%	1239.21	513.65	1752.86	100%

Formulation Exports - Therapeutic Contribution		
Therapeutic Group	2015-16	2014-15
Cardiovasculars & Anti-diabetics	31%	30%
Non steroidal Anti-inflammatory drugs (NSAID)	25%	21%
Anti-malarials	17%	24%
Anti-bacterials	12%	11%
Central Nervous System (CNS) products	5%	3%
Anthelmintics	3%	5%
Gastro Intestinal (G.I) products	3%	2%
Cough Preparations	2%	2%
Others	2%	2%
TOTAL	100%	100%

Europe

The Company achieved European export sales of ₹ 548.60 crores during the financial year under report as against sales of ₹ 645.02 crores in the previous year, a de-growth of 15% from this continent.

The Company has developed and submitted 61 generic formulation dossiers for registration in Europe out of which 59 dossiers are registered. The Company has also obtained certificate of suitability (COS) of 44 APIs from European Directorate for Quality Medicines.

Africa

The Company achieved export sales of ₹ 218.92 crores to Africa during the financial year under report as against ₹ 348.99 crores in the previous year.

The Company exports branded and generic formulations as well as APIs to many African countries. The Company markets branded formulations in countries like Uganda, Ghana, Ivory Coast, Burkina Faso, Sudan, Tanzania, Kenya, Ethiopia and Nigeria through dedicated field force. The Company also supplies generics formulations to South Africa.

The Company is expanding its branded formulations business in this continent through expansion of geographical coverage and increase in the number of branded formulations marketed. The Company is also continuously filing new formulation dossiers for registration in the African countries.

The reduction in sales from this continent is mainly on account of reduced institutional anti-malarial formulations business and lower branded formulations business due to currency fluctuations mainly in the West African markets.

Americas

The Company exports its APIs to USA, Canada, Brazil, Mexico and generic formulations to USA, Canada and branded formulations to Panama, West Indies, Peru and Colombia in this sub-continent.

The Company achieved sales of ₹ 265.26 crores in this continent as against ₹ 304.37 crores in the previous year. As reported earlier, the US formulations and APIs business was impacted due to US FDA import alert for three of the Company's manufacturing facilities.

The Company has signed agreements with marketing partners for sale / distribution of generic formulations on a profit sharing arrangement in the US market. 42 ANDA applications of generic formulations developed by the Company are filed with US FDA out of which 18 ANDA applications are granted till date. 47 DMFs of the Company are also currently filed with US FDA.

Asia

The Asian business (excluding India) recorded sales of ₹ 203.90 crores as against ₹ 214.34 crores in the previous year. The Company exports formulations as well as APIs to several Asian countries. In countries like Nepal, Sri Lanka, Myanmar, Philippines and Vietnam, the Company markets its branded formulations through dedicated field force.

Confederation of Independent States (CIS)

The Company's CIS business recorded sales of ₹ 99.62 crores as against ₹ 153.77 crores in the previous year. Most of the business is from branded formulation sales in Russia, Ukraine, Kazakhstan and Belarus. The Company's branded formulations are marketed in this continent by its own field force appointed through its non-trading offices.

During the financial year, the Company's business was impacted in the CIS market due to significant currency fluctuations.

Australasia

The Company exports APIs to Australia and formulations to Australia and New Zealand in this sub-continent. The business from this continent was ₹ 92.42 crores during the financial year under report as against ₹ 86.37 crores in the previous year, a growth of 7%.

The steep depreciation of Australian and New Zealand dollars impacted the business growth of the Company in this market during the financial year under report.

The Company has developed and submitted 67 generic formulation dossiers for registration in this market out of which 57 dossiers are registered.

e) Domestic Formulations Business

The Company's formulations business in India now comprises of 13 marketing divisions focusing on key therapeutic segments.

During the financial year under report, the domestic formulations business recorded a growth of 7% at ₹ 1206.70 crores as against ₹ 1128.73 crores in the previous year.

The lower growth in the domestic formulations business is mainly on account of reduced anti-malarial formulations business. The Government notification banning marketing of few fixed dose combinations also impacted this business in the month of March, 2016.

Domestic Branded Formulations - Therapeutic Contribution		
Therapeutic segment	2015-16	2014-15
	% to sales	% to sales
Non steroidal anti-inflammatory drugs (NSAID)	39%	36%
Cardiovasculars & Anti-diabetics	23%	23%
Anti-malarials	12%	14%
Anti-bacterials	6%	7%
Gastro Intestinal (G I) products	5%	5%
Cough Preparations	4%	4%
Dermatology	4%	4%
Neuro Psychiatry	3%	3%
Urology	2%	2%
Neutraceuticals	1%	1%
Others	1%	1%
Total	100%	100%

f) Active Pharmaceutical Ingredients (APIs) and Intermediates Business

During the financial year under report, the APIs and Intermediates business recorded sales of ₹ 647.33 crores as against ₹ 691.97 crores in the previous financial year. Nearly 78% of the APIs and Intermediates business is from exports.

The Company exports its APIs across the globe. Most of the international customers of the Company are end user formulations manufacturers including several multinational companies.

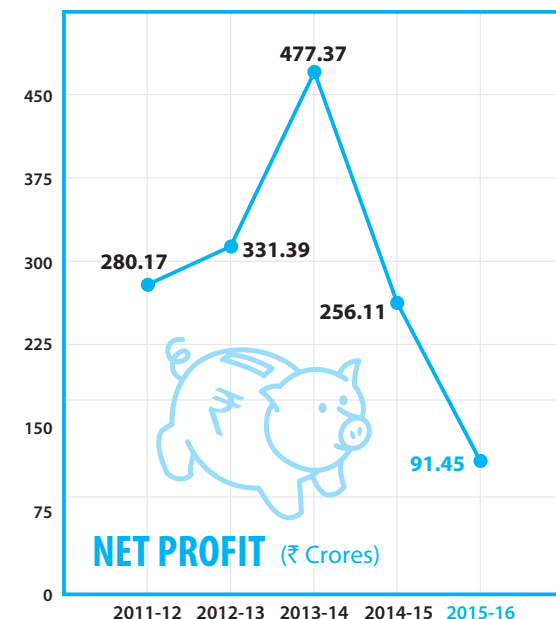
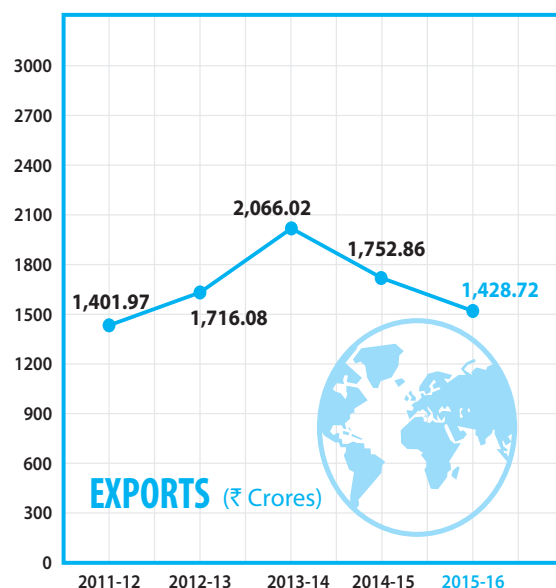
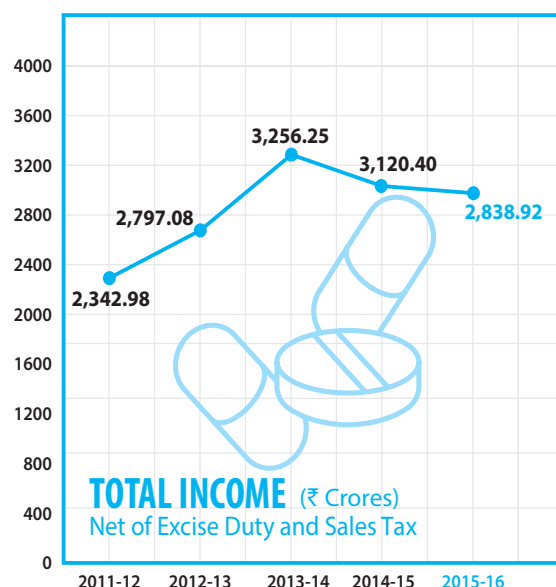
Your Company is in the process of commercializing several new APIs for the global market.

g) Intellectual Property Protection

The Company has created intellectual property management group within the Research and Development centers to deal with management and protection of intellectual property. The Company has filed many patent applications till date in India, USA and other countries. These applications relate to novel and innovative manufacturing processes for the manufacture of APIs and pharmaceutical formulations.

h) Manufacturing Facilities

The green field API manufacturing facility of the Company at Village Ranu, Tehsil Padra, District – Vadodara (Gujarat) commenced manufacturing operations during the financial year under report. This manufacturing unit is currently in the process of developing/scaling-up APIs for commercialization.



i) Internal Control Systems and its adequacy

The Company has adequate internal control systems including suitable monitoring procedures commensurate with its size and the nature of the business. The internal control systems provide for all documented policies, guidelines, authorisation and approval procedures. The Company has an internal audit department which carries out audits throughout the year. The statutory auditors while conducting the statutory audit, review and evaluate the internal controls and their observations are discussed with the Audit committee of the Board.

j) Human Resources

The human resource plays a vital role in the growth and success of an organization. The Company has maintained cordial and harmonious relations with employees across various locations.

During the year under review, various training and development workshops were conducted to improve the competency level of employees with an objective to improve the operational performance of individuals. The Company has built a competent team to handle challenging assignments. The Company strives to enhance the technical, work related and general skills of employees through dedicated training programs on a continuous basis.

The Company has 13132 permanent employees as on 31st March, 2016 out of which 6050 employees are engaged in the marketing and distribution activities.

k) Cautionary Statement

Certain statement in the management discussion and analysis may be forward looking within the meaning of applicable securities law and regulations and actual results may differ materially from those expressed or implied. Factors that would make differences to Company's operations include competition, price realisation, currency fluctuations, regulatory issues, changes in government policies and regulations, tax regimes, economic development within India and the countries in which the Company conducts business and other incidental factors.

MATERIAL CHANGES AND COMMITMENTS AFTER THE END OF THE FINANCIAL YEAR

No material changes or commitments affecting the financial position of the Company have occurred between the end of the financial year to which financial statements in this report relate and the date of this report.

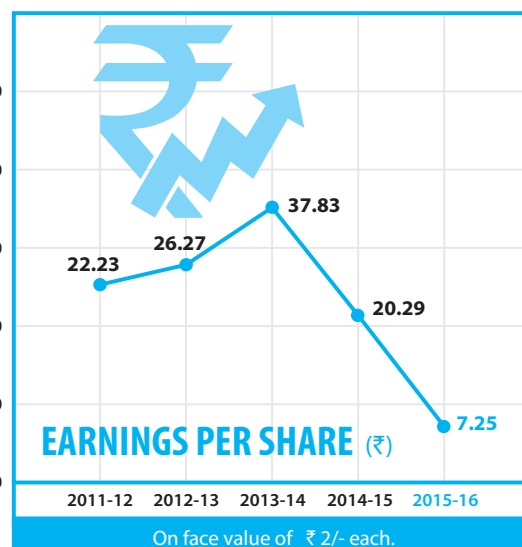
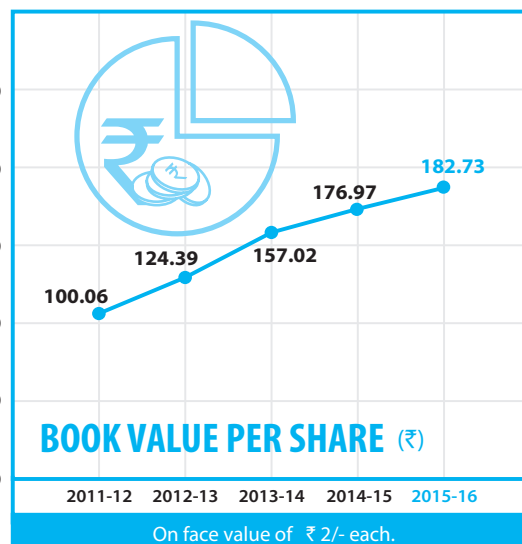
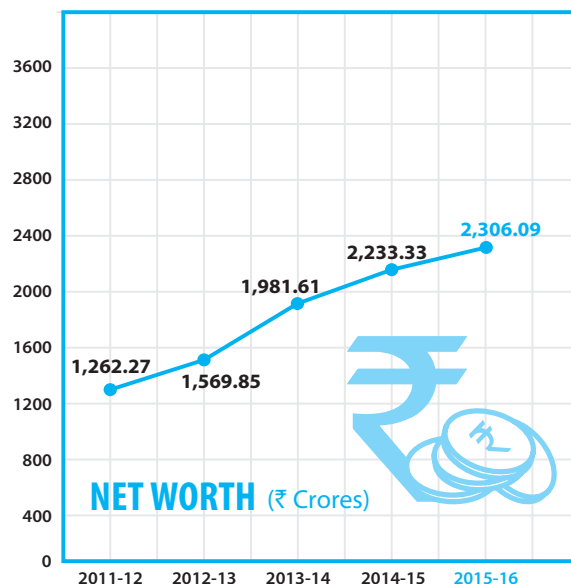
SHARE CAPITAL

The paid-up equity share capital of the Company as at 31st March, 2016 is ₹ 25.24 crores. The Company currently has no outstanding shares issued with differential rights, sweat equity or ESOS.

SUBSIDIARY, JOINT VENTURE AND ASSOCIATE COMPANIES

During the year under report, the wholly owned subsidiary companies Ipca Pharmaceuticals (Shanghai) Ltd. incorporated in the People's Republic of China and National Druggists Pty Ltd. incorporated in the Republic of South Africa were voluntarily closed down. Onyx Research Chemicals Limited, U.K. merged with its holding company Ipca Laboratories (UK) Ltd. Consequent to this, Onyx Scientific Ltd. has now become wholly owned subsidiary of Ipca Laboratories (U.K.) Ltd. which in turn is the wholly owned subsidiary of the Company.

There has been no material change in the nature of the business of the subsidiaries. The Company has no subsidiary which can be considered as material within the meaning of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.



In accordance with the provisions of Section 136(1) of the Companies Act, 2013, the following have been placed on the website of the Company www.ipca.com:

- a) Annual Report of the Company containing therein its standalone and the consolidated financial statements; and
- b) Audited annual accounts of each of the subsidiary companies.

As required, the financial data of the subsidiaries, joint venture and associate companies is furnished in the prescribed Form AOC-1 as an Annexure to the consolidated financial statements.

Pursuant to the provisions of Section 129(3) of the Companies Act, 2013, the consolidated financial statements of the Company are attached.

RESEARCH & DEVELOPMENT (R&D)

The Company has always considered Research and Development (R&D) as crucial for the sustained growth of the Company. In the recent years, the Company has stepped-up investments in R&D to keep pace with the changing domestic and global scenario.

The Company has R&D centers at Mumbai, Ratlam, Athal and Ranu duly recognized by the Government of India, Ministry of Science and Technology, Department of Scientific & Industrial Research (DSIR). These R&D centers are also approved by the prescribed authority under Section 35 (2AB) of the Income Tax Act, 1961 for availing weighted tax benefit on the R&D expenditure.

The R&D expenditure of the Company during the financial year was ₹ 137.67 crores (4.97% of the turnover) as against ₹ 157.19 crores (5.16% of the turnover) in the previous year.

With qualified and experienced research scientists and engineers manning the research and development activities, the Company has focused its thrust on new and innovative process and product development for the manufacture of APIs with non-infringing processes. Apart from development of new dosage forms and drug delivery systems, improvement in processes and yield as well as cost reduction are also focus areas.

DIVIDEND

In order to conserve the resources and also having regard to the much lower net profit earned, the Board of Directors do not recommend any dividend for the financial year under report.

DIRECTORS

Mr. A. K. Jain and Mr. Pranay Godha retire by rotation at the ensuing Annual General Meeting and, being eligible, offer themselves for re-appointment.

Mr. Prashant Godha is being re-appointed as the Executive Director of the Company for a further period of 5 years with effect from 16th August, 2016 and the necessary resolution in this regard is being proposed at the ensuing Annual General Meeting for the approval of the members.

Mr. Babulal Jain, Mr. Anand Kusre, Mr. Dev Parkash Yadava, Dr. Ramakanta Panda and Dr. (Mrs.) Manisha Premnath, who are independent directors, have submitted declaration that each of them meets the criteria of independence as provided in Section 149(6) of the Companies Act, 2013 and there has been no change in the circumstances which may affect their status as independent directors during the year.

In the opinion of the Board, the independent directors possess appropriate balance of skills, experience and knowledge, as required. A brief note on Directors retiring by rotation and eligible for re-appointment is furnished in the Report on Corporate Governance.

KEY MANAGERIAL PERSONNEL

During the year under report, the following persons were Key Managerial Personnel of the Company:

Mr. Premchand Godha	-	Chairman & Managing Director/CEO
Mr. Ajit Kumar Jain	-	Joint Managing Director / CFO
Mr. Pranay Godha	-	Executive Director
Mr. Prashant Godha	-	Executive Director
Mr. Harish P. Kamath	-	Corporate Counsel & Company Secretary

There was no change in the Key Managerial Personnel during the financial year.

POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION AND OTHER DETAILS

The Nomination and Remuneration Committee has laid down the criteria for Directors' appointment and remuneration including criteria for determining qualification, positive attributes and independence of a Director. The following attributes/criteria for selection have been laid by the Board on the recommendation of the Committee:

- the candidate should possess the positive attributes such as leadership, entrepreneurship, business advisor or such other attributes which in the opinion of the Committee are in the interest of the Company;
- the candidate should be free from any disqualification as provided under Sections 164 and 167 of the Companies Act, 2013;
- the candidate should meet the conditions of being independent as stipulated under the Companies Act, 2013 and Listing Agreement entered into with Stock Exchanges, in case of appointment as an independent director; and
- the candidate should possess appropriate educational qualification, skills, experience and knowledge in one or more fields of finance, law, management, sales, marketing, administration, research, corporate governance, technical operations, infrastructure, medical, social service, professional teaching or such other areas or disciplines which are relevant for the Company's business.

BOARD EVALUATION

The Nomination and Remuneration Committee lays down the criteria for performance evaluation of independent directors, Board of Directors and Committees of the Board. The criteria for performance evaluation is based on the various parameters like attendance and participation at meetings of the Board and Committees thereof, contribution to strategic decision making, review of risk assessment and risk mitigation, review of financial statements, business performance and contribution to the enhancement of brand image of the Company.

The Board has carried out evaluation of its own performance as well as that of the Committees of the Board and all the Directors.

The annual evaluation was carried out in the following manner:

Sr. No.	Performance evaluation of	Performance evaluation performed by
1.	Board and individual directors	Board after seeking inputs from all directors
2.	Board Committees	Board seeking inputs from all committee members
3.	Individual Directors	Nomination and Remuneration committee
4.	Non-independent directors, Board as a whole and the Chairman	Separate meeting of independent directors after taking views from executive directors
5.	Board, its Committees and individual Directors	At the board meeting held after the meeting of the independent directors based on evaluation carried out as above.

REMUNERATION POLICY

The objective and broad framework of the Company's Remuneration Policy is to consider and determine the remuneration based on the fundamental principles of payment for performance, for potential and for growth. The Remuneration Policy reflects on certain guiding principles of the Company such as aligning remuneration with the longer term interests of the Company and its shareholders, promoting a culture of meritocracy and creating a linkage to corporate and individual performance and emphasising on line expertise and market competitiveness so as to attract the best talent. It also ensures the effective recognition of performance and encourages a focus on achieving superior operational results. The Nomination and Remuneration Committee recommends the remuneration of Directors and Key Managerial Personnel which is approved by the Board of Directors, subject to the approval of shareholders, where necessary. The level and composition of remuneration shall be reasonable and sufficient to attract, retain and motivate the directors, key managerial personnel and other employees of the quality required to run the Company successfully. The relationship of remuneration to performance should be clear and meet appropriate performance benchmarks. The remuneration to directors, key managerial personnel and senior management personnel should also involve a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals. The Remuneration Policy is placed on the Company's website www.ipca.com.

Information about elements of remuneration package of individual directors is provided in the extract of the Annual Return as provided under Section 92(3) of the Companies Act, 2013 which is enclosed.

FAMILIARISATION PROGRAM FOR INDEPENDENT DIRECTORS

Details of the familiarisation program for independent directors is disclosed on the website of the Company www.ipca.com.

MEETINGS OF THE BOARD AND COMMITTEES THEREOF

This information has been furnished under Report on Corporate Governance, which is annexed.

DIRECTORS' RESPONSIBILITY STATEMENT

Your Directors confirm:

- that in the preparation of the annual accounts, the applicable accounting standards have been followed alongwith proper explanation relating to material departures;
- that your Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year March 31, 2016 and of the profit of the Company for the financial year;
- that your Directors have taken proper and sufficient care for the 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 fraud and other irregularities;
- that your Directors have prepared the annual accounts on a going concern basis;
- that your 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; and
- that your Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

CORPORATE GOVERNANCE

As per the requirement of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has complied with the requirements of Corporate Governance in all material aspects.

A report on Corporate Governance (Annexure 1) together with a certificate of its compliance from a Practising Company Secretary, forms part of this report.

FIXED DEPOSITS

During the year under review, the Company has not accepted any fixed deposits and as such no amount of principal or interest on deposits from public was outstanding as on the date of the balance sheet.

AUDIT COMMITTEE

Details of the Audit Committee along with its constitution and other details are provided in the Report on Corporate Governance.

AUDITORS, AUDIT REPORT AND AUDITED ACCOUNTS

M/s Natvarlal Vepari & Co. (Firm Registration No. 106971W), Chartered Accountants, retire as auditors and being eligible, offer themselves for re-appointment. Under the provisions of Section 139 of the Companies Act, 2013, they are eligible to be appointed as the Statutory Auditors of the Company only till the conclusion of the Annual General Meeting scheduled to be held in the year 2017.

The Auditors' Report read with the notes to the accounts referred to therein are self-explanatory and, therefore, do not call for any further comments. There are no qualifications, reservations or adverse remarks made by the Auditors.

COST AUDIT

Pursuant to the provisions of Section 148 of the Companies Act, 2013, M/s. ABK & Associates, Cost Accountants (Firm Registration No. 000036) were appointed as the Cost Auditors to conduct audit of cost records of the Company for the financial year 2015-16.

The Cost Audit Report for the financial year 2014-15, which was due to be filed with the Ministry of Corporate Affairs by 27th October, 2015 was filed on 16th October, 2015.

SECRETARIAL AUDIT

Pursuant to the provisions of Section 204 and other applicable provisions, if any, of the Companies Act, 2013, M/s. Parikh & Associates, Practising Company Secretaries were appointed as the Secretarial Auditors for auditing the secretarial records maintained by the Company for the financial year 2015-16.

The Secretarial Auditors' Report is annexed hereto. There are no qualifications, reservations or adverse remarks made by the Secretarial Auditors.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Company is committed to good corporate citizenship. As a part of its corporate social responsibility, the Company continues to undertake a range of activities including healthcare and education to improve living conditions of the needy people. The CSR policy of the Company is placed on the website of the Company (http://www.ipca.com/pdf/corporate_policy/Corporate_Social_Responsibility_Policy.pdf).

During the year under report, the Company has also supported healthcare and educational projects undertaken by charitable institutions and organizations.

In accordance with the provisions of Section 135 of the Companies Act, 2013, an abstract on Company's CSR activities is furnished as Annexure 2 to this report.

SAFETY, ENVIRONMENT AND HEALTH

The Company considers safety, environment and health as the management responsibility. Regular employee training programmes are carried out in the manufacturing facilities on safety, environment and health.

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

The Company has not given any loans or guarantees or made any investments in contravention of the provisions of the Section 186 of the Companies Act, 2013. The details of the loans and guarantees given and investments made by the Company are provided in the notes to the financial statements.

RELATED PARTY TRANSACTIONS

All related party transactions that were entered into during the financial year were on arm's length basis and were in the ordinary course of Company's business. The Company has not entered into any contract, arrangement or transaction with any related party which could be considered as material as defined under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Board has approved a policy for related party transactions which has been uploaded on the website of the Company (http://www.ipca.com/pdf/corporate_policy/Related_Party_Transactions.pdf).

All the related party transactions are placed before the Audit Committee as well as the Board for approval on a quarterly basis. Omnibus approval was also obtained from the Audit Committee and the Board on an annual basis for repetitive transactions.

Related party transactions under Accounting Standard – AS18 are disclosed in the notes to the financial statements. Prescribed Form No. AOC-2 pursuant to clause (h) of sub-section (3) of Section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014 is furnished as Annexure 3 to this report.

EMPLOYEES

Pursuant to the provisions of Section 197 of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement showing the names and other particulars of the employees drawing remuneration and other details as set out in the said Rules is furnished under Annexure 4 to this report.

However, having regard to the provisions of the first proviso to Section 136(1) of the Act and as advised, the Annual Report excluding the aforesaid information is being sent to the members of the Company. The said information is available for inspection at the registered office of the Company during working hours excluding Saturdays and any member interested in obtaining such information may write to the Company Secretary and the same will be furnished on request. The full Annual Report including the aforesaid information is available on the Company's website www.ipca.com.

CODE OF CONDUCT

The Board has laid down a code of conduct for board members and senior management personnel of the Company. The code incorporates the duties of independent directors as laid down in the Companies Act, 2013. The said code of conduct is posted on Company's website www.ipca.com. The Board members and senior management personnel have affirmed compliance with the said code of conduct. A declaration in this regard signed by the Chairman & Managing Director / CEO is given at the end of the Corporate Governance Report.

WHISTLE BLOWER POLICY / VIGIL MECHANISM

There is a Whistle Blower Policy in the Company and that no personnel has been denied access to the Chairman of the Audit Committee. The policy provides for adequate safeguards against victimization of persons who use vigil mechanism. The Whistle Blower Policy is posted on the website of the Company www.ipca.com.

PREVENTION OF INSIDER TRADING

The Company has also adopted a code of conduct for prevention of insider trading. All the Directors, senior management employees and other employees who have access to the unpublished price sensitive information of the Company are governed by this code. During the year under Report, there has been due compliance with the said code of conduct for prevention of insider trading.

The Board at its meeting held on 30th May 2015 has adopted a revised Code of Prevention of Insider Trading based on the SEBI (Prohibition of Insider Trading) Regulations, 2015. The same has been placed on the website of the Company www.ipca.com.

BUSINESS RISK MANAGEMENT

Pursuant to the provisions of Section 134 of the Companies Act, 2013, the Company has constituted a Risk Management Committee. The details of the Committee and its terms of reference are provided in the Report on Corporate Governance, which is annexed.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

There are no significant or material orders passed by any regulator, tribunal or court that would impact the going concern status of the Company and its future operations.

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

In accordance with the requirements of Section 134 of the Companies Act, 2013, statement showing particulars with respect to conservation of energy, technology absorption and foreign exchange earnings and outgo is furnished as Annexure 5 to this report.

EXTRACT OF ANNUAL RETURN

In accordance with the requirements of Section 92 (3) of the Companies Act, 2013 and rule 12 (1) of the Companies (Management and Administration) Rules, 2014, an extract of Annual Return in Form MGT-9 is furnished as Annexure 6 to this report.

BUSINESS RESPONSIBILITY REPORT

The Business Responsibility Report of the Company for the financial year ended 31st March, 2016 forms part of this Report. The same is also uploaded on the Company's website www.ipca.com.

ACKNOWLEDGEMENTS

Your Directors place on record their appreciation for the continued co-operation and support extended to the Company by the bankers and financial institutions. Your Directors also thank the medical profession, the trade and consumers for their patronage of the Company's products. Your Directors also place on record their profound admiration and sincere appreciation of the continued hard work put in by employees at all levels.

For and on behalf of the Board

Premchand Godha
Chairman & Managing Director

Mumbai
30th May, 2016

REPORT ON CORPORATE GOVERNANCE

ANNEXURE 1

Pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, given below is a report on the Corporate Governance in the Company:

1. Company's philosophy on Code of Corporate Governance is to ensure

- i) that the Board and top management of the Company are fully appraised of the affairs of the Company that is aimed at assisting them in the efficient conduct of the Company's business so as to meet Company's obligation to the stakeholders.
- ii) that the Board exercises its fiduciary responsibilities towards shareholders and creditors so as to ensure high accountability.
- iii) that all disclosure of information to present and potential investors are maximised.
- iv) that the decision making process in the organisation is transparent and are backed by documentary evidences.
- v) that the Company is in compliance with the requirements stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with regard to Corporate Governance.

2. Board of Directors

a) Composition and Category of directors

The present strength of the Board of Directors of the Company is nine directors of which one is promoter Chairman & Managing Director/CEO, one professional non-promoter Joint Managing Director/CFO, two promoter Executive Directors and five non-executive independent directors including one woman director comprising of at least one half of the total strength of the Board with independent judgment in the deliberation and decision of the Board. The Chairman of the Board is an Executive and Promoter Director.

b) Details of attendance of each director at the meeting of the board of directors and the last annual general meeting and shareholding held by them in the Company

Name of the Director	Category	No. of board meetings		Attendance at last AGM (30.07.2015)	No. of Equity shares held in the Company
		Held	Attended		
Mr. Premchand Godha (DIN 00012691)	Chairman & Managing Director/CEO, Promoter Director	5	5	Yes	26,81,340
Mr. Ajit Kumar Jain (DIN 00012657)	Joint Managing Director/CFO, Professional, Non-Promoter Director	5	5	Yes	66,000
Mr. Pranay Godha (DIN 00016525)	Executive Director, Promoter Director	5	5	Yes	6,06,936
Mr. Prashant Godha (DIN 00012759)	Executive Director, Promoter Director	5	5	Yes	7,31,800
Mr. Babulal Jain (DIN 00016573)	Non-Executive, Independent Director	5	5	Yes	25,500
Mr. Anand T. Kusre (DIN 00818477)	Non-Executive, Independent Director	5	5	Yes	Nil
Mr. Dev Parkash Yadava (DIN 00778976)	Non-Executive, Independent Director	5	5	Yes	4,629
Dr. Ramakanta M. Panda (DIN 01161791)	Non-Executive, Independent Director	5	5	No	Nil
Dr. (Ms) Manisha Premnath (DIN 05280048)	Non-Executive, Independent Director	5	4	Yes	Nil

The above shareholding as at 31st March, 2016 is in respect of shares which are held by Directors as a first holder and in which shares they have beneficial interest.

c) Number of other companies or committees of which the Director is Member or Chairperson

Name of the Director	No. of other companies in which Director (including private companies)	No. of Committees in which Member (other than Ipca)	No. of Committees of which Chairman (other than Ipca)
Mr. Premchand Godha	5	1	Nil
Mr. Ajit Kumar Jain	Nil	Nil	Nil
Mr. Pranay Godha	6	Nil	Nil
Mr. Prashant Godha	8	Nil	Nil
Mr. Babulal Jain	1	Nil	Nil
Mr. Anand T. Kusre	3	4	2
Mr. Dev Parkash Yadava	4	2	1
Dr. Ramakanta M. Panda	11	1	Nil
Dr. (Ms.) Manisha Premnath	4	Nil	Nil

Note: Directorship held by Directors mentioned above does not include Directorship of foreign companies.

Every Director informs the Company about the Committee positions he or she occupies in the other entities and any changes in them as and when they take place.

d) Number of meetings of the board of directors held during the financial year 2015-16 and dates on which held

5 (Five) board meetings were held during the Financial Year 2015-16. The dates on which the said meetings were held are as follows:

30 th May, 2015	30 th July, 2015
24 th September, 2015	30 th October, 2015
8 th February, 2016	

The last Annual General Meeting of the Company was held on 30th July, 2015.

e) Disclosure of relationships between directors inter-se

Mr. Premchand Godha, Chairman & Managing Director, Mr. Pranay Godha and Mr. Prashant Godha, Executive Directors are related to each other. None of the other Directors are related to each other.

f) Number of shares and convertible instruments held by Non-Executive Directors

The information about number of shares held by Non-Executive Directors in the Company is given in the table above. None of the Directors hold any convertible instruments of the Company.

g) Web link where details of familiarisation programmes imparted to independent directors is disclosed

The Company has conducted familiarisation programmes for the Independent Directors with regards to their role, rights and responsibilities as Independent Directors. The Independent Directors are also regularly briefed on the nature of the pharmaceutical industry and the Company's business model. The familiarisation programs have been uploaded on the website of the Company at www.ipca.com.

3. Audit Committee

a) Brief description of terms of reference

The terms of reference to Audit Committee, inter-alia, covers all the matters specified under Section 177 of the Companies Act, 2013 and also all the matters listed under Part C of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 such as oversight of the Company's financial reporting process; recommending the appointment/re-appointment, remuneration and terms of appointment of statutory auditors; review and monitor the Auditors independence and performance and effectiveness of audit process; approval of transactions with related parties; sanctioning of loans and investments; evaluation of internal financial control and risk management system; reviewing with the management annual financial statements and Auditors report thereon; quarterly financial statements and other matters as covered under role of Audit Committee in Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Audit Committee has powers, inter-alia, to investigate any activity within its terms of reference and to seek information from any employee of the Company / Company's subsidiaries as well as seek outside legal and professional advice.

The Audit committee reviews all the information that is required to be mandatorily reviewed by it under the corporate governance.

b) Composition, name of members and chairperson

The Audit Committee of the Company currently comprises of Mr. Babulal Jain, Chairman of the Committee, Mr. Anand T. Kusre and Mr. Dev Parkash Yadava, all being Independent Directors with independent judgment in the deliberation and decisions of the Board as well as Audit Committee and Mr. Prashant Godha, Executive Director. All members of the Audit Committee have knowledge on financial matters and the Chairman of the Audit Committee is a senior Chartered Accountant in practice having accounting and financial management expertise.

Mr. Ajit Kumar Jain, Joint Managing Director in-charge of Finance/CFO and Mr. Pranay Godha, Executive Director along with Statutory Auditors, Cost Auditors and Mr. Kavish Agrawal, General Manager (Audit) who is the Internal Auditor of the Company are invitees to the meetings of the Audit Committee. Mr. Harish P. Kamath, Corporate Counsel and Company Secretary is the Secretary of this Committee.

c) Audit Committee meetings and the attendance during the financial year 2015-16

There were 5 (Five) meetings of the Audit Committee during the Financial Year 2015-16. The gap between two meetings did not exceed four months. The dates on which the said meetings were held are as follows:

30 th May, 2015	30 th July, 2015	24 th September, 2015
30 th October, 2015	8 th February, 2016	

The attendance of each member of the Audit Committee in the committee meetings is given below:

Name of the Member	No. of meetings held	No. of meetings attended
Mr. Babulal Jain	5	5
Mr. Anand T. Kusre	5	5
Mr. Dev Parkash Yadava	5	5
Mr. Prashant Godha	5	5

The previous annual general meeting of the Company was held on 30th July, 2015 and was attended by Mr. Babulal Jain, Chairman of the Audit committee.

4. Nomination and Remuneration Committee

a) Brief description of terms of reference

- formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to the remuneration of the directors, key managerial personnel and other employees;
- formulation of criteria for evaluation of performance of independent directors and the board of directors;
- devising a policy on diversity of board of directors;
- identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the board of directors their appointment and removal; and
- whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.

b) Composition, name of members and chairperson

The Company has a Nomination and Remuneration Committee of the Board which currently comprises of Mr. Babulal Jain (Chairman of the Committee), Mr. Anand T. Kusre and Mr. Dev Parkash Yadava, all independent directors to function in the manner and to deal with the matters specified in the Part D of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and also to review the overall compensation structure and policies of the Company to attract, motivate and retain employees.

The Nomination and Remuneration Committee has adopted the following policies which are displayed on the website of the Company.

- Formulation of the criteria relating to the remuneration of the directors, key managerial personnel and other employees (weblink http://www.ipca.com/pdf/corporate_policy/Remuneration_Policy.pdf);
- Performance criteria for evaluation of Independent Directors and the Board (weblink http://www.ipca.com/pdf/corporate_policy/Evaluation_of_Directors.pdf);
- Devising a policy on Board diversity (weblink http://www.ipca.com/pdf/corporate_policy/Policy_on_Board_Diversity_of_the_Company.pdf);

- iv. Oversee the familiarization programs for directors (weblink <http://www.ipca.com/Board-of-Directors/Familiarisation-Programme-for-Independent-Directors.pdf>); and
- v. Identifying persons who are qualified to become directors and persons who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board their appointment and removal (weblink http://www.ipca.com/pdf/corporate_policy/Criteria_for_selection_of_Candidates_for_Senior_Management_and_Members_on_the_Board.pdf).

c) Meeting and attendance during the financial year 2015-16

There were 2 (Two) meetings of this Committee during the Financial Year 2015-16. The dates on which the said meetings were held are as follows:

30 th May, 2015	8 th February, 2016
----------------------------	--------------------------------

The attendance of each member of the Nomination and Remuneration Committee in the committee meetings is given below:

Name of the Member	No. of meetings held	No. of meetings attended
Mr. Babulal Jain	2	2
Mr. Anand T. Kusre	2	2
Mr. Dev Parkash Yadava	2	2

d) Performance evaluation criteria for independent directors

Performance criteria for evaluation of Independent Directors and the Board is displayed on the Company's website (weblink http://www.ipca.com/pdf/corporate_policy/Evaluation_of_Directors.pdf).

5. Remuneration of Directors

a) All pecuniary relationship or transactions of the non-executive directors vis-à-vis the listed entity shall be disclosed in the annual report

During the financial year under report, the non-executive Directors had no pecuniary relationship or transactions with the Company.

b) Criteria of making payments to non-executive directors

The non-executive Directors are paid only sitting fees and re-imbursement of out of pocket expenses incurred for attending the meetings of the Board of Directors and Committees thereof.

Details of payments made to Non-Executive Directors in the Financial Year 2015-16 are as under:

Name of the Director	Sitting fees Paid (₹)	Commission paid (₹)
Mr. Babulal Jain	5,50,000	Nil
Mr. Anand T. Kusre	4,50,000	Nil
Mr. Dev Parkash Yadava	5,50,000	Nil
Dr. Ramakanta M. Panda	2,75,000	Nil
Dr. (Mrs.) Manisha Premnath	2,25,000	Nil

None of the Independent Directors have received any remuneration or commission from Company's holding or subsidiary companies.

c) Disclosures with respect to remuneration paid / payable to Wholtime Directors for the financial year 2015-16

- i. The details of the remuneration paid/payable to Managing Director, Joint Managing Director and Executive Directors for the Financial Year 2015-16 are given below

Name of Directors	Salary*	Benefits / Perquisites / Pension etc.*	Commission (performance linked)	Stock Options	Total
Mr. Premchand Godha (Chairman & Managing Director)	3,30,00,000	1,57,51,328	Nil	Nil	4,87,51,328
Mr. Ajit Kumar Jain (Joint Managing Director)	1,20,00,000	1,26,49,851	Nil	Nil	2,46,49,851
Mr. Pranay Godha (Executive Director)	60,00,000	57,91,959	Nil	Nil	1,17,91,959
Mr. Prashant Godha (Executive Director)	42,00,000	38,73,342	Nil	Nil	80,73,342

* Fixed Component

- ii. Details of fixed component and performance linked incentives, along with the performance criteria
The required details are given in the table above.
- iii. Service contracts, notice period, severance fees
The appointment of Managing Director, Joint Managing Director and Executive Directors is contractual and is generally for a period of 5 years. Either party is entitled to terminate agreement by giving not less than 30 days/60 days notice in writing, as the case may be, to the other party. There is no separate provision for payment of severance fee in the agreements signed by the Company with them.
- iv. Stock option details, if any and whether issued at a discount as well as the period over which accrued and over which exercisable
The Company currently has no outstanding stock options or other convertible instruments.

6. Stakeholders Relationship Committee

a) Name of Non-Executive Director heading the committee

This Committee functions under the Chairmanship of Mr. Babulal Jain, the non-executive independent Director. Mr. Premchand Godha, Chairman & Managing Director and Mr. Ajit Kumar Jain, Joint Managing Director are the other members of this committee. This committee monitors share transfers, transmissions and other shareholders related activities including redressal of investor grievances.

Meetings held and attendance during the financial year 2015-16

There were 4 (Four) meetings of this committee during the financial year 2015-16. The dates on which the said meetings were held are as follows:

30 th May, 2015	30 th July, 2015
30 th October, 2015	8 th February, 2016

The attendance of each member of the Stakeholders Relationship Committee in the committee meetings is given below:

Name of the Member	No. of meetings held	No. of meetings attended
Mr. Babulal Jain	4	4
Mr. Premchand Godha	4	4
Mr. Ajit Kumar Jain	4	4

b) Name and designation of Compliance officer

Mr. Harish P. Kamath, Corporate Counsel & Company Secretary is the Compliance Officer of the Company.

c) Number of shareholders' complaints received

During the year, the Company received 47 complaints/communications from the shareholders, mostly regarding non-receipt of dividend warrants posted/request for revalidation of date expiry warrants, bonus shares issue / stock split share certificate related queries, etc. all of which are attended to.

d) Number not solved to the satisfaction of shareholders

The Company had no unattended request pending for transfer of its equity shares or any unattended complaints at the close of the financial year.

e) Number of pending complaints

Nil

7. General Body Meetings

- a) **Details of the location and time where the last three Annual General Meeting (AGM) and Extra-ordinary General Meeting (EGM) were held**

AGM for the financial year ended	Day, Date & Time of AGM	Place of AGM	Special Resolutions Passed
31-3-2015	Thursday, 30-7-2015 at 3.30 p.m.	Shri Bhaidas Maganlal Sabhagriha, Vile Parle (West), Mumbai.	Adoption of new Articles of Association
31-3-2014	Thursday, 31-07-2014 at 3.30 p.m.	Shri Bhaidas Maganlal Sabhagriha, Vile Parle (West), Mumbai.	- Increase in the borrowing limit of the Company u/s 180 (1) (a) and (c) from ₹ 400 Crores to ₹ 2000 Crores. - Grant of Stock Options to Employees
31-3-2013	Tuesday, 30-07-2013 at 3.30 p.m.	Shri Bhaidas Maganlal Sabhagriha, Vile Parle (West), Mumbai.	None

Day, Date & Time of EGM	Place of EGM	Special Resolutions Passed
Friday, 29-11-2013 at 4.00 p.m.	Plot No. 47, Opp Anand Mangal Hall, Kandivli Industrial Estate, Charkop, Kandivli West, Mumbai.	Increase in the investment limit of Foreign Institutional Investors (FIIs) in the equity share capital of the Company upto 35% of the paid-up equity share capital

All the resolutions including special resolutions set out in the respective notices calling the AGM / EGM were passed by the shareholders.

There is no proposal to pass any special resolution through postal ballot at the ensuing Annual General Meeting.

- b) **Whether any special resolutions passed in the previous three annual general meetings**

Details of special resolutions passed in the previous 3 Annual General Meetings are given in the table above.

- c) **Whether any special resolution passed last year through postal ballot**

No special resolution was passed in the last financial year using postal ballot.

- d) **Person who conducted the postal ballot exercise**

Not Applicable

- e) **Whether any special resolution is proposed to be conducted through postal ballot**

No special resolution is currently proposed to be conducted through postal ballot.

- f) **Procedure for postal ballot**

Not Applicable

8. Means of communication

a) Quarterly / Annual Results	The results of the Company are submitted to the stock exchanges where the shares of the Company are listed and published in the Newspapers after the approval of the Board.
b) Newspapers wherein results normally published	The Business Standard, Free Press Journal and Nav Shakti.
c) Website, where displayed	At http://www.ipca.com
d) Whether website also displays official news releases	Yes
e) Presentation made to institutional investors or to the analysts	The website includes all the information on presentations made to the investors and analysts.

9. General Shareholders Information

a) AGM : Date, Time and Venue	Thursday, 11 th August, 2016 at 3.30 p.m. at Shri Bhaidas Maganlal Sabhagriha, Swami Bhaktivedanta Marg, J.V.P.D. Scheme, Vile Parle (W), Mumbai 400 056.
b) Financial Year First quarter results Second quarter results Third quarter results Annual results	1 st April –31 st March last week of July* last week of October* last week of January* last week of May* * tentative
c) Dividend Payment dates	The Board of Directors of the Company have not recommended any dividend for the financial year ended 31 st March, 2016.
Date of Book closure	Saturday, 6 th August, 2016 to Thursday, 11 th August, 2016 (both days inclusive).
d) The name and address of each stock exchange(s) at which the Company's securities are listed and a confirmation about payment of annual listing fee to each of such stock exchange(s)	- BSE Ltd. (BSE) Phiroze Jeejeebhoy Towers Dalal Street, Mumbai 400 023. - The National Stock Exchange of India Ltd. (NSE) Exchange Plaza Bandra-Kurla Complex Bandra (E), Mumbai 400 051. Listing fees have been paid to both the stock exchanges for the financial year 2016-17 in April, 2016. The fees of the depositories for the financial year 2016-17 were also paid on receipt of their invoices.
e) Stock code – Physical and ISIN Number for NSDL and CDSL	524494 on BSE; IPCALAB on NSE, INE 571A01020
Corporate Identity Number allotted by Ministry of Corporate Affairs	L24239MH1949PLC007837
f) Market price data: high, low during each month in last financial year	Please see Annexure 'A'
g) Stock performance in comparison to BSE Sensex	Please see Annexure 'B'
h) In case the securities are suspended from trading, the directors report shall explain the reason thereof	The securities of the Company are not suspended from trading by the Stock Exchanges.
i) Registrars and share transfer agents	Link Intime India Private Limited C-13, Pannalal Silk Mills Compound L B S Marg, Bhandup (W) Mumbai 400 078. Tel. No. (022) 2596 3838 Fax. No.(022) 2594 6969
j) Share transfer system	All share transfers subject to correctness and completion of all documents would normally be registered and returned within fifteen days from the date of receipt.
k) Distribution of shareholding/ shareholding pattern as on 31.3.2016	Please see Annexure 'C'
l) Dematerialisation of shares and liquidity	98.65% of the paid-up share capital has been dematerialised as on 31 st March, 2016.
m) Outstanding GDRs/ADRs/warrants/ convertible instruments, conversion date and likely impact on equity	No options issued under Ipca Laboratories Ltd- Employees Stock Option Scheme 2006 (ESOS) are outstanding as at 31 st March, 2016. The Company currently has no outstanding shares issued with differential rights, sweat equity or ESOS.

n) Commodity Price Risk or Foreign Exchange Risk and Hedging Activities	The Company is not materially exposed to commodity price risk. The Company also does not carry out any commodity hedging activities. Since about 50% of the Company's income is by way of exports with major currency exposure being in US Dollars, Pound Sterling and Euros, the Company generally does currency hedging upto a maximum period of 18 months and upto the extent of 40% - 60% of its Net Foreign Exchange Earnings (NFE). Most of the Company's borrowings are in foreign currencies, mainly in US Dollars. The Company keeps its borrowings in foreign currency exposure open and to that extent is exposed to the currency fluctuation risks.
o) Plant Locations	1. Sejavata, Ratlam, Madhya Pradesh. 2. Pologround, Indore, Madhya Pradesh. 3. SEZ Indore, Pithampur, Madhya Pradesh. 4. Sector III, Pithampur, Madhya Pradesh. 5. Gandhidham, Gujarat. 6. Nandesari, Gujarat. 7. Ankleshwar, Gujarat. 8. Village Ranu, Tehsil Padra, District Vadodara, Gujarat. 9. Athal, Silvassa (D & NH). 10. Dandudyog Industrial Estate, Silvassa (D & NH). 11. Aurangabad, Maharashtra (Unit I & Unit II). 12. Mahad, Maharashtra. 13. Tarapur, District Palghar, Maharashtra. 14. Dehradun, Uttarakhand. 15. Gom Block, Bharikhola, South Sikkim.
p) Address for Correspondence	Harish P Kamath Corporate Counsel & Company Secretary Ipca Laboratories Limited 125, Kandivli Industrial Estate Kandivli (W), Mumbai 400 067. Tel. No. (022) 6210 6050 E-mail : investors@ipca.com
q) Share transfer and other communications may be addressed to the Registrars	Link Intime India Private Limited C-13, Pannalal Silk Mills Compound L B S Marg, Bhandup (W) Mumbai 400 078. Tel. No. (022) 2596 3838

10. Other Disclosures

a) Disclosures on 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 website of the Company (Weblink http://www.ipca.com/pdf/corporate_policy/Related_Party_Transactions.pdf). There were no materially significant related party transactions during the year that may have potential conflict with the interest of the Company.

The Register of Contracts containing the transactions in which Directors are deemed to be concerned or interested is placed before the Board and Audit Committee regularly for its approval. Disclosures from directors and senior management staff have been obtained to the effect that they have not entered into any material, financial and commercial transactions where they have personal interest that may have potential conflict with the interest of the Company at large.

Transactions with the related parties are disclosed in the notes to the accounts forming part of this Annual Report.

- b) **Details of non-compliance by the Company, penalties, strictures imposed on the Company by Stock Exchange(s) or the board or any other statutory authorities on any matter related to capital market during the last 3 financial years**
None
- c) **Details of establishment of vigil mechanism, whistle blower policy and affirmation that no personnel has been denied access to the audit committee**
There is a Whistle Blower Policy in the Company and that no personnel has been denied access to the Chairman of the Audit Committee. The policy provides for adequate safeguards against victimization of persons who use vigil mechanism. The Whistle Blowing Policy is posted on the website of the Company (weblink <http://www.ipca.com/Whistleblower.html>).
- d) **Details of compliance with mandatory requirements and adoption of the non-mandatory requirements**
The Company has complied with all the mandatory requirements of corporate governance under erstwhile clause 49 of the listing agreement (as amended from time to time) and also under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The details about adoption of non-mandatory requirements are given in the table below.
- e) **Web link where policy for determining 'material' subsidiaries is disclosed**
The Board has approved a policy for determining 'material' subsidiaries which has been uploaded on the website of the Company (Weblink http://www.ipca.com/pdf/corporate_policy/Policy_on_Material_Subsiidiaries.pdf).
- f) **Web link where policy on dealing with related party transactions is disclosed**
The Board has approved a policy for related party transactions which has been uploaded on the website of the Company (Weblink http://www.ipca.com/pdf/corporate_policy/Related_Party_Transactions.pdf).
- g) **Disclosure of commodity price risks and commodity hedging activities**
The Company is engaged in the manufacturing and marketing of pharmaceuticals. Since the Company does not consume large quantities of commodities in its manufacturing activities, the Company is not materially exposed to commodity price risks nor does the Company do any commodity hedging.

11. Non-Compliance of any requirement of Corporate Governance Report with reasons thereof

None

12. Adoption of Discretionary Requirements

A. The Board	The Company currently has an Executive Chairman and as such he has an office maintained by the Company.
B. Shareholders Rights	At present, the Company does not send the statement of half yearly financial performance to the household of each shareholder. The Company publishes the same in the newspapers and also uploads the same on its website.
C. Modified opinion(s) in audit report	The Company's financial statements are with unmodified audit opinion.
D. Separate posts of chairperson and chief executive officer	Currently, the Executive Chairman is also the CEO of the Company.
E. Reporting of internal auditor	The Internal Auditor reports to the Joint Managing Director / CFO as well as to the Audit Committee.

13. The disclosures of the compliance with corporate governance requirements specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46

- a) The Company has a process to provide, inter-alia, the information to the Board as specified in Part A of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 pertaining to Corporate Governance. The Board also periodically reviews the compliances by the Company of all applicable laws.
- b) The Board of Directors in their meeting regularly discuss and are satisfied that the Company has plans in place for orderly succession for appointment to the Board of Directors and Senior Management.
- c) **Code of Conduct for Board and Senior Managerial Personnel**
The Board has laid down a code of conduct for Board members and senior management personnel of the Company. The code incorporates the duties of independent directors as laid down in the Companies Act, 2013. The said code of conduct is posted on Company's website www.ipca.com.

The Board members and senior management personnel have affirmed compliance with the said code of conduct. A declaration in this regard signed by the Chairman & Managing Director / CEO is given at the end of this Report.

The Company has adopted a code of conduct for prevention of insider trading based on SEBI (Prohibition of Insider Trading) Regulations, 2015. The same has been placed on the website of the Company www.ipca.com. All the Directors, senior management employees and other employees who have access to the unpublished price sensitive information of the Company are governed by this code. During the year under Report, there has been due compliance with the said code of conduct for prevention of insider trading.

- d) The Company complies with the requirement of placing minimum information before the Board of Directors as contained in Part A of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- e) The CEO/CFO compliance certification under Part B of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 forms part of this Annual Report.
- f) The Company has a Risk Management Committee which monitors and reviews risk management plan on regular basis. The Board of Directors also periodically review and monitor the risk management plan of the Company.
- g) The Board on an annual basis evaluates the performance of independent Directors.
- h) Risk Management Committee

The Risk Management Committee was constituted by the Board of Directors at its meeting held on 21st September, 2014 consisting of the following members:

Mr. A. K. Jain, Joint Managing Director/CFO, Mr. Pranay Godha, Executive Director, Mr. Prashant Godha, Executive Director and Mr. Manish Jain, Vice President – Business Development.

The roles and responsibilities of the Risk Management Committee includes monitoring and review of risk management plan on a regular basis and reporting the same to the Board of Directors periodically as it may deem fit and any other terms as may be referred to them by the Board of Directors, from time to time.

There were 3 (three) meetings of this committee during the financial year 2015-16. The dates on which the said meetings were held are as follows:

27 th July, 2015	30 th October, 2015
6 th February, 2016	

The attendance of each member of the Risk Management Committee in the committee meetings is given below:

Name of the Member	No. of meetings held	No. of meetings attended
Mr. Ajit Kumar Jain	3	3
Mr. Pranay Godha	3	3
Mr. Prashant Godha	3	3
Mr. Manish Jain	3	3

- i) The Company has formulated a policy on materiality of related party transactions and dealing with related party which is available on the website of the Company (http://www.ipca.com/pdf/corporate_policy/policy-on-materiality.pdf)
- j) The Company has not entered into any materially significant transactions during the year under report with promoters, directors, key/senior management personnel, etc. other than the non-material transactions entered into in the ordinary course of Company's business as approved by the Audit Committee through omnibus approval valid for each financial year. Transactions with related parties are disclosed under notes forming part of the accounts. The Board and the Audit Committee periodically reviews the details of the related party transactions entered into by the Company.

k) **Subsidiary Companies**

The Company has 1 non-listed, non-material Indian subsidiary company. The Company also has 5 overseas non-material wholly owned subsidiary companies and 2 non-material wholly owned subsidiary companies of wholly owned subsidiaries, the financial statements of which are regularly reviewed by the Audit Committee and the Board of Directors. The minutes of board meetings of subsidiary companies are also placed before the Board meetings of the Company. The Board of Directors of the Company also reviews all significant transactions and arrangements, if any, entered into by the unlisted subsidiaries.

- l) None of the Directors are directors in more than 20 companies at the same time and are also not serving as independent director in more than 7 listed companies or serve as Wholtime Director in any other listed company. None of the Wholtime Directors of the Company serve as Independent Director in more than 3 listed entities.

None of the Directors on the Board is a member of more than 10 committees and Chairman of more than 5 committees across all the companies in which they are Directors. All directors have disclosed their committee positions to the Company. For determining this limit, Chairpersonship and Membership of Audit Committee and Stakeholders Relationship Committee only are considered.

The Shareholders have approved the appointment of Mr. Babulal Jain, Mr. Anand T. Kusre, Mr. Dev Parkash Yadava, Dr. Ramakanta Panda and Dr. (Mrs.) Manisha Premnath as Independent directors for a term of five years. The terms and conditions of appointment of independent directors have been disclosed on the website of the Company www.ipca.com. The maximum tenure of independent directors is in accordance with the Companies Act, 2013 and the rules made thereunder.

In accordance with requirements of Section 149(6) and (7) of the Companies Act, 2013, all the independent directors have given declaration of independence in the first board meeting of the current financial year held on 30th May, 2016.

m) Independent Directors Meeting

During the year under review, the Independent Directors met on 8th February, 2016, without the attendance of non-independent directors and members of the management, inter-alia, to discuss:

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

All the independent Directors were present at the said meeting.

n) The Company maintains a functional website containing the basic information about the Company. The Company has disseminated all the required information on its website as required under Regulation 46 (2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

o) Information on Directors retiring by rotation and seeking appointment / re-appointment :

Mr. Ajit Kumar Jain (DIN 00012657)

Mr. Ajit Kumar Jain aged 61 years is a qualified Chartered Accountant and a Science Graduate and is employed with the Company since 1980. He was first appointed as a Director of the Company designated as Executive Director on 21st August, 1994. He is a professional, Wholetime, Non-promoter Director of the Company. He was re-designated as Joint Managing Director at the meeting of the Board of Directors of the Company held on 29th July, 2010.

He has over 3 decades of experience in the pharmaceutical industry in the field of Finance, Accounts, Information Technology, Legal, R&D, General Administration, etc.

He does not hold directorship in any other Company. He holds 66,000 equity shares in the Company.

Number of Board Meetings held and attended by him during his tenure as Director of the Company are given in the Corporate Governance Report of the respective financial year annexed with the Company's Annual Reports which are available on the Company's website www.ipca.com.

He is not related to any Director or Key Managerial Personnel (KMP) of the Company.

Mr. Pranay Godha (DIN 00016525)

Mr. Pranay Godha, aged 44 years has done his B.Sc. from University of Bombay and has also obtained a degree in M.B.A from the New York Institute of Technology, USA. He has nearly 17 years experience in the field of Marketing and General Management.

Mr. Pranay Godha was appointed as the Business Development Manager of the Company w.e.f 16th April, 2003 and was subsequently promoted as Vice President - Generics Business of the Company w.e.f. 1st November, 2004. He was further promoted as President – Generics Business of the Company in May, 2006 and subsequently appointed as the Executive Director of the Company with effect from 11th November, 2008.

He holds Directorship in the following companies:

1. Kaygee Laboratories Pvt. Ltd.	2. Mexin Medicaments Pvt. Ltd.
3. Kaygee Investments Pvt. Ltd.	4. Gudakesh Investments & Traders Pvt. Ltd.
5. Paranthapa Investments & Traders Pvt. Ltd.	6. Paschim Chemicals Pvt. Ltd.

He is also Director of some of the foreign wholly owned subsidiaries of the Company where he represents the Company as a Director.

He holds 6,06,936 equity shares in the Company.

Number of Board Meetings held and attended by him during his tenure as Director of the Company are given in the Corporate Governance Report of the respective financial year annexed with the Company's Annual Reports which are available on the Company's website www.ipca.com.

He is not a member of any Committee of the Board in other companies in which he is a Director.

Mr. Premchand Godha, Chairman & Managing Director, Mr. Pranay Godha and Mr. Prashant Godha, Executive Directors are related to each other. He is not related to any other Director or Key Managerial Personnel (KMP) of the Company.

Mr. Prashant Godha (DIN 00012759)

Mr. Prashant Godha, aged 41 years is a graduate in Commerce and has done Post Graduate Diploma in Business Management and has experience of over 16 years in pharmaceuticals marketing and general management.

He was appointed as an Additional Director on the Board of the Company with effect from 28th July, 2011 and was appointed as the Executive Director of the Company with effect from 16th August, 2011.

He holds 7,31,800 equity shares in the Company.

He is also a Director of the following companies:

1. Saraswati Entertainment Pvt. Ltd.	2. Mexin Medicaments Pvt. Ltd.
3. Paschim Chemicals Pvt. Ltd.	4. Kaygee Laboratories Pvt. Ltd.
5. Paranthapa Investments & Traders Pvt. Ltd.	6. Gudakesh Investment & Traders Pvt. Ltd.
7. Kaygee Investments Pvt. Ltd.	8. Bilav Software Pvt. Ltd.

He is not a member of any Committee of the Board in other companies in which he is a Director.

Number of Board Meetings held and attended by him during his tenure as Director of the Company are given in the Corporate Governance Report of the respective financial year annexed with the Company's Annual Reports which are available on the Company's website www.ipca.com.

Mr. Premchand Godha, Chairman & Managing Director, Mr. Pranay Godha and Mr. Prashant Godha, Executive Directors are related to each other. He is not related to any other Director or Key Managerial Personnel (KMP) of the Company.

Mr. Premchand Godha (DIN 00012691)

Mr. Premchand Godha aged 69 years is a qualified Chartered Accountant and a Commerce graduate. He is also a first generation entrepreneur. He is a director of the Company since 31st October, 1975 and has been the Managing Director of the Company since March, 1983. He has over 40 years of experience in the pharmaceutical industry.

He holds 26,81,340 equity shares of the Company.

He is also a Director of the following companies:

1. Kaygee Investments Pvt. Ltd	2. Vasant Investment Corporation Ltd.
3. Gudakesh Inv. & Traders Pvt. Ltd.	4. Paranthapa Inv. & Traders Pvt. Ltd.
5. AB Corp Limited	

Mr. Premchand Godha is a member of the Audit Committee of AB Corp Limited.

Mr. Premchand Godha, Chairman & Managing Director, Mr. Pranay Godha and Mr. Prashant Godha, Executive Directors are related to each other. He is not related to any other Director or Key Managerial Personnel (KMP) of the Company.

Number of Board Meetings held and attended by him during his tenure as Director of the Company are given in the Corporate Governance Report of the respective financial year annexed with the Company's Annual Reports which are available on the Company's website www.ipca.com.

p) **Corporate Social Responsibility Committee**

As per Section 135 of the Companies Act, 2013, the Company has constituted a Corporate Social Responsibility (CSR) Committee of the Board of Directors comprising of Mr. Dev Parkash Yadava, Independent Director and Chairman of the Committee, Mr. Premchand Godha, Chairman & Managing Director, Mr. Ajit Kumar Jain, Joint Managing Director and Mr. Prashant Godha, Executive Director. The CSR Committee of the Board will be responsible for:

- formulating and recommending to the Board a Corporate Social Responsibility Policy which shall indicate the CSR activities to be undertaken by the Company;
- recommending the amount of expenditure to be incurred on the CSR activities; and
- monitoring the CSR Policy of the Company from time to time.

There were 4 (Four) meetings of this committee during the financial year 2015-16. The dates on which the said meetings were held are as follows:

30 th May, 2015	30 th July, 2015
30 th October, 2015	8 th February, 2016

The attendance of each member of the Corporate Social Responsibility Committee in the committee meetings is given below:

Name of the Member	No. of meetings held	No. of meetings attended
Mr. Dev Parkash Yadava	4	4
Mr. Premchand Godha	4	4
Mr. Ajit Kumar Jain	4	4
Mr. Prashant Godha	4	4

The CSR policy of the Company is placed on the website of the Company www.ipca.com.

q) Reconciliation of Share Capital Audit:

A qualified practising Company Secretary carries out a share capital audit to reconcile the total admitted equity share capital with NSDL and CDSL and the total issued and listed equity share capital of the Company. The audit report confirms that the total issued/ paid-up capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.

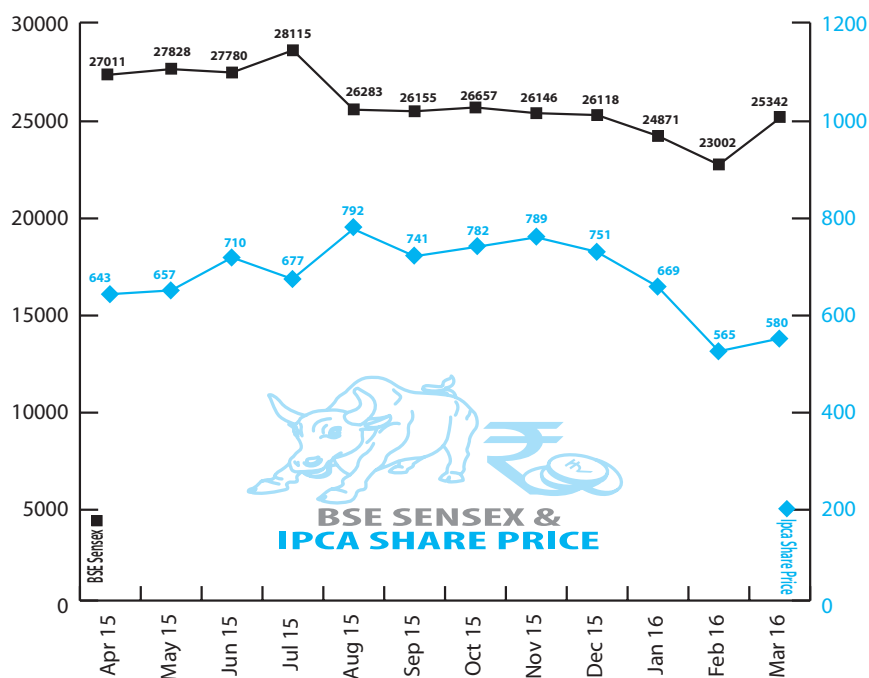
Annexure A

High/low of market price of the Company's shares traded on BSE Ltd (BSE) and National Stock Exchange of India Ltd. (NSE) during the financial year 2015-16 is furnished below:

Year	Month	Highest (₹)		Lowest (₹)	
		BSE	NSE	BSE	NSE
2015	April	685.60	685.95	633.00	632.00
	May	677.20	675.85	621.60	620.55
	June	729.90	729.85	611.00	609.80
	July	719.50	720.00	666.55	666.25
	August	888.00	887.00	677.20	676.00
	September	816.30	815.65	715.40	715.55
	October	801.05	801.00	703.95	700.00
	November	805.50	808.00	680.50	681.10
	December	806.95	807.40	731.15	731.00
2016	January	747.00	747.70	597.00	595.10
	February	672.50	679.00	554.00	553.05
	March	628.05	629.00	525.00	525.00

Annexure B

Graph of share price/ BSE Sensex



Annexure C

The distribution of shareholding as on 31st March, 2016 is as follows :

No. of equity shares held			No. of shareholders	%	No. of shares	%
Upto		500	51578	88.16	4483605	3.55
501	to	1000	4873	8.33	4430092	3.51
1001	to	2000	972	1.66	1490737	1.18
2001	to	3000	302	0.52	784586	0.62
3001	to	4000	144	0.25	527761	0.42
4001	to	5000	129	0.22	610007	0.48
5001	to	10000	205	0.35	1499991	1.19
10001	and	above	304	0.51	112372330	89.05
Grand Total			58507	100.00	126199109	100.00
No. of shareholders in Physical Mode			5054	8.64	1709874	1.35
No. of shareholders in Electronic Mode			53453	91.36	124489235	98.65

Shareholding pattern as on 31st March, 2016 is as follows :

Categories of shareholders	No. of shareholders	No. of shares	% holding
Indian Promoters	16	57918155	45.89
Banks and Insurance Companies	5	157883	0.13
UTI and Mutual Funds	75	20818774	16.50
FII and NRIs	1476	27843462	22.06
Domestic Companies	958	4005633	3.17
Resident Individuals	55977	15455202	12.25
	58507	126199109	100.00

CEO CERTIFICATION

To,
The Members of
Ipca Laboratories Ltd.

It is hereby certified and confirmed in accordance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 that the Board members and the Senior Management personnel of the Company have affirmed compliance with the Code of Conduct of the Company for the financial year ended 31st March, 2016.

30th May, 2016

For Ipca Laboratories Limited
Premchand Godha
Chairman & Managing Director / CEO

CEO/CFO CERTIFICATION

The Board of Directors
Ipca Laboratories Limited
48, Kandivli Industrial Estate,
Kandivli - West, Mumbai – 400 067.

We hereby certify that:

- We have reviewed financial statements and the cash flow statement for the year ended 31st March, 2016 and that to the best of our knowledge and belief;
 - these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- No transaction is entered into by the company during the year which is fraudulent, illegal or violative of the Company's code of conduct.
- We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- We have indicated to the Auditors and the Audit Committee:
 - significant changes in internal control over financial reporting during the year;
 - significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For Ipca Laboratories Ltd.

Mumbai
30th May, 2016

Premchand Godha
Chairman & Managing Director / CEO

Ajit Kumar Jain
Joint Managing Director / CFO

To
The Members of
Ipca Laboratories Limited

We have examined the compliance of the conditions of Corporate Governance by Ipca Laboratories Limited (the Company) for the year ended on March 31, 2016, as stipulated in Clause 49 of the Listing Agreement of the Company with the Stock Exchanges ("Listing Agreement") for the period April 1, 2015 to November 30, 2015 and Regulations 17 to 27 clauses (b) to (i) of sub-regulation (2) of Regulation 46 and para C, D & E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") for the period December 1, 2015 to March 31, 2016.

The compliance of the conditions of Corporate Governance is the responsibility of the management. Our examination was limited to the review of procedures and implementation thereof as adopted by the Company for ensuring compliance with conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Agreement and the Listing Regulations applicable for the respective periods as mentioned above.

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

For **Parikh & Associates**
Practising Company Secretaries
Jigyasa N. Ved
Partner
FCS: 6488 CP: 6018

Mumbai
30th May, 2016

DISCLOSURES WITH RESPECT TO DEMAT SUSPENSE ACCOUNT/ UNCLAIMED SUSPENSE ACCOUNT		
a)	Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year	None
b)	Number of shareholders who approached listed entity for transfer of shares from suspense account during the year;	None
c)	Number of shareholders to whom shares were transferred from suspense account during the year	None
d)	Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year;	None
e)	That the voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares.	The Company has sent in the month of April 2016 first letter of reminder to the addresses of the shareholders whose unclaimed share certificates, which were returned undelivered, are lying with the Company's Registrar's and Share Transfer Agents, requesting such shareholders to immediately claim their share certificate(s) by submitting the required proof. They have been informed about the requirement of transferring the unclaimed shares / share certificate(s) to the share suspense account to be created by the Company in respect of such unclaimed shares.

ANNEXURE 2

FORMAT FOR THE ANNUAL REPORT ON CSR ACTIVITIES TO BE INCLUDED IN THE BOARD'S 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 believes that contributing to the overall health and wellness of our world starts with lessening our impact on the environment and we remain committed to the highest ethical standards in everything we do - right from research and development to sales and marketing.

The Company's Corporate Social Responsibility involves initiatives on a micro level to include patient health, employee and public safety, nurturing of environment and building sustainable communities. The Company also engages with external stakeholders including healthcare professionals, investors, customers, non-governmental organisations and suppliers in this endeavour.

The Company is committed to operate its business with emphasis on CSR in all areas of its operation. The Company integrates its business values and operations to meet the expectations of its shareholders, customers, employees, regulators, investors, suppliers, the community and take care of environment with best interest.

A definite and well structured Corporate Social Responsibility (CSR) policy has been framed by the Company and is available on its website (weblink http://www.ipca.com/corporate_policy/Corporate_Social_Responsibility_Policy.pdf). The CSR policy forms a part of the Company's corporate vision and defines its approach on key responsibility issues.

2. The Composition of the CSR Committee of the Board

Mr. Dev Parkash Yadava	-	Independent Director and Chairman of the Committee
Mr. Premchand Godha	-	Chairman & Managing Director
Mr. Ajit Kumar Jain	-	Joint Managing Director
Mr. Prashant Godha	-	Executive Director

3. Average net profit of the company for last three financial years: ₹ 475.71 Crores.

4. Prescribed CSR Expenditure (two percent of the amount as in item 3 above)

The Company was required to spend an amount of ₹ 9.51 crores as CSR expenditure for the financial year ended 31st March, 2016.

5. Details of CSR spent during the financial year:

a) Total amount to be spent for the financial year: ₹ 9.51 crores.

Amount spent: ₹ 4.80 crores.

b) Amount unspent, if any: ₹ 4.71 crores.

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

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sr. 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 were 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 (₹ Crores)	Amount spent: Direct or through implementing agency
1.	Promotion of Education, Vocational Training and Skill Enhancement Projects	Promotion of Education, Vocational Training and Skill Enhancement Projects	Rajasthan	Budgeted by Charitable Trust	Direct expenditure on projects or programs	3.50	Thru Charitable Trust
2.	Education/ Healthcare / Vocational Training & Skill Enhancement	Healthcare/ Vocational Training & Skill enhancement	Maharashtra, Gujarat, Madhya Pradesh, U.T. of D&NH, etc.	Budgeted by Charitable Trust	Direct expenditure on projects or programs	0.40	Thru Charitable Trust
3.	Education / Healthcare / Rural Development and Sports/Animal Welfare/Natural resource conservation/ drinking water/ sanitation/ national heritage, art and culture	Education / Healthcare / Rural Development and Sports/Animal Welfare/Natural resource conservation/ drinking water/ sanitation/ national heritage, art and culture	Madhya Pradesh, Maharashtra, Gujarat, Sikkim, Uttarakhand, U.T. of D&NH, etc.	₹ 5.60 crores	Direct expenditure on approved CSR projects or programs	0.90	Directly by Company
Total						4.80	

*Give details of implementing agency: The CSR Objectives and CSR Policy of the Company is implemented by the CSR Committee of the Board through direct activities by the Company and thru charitable organisations and trusts.

6. In case the company has failed to spend the two per cent 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

There is a deficit of ₹ 4.71 crores in the Company's CSR spent during the financial year under report. In view of the significant reduction in the profitability of the Company during the financial year under report, there was a financial constraint in spending the required amount under the CSR activities.

7. A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy is in compliance with CSR objectives and Policy of the Company

The CSR Committee of the Board confirms that it has implemented and monitored the CSR activities in accordance with and in compliance of CSR objectives and CSR Policy of the Company.

Mumbai
30th May, 2016

For and on behalf of the Board
Premchand Godha
Managing Director / CEO

Dev Parkash Yadava
Chairman CSR Committee

ANNEXURE 3

Form No. AOC-2

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

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

1. Details of contracts or arrangements or transactions not at arm's length basis:
 - (a) Name(s) of the related party and nature of relationship: Not Applicable
 - (b) Nature of contracts/arrangements/transactions: Not Applicable
 - (c) Duration of the contracts / arrangements/transactions: Not Applicable
 - (d) Salient terms of the contracts or arrangements or transactions including the value, if any: Not Applicable
 - (e) Justification for entering into such contracts or arrangements or transactions: Not Applicable
 - (f) Date(s) of approval by the Board: Not Applicable
 - (g) Amount paid as advances, if any: Not Applicable
 - (h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188: Not Applicable
2. Details of material contracts or arrangement or transactions at arm's length basis:
 - (a) Name(s) of the related party and nature of relationship: Not Applicable
 - (b) Nature of contracts/arrangements/transactions: Not Applicable
 - (c) Duration of the contracts / arrangements/transactions: Not Applicable
 - (d) Salient terms of the contracts or arrangements or transactions including the value, if any: Not Applicable
 - (e) Date(s) of approval by the Board, if any: Not Applicable
 - (f) Amount paid as advances, if any: Not Applicable

Note: All related party transactions that were entered into during the financial year were on arm's length basis and were in the ordinary course of Company's business. The Company has not entered into any contract, arrangement or transaction with any related party which could be considered as material within the meaning of Regulation 23(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. All the related party transactions are disclosed in the notes to the financial statements.

Mumbai
30th May, 2016

For and on behalf of the Board
Premchand Godha
Chairman & Managing Director

ANNEXURE 4

DETAILS OF REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5 (1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

- i. The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2015-16, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2015-16 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under:

Sr. No	Name of the Director / Key Managerial Person (KMP) and Designation	Remuneration of Director / KMP for the financial year 2015-16 (₹)	% increase/ (decrease) in remuneration in the financial year 2015-16	Ratio of remuneration of each Director / KMP to median remuneration of employees	Comparison of the Remuneration of the KMP against the performance of the Company
1.	Mr. Premchand Godha (Chairman & Managing Director/CEO)	4,87,51,328	(61%)	243.72	During the year, the net total income of the Company decreased by 9% to ₹ 2838.92 crores and profit after tax decreased by 64% to ₹ 91.45 crores.
2.	Mr. A. K. Jain (Joint Managing Director/CFO)	2,46,49,851	(24%)	123.23	
3.	Mr. Pranay Godha (Executive Director)	1,17,91,959	(39%)	58.95	
4.	Mr. Prashant Godha (Executive Director)	80,73,342	(40%)	40.36	
5.	Mr. Babulal Jain (Independent Director)	5,50,000	-	2.75	
6.	Mr. A. T. Kusre (Independent Director)	4,50,000	(5%)	2.25	
7.	Mr. Dev Parkash Yadava (Independent Director)	5,50,000	10%	2.75	
8.	Dr. Ramakanta Panda (Independent Director)	2,75,000	38%	1.37	
9.	Dr. (Mrs.) Manisha Premnath (Independent Director)	2,25,000	50%	1.12	
10.	Mr. Harish P. Kamath (Corporate Counsel & Company Secretary)	79,56,017	3%	39.77	Please see remarks above.

- ii. The median remuneration of the employees of the Company during the financial year was ₹ 2,00,028/-.
- iii. In the financial year, there was an increase of 11.10 % in the median remuneration of employees.
- iv. There were 13,132 permanent employees on the rolls of Company as on March 31, 2016.
- v. Relationship between average increase in remuneration and company performance:- The Profit before Tax for the financial year ended March 31, 2016 decreased by 70% whereas the increase in median remuneration was 11.10%. The average increase in median remuneration was in line with the Industry trend. The financial performance of the Company was temporarily impacted due to regulatory issues. The Company management is confident that implementation of remedial measures will ensure that the Company will regain all its regulatory approvals in the near future.
- vi. Comparison of Remuneration of the Key Managerial Personnel(s) against the performance of the Company:
The total remuneration of Key Managerial Personnel decreased by 49.06% from ₹ 19.87 crores in 2014-15 to ₹ 10.12 crores in 2015-16. During the year, the net total income of the Company decreased by 9% to ₹ 2838.92 crores and profit after tax decreased by 64% to ₹ 91.45 crores. The ratio of remuneration of Key Managerial Personnel compared with the Company's total income is 0.36%.
- vii. a) Variations in the market capitalisation of the Company : The market capitalisation as on March 31, 2016 was ₹ 7346.68 crores (₹ 8058.44 crores as on March 31, 2015).
- b) Price Earnings ratio of the Company was 80.30 as at March 31, 2016 and was 30.86 as at March 31, 2015.
- c) Percent increase over/ decrease in the market quotations of the shares of the company as compared to the rate at which the Company came out with the last public offer in the year 1994: The Company had come out with initial public offer (IPO) in 1994 at a price of ₹ 130/- per share of ₹ 10/- each. Subsequent to the IPO, the Company has made a bonus issue of 1:1 in the year 2005. In the year 2010, the Company sub-divided the face value of its equity shares from ₹ 10/- to ₹ 2/-. Therefore, the value of ₹ 130 invested in the Company for one equity share has grown to ₹ 5822/-, i.e. 45 times in 22 years, CAGR of 18.86%. This is excluding dividends accrued on these shares from time to time.
- viii. Average percentage increase made in the salaries of employees other than the managerial personnel in the financial year 2015-16 was 7.32% whereas there is a decrease of 49.06% in the managerial remuneration for the same financial year.
- ix. The key parameters for the variable component of remuneration availed by the directors, if any, are considered by the Board of Directors based on the recommendations of Nomination and Remuneration Committee as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.
- x. The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year – Not Applicable; and
- xi. It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.

Mumbai
30th May, 2016

For and on behalf of the Board
Premchand Godha
Chairman & Managing Director

ANNEXURE 5

1. CONSERVATION OF ENERGY

(i) The steps taken or impact on conservation of energy :

The Company continues its policy of giving priority to energy conservation measures including regular review of energy generation and consumption and effective control on utilisation of energy.

The following energy conservation measures were implemented during the financial year:

- Close monitoring of cooling water and vacuum pumps.
- Optimization of pressure for compressed air and nitrogen line.
- Operational efficiency of chiller and brine plant.
- Leakage survey and plugging of compressed air network.
- Maintaining unity power factor.
- Impeller coating on all chilling, cooling and brine pumps of utilities section.
- Replacement of conventional lighting with LED lighting.
- Improvement in condensate recovery.

(ii) The steps taken by the Company for utilizing alternate sources of energy :

The Company is evaluating all possibilities of utilizing alternate sources of energy in its operations, wherever possible, especially solar energy.

(iii) The capital investment on energy conservation equipments :

During the year under report, the Company has spent an amount of about ₹ 11 crores as capital expenditure on energy conservation equipments/consumables.

2. TECHNOLOGY ABSORPTION

Research & Development

(A) Specific areas in which R&D work was carried out by the Company:

The Company's R&D Centres at Mumbai, Ratlam, Athal and Ranu are approved by Department of Scientific and Industrial Research, Government of India. These centres are also approved under Section 35 (2AB) of Income Tax Act, 1961 for the purposes of weighted tax deduction. The Company carries out R&D in several areas including:

- (i) Development of indigenous technologies for major drugs and intermediates, process improvements, technology absorption and optimisation of basic drugs, process simplification, etc.
- (ii) Improvement of existing processes to improve yields and quality, reduce cost and lead to eco friendly process.
- (iii) Development of newer dosage forms and new drug delivery systems.
- (iv) Development of non-infringing processes for APIs.

(B) Benefits derived as a result of the above R & D :

- (i) R&D efforts have helped bring out an improvement in processes, product design and operating efficiencies.
- (ii) Development of new formulations and line extensions.
- (iii) Development of various APIs and Intermediates.
- (iv) Development of new markets, adaptation to meet export requirements, quality upgradation and cost reduction.

(C) Future Plan of Action :

- (i) Development of various APIs/intermediates having good potential for exports and local market.
- (ii) Additional investment in manpower, latest instrumentation to upgrade and strengthen R & D facilities.
- (iii) Development of newer drug delivery systems.
- (iv) Development of formulations for developed market and bio-equivalence studies of the same.

(D) Expenditure on R & D:

	2015-16 (₹ Crores)	2014-15 (₹ Crores)
a) Capital	17.20	49.47
b) Revenue	120.47	107.72
c) Total	137.67	157.19
d) R & D expenditure as a percentage of turnover	4.97%	5.16%

(E) Imported technology (imported during last 5 years):

The Company has not imported any technology during the last 5 years.

3. FOREIGN EXCHANGE EARNINGS AND OUTGO

A) Earnings

The CIF value of exports of the Company during the year aggregated to ₹ 1428.72 crores as against ₹ 1752.86 crores in the previous year.

B) Outgo

Detailed information is furnished in the Notes to the Accounts.

ANNEXURE 6

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

as on the financial year ended 31st March, 2016

[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: L24239MH1949PLC007837
- ii) Registration Date: 19.10.1949
- iii) Name of the Company: Ipca Laboratories Limited
- iv) Category / Sub-Category of the Company: Company limited by shares
- v) Address of the Registered office and contact details:
48, Kandivli Industrial Estate, Kandivli (W),
Mumbai – 400 067. Tel: 022 – 6210 5000; e-mail: investors@ipca.com; website: www.ipca.com
- vi) Whether listed company: Yes
- vii) Name, Address and Contact details of Registrar and Transfer Agent, if any:
Link Intime India Private Limited
C-13, Pannalal Silk Mills Compound,
L.B.S. Marg, Bhandup (W), Mumbai - 400 078.
Tel: 022 – 2596 3838 e-mail: rnt.helpdesk@linkintime.co.in

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

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

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1.	Pharmaceuticals	21002	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

Sl. No.	Name And Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	Ipca Pharma Nigeria Ltd. 17, Osolo way, Ajao Estate Isolo, Lagos, Nigeria.	N.A.	Subsidiary	100% Subsidiary of Ipca Laboratories Ltd.	2(87)(ii)
2	Ipca Pharmaceuticals Inc. 51, Cragwood Road, Suite No. 203, South Plainfield, NJ 07080, USA.	N.A.	Subsidiary	100% Subsidiary of Ipca Laboratories Ltd.	2(87)(ii)
3	Ipca Laboratories (UK) Ltd. Units 97-98, Silverbriar, Sunderland Enterprise Park East, Sunderland, SR5 2TQ UK	N.A.	Subsidiary	100% Subsidiary of Ipca Laboratories Ltd.	2(87)(ii)
4	Onyx Scientific Limited Silverbriar, Sunderland Enterprise Park East, Sunderland SR5 2TQ, UK	N.A.	Subsidiary	100% Subsidiary of Ipca Laboratories (UK) Ltd.	2(87)(ii)
5	Ipca Pharma (Australia) Pty. Ltd. 6, Morotai Avenue, Ashburton, VIC 3147, Melbourne, Australia.	N.A.	Subsidiary	100% Subsidiary of Ipca Laboratories Ltd.	2(87)(ii)
6	Ipca Pharma (NZ) Pty. Ltd 3-A, St. Oswalds Road, Greenland, Auckland 1061, New Zealand	N.A.	Subsidiary	100% Subsidiary of Ipca Pharma (Australia) Pty Ltd.	2(87)(ii)

Sl. No.	Name And Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
7	Ipca Pharmaceuticals Limited, S.A de CV Presa La Angostura 116, Colonia Irrigacion Delegacion Miguel Hidalgo, C.P. 11500, Alvaro Obregon, Mexico D.F.	N.A.	Subsidiary	100% Subsidiary of Ipca Laboratories Ltd.	2(87)(ii)
8	Tonira Exports Ltd. 142AB, Kandivli Industrial Estate, Kandivli (W), Mumbai – 400 067.	U51909MH1995PLC248308	Subsidiary	100% Subsidiary of Ipca Laboratories Ltd.	2(87)(ii)
9	Avik Pharmaceuticals Ltd. Arvind Chambers,Gauri Compound, 188 Kurla Road, Ground Floor, Western Express Highway, Andheri (E), Mumbai - 400 069.	U99999MH1979PLC021711	Associate	49 %	2(6)
10	CCPL Software Private Ltd. 3, Sangam, 1 st Floor, Opp. Traffic Police Chowki, Khar (West), Mumbai - 400 052.	U74999MH1995PTC092000	Associate	28.95%	2(6)
11	Trophic Wellness Pvt. Ltd. 142AB, Kandivli Industrial Estate, Kandivli (W), Mumbai – 400 067.	U24100MH2010PTC206526	Associate	19.26%	2(6)
12	Krebs Biochemicals & Industries Ltd. Plot No 34, 8-2-577/B, Maas Heights, 3 rd Floor, Road No 8, Banjara Hills, Hyderabad-500 034.	L24110TG1991PLC013511	Associate	31.38%	2(6)

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

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year (31.03.2015)				No. of Shares held at the end of the year (31.03.2016)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	10497946	--	10497946	8.32	10497946	--	10497946	8.32	--
b) Central Govt.	--	--	--	--	--	--	--	--	--
c) State Govt. (s)	--	--	--	--	--	--	--	--	--
d) Bodies Corp.	47420209	--	47420209	37.57	47420209	--	47420209	37.57	--
e) Banks / FI	--	--	--	--	--	--	--	--	--
f) Any Other....	--	--	--	--	--	--	--	--	--
Sub-total (A) (1):-	57918155	--	57918155	45.89	57918155	--	57918155	45.89	--
(2) Foreign									
a) NRIs - Individuals	--	--	--	--	--	--	--	--	--
b) Other –Individuals	--	--	--	--	--	--	--	--	--
c) Bodies Corp.	--	--	--	--	--	--	--	--	--
d) Banks / FI	--	--	--	--	--	--	--	--	--
e) Any Other....	--	--	--	--	--	--	--	--	--
Sub-total (A) (2):-	--	--	--	--	--	--	--	--	--
Total shareholding of Promoter (A) = (A)(1) + (A)(2)	57918155	--	57918155	45.89	57918155	--	57918155	45.89	--
B. Public Shareholding									
(1) Institutions									
a) Mutual Funds	16244467	5000	16249467	12.88	20813774	5000	20818774	16.50	3.62
b) Banks / FI	28849	1000	29849	0.02	156883	1000	157883	0.13	0.11

Category of Shareholders	No. of Shares held at the beginning of the year (31.03.2015)				No. of Shares held at the end of the year (31.03.2016)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
c) Central Govt.	--	--	--	--	--	--	--	--	--
d) State Govt. (s)	--	--	--	--	--	--	--	--	--
e) Venture Capital Funds	--	--	--	--	--	--	--	--	--
f) Insurance Companies	--	--	--	--	--	--	--	--	--
g) FII's	24882253	16500	24898753	19.73	12417273	16500	12433773	9.85	(9.88)
h) Foreign Venture Capital Funds	--	--	--	--	--	--	--	--	--
i) Others (specify)									
Foreign Mutual Fund	518733	--	518733	0.41	673453	--	673453	0.53	0.12
Sub-total (B)(1):-	41674302	22500	41696802	33.04	34061383	22500	34083883	27.01	(6.03)
(2) Non-Institutions									
a) Bodies Corp.									
i) Indian	6869996	12620	6882616	5.46	3993013	12620	4005633	3.18	(2.28)
ii) Overseas	--	--	--	--	--	--	--	--	--
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	13059384	1786254	14845638	11.77	12092181	1670124	13762305	10.91	(0.86)
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	1758133	--	1758133	1.39	1108524	--	1108524	0.88	(0.51)
c) Others (specify)									
(c-i) Clearing Member	403132	--	403132	0.32	89063	--	89063	0.07	(0.25)
(c-ii) Market Maker	42098	--	42098	0.03	3914	--	3914	0.00	(0.03)
(c-iii) HUF	154461	--	154461	0.12	491396	--	491396	0.39	0.27
(c-iv) Foreign Holding									
NRI (Repatriate)	285930	7234	293164	0.23	297620	4630	302250	0.24	0.01
NRI (Non Repatriate)	236935	--	236935	0.19	256233	--	256233	0.20	0.01
(c-v) Foreign Portfolio Investor (Corporate)	1967975	--	1967975	1.56	14177753	--	14177753	11.23	9.67
Sub-total (B)(2):-	24778044	1806108	26584152	21.07	32509697	1687374	34197071	27.10	6.03
Total Public Shareholding (B)=(B)(1) + (B)(2)	66452346	1828608	68280954	54.11	66571080	1709874	68280954	54.11	--
C. Shares held by Custodian for GDRs & ADRs	--	--	--	--	--	--	--	--	--
Grand Total (A+B+C)	124370501	1828608	126199109	100.00	124489235	1709874	126199109	100.00	--

ii) Shareholding of Promoters

SI No.	Shareholder's Name	Shareholding at the beginning of the year (01.04.2015)			Share holding at the end of the year (31.03.2016)			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Kaygee Investments Pvt. Ltd.	27018195	21.41	--	27018195	21.41	--	--
2	Chandurkar Investments Pvt. Ltd.	6978005	5.53	--	6978005	5.53	--	--
3	Exon Laboratories P. Ltd.	8271000	6.55	--	8271000	6.55	--	--
4	Paschim Chemicals P. Ltd.	5029000	3.99	--	5029000	3.99	--	--
5	Paranthapa Investments and Traders P. Ltd.	15500	0.01	--	15500	0.01	--	--
6	Makers Laboratories Ltd	101480	0.08	--	101480	0.08	--	--
7	M. R. Chandurkar	2151000	1.70	--	2151000	1.70	--	--
8	Usha M. Chandurkar	2000000	1.59	--	2000000	1.59	--	--
9	Sameer M. Chandurkar	1000000	0.79	--	1000000	0.79	--	--
10	Premchand Godha	2681340	2.13	0.48	2681340	2.13	--	--
11	Usha P. Godha	1209370	0.96	--	1209370	0.96	--	--
12	Prashant Godha	731800	0.58	--	731800	0.58	--	--
13	Pranay Godha	606936	0.48	--	606936	0.48	--	--
14	Nirmal Jain	115000	0.09	0.03	115000	0.09	0.03	--
15	Bhawna Godha	2500	0.00	--	2500	0.00	--	--
16	Mexin Medicaments Private Limited	7029	0.00	--	7029	0.00	--	--
	Total	57918155	45.89	0.51	57918155	45.89	0.03	--

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

	Shareholding at the beginning of the year (01.04.2015)		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 (01.04.2015)	57918155	45.89	--	--
Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	--	--	--	--
At the End of the year (31.03.2016)	--	--	57918155	45.89

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

Sl. No.	For Each of the Top 10 Shareholders	Date	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.	HDFC Trustee Company Ltd.					
	At the beginning of the year	01.04.2015	5720221	4.53	--	--
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	17.04.2015	(100000)	(0.08)	5620221	4.45
		24.04.2015	50000	0.04	5670221	4.49
		01.05.2015	(80000)	(0.06)	5590221	4.43
		05.06.2015	(216000)	(0.20)	5374221	4.23
		06.11.2015	(132200)	(0.08)	5242021	4.15
	At the End of the year	31.03.2016	--	--	5242021	4.15
2.	Lavender Investments Limited					
	At the beginning of the year	01.04.2015	4989773	3.95	--	--
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	--	--	--	--	--
	At the End of the year	31.03.2016	--	--	4989773	3.95
3.	ICICI Prudential					
	At the beginning of the year	01.04.2015	672829	0.53	--	--
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	17.04.2015	216223	0.17	889052	0.70
		24.04.2015	403374	0.32	1292426	1.02
		01.05.2015	463038	0.37	1755464	1.39
		08.05.2015	21851	0.02	1777315	1.41
		15.05.2015	87868	0.07	1865183	1.48
		22.05.2015	7341	0.00	1872524	1.48
		29.05.2015	50000	0.04	1922524	1.52
		05.06.2015	125531	0.10	2048055	1.62
		12.06.2015	146296	0.12	2194351	1.74
		19.06.2015	12490	0.01	2206841	1.75
		26.06.2015	94500	0.08	2301341	1.83
		03.07.2015	4582	0.00	2305923	1.83
		10.07.2015	257912	0.20	2563835	2.03
		17.07.2015	86236	0.07	2650071	2.10
		24.07.2015	28653	0.02	2678724	2.12
		07.08.2015	(20803)	(0.01)	2657921	2.11
		21.08.2015	(148813)	(0.12)	2509108	1.99
		28.08.2015	(24937)	(0.02)	2484171	1.97
		04.09.2015	(10145)	(0.01)	2474026	1.96
		11.09.2015	(61282)	(0.05)	2412744	1.91
		18.09.2015	(71358)	(0.05)	2341386	1.86
		25.09.2015	(127715)	(0.11)	2213671	1.75
		23.10.2015	(101016)	(0.08)	2112655	1.67
		30.10.2015	(408107)	(0.32)	1704548	1.35
		06.11.2015	(376304)	(0.30)	1328244	1.05
		04.12.2015	(20479)	(0.01)	1307765	1.04
		11.12.2015	38853	0.03	1346618	1.07
		18.12.2015	39020	0.03	1385638	1.10
		15.01.2016	22579	0.02	1408217	1.12
		22.01.2016	69333	0.05	1477550	1.17
		05.02.2016	188500	0.15	1666050	1.32

Sl. No.	For Each of the Top 10 Shareholders	Date	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
		12.02.2016	850004	0.67	2516054	1.99
		19.02.2016	367614	0.30	2883668	2.29
		04.03.2016	493775	0.39	3377443	2.68
		11.03.2016	600267	0.47	3977710	3.15
		18.03.2016	244978	0.20	4222688	3.35
		25.03.2016	15870	0.01	4238558	3.36
		31.03.2016	17040	0.01	4255598	3.37
	At the End of the year	31.03.2016	--	--	4255598	3.37
4.	Franklin Templeton Investment Funds					
	At the beginning of the year	01.04.2015	1455500	1.15	--	--
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	10.04.2015	364500	0.29	1820000	1.44
		28.08.2015	(257193)	(0.20)	1562807	1.24
		30.10.2015	452500	0.36	2015307	1.60
		13.11.2015	159112	0.12	2174419	1.72
		20.11.2015	27680	0.02	2202099	1.74
		04.12.2015	53500	0.05	2255599	1.79
		11.12.2015	109500	0.08	2365099	1.87
		18.12.2015	872708	0.70	3237807	2.57
	At the End of the year	31.03.2016	--	--	3237807	2.57
5.	DSP Blackrock					
	At the beginning of the year	01.04.2015	2375741	1.88	--	--
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	10.04.2015	(89573)	(0.07)	2286168	1.81
		17.04.2015	(39062)	(0.03)	2247106	1.78
		24.04.2015	(57251)	(0.04)	2189855	1.74
		08.05.2015	(9756)	(0.01)	2180099	1.73
		15.05.2015	(15546)	(0.01)	2164553	1.72
		22.05.2015	101553	0.08	2266106	1.80
		29.05.2015	170000	0.13	2436106	1.93
		12.06.2015	45054	0.04	2481160	1.97
		19.06.2015	90151	0.07	2571311	2.04
		31.07.2015	193100	0.15	2764411	2.19
		07.08.2015	40000	0.03	2804411	2.22
		14.08.2015	29344	0.02	2833755	2.24
		11.09.2015	53395	0.05	2887150	2.29
		06.11.2015	4594	0.00	2891744	2.29
		13.11.2015	9605	0.01	2901349	2.30
		20.11.2015	150	0.00	2901499	2.30
		29.01.2016	173619	0.14	3075118	2.44
		12.02.2016	(26899)	(0.02)	3048219	2.42
		25.03.2016	6122	0.00	3054341	2.42
		31.03.2016	13447	0.01	3067788	2.43
	At the End of the year	31.03.2016	--	--	3067788	2.43

Sl. No.	For Each of the Top 10 Shareholders	Date	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
6.	Dendana Investments (Mauritus) Limited					
	At the beginning of the year	01.04.2015	2826855	2.24	--	--
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	--	--	--	--	--
	At the End of the year	31.03.2016	--	--	2826855	2.24
7.	Axis Mutual Fund Trustee Limited					
	At the beginning of the year	01.04.2015	1248000	0.99	--	--
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	17.04.2015	10000	0.01	1258000	1.00
		15.05.2015	35000	0.02	1293000	1.02
		22.05.2015	15000	0.02	1308000	1.04
		29.05.2015	30000	0.02	1338000	1.06
		30.06.2015	25000	0.02	1363000	1.08
		07.08.2015	141257	0.11	1504257	1.19
		21.08.2015	212000	0.17	1716257	1.36
		28.08.2015	315000	0.25	2031257	1.61
		04.09.2015	65000	0.05	2096257	1.66
		20.11.2015	80000	0.06	2176257	1.72
		22.01.2016	(150000)	(0.11)	2026257	1.61
		05.02.2016	53429	0.04	2079686	1.65
		12.02.2016	371571	0.29	2451257	1.94
		26.02.2016	69155	0.06	2520412	2.00
	At the End of the year	31.03.2016	--	--	2520412	2.00
8.	Saif Advisors Mauritius Limited					
	At the beginning of the year	01.04.2015	2010533	1.59	--	--
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):		--	--	--	--
	At the End of the year	31.03.2016	--	--	2010533	1.59
9.	Unit Trust of India					
	At the beginning of the year	01.04.2015	350371	0.28	--	--
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	10.04.2015	12993	0.01	363364	0.29
		15.05.2015	8793	0.00	372157	0.29
		22.05.2015	33200	0.03	405357	0.32
		29.05.2015	10103	0.01	415460	0.33
		26.06.2015	(81131)	(0.07)	334329	0.26
		11.09.2015	30000	0.02	364329	0.28
		25.09.2015	12000	0.02	376329	0.30
		30.09.2015	30098	0.02	406427	0.32
		06.11.2015	20907	0.02	427334	0.34
		11.12.2015	60000	0.05	487334	0.39

Sl. No.	For Each of the Top 10 Shareholders	Date	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
		18.12.2015	210000	0.16	697334	0.55
		25.12.2015	29000	0.02	726334	0.57
		15.01.2016	194000	0.15	920334	0.72
		22.01.2016	342674	0.28	1263008	1.00
		29.01.2016	55000	0.04	1318008	1.04
		05.02.2016	99270	0.08	1417278	1.12
		12.02.2016	125000	0.10	1542278	1.22
		19.02.2016	70000	0.06	1612278	1.28
		26.02.2016	10000	0.00	1622278	1.28
		04.03.2016	47000	0.04	1669278	1.32
		11.03.2016	75000	0.06	1744278	1.38
	At the End of the year	31.03.2016	--	--	1744278	1.38
10.	Reliance Capital Trustee Co. Ltd.					
	At the beginning of the year	01.04.2015	1948400	1.54	--	--
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	10.04.2015	86500	0.07	2034900	1.61
		17.04.2015	13500	0.01	2048400	1.62
		24.04.2015	23000	0.02	2071400	1.64
		22.05.2015	75000	0.06	2146400	1.70
		26.06.2015	(16000)	(0.01)	2130400	1.69
		17.07.2015	(50000)	(0.04)	2080400	1.65
		07.08.2015	(310000)	(0.25)	1770400	1.40
		12.02.2016	(171549)	(0.13)	1598851	1.27
	At the End of the year	31.03.2016	--	--	1598851	1.27
11.	Franklin Templeton Mutual Fund					
	At the beginning of the year	01.04.2015	1521434	1.21	--	--
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	01.05.2015	35000	0.02	1556434	1.23
		15.05.2015	19949	0.02	1576383	1.25
		22.05.2015	(89949)	(0.07)	1486434	1.18
		05.06.2015	43623	0.03	1530057	1.21
		07.08.2015	314690	0.25	1844747	1.46
		14.08.2015	(14690)	(0.01)	1830057	1.45
		21.08.2015	(48959)	(0.04)	1781098	1.41
		06.11.2015	(6076)	(0.00)	1775022	1.41
		20.11.2015	(17547)	(0.02)	1757475	1.39
		08.01.2016	(276000)	(0.22)	1481475	1.17
		22.01.2016	164217	0.13	1645692	1.30
		29.01.2016	(114217)	(0.09)	1531475	1.21
		05.02.2016	(50000)	(0.04)	1481475	1.17
		12.02.2016	(95455)	(0.07)	1386020	1.10
	At the End of the year	31.03.2016	--	--	1386020	1.10

Sl. No.	For Each of the Top 10 Shareholders	Date	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.	Government Pension Fund Global					
	At the beginning of the year	01.04.2015	3566432	2.83	--	--
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	17.04.2015	(2780)	(0.01)	3563652	2.82
		08.05.2015	36884	0.03	3600536	2.85
		15.05.2015	(534803)	(0.42)	3065733	2.43
		22.05.2015	(594896)	(0.47)	2470837	1.96
		29.05.2015	(570301)	(0.45)	1900536	1.51
		05.06.2015	129072	0.10	2029608	1.61
		10.07.2015	(235433)	(0.19)	1794175	1.42
		14.08.2015	63208	0.05	1857383	1.47
		21.08.2015	8034	0.01	1865417	1.48
		28.08.2015	171514	0.13	2036931	1.61
		04.09.2015	57625	0.05	2094556	1.66
		25.09.2015	67561	0.05	2162117	1.71
		30.10.2015	25000	0.02	2187117	1.73
		06.11.2015	100000	0.08	2287117	1.81
		11.12.2015	(1080182)	(0.85)	1206935	0.96
	At the End of the year	31.03.2016	--	--	1206935	0.96
13.	HDFC Standard Life Insurance Company					
	At the beginning of the year	01.04.2015	1597237	1.27	--	--
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	10.04.2015	(55578)	(0.05)	1541659	1.22
		24.04.2015	(103138)	(0.08)	1438521	1.14
		08.05.2015	7	0.00	1438528	1.14
		19.06.2015	3	0.00	1438531	1.14
		26.06.2015	(9678)	(0.01)	1428853	1.13
		30.06.2015	(30999)	(0.02)	1397854	1.11
		31.07.2015	(2802)	(0.00)	1395052	1.11
		21.08.2015	(50000)	(0.04)	1345052	1.07
		28.08.2015	(2500)	(0.01)	1342552	1.06
		11.09.2015	(13922)	(0.01)	1328630	1.05
		16.10.2015	5	0.00	1328635	1.05
		30.10.2015	(5010)	(0.00)	1323625	1.05
		20.11.2015	424	0.00	1324049	1.05
		27.11.2015	(7000)	(0.01)	1317049	1.04
		04.12.2015	(25000)	(0.02)	1292049	1.02
		11.12.2015	(120376)	(0.09)	1171673	0.93
		31.12.2015	(5916)	(0.01)	1165757	0.92
		01.01.2016	(20000)	(0.01)	1145757	0.91
		08.01.2016	(49914)	(0.05)	1095843	0.86
		22.01.2016	(87742)	(0.06)	1008101	0.80
		29.01.2016	(166765)	(0.13)	841336	0.67
		05.02.2016	(71516)	(0.06)	769820	0.61
		12.02.2016	(18000)	(0.01)	751820	0.60
	At the End of the year	31.03.2016	--	--	751820	0.60

v) **Shareholding of Directors and Key Managerial Personnel:**

Sl. No.	For Each of the Directors and KMP	Date	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.	Mr. Premchand Godha Chairman and Managing Director/CEO					
	At the beginning of the year	01.04.2015	2681340	2.13	--	--
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):		--	--	--	--
	At the End of the year	31.03.2016	--	--	2681340	2.13
2.	Mr. Ajit Kumar Jain Joint Managing Director/CFO					
	At the beginning of the year	01.04.2015	66000	0.05	--	--
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):		--	--	--	--
	At the End of the year	31.03.2016	--	--	66000	0.05
3.	Mr. Pranay Godha Executive Director					
	At the beginning of the year	01.04.2015	606936	0.48	--	--
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):		--	--	--	--
	At the End of the year	31.03.2016	--	--	606936	0.48
4.	Mr. Prashant Godha Executive Director					
	At the beginning of the year	01.04.2015	731800	0.58	--	--
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):		--	--	--	--
	At the End of the year	31.03.2016	--	--	731800	0.58
5.	Mr. Babulal Jain Independent Director					
	At the beginning of the year	01.04.2015	25500	0.02	--	--
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):		--	--	--	--
	At the End of the year	31.03.2016	--	--	25500	0.02

Sl. No.	For Each of the Directors and KMP	Date	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
6.	Mr. Dev Parkash Yadava Independent Director					
	At the beginning of the year	01.04.2015	4629	0.00	--	--
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):		--	--	--	--
	At the End of the year	31.03.2016	--	--	4629	0.00
7.	Mr. Anand T Kusre Independent Director					
	At the beginning of the year	01.04.2015	--	--	--	--
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):		--	--	--	--
	At the End of the year	31.03.2016	--	--	--	--
8.	Dr. Ramakanta Panda Independent Director					
	At the beginning of the year	01.04.2015	--	--	--	--
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):		--	--	--	--
	At the End of the year	31.03.2016	--	--	--	--
9.	Dr. (Mrs) Manisha Premnath Independent Director					
	At the beginning of the year	01.04.2015	--	--	--	--
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):		--	--	--	--
	At the End of the year	31.03.2016	--	--	--	--
10.	Mr. Harish Kamath Company Secretary					
	At the beginning of the year	01.04.2015	10000	0.01	--	--
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	23.11.2015	(1250)	(0.00)	8750	0.01
		01.01.2016	(1250)	(0.00)	7500	0.01
	At the End of the year	31.03.2016	--	--	7500	0.01

vi) **INDEBTEDNESS**

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

(₹ Lacs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year (01.04.2015)				
i) Principal Amount	75472.21	17409.80	0.00	92882.01
ii) Interest due but not paid	0.00	0.00	0.00	0.00
iii) Interest accrued but not due	216.01	45.85	0.00	261.86
Total (i+ii+iii)	75688.22	17455.65	0.00	93143.87
Change in Indebtedness during the financial year				
i) Addition	67699.12	11092.72	0.00	78791.84
ii) Reduction	76728.93	15596.40	0.00	92325.33
Net Change	(9029.81)	(4503.68)	0.00	(13533.49)
Indebtedness at the end of the financial year (31.03.2016)				
i) Principal Amount	66453.57	12883.44	0.00	79337.01
ii) Interest due but not paid	0.00	0.00	0.00	0.00
iii) Interest accrued but not due	204.84	68.53	0.00	273.37
Total (i+ii+iii)	66658.41	12951.97	0.00	79610.38

vii) **REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

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

Sl. no.	Particulars of Remuneration	Name of MD/MTD/ Manager				Total Amount (₹)
		Mr. Premchand Godha (Chairman & Managing Director /CEO)	Mr. Ajit Kumar Jain (Joint Managing Director/ CFO)	Mr. Pranay Godha (Executive Director)	Mr. Prashant Godha (Executive Director)	
1.	Gross salary					
	a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	3,30,00,000	1,20,00,000	60,00,000	42,00,000	5,52,00,000
	b) Value of perquisites u/s 17(2) Income-tax Act, 1961	1,57,51,328	1,26,49,851	57,91,959	38,73,342	3,80,66,480
	c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-	-
2.	Stock Option	-	-	-	-	-
3.	Sweat Equity	-	-	-	-	-
4.	Commission					
	as % of profit/others, specify (as approved by Board)	-	-	-	-	-
5.	Others, please specify	-	-	-	-	-
	Total (A)	4,87,51,328	2,46,49,851	1,17,91,959	80,73,342	9,32,66,480
	Ceiling as per the Act	₹ 10.71 crores (being 10% of the profits of the Company calculated as per the Section 197 and 198 of the Companies Act, 2013)				

B. Remuneration to other directors:

Sl. no.	Particulars of Remuneration	Name of Directors					Total
		Mr. Babulal Jain	Mr. Anand T Kusre	Mr. Dev Parkash Yadava	Dr. Ramakanta Panda	Dr. Manisha Premnath	
1.	Independent Directors						
	Fee for attending board / committee meetings	5,50,000	4,50,000	5,50,000	2,75,000	2,25,000	20,50,000
	Commission	-	-	-	-	-	-
	Others, please specify	-	-	-	-	-	-
	Total (1)	5,50,000	4,50,000	5,50,000	2,75,000	2,25,000	20,50,000
2.	Other Non-Executive Directors						
	Fee for attending board / committee meetings	-	-	-	-	-	-
	Commission	-	-	-	-	-	-
	Others, please specify	-	-	-	-	-	-
	Total (2)	-	-	-	-	-	-
	Total (B)=(1+2)	5,50,000	4,50,000	5,50,000	2,75,000	2,25,000	20,50,000
	Total Managerial Remuneration (A+B)	-	-	-	-	-	9,53,16,480
	Overall Ceiling as per the Act	₹ 11.78 crores (being 11% of the profits of the Company calculated as per the Section 197 and 198 of the Companies Act, 2013)					

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

Sl. no.	Particulars of Remuneration	Key Managerial Personnel	
		Mr. Harish P Kamath (Company Secretary)	Total (₹)
1.	Gross salary		
	a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	76,74,057	76,74,057
	b) Value of perquisites u/s 17(2) Income-tax Act, 1961	2,81,960	2,81,960
	c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-
2.	Stock Option	-	-
3.	Sweat Equity	-	-
4.	Commission - as % of profit - others, specify (as decided by Board)	-	-
5.	Others, please specify	-	-
	Total	79,56,017	79,56,017

Remuneration of CEO and CFO who are Wholetime Directors are given in Item No. VI (A) above.

viii) PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
Penalty	NIL				
Punishment					
Compounding					
OTHER OFFICERS IN DEFAULT					
Penalty	NIL				
Punishment					
Compounding					

Format for Business Responsibility (BR) Report

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

Sr.No.	Particulars	Details
1.	Corporate Identity Number	L24239MH1949PLC007837
2.	Name of the Company	Ipca Laboratories Limited
3.	Registered address	48, Kandivli Industrial Estate, Kandivli (West), Mumbai – 400 067
4.	Website	www.ipca.com
5.	E-mail id	investors@ipca.com
6.	Financial Year reported	1 st April, 2015 to 31 st March, 2016
7.	Sector(s) that the Company is engaged (industrial activity code-wise)	Pharmaceuticals. NIC Code - 21002
8.	List of key products/services that the Company manufactures/provides (as in balance sheet)	The Company is engaged in the manufacturing and marketing of pharmaceuticals. Key products are : 1. Hydroxychloroquine Sulphate 2. Artemether & Lumefantrine 3. Aceclofenac and its combinations
9.	Total number of locations where business activity is undertaken by the Company	
	(a) Number of International Locations (provide details of major 5)	The Company has non-trading offices in several countries in South East Asia, CIS and Africa. The Company's wholly owned subsidiary has a contract research and manufacturing centre in the United Kingdom.
	(b) Number of National Locations –	The Company has 15 manufacturing facilities details of which are provided in the Annual Report. The Company's R&D Centres are located at Mumbai, Ranu, Ratlam & Silvassa. The Registered and Corporate offices of the Company are at Mumbai. The Company has pan India distribution network.
10.	Markets served by the Company - Local/ State/National/International	The Company's products are sold across the globe.

SECTION B: FINANCIAL DETAILS OF THE COMPANY

Sr.No.	Particulars	Details
1.	Paid up Capital (INR)	₹ 25.24 crores
2.	Total Turnover (INR)	₹ 2838.92 crores
3.	Total profit after taxes (INR)	₹ 91.45 crores
4.	Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	₹ 4.80 crores. 5.25% of the net profit for the financial year 2015-16.
5.	List of activities in which expenditure in 4 above has been incurred	Mainly in the field of education, medical relief and poverty elevation.

SECTION C: OTHER DETAILS

Sr.No.	Particulars	Details
1	Does the Company have any Subsidiary Company/ Companies?	The Company has 6 wholly owned subsidiaries and 2 wholly owned subsidiaries of the wholly owned subsidiaries.
2	Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent Company? If yes, then indicate the number of such subsidiary company(s)	Most of the subsidiaries are incorporated mainly to hold product registrations and therefore, do not generate material revenue and do not directly participate in the BR initiatives of the parent Company.
3	Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities?	There is no direct participation in the Company's BR initiatives by Company's suppliers, distributors, etc.

SECTION D: BR INFORMATION

1. Details of Director/Directors responsible for BR

(a) Details of the Director/Directors responsible for implementation of the BR policy :		
Sr.No.	Particulars	Details
1	DIN Number	00012657
2	Name	Mr. Ajit Kumar Jain
3	Designation	Joint Managing Director
(b) Details of the BR head		
Sr.No.	Particulars	Details
1	DIN Number	00012657
2	Name	Mr. Ajit Kumar Jain
3	Designation	Joint Managing Director
4	Telephone No.	022-6210 6020
5	E-mail id	ajit.jain@ipca.com

2. Principle-wise (as per NVGs) BR Policy/policies

(a) Details of compliance

Sr. No.	Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
1	Do you have a policy/ policies for	Yes, wherever necessary.								
2	Has the policy being formulated in consultation with the Relevant Stakeholders?	The policies have been formulated in consultation with the Company's Corporate Management Team and are approved by the Board of Directors.								
3	Does the policy conform to any national / international standards? If yes, specify?	All the policies are framed keeping in mind the compliances with the national standards/requirements.								
4	Has the policy being approved by the Board? If yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?	The policies are approved by the Board, signed by the Managing Director/CEO and many of which are also placed on the website of the Company, www.ipca.com.								
5	Does the company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	The implementation of the policies are periodically reviewed by the Corporate Management Team of the Company.								

Sr. No.	Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
6	Indicate the link for the policy to be viewed online?	www.ipca.com								
7	Has the policy been formally communicated to all relevant internal and external Stakeholders?	Many of the Company's policies are placed on the website of the Company and can be viewed by the Company's internal and external stakeholders. The other relevant policies are made available upon request by any stakeholder.								
8	Does the company have in-house structure to implement the policy/policies?	Yes								
9	Does the Company have a grievance redressal mechanism related to the policy/ policies to address Stakeholders' grievances related to the policy/ policies?	Yes								
10	Has the company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	Effectiveness of the policies are periodically reviewed/ evaluated by the Company's Corporate Management Team. However, the Company has not carried out any independent evaluation/audit of the working of these policies by external agency.								

(b) If answer to the question at serial number 1 against any principle, is 'No', please explain why: (Tick up to 2 options)

No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1.	The company has not understood the Principles	NOT APPLICABLE								
2.	The company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles									
3.	The company does not have financial or manpower resources available for the task									
4.	It is planned to be done within next 6 months									
5.	It is planned to be done within the next 1 year									
6.	Any other reason (please specify)									

3. Governance related to BR

Sr.No.	Particulars	Details
1	Frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR Performance of the Company (Within 3 months, 3-6 months, Annually, More than 1 year).	All the policies of the Company are reviewed on a quarterly basis by the Company's Corporate Management Team consisting of all Wholetime working Directors and other senior managerial employees of the Company.
2	Does the Company publish a BR or a Sustainability Report?	This is the first financial year for which the business responsibility report is prepared. The Company does not propose to publish a sustainability report.
	What is the hyperlink for viewing this report?	Business responsibility report will be placed on the website of the Company as and when prepared.
	How frequently it is published?	Please see the answer above.

SECTION E: PRINCIPLE-WISE PERFORMANCE

Principle 1 – Businesses should conduct and govern themselves with Ethics, Transparency and Accountability	
1	Does the policy relating to ethics, bribery and corruption cover only the company? Yes/ No. Does it extend to the Group/Joint Ventures/ Suppliers/Contractors/NGOs /Others? The policy covers all the stakeholders of the Company, internal as well as external.
2	How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? Other than normal business related complaints in the ordinary course of the Company's business, no other material complaint has been received from any of the stakeholder in the financial year under report. All the complaints received are satisfactorily resolved.

Principle 2 - Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle	
1	List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities. (a) All the pharmaceuticals manufactured by the Company meet the pharmacopeial requirements. (b) Pharmacovigilance activities are carried out in the markets serviced by the Company. (c) Safety/Stability of the products are continuously monitored as per the standard operating procedures of the Company.
2	For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product(optional) (a) Reduction during sourcing/production/ distribution achieved since the previous year throughout the value chain? The Company monitors these activities on a continuous basis. However, in view of varied nature of products and packs, the compilation of accurate information is not feasible. (b) Reduction during usage by consumers (energy, water) has been achieved since the previous year? Please see the information furnished under (a) above.
3	Does the company have procedures in place for sustainable sourcing (including transportation)? The philosophy of the Company is to continuously work on the indigenization of its key raw materials to reduce dependence on imports and to reduce cost in order to be competitive as well as to have alternate source of dependable supply for uninterrupted supply chain. (a) If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so. Due to the Company's policy as stated above, the consumption of imported raw materials have come down from 41% in the previous year to 35% of the consumption value in the current year under report.
4	Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work? Yes (a) If yes, what steps have been taken to improve their capacity and capability of local and small vendors? The Company provides necessary regulatory and technical support to small vendors providing goods and services to the Company. Regular Vendor Audits are carried out and reports are shared with small vendors for improvement in their quality systems.
5	Does the company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so. Being in the highly regulated industry, re-cycling of products is not possible/permissible. However, wherever possible, industrial solvents are recovered and reused. Similarly, catalysts used in the processes are regenerated and reused.

Principle 3 - Businesses should promote the wellbeing of all employees			
1	Total number of employees (permanent)		13,132
2	Total number of employees hired on temporary/ contractual/casual basis.		5,565
3	Number of permanent women employees.		950
4	Number of permanent employees with disabilities		This information is being compiled
5	Do you have an employee association that is recognized by management?		Yes
6	What percentage of your permanent employees is members of this recognized employee association?		About 10%
7	Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.		
	Category	No of complaints filed during the financial year	No of complaints pending as on end of the financial year
	(a) Child labour / forced labour / involuntary labour	None	None
	(b) Sexual harassment	4	None
	(c) Discriminatory employment	None	None
8	What percentage of your under mentioned employees were given safety & skill upgradation training in the last year?		
(a)	Permanent Employees	All employees are trained on safety and job skills before their induction in the organization. Also, need based regular safety and job skills trainings as well as re-trainings are imparted based on requirements and observations.	
(b)	Permanent Women Employees		
(c)	Casual/Temporary/Contractual Employees		
(d)	Employees with Disabilities		

Principle 4 - Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.

1	Has the company mapped its internal and external stakeholders?
	Yes. The Company has mapped its internal and external stakeholders.
2	Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders
	Yes.
3	Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders. If so, provide details thereof, in about 50 words or so
	Company generally provides its highest attention to the needs of disadvantaged and marginalized stakeholders.

Principle 5 - Businesses should respect and promote human rights

1	Does the policy of the company on human rights cover only the company or extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/Others?
	The Company's policy on human rights extends to subsidiaries and group companies / ventures.
2	How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?
	No complaints were received in the financial year under report in respect of violation of human rights.

Principle 6 - Business should respect, protect, and make efforts to restore the environment

1	Does the policy related to Principle 6 cover only the company or extends to the Group/Joint Ventures/Suppliers/Contractors/NGOs/others. Extends to Company as well as Company's subsidiaries and group companies.
2	Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc? Y/N. If yes, please give hyperlink for webpage etc. The Company has strategies / initiatives to address global environmental issues. The approach includes use of renewable power supply like solar energy, sourcing of power from wind mills, replacement of coal with agri waste briquettes for boilers, enhanced solvent recovery, water conservation thru 3R (reduce, recycle, replenish), water management principles, etc.
3	Does the company identify and assess potential environmental risks? Yes
4	Does the company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed? No
5	Has the company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc. Please see answer to item 2 above.
6	Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported? Yes. All manufacturing plants comply with the permissible limits for air emissions, effluent quality and discharge, solid and hazardous waste generation and disposal as per consents / authorizations.
7	Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year. None pending as at the end of the financial year.

Principle 7 - Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner

1	Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with: The Company is a member of Indian Drugs Manufacturers Association (IDMA), Indian Pharmaceuticals Association (IPA), etc.
2	Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas The Company has lobbied through the associations in respect of the policies passed / to be passed by the Government and relating to pharmaceuticals industry sector for advancement of pharmaceutical industry as well as for advancement of economy and public good.

Principle 8 - Businesses should support inclusive growth and equitable development

1	Does the company have specified programmes/initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof. Yes. The Company's initiatives and programs are in the activities such as promotion of education, vocational training & skill improvement, healthcare, rural development, etc.
2	Are the programmes/projects undertaken through in-house team/own foundation/ external NGO/government structures/any other organization? The programs and projects are undertaken through in-house teams as well as through other charitable organizations.
3	Have you done any impact assessment of your initiative? Impact assessment is not done through any independent agency.

Principle 8 - Businesses should support inclusive growth and equitable development

4	What is your company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken? This information has been provided under CSR Report of the Company. The total amount spent in the financial year under report is ₹ 4.80 crores.
5	Have you taken steps to ensure that this community development initiative is successfully adopted by the community? The company generally monitors its CSR spent towards community development initiatives.

Principle 9 - Businesses should engage with and provide value to their customers and consumers in a responsible manner

1	What percentage of customer complaints/consumer cases are pending as on the end of financial year. There are no consumer cases pending against the Company.
2	Does the company display product information on the product label, over and above what is mandated as per local laws? No. Being in a highly regulated industry, the Company has to strictly follow mandated laws.
3	Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year. If so, provide details thereof None
4	Did your company carry out any consumer survey/ consumer satisfaction trends? Yes. The Company carries out pharmacovigilance activities and the reports are filed with the regulators on a regular basis.

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2016

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

To
The Members

Ipca Laboratories Limited

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

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

We have examined the books, papers, minute books, forms and returns filed and other records made available to us and maintained by the Company for the financial year ended on 31st March, 2016 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contract (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act')
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 and Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 and amendments from time to time;
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; (Not applicable to the Company during the audit period)
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; (Not applicable to the Company during the audit period)
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not applicable to the Company during the audit period) and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (Not applicable to the Company during the audit period)
- (vi) Other laws applicable specifically to the Company namely :
 - (1) Pharmacy Act, 1948,
 - (2) Drugs and Cosmetics Act, 1940,
 - (3) Drugs and Magic Remedies (Objectionable Advertisement) Act, 1954,
 - (4) Narcotic Drugs and Psychotropic Substances Act, 1985,
 - (5) Drug Pricing Control Order, 2013

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India with respect to board and general meetings.
- (ii) The Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited read with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, standards etc. mentioned above. However, the Company has spent an amount of ₹ 4.80 crores against the amount of ₹ 9.51 crores to be spent during the year towards Corporate Social Responsibility.

We further report that:

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

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

Decisions at the Board Meetings were taken unanimously.

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

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

For **Parikh & Associates**
Company Secretaries

Jigyasa N. Ved
Partner
FCS: 6488 CP: 6018

Mumbai
30th May, 2016

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

'Annexure A'

To
The Members
Ipca Laboratories Limited

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

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

For **Parikh & Associates**
Company Secretaries

Jigyasa N. Ved
Partner
FCS: 6488 CP: 6018

Mumbai
30th May, 2016

INDEPENDENT AUDITORS' REPORT

To
The Members of
Ipca Laboratories Limited

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of Ipca Laboratories Limited ("the Company"), which comprises the Balance Sheet as at March 31, 2016, the Statement of Profit and Loss, Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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 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. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by 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 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 March 31, 2016, 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, 2016 ("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, a statement on the matters Specified in paragraphs 3 and 4 of the said 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, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of written representations received from the directors as on March 31, 2016 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016 from being appointed as a director in terms of section 164(2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements - Refer Note 34 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 are no delays in payment of amounts to the Investor Education and Protection Fund during the year.

For **Natvarlal Vepari & Co.**
Chartered Accountants
Firm Registration No. 106971W

N Jayendran
Partner
M. No. 40441

Mumbai,
30th May, 2016

ANNEXURE A TO AUDITORS' REPORT

- (i) (a) The Company has generally maintained proper records showing full particulars including quantitative details and situation of its fixed assets.
- (b) Fixed assets have been physically verified by the management during the year and no material discrepancies were identified on such verification.
- (c) We have verified the title deeds of immovable properties forming part of Fixed Assets produced before us by the management and based on such verification we confirm that the same are held in the name of the company.
- (ii) The management has conducted physical verification of inventory at reasonable intervals during the year. The discrepancies noticed between the book stock and the physical stocks were not material and they have been properly dealt with in the books of accounts.
- (iii) During the year the Company has granted loan to its associates covered in the register maintained u/s 189 of the Companies Act 2013.
 - (a) The terms and conditions of the grant of such loans are not prejudicial to the company's interest;
 - (b) The loan is not due for repayment presently and therefore there is no default in its repayment and there is no overdue. Hence, the clause 3(iii)(c) of the Companies (Auditors Report) Order, 2016 is not applicable to the Company.
- (iv) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 with respect to loans, investments, guarantees and security given.

- (v) The Company has not accepted any deposit from the public pursuant to sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and rules framed thereunder. As informed to us, there is no order that has been passed by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal in respect of the said sections.
- (vi) As informed to us, the maintenance of the cost records under the sub-section (1) of section 148 of the Companies Act, 2013 has been prescribed and we are of the opinion that prima facie, the prescribed accounts and records have been maintained. We have not, however, carried out a detailed examination of the records to ascertain whether they are accurate or complete.
- (vii) (a) The Company has been regular in depositing undisputed statutory dues including Provident fund, Employees State Insurance, Income Tax, Sales Tax, Service Tax, Custom Duty, Excise Duty, Cess and other statutory dues with the appropriate authorities during the year. According to the information and explanations given to us, no undisputed amount payable in respect of the aforesaid dues were outstanding as at March 31, 2016 for a period of more than six months from the date of becoming payable.
(b) According to the information and explanations given to us, there are no dues of Sales Tax, Income Tax, Service Tax, Duty of Customs or Duty of Excise or Value Added Tax which have not been deposited on account of any dispute except as given in the statement attached herewith.
- (viii) According to the information and explanations given to us and based on the documents and records produced to us, the Company has not defaulted in repayment of dues to the financial institution or banks or to the debenture holders.
- (ix) The Company has not raised any money by way of public issue / follow-on offer (including debt instruments). On the basis of the documents submitted to the bankers and the other records perused by us, we have to state that the term loans which are in the nature of External Commercial Borrowings and the buyers credit for purchase of fixed assets taken during the year have been applied for the purpose for which the loans were obtained.
- (x) According to the information and explanations given to us and to the best of our knowledge and belief no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.
- (xi) The managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of section 197 read with schedule V to the Companies Act, 2013.
- (xii) The Company is not a Nidhi Company hence clause 3(xii) of Companies (Auditors Report) Order 2016 is not applicable to the Company.
- (xiii) All transactions with the related parties are in compliance with sections 177 and 188 of the Companies Act, 2013 in so far as our examination of the proceedings of the meetings of the Audit Committee and Board of Directors are concerned. The details of related party transactions have been disclosed in the financial statements as required by the Accounting Standard 18 – Related Party Disclosures of the Companies (Accounting Standards) Rules, 2006.
- (xiv) The Company has not made any preferential allotment / private placement of shares or fully or partly convertible debentures during the year under review and hence the clause 3(xiv) of the Companies (Auditors Report) Order, 2016 is not applicable to the Company.
- (xv) The Company has not entered into any non-cash transactions with directors or persons connected with them and hence the clause 3(xv) of the Companies (Auditors Report) Order, 2016 is not applicable to the Company.
- (xvi) The nature of business and the activities of the Company are such that the Company is not required to obtain registration under section 45-IA of the Reserve Bank of India Act 1934.

For **Natvarlal Vepari & Co.**
Chartered Accountants
Firm Registration No. 106971W

N Jayendran
Partner
M. No. 40441

Mumbai,
30th May, 2016

**Statement of statutory dues outstanding on account of disputes, as on March 31, 2016, referred to in para (vii)
(b) of the Annexure to Auditors' Report**

Name of the Statute	Nature of Dues	Amount (₹ crores)	Period to which the amount relates	Forum where dispute is pending
Excise Duty	Valuation of as such clearance of RM/PM on 115%	0.12	April'2001 to Feb'2003	Commissioner, C. Ex. LTU, Mumbai
Excise Duty	Payment of Excise duty on 4-OH (Intermediate stage of 4-7 DCQ)	0.33	April'2003 to Sept'2007	CESTAT, New Delhi
Excise Duty	Payment of Excise duty on 4-OH (Intermediate stage of 4-7 DCQ)	0.19	Oct'2007 to Dec'2008	CESTAT, New Delhi
Excise Duty	Differential Excise duty on WIP on Debonding	0.23	2009-10	CESTAT, Ahmedabad
Excise Duty	Wrong availment of PLA recredit in respect of education cess and secondary & higher education cess at Sikkim	0.68	Dec' 2011 to Dec' 2013	LTU, Mumbai
Excise Duty	Wrong availment of PLA recredit in respect of education cess and secondary & higher education cess at Sikkim	0.49	Jan' 2014 to Dec' 2014	LTU, Mumbai
Excise Duty	Wrong availment of PLA recredit in respect of education cess and secondary & higher education cess at Sikkim	0.09	Jan' 2015 & Feb' 2015	LTU, Mumbai
Excise Duty	Interest and penalty on past anti-dumping duty & excise duty	4.15	-	High Court, Gujarat
Service Tax	Availment of credit of service tax	0.64	2006-07 & 2007-08	CESTAT, Mumbai
Service Tax	Availment of credit of service tax on H.O. Invoices	0.23	April'08 to Nov'08	Commissioner, C. Ex. LTU, Mumbai
Service Tax	Availment of credit of service tax on H.O. Invoices	0.04	Dec'08 to Sept'09	Commissioner, C. Ex. LTU, Mumbai
Service Tax	Availment of credit of service tax on telephone/cell phone/taxi hire charges	0.03	2006-07 & 2007-08	Asstt. Commissioner/ Dy. Commissioner, C. Ex. LTU, Mumbai
Service Tax	Availment of credit of service tax on telephone/cell phone/taxi hire charges	0.01	April'08 to Dec'08	Asstt. Commissioner/ Dy. Commissioner, C. Ex. LTU, Mumbai
Service Tax	Availment of credit of service tax on telephone/cell phone/taxi hire charges	0.01	Jan'09 to Sept'09	Asstt. Commissioner/ Dy. Commissioner, C. Ex. LTU, Mumbai
Service Tax	Availment of credit of service tax on H.O. Invoices	1.42	2006-07 & 2007-08	Commissioner, C. Ex. LTU, Mumbai
Service Tax	Availment of credit of service tax on H.O. Invoices	0.34	April'08 to Nov'08	Commissioner, C. Ex. LTU, Mumbai
Service Tax	Availment of credit of service tax on H.O. Invoices	0.30	Dec'08 to Sept'09	Commissioner, C. Ex. LTU, Mumbai
Service Tax	Non reversal of proportionate amount of service tax credit on GTA against Input credit reversal on short received and destruction of RM/PM	0.01	2005-06 to 2007-08	Asstt. Commissioner, Central Excise & service tax. LTU, Mumbai
Service Tax	Availment of credit of service tax on outward freight based on CERA audit query	0.02	2009-10 & 2010-11	Deputy. Commissioner, C. Ex. & S.T, LTU, Mumbai
Service Tax	Availment of Cenvat credit of service tax on telephone, courier & construction services	0.01	2006-07	Asstt. Commissioner/ Dy. Commissioner, C. Ex. LTU, Mumbai
Service Tax	Availment of Cenvat credit on service tax	0.61	2006-07 & 2007-08	CESTAT, Mumbai
Service Tax	Non payment of service tax under RCM on remittances in foreign currency for product/ patent registration and facility fees to US FDA	2.49	July' 2012 to Sept' 2013	Commissioner of Central Excise & Service Tax, LTU-Audit, Mumbai
Sales Tax	Jammu & Kashmir Value Added Tax Act, (2011-12) - Disputed Demand	0.05	2011-12	Deputy Commissioner of Commercial Tax (Appeal), Srinagar
Sales Tax	Gujarat Value Added Tax Act (2006-07)-Disputed demand	0.07	2006-07	Gujarat VAT Tribunal, Ahmedabad
Sales Tax	Gujarat Value Added Tax Act (2007-2008)-Disputed demand	0.02	2007-08	Jt. Commissioner of Commercial Tax, Rajkot
Sales Tax	UP Value Added Tax Act (2008-09)-Disputed demand	0.01	2008-09	Sales Tax Authority, UP
Sales Tax	Gujarat Value Added Tax (Ankleshwar) - Disputed demand	0.08	2010-11	Deputy Commissioner of VAT, Baroda
Sales Tax	CST Assessment	0.30	2012-13	Deputy Commissioner, Commercial Tax,Ratlam
Sales Tax	CST Assessment	0.47	2013-14	Deputy Commissioner, Commercial Tax,Ratlam
Sales Tax	VAT Assessment demand	0.10	2013-14	Addl. Commissioner (Appeal), Commercial Tax,Indore
Sales Tax	Duburdih Check Post Penalty	0.01	2014-15	Deputy Commissioner, Sales Tax, West Bengal
Total		13.55		

Annexure - B to the Auditors' Report

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

We have audited the internal financial controls over financial reporting of Ipca Laboratories Limited ("the Company") as of March 31, 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Natvarlal Vepari & Co.
Chartered Accountants
Firm Registration No. 106971W

N Jayendran
Partner
M. No. 40441

Mumbai,
30th May, 2016

STANDALONE ACCOUNTS

Balance Sheet as at 31st March, 2016

Particulars	Note Ref.	As at 31/03/2016	As at 31/03/2015
		(₹ Crores)	(₹ Crores)
Equity & Liabilities			
1. Shareholders' funds			
(a) Share capital	1	25.24	25.24
(b) Reserves & surplus	2	2,280.85	2,208.09
(c) Money received against share warrants		-	-
		2,306.09	2,233.33
2. Share application money pending allotment		-	-
3. Non-current liabilities			
(a) Long-term borrowings	3	486.52	501.40
(b) Deferred tax liabilities (net)	4	169.30	174.23
(c) Other long term liabilities	5	3.09	3.21
(d) Long term provisions	6	20.22	17.66
		679.13	696.50
4. Current liabilities			
(a) Short-term borrowings	7	108.49	320.98
(b) Trade payables	8		
- Due to micro / small enterprises		3.67	2.51
- Due to others		411.57	300.05
(c) Other current liabilities	9	295.55	234.93
(d) Short-term provisions	6	18.34	35.44
		837.62	893.91
Total		3,822.84	3,823.74
Assets			
1. Non-current assets			
(a) Fixed assets	10		
(i) Tangible assets		1,927.88	1,706.39
(ii) Intangible assets		40.21	46.57
(iii) Capital work-in-progress		93.80	236.29
(iv) Intangible assets under development		35.13	30.66
		2,097.02	2,019.91
(b) Non-current investments	11	96.47	81.86
(c) Deferred tax assets (net)		-	-
(d) Long-term loans & advances	12	98.59	118.87
(e) Other non-current assets	13	9.08	10.04
		2,301.16	2,230.68
2. Current assets			
(a) Current investments		-	-
(b) Inventories	14	831.94	916.98
(c) Trade receivables	15	367.71	353.55
(d) Cash and bank balances	16	161.98	113.19
(e) Short-term loans and advances	12	25.23	46.84
(f) Other current assets	13	134.82	162.50
		1,521.68	1,593.06
Total		3,822.84	3,823.74

Statement of significant accounting policies and other explanatory notes form part of the balance sheet and statement of profit and loss.

As per our report of even date attached
For **Natvarlal Vepari & Co.**
Chartered Accountants
Firm Registration No. 106971W

N. Jayendran
Partner
M.No. 40441

Mumbai,
30th May, 2016

For and on behalf of the Board of Directors
Premchand Godha
Chairman & Managing Director (DIN 00012691)
Ajit Kumar Jain
Joint Managing Director & CFO (DIN 00012657)
Pranay Godha
Executive Director (DIN 00016525)
Prashant Godha
Executive Director (DIN 00012759)
Harish P. Kamath
Company Secretary (ACS - 6792)

Statement of Profit and Loss for the year ended 31st March, 2016

Particulars	Note Ref.	2015-16	2014-15
		(₹ Crores)	(₹ Crores)
I. Revenue from operations (gross)	17	2,847.61	3,119.64
Less : excise duty		31.74	31.80
Revenue from operations (net)		2,815.87	3,087.84
II. Other income	18	23.05	32.56
III. Total revenue (I + II)		2,838.92	3,120.40
IV. Expenses			
Cost of materials consumed	19	886.00	1,087.80
Purchases of stock - in - trade	20	138.33	123.12
Changes in inventories of finished goods, work-in-progress and stock - in - trade	21	22.27	(67.87)
Employee benefit expenses	22	601.65	541.22
Finance cost	23	29.67	25.62
Depreciation & amortisation expenses	24	169.72	177.17
Other expenses	25	843.54	879.86
Foreign exchange (gain)/loss - net		39.22	(4.25)
Total expenses (IV)		2,730.40	2,762.67
V. Profit Before exceptional, extraordinary items and tax (III-IV)		108.52	357.73
VI. Tax expense			
Current tax		22.00	74.50
Deferred tax		(4.93)	27.12
VII. Profit after tax before exceptional item (V-VI)		91.45	256.11
VIII. Exceptional items		-	-
IX. Profit after tax and exceptional item (VII-VIII)		91.45	256.11
X. Earnings per equity share: (₹)	29		
Basic		7.25	20.29
Diluted		7.25	20.29
Par value per share (₹)		2.00	2.00

Statement of significant accounting policies and other explanatory notes form part of the balance sheet and statement of profit and loss.

As per our report of even date attached
For **Natvarlal Vepari & Co.**
Chartered Accountants
Firm Registration No. 106971W

N. Jayendran
Partner
M.No. 40441

Mumbai,
30th May, 2016

For and on behalf of the Board of Directors
Premchand Godha
Chairman & Managing Director (DIN 00012691)
Ajit Kumar Jain
Joint Managing Director & CFO (DIN 00012657)
Pranay Godha
Executive Director (DIN 00016525)
Prashant Godha
Executive Director (DIN 00012759)
Harish P. Kamath
Company Secretary (ACS - 6792)

Cash Flow Statement for the year ended 31st March, 2016

		2015-16		2014-15		
		(₹ Crores)		(₹ Crores)		
A. Cash Flow From Operating Activities						
1)	Net profit before taxation and extraordinary item		108.52		357.73	
	Adjustments for :					
	Depreciation, amortisation and impairment expense	169.72		177.17		
	(Profit) / Loss on sale of assets	0.54		0.34		
	(Profit) / Loss on sale of investment (net)	0.79		(2.13)		
	(Profit) / Loss on sale of mutual fund investments (short term)	(5.36)		(4.17)		
	Assets scrapped	0.34		0.92		
	Sundry balances written back	(2.72)		(2.70)		
	Provision for doubtful debts / advances	-		0.56		
	Bad debts w/off	3.30		6.24		
	Bad Debts recovered	(0.80)		-		
	Provision for diminution in value of investment - in subsidiaries	-		0.05		
	Reversal of provision for diminution in value of investments	(6.62)		(4.32)		
	Unrealised foreign exchange (gain) / loss	34.25		3.97		
	Interest income	(9.35)		(19.51)		
	Dividend income	(0.03)		(0.01)		
	Interest expense	29.67	213.73	25.62	182.03	
2)	Operating profit before working capital changes		322.25		539.76	
	Decrease / (increase) in receivables	(4.37)		107.28		
	Decrease / (increase) in loans and advances	7.21		(26.61)		
	Decrease / (Increase) in inventories	85.04		(78.68)		
	Increase / (decrease) in liabilities & provisions	104.02	191.90	(11.95)	(9.96)	
3)	Cash generated from operation		514.15		529.80	
	Income tax paid (net)		(29.06)		(74.46)	
	Net cash from operating activities		485.09		455.34	
B. Cash Flow From Investing Activities						
	Purchase of fixed assets including capital WIP		(241.76)		(554.87)	
	Acquisition of industrial undertakings		-		(118.39)	
	Investment in subsidiaries		(0.69)		(0.03)	
	Disposal of investment in subsidiaries		0.14		-	
	Investment in associate		-		(21.96)	
	Purchase of investment - others		-		(0.05)	
	Sale of investment - others		4.19		4.08	
	Purchase/redemption of mutual fund units					
	- Purchases	(1,831.96)		(2,037.85)		
	- Redemption	1,837.32	5.36	2,042.02	4.17	
	Proceeds from sale of assets		1.56		1.00	
	Movement in other bank balances		19.44		(19.35)	
	Interest received		8.83		19.68	
	Dividend received		0.03		0.01	
	Net cash from / (used in) investing activities		(202.90)		(685.71)	
C. Cash Flow From Financing Activities						
	Increase / (decrease) in short term borrowings		(213.81)		184.46	
	Proceeds from long-term borrowings		151.83		303.29	
	Repayment of long-term borrowings		(101.43)		(109.63)	
	Repayment of debentures		(5.00)		(55.00)	
	Interest paid		(30.21)		(31.28)	
	Dividend & dividend tax paid		(15.34)		(36.85)	
	Net cash from / (used in) financing activities		(213.96)		254.99	
	Net increase / (decrease) in cash and cash equivalents (A + B + C)		68.23		24.62	
	Cash and cash equivalents at beginning of year		92.08		67.46	
	Cash and cash equivalents at end of year		160.31		92.08	
Components of cash & cash equivalents :						
	Cash and cheques on hand		1.83		2.06	
	Balance with banks		158.48		90.02	
			160.31		92.08	

As per our report of even date attached
For **Natvarlal Vepari & Co.**
Chartered Accountants
Firm Registration No. 106971W

N. Jayendran
Partner
M.No. 40441

Mumbai,
30th May, 2016

For and on behalf of the Board of Directors
Premchand Godha
Chairman & Managing Director (DIN 00012691)
Ajit Kumar Jain
Joint Managing Director & CFO (DIN 00012657)
Pranay Godha
Executive Director (DIN 00016525)
Prashant Godha
Executive Director (DIN 00012759)
Harish P. Kamath
Company Secretary (ACS - 6792)

Statement of Significant Accounting policies and Other Explanatory Notes

(A) Accounting Policies

a) Basis of Preparation

- i) The Financial Statements have been prepared to comply in all material respects with the notified accounting standards by the Companies Accounting Standards Rules, 2006 specified in section 133 of the Companies Act 2013 read with rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act 2013. The financial statements have been prepared under the historical cost convention, on an accrual basis of accounting.

The classification of assets and liabilities of the Company is done into current and non-current based on the operating cycle of the business of the Company. The operating cycle of the business of the Company is less than twelve months and therefore all current and non-current classifications are done based on the status of realisability and expected settlement of the respective asset and liability within a period of twelve months from the reporting date as required by Schedule III to the Companies Act, 2013.

- ii) Change in Accounting Policy

The accounting policies adopted in the preparation of financial statements are consistent with those used in the previous year.

b) Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

c) Inflation

Assets and liabilities are shown at historical cost except revalued assets, which are shown at revalued amounts. No adjustments are made for changes in purchasing power of money.

d) Fixed Assets

- i) Tangible / Intangible Assets are recorded at cost of acquisition or construction. Cost of acquisition comprises its purchase price including import duties and other non-refundable taxes or levies and any directly attributable cost of bringing the asset to its working condition for its intended use; any trade discount and rebates are deducted in arriving at the purchase price. Revalued assets are recorded at revalued amounts.
- ii) Goodwill represents excess of consideration paid for acquisition of business over the fair value of net assets.
- iii) Capital Work In Progress represents expenditure incurred on capital assets that are under construction or are pending capitalisation and includes Project expenses pending allocation. Project expenses pending allocation are apportioned to the fixed assets of the project proportionately on capitalisation.
- iv) Cost of borrowing for assets taking substantial time to be ready for use is capitalised for the period up to the time the asset is ready for its intended use.

e) Investments

Long term Investments are stated at cost. Provisions are made for diminution in value of investments other than temporary in nature. Current Investments are stated at cost or fair value whichever is lower.

Investments that are readily realisable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

f) Depreciation, Amortisation and Impairment

- i) Depreciation on all assets of the Company is charged on straight line method over the useful life of assets mentioned in Schedule II to the Companies Act, 2013 or the useful life previously assessed by the management based on technical review whichever is lower for the proportionate period of use during the year. Intangible assets are amortised over the economic useful life estimated by the management.

The management's estimated useful life/useful life as per schedule II whichever is lower for the various tangible assets are as follows.

Assets	Estimated useful life (Years)
Leasehold land	Period of Lease
Buildings	28 to 58
Roads	3 to 10
Plant and machinery and R&D equipments	9 to 20
Office and other equipments	5
Computers	3 to 6
Furniture and fixtures	10
Vehicles	6 to 8
Leasehold improvements	Period of Lease

- ii) The management has estimated the economic useful life for the various intangible assets as follows.

Assets	Estimated useful life (Years)
Brands and Trademarks	4
Technical Know how	4
Software for internal use	4
Goodwill	4

- iii) On an annual basis the Company makes an assessment of any indicator that may lead to impairment of assets. An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. The recoverable amount is higher of an asset's net selling price and value in use. Value is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life.
- iv) Fixed Assets individually costing upto ₹ 5,000/- are fully depreciated in the year of purchase.

g) Inventories

Items of inventories are valued lower of cost or estimated net realisable value as given below.

Raw Materials and Packing Materials	Lower of cost and Net realisable value. However materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost is determined on First-in-First-out basis.
Work-in-process and Finished Goods	At lower of cost including material cost net of CENVAT, labour cost and all overheads other than selling and distribution overheads and net realisable value. Excise duty is considered as cost for finished goods wherever applicable.
Stores and Spares	Stores and spare parts are valued at lower of purchase cost computed on First-in-First-out method and net realisable value.
Traded Goods	Traded Goods are valued at lower of purchase cost and net realisable value.

h) Employee Benefits

- i) Retirement benefit in the form of provident fund is a defined contribution scheme and contributions are charged to the Statement of Profit and Loss for the year/period when the contributions are due.
- ii) Gratuity being a defined benefit obligation is provided on the basis of an actuarial valuation made at the end of each year/period using the projected unit credit method.
- iii) Leave encashment is recognised on the basis of actuarial valuation made at the end of each year.
- iv) Actuarial gains/losses are immediately taken to Statement of Profit and Loss and are not deferred.
- v) Leave Travel Assistance (LTA) liability has been provided on the basis of actual accumulated obligation.

i) Excise Duty and Cenvat / Service Tax Credit

- i) The excise duty expenses are bifurcated into three components: excise duty expenses related to sales is reduced from gross sales, excise duty relating to the difference between the closing and opening stock of finished goods is recognized in the material cost and inventory adjustments and the un-recovered excise duty is recognized under other expenses.
- ii) CENVAT / Service Tax credit utilised during the year is accounted in excise duty and unutilised CENVAT / Service Tax credit at the year end is considered as duties and taxes refundable.

j) Government Grants

- i) Grants and subsidies are recognized when there is a reasonable assurance that the grant or subsidy will be received and that all underlying conditions thereto will be complied with.
- ii) Grants relating to specific fixed assets are reduced from the gross value of the respective fixed assets.
- iii) Grants in the nature of promoter's contribution are credited to capital reserve account and treated as a part of shareholders' funds.

k) Foreign Exchange Transactions

- i) Transactions denominated in foreign currency are recorded at the exchange rate on the date of transaction. The exchange gain/loss on settlement / negotiation during the year is recognised in the Statement of Profit and Loss.
- ii) Foreign currency monetary transactions remaining unsettled at the end of the year are converted at year-end rates. The resultant gain or loss is accounted for in the Statement of Profit and Loss.

- iii) Non Monetary items which are carried in terms of historical cost denominated in foreign currency are reported using the exchange rate at the date of the transaction.
- iv) The overseas trading and non trading offices are integral foreign operation and are accounted accordingly.
- v) Exchange difference arising on a monetary item that in substance, forms part of an enterprise's net investments in a non-integral foreign operation are accumulated in foreign currency translation reserve.

l) Derivative Instruments and Hedge Accounting

- i) The Company uses foreign currency forward contracts and currency options to hedge its risks associated with foreign currency fluctuations relating to certain firm commitments and forecasted transactions. The Company designates these hedging instruments as cash flow hedges applying the recognition and measurement principles set out in the Accounting Standard 30 "Financial Instruments: Recognition and Measurement" of the Companies (Accounting Standards) Rules 2006. The use of hedging instruments is governed by the Company's policies approved by the Board of Directors, which provide written principles on the use of such financial derivatives consistent with the Company's risk management strategy.
- ii) Hedging instruments are initially measured at fair value, and are re-measured at subsequent reporting dates. Changes in the fair value of these derivatives that are designated and effective as hedges of future cash flows are recognised directly in shareholders' funds and the ineffective portion is recognised immediately in the Statement of Profit and Loss.
- iii) Changes in the fair value of derivative financial instruments that do not qualify for hedge accounting are recognised in the Statement of Profit and Loss as they arise.
- iv) Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated or exercised or no longer qualifies for hedge accounting. At that time for forecasted transactions, any cumulative gain or loss on the hedging instrument recognised in shareholders' funds is retained there until the forecasted transaction occurs. If a hedged transaction is no longer expected to occur, the net cumulative gain or loss recognised in shareholders' funds is transferred to the Statement of Profit and Loss for the period.

m) Research and Development

Revenue expenditure on research and development is charged to Statement of Profit and Loss in the year in which it is incurred. Capital expenditure on research and development is considered as an addition to fixed assets.

n) Revenue Recognition

- i) Revenue from sale of goods is recognised net of returns, product expiry claims and trade discount, on transfer of significant risk and rewards in respect of ownership to the buyer which is generally on dispatch of goods. Sales include excise duty but exclude sales tax and value added tax.
- ii) In respect of incentives attributable to the export of goods, the Company following the accounting principle of matching revenue with the cost has recognised export incentive receivable when all conditions precedent to the eligibility of benefits have been satisfied and when it is reasonably certain of deriving the benefit. Since these schemes are meant for neutralisation of duties and taxes on inputs pursuant to exports, the same are grouped under material costs.
- iii) The other export incentives that do not arise out of neutralisation of duties and taxes are disclosed under other operating revenue.
- iv) Revenue from services is recognised when all relevant activities are completed and the right to receive income is established.
- v) Revenue in respect of insurance/other claims, commission, etc. are recognised only when it is reasonably certain that the ultimate collection will be made.
- vi) Interest income is recognised on time proportion method basis taking into account the amount outstanding and the rate applicable.
- vii) Dividend income is accounted when the right to receive the same is established.

o) Borrowing Cost

Borrowing costs directly attributable to the acquisition or construction of qualifying assets are capitalized. Other borrowing costs are recognized as expenses in the period in which they are incurred. In determining the amount of borrowing costs eligible for capitalization during a period, any income earned on the temporary investment of those borrowings is deducted from the borrowing costs incurred.

p) Employee Stock Option Scheme

Employee stock options are evaluated and accounted on intrinsic value method as per the accounting treatment prescribed under Guidance Note on "Accounting for Employee Share-based payments" issued by the ICAI read with SEBI (Employee Stock Option Scheme & Employee Stock Purchase Scheme) Guidelines, 1999 issued by Securities and Exchange Board of

India. Accordingly the excess of market value of the stock options as on the date of grant over the exercise price of the options is recognized as deferred employee compensation and is charged to the Statement of Profit and Loss on graded vesting basis over the vesting period of the options. The un-amortized portion of the deferred employee compensation is reduced from Employee Stock Option outstanding which is shown under Reserves and Surplus.

q) **Taxation**

Tax expenses comprise Current Tax and Deferred Tax.:

i) **Current Tax:**

Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act, 1961 and the Income Computation and Disclosure Standards issued by the Central Board of Direct Taxes.

ii) **Deferred Tax:**

Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years. Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set-off current tax assets against current tax liabilities and the deferred tax assets and the deferred tax liabilities related to the taxes on income levied by same governing taxation laws. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. In situations where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that they can be realised against future taxable profits.

The carrying amount of deferred tax assets are reviewed at each balance sheet date. The Company writes down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realised. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

iii) **MAT Credit:**

Minimum Alternate Tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The Company recognises MAT credit available as an asset only to the extent that there is reasonable certainty that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the company recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961, the said asset is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement." The Company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the Company does not have reasonable certainty that it will pay normal tax during the specified period.

r) **Provisions, Contingent Liabilities and Contingent Assets**

A provision is recognised when an enterprise has a present obligation as a result of past event; it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Contingent Liabilities are not recognised but disclosed in notes to accounts.

Contingent Assets are neither recognised nor disclosed in financial statements.

s) **Cash and Cash Equivalents**

Cash and cash equivalents in the Balance Sheet comprise cash at bank, cheques on hand, cash in hand and short term investments with an original maturity of three months or less.

t) **Earnings Per Share**

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of equity shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

(B) Other Explanatory Notes**1. Share Capital**

Particulars	As at 31-Mar-2016		As at 31-Mar-2015	
	Numbers	(₹ Crores)	Numbers	(₹ Crores)
Face Value		₹ 2.00 each		₹ 2.00 each
Class of Shares		Equity Shares		Equity Shares
Authorised Capital	28,50,00,000	57.00	28,50,00,000	57.00
Issued, Subscribed and Paid up Capital				
Issued & Subscribed	12,74,80,204	25.50	12,74,80,204	25.50
Paid up	12,61,99,109	25.24	12,61,99,109	25.24
Total		25.24		25.24

Of the above :

3,22,704 Equity shares of ₹ 2/- each of the Company have been issued during 2012-13 under the scheme of amalgamation of erstwhile Tonira Pharma Limited with the Company.

Disclosures:**i) Reconciliation of Shares**

Particulars	Equity Shares			
	As at 31-Mar-2016		As at 31-Mar-2015	
	Numbers	(₹ Crores)	Numbers	(₹ Crores)
Shares outstanding at the beginning of the year	12,61,99,109	25.24	12,61,99,109	25.24
Shares Issued during the year	-	-	-	-
Shares outstanding at the end of the year	12,61,99,109	25.24	12,61,99,109	25.24

ii) Details of Shareholding in excess of 5%

Name of Shareholders	As at 31-Mar-2016		As at 31-Mar-2015	
	Number of shares held	%	Number of shares held	%
Kaygee Investments Private Limited	2,70,18,195	21.41%	2,70,18,195	21.41%
Exon Laboratories Private Limited	82,71,000	6.55%	82,71,000	6.55%
Chandurkar Investments Private Limited	69,78,005	5.53%	69,78,005	5.53%

iii) Rights and obligations of shareholders

The Company has only one class of share referred as Equity shares having a par value of ₹ 2/- per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after payment of external liabilities. The distribution will be in proportion to the number of equity shares held by the shareholders.

2. Reserves & Surplus

i) Reserves

	As at 31-Mar-2016		As at 31-Mar-2015	
	(₹ Crores)		(₹ Crores)	
Capital Reserve		0.59		0.59
Capital Redemption Reserve		0.26		0.26
Securities Premium Account		43.99		43.99
Debenture Redemption Reserve *				
Opening Balance	10.00		17.50	
(+) Current Year Transfer	-		-	
(-) Transfer to General Reserve	(5.00)		(7.50)	
Closing Balance		5.00		10.00
Other Reserves :				
General Reserve **				
Opening Balance	1,300.00		1,250.00	
(+) Current Year Transfer	-		42.50	
(+) Transfer from Debenture Redemption Reserve	5.00		7.50	
Closing Balance		1,305.00		1,300.00
Hedging Reserve ***				
Opening Balance	13.58		3.30	
Net transfer during the Year	(17.42)		10.28	
Closing Balance		(3.84)		13.58
Foreign Currency Translation Reserve ****				
Opening Balance	13.77		13.25	
Net transfer during the Year	(1.27)		0.52	
Closing Balance		12.50		13.77
Balance at the year end		1,363.50		1,382.19

* Debenture redemption reserve is maintained in accordance with the Companies (Share capital & Debenture) Rules, 2014.

** General Reserve represents the reserve created in accordance with Companies (Transfer of Profits to Reserves) Rules, 1975.

*** Hedging Reserve represents the fair value changes of hedging instruments that are designated and effective as hedges of future cash flows.

**** Exchange difference arising on a monetary item that, in substance, forms part of an enterprise's net investments in a non-integral foreign operation are accumulated in foreign currency translation reserve.

ii) Surplus in Statement of Profit and Loss

	As at 31-Mar-2016		As at 31-Mar-2015	
	(₹ Crores)		(₹ Crores)	
Balance as per last Balance Sheet	825.90		627.48	
Net Profit for the year	91.45	917.35	256.11	883.59
Less:				
Transfer to General Reserve	-		42.50	
Proposed dividend	-		12.62	
Tax on proposed dividend	-	-	2.57	57.69
Balance as at year end		917.35		825.90
Total Reserves & Surplus (i + ii)		2,280.85		2,208.09

3. (a) Long-term Borrowings - Secured

	Non - Current Portion As at		Current Maturities as at	
	31-Mar-2016	31-Mar-2015	31-Mar-2016	31-Mar-2015
	(₹ Crores)		(₹ Crores)	
i. Debentures	5.00	10.00	5.00	5.00
ii. Foreign currency term loan	415.82	437.65	180.64	101.43
iii. Buyers Credit	14.80	-	1.64	-
Total (a)	435.62	447.65	187.28	106.43

Details of above:-

Sr. No.	Name of the Instruments / Institutions	Non - Current Portion As at		Current Maturities As at		Details of Securities	Repayment terms
		31/03/2016	31/03/2015	31/03/2016	31/03/2015		
		(₹ Crores)		(₹ Crores)			
i.	Debentures					Secured by first mortgage and pari passu charge over Company's office premises at Ahmedabad, Gujarat and first charge by way of equitable mortgage charge on immovable properties being land and building situated at Sejavata, Ratlam and Polo Ground, Indore, both in the state of Madhya Pradesh; Village Athal & Village Piparia (Silvassa); plot no.48, plot no.142-AB, plot no.123, plot no.125 & plot no.126ABCD at Kandivli Industrial Estate in Mumbai and at Dehradun in the state of Uttarakhand.	Redeemable in 4 equal annual installments of ₹ 5.00 crores at the end of 2 nd year, 3 rd year, 4 th year and 5 th year from the date of issue i.e. 12 th December 2012.
1.	9.25% Secured Redeemable Non-Convertible Debentures	5.00	10.00	5.00	5.00		
	Total (i)	5.00	10.00	5.00	5.00		
ii.	Foreign Currency Term Loans						
1.	a) BNP PARIBAS, Singapore Branch	66.26	-	-	-	Secured by first pari passu charge by way of hypothecation of movable fixed assets both present and future Including Pithampur Plant(Indore).	Repayable in 13 equal quarterly installments from 30 th June, 2017.
	b) BNP PARIBAS, Singapore Branch	-	62.50	66.26	-	Secured by first pari passu charge by way of hypothecation of movable fixed assets both present and future except on movable fixed assets at Pithampur, Indore.	Bullet Repayment at the end of 5 th year on 7 th October, 2016.
2.	DBS BANK, Singapore Branch	23.40	36.78	15.58	14.70	Secured by first pari passu charge by way of hypothecation of all the movable fixed assets both present and future.	Repayable in 17 equal quarterly installments from 16 th September, 2014.
3.	Barclays Bank PLC, London Branch	-	-	-	6.56	Secured by first pari passu charge on the plant & machinery of the Company except assets at Pithampur, Indore.	Repayable in 13 quarterly installments from 31 st May, 2012.
4.	a) HSBC Bank Mauritius Ltd.	-	15.63	16.56	37.50	Secured by first pari passu charge on the plant & machinery of the Company except assets at Pithampur, Indore.	Repayable in 7 half yearly installments from 31 st July, 2013.
	b) HSBC Bank Mauritius Ltd.	44.17	62.50	22.09	-	Secured by first pari passu charge over current and future movable fixed assets of the Company except assets at Pithampur, Indore and at Baroda.	Repayable in 9 equal quarterly installments from 26 th September, 2016.
	c) HSBC Bank Mauritius Ltd.	15.29	33.66	20.39	19.23	Secured by first pari passu charge over current and future movable fixed assets of the Company except assets at Pithampur, Indore and at Baroda.	Repayable in 13 equal quarterly installments from 19 th November, 2014.
	d) HSBC Bank Mauritius Ltd.	74.54	101.57	33.13	23.44	Secured by first pari passu charge over current and future movable fixed assets of the Company except assets at Pithampur, Indore and at Baroda.	Repayable in 16 equal quarterly installments from 30 th September, 2015.
	e) HSBC Bank Mauritius Ltd.	125.90	125.01	6.63	-	Secured by first pari passu charge over current and future movable fixed assets of the Company except assets at Baroda(Gujarat).	Repayable in 11 Half Yearly Un-equal installments from 8 th December, 2016.

Sr. No.	Name of the Instruments / Institutions	Non - Current Portion As at		Current Maturities As at		Details of Securities	Repayment terms
		31/03/2016	31/03/2015	31/03/2016	31/03/2015		
		(₹ Crores)		(₹ Crores)			
5.	United Overseas Bank Ltd.	66.26	-	-	-	Secured by first pari passu charge by way of hypothecation on movable fixed assets both present and future Including Pithampur Plant(Indore).	Repayable in 4 Equal Half Yearly Installments from 29 th June, 2018.
	Total (ii)	415.82	437.65	180.64	101.43		
iii.	Buyers Credit						
1.	Standard Chartered Bank	14.80	-	1.64	-	Exclusive Charge by way of hypothecation on specific movable fixed assets financed through this Buyers Credit.	Repayable 10% at end of 12 months, 45% at end of 24 months and balance 45% at end of 36 months from the date of drawdown.
	Total (iii)	14.80	-	1.64	-		
	Grand Total (i + ii+iii)	435.62	447.65	187.28	106.43		

b) Long-term Borrowings - Unsecured

Buyers Credit	50.90	53.75	11.07	-
Total (a+b)	486.52	501.40	198.35	106.43

c) Maturity Profile of Borrowings other than Debentures

	As at 31/03/2016	As at 31/03/2015
	(₹ Crores)	(₹ Crores)
Installment payable between 1 to 2 years	182.06	224.15
Installment payable between 2 to 5 years	259.71	201.62
Installment payable beyond 5 years	39.75	65.63
Total	481.52	491.40

d) The long term loans other than non convertible debentures are taken at the following rates.

	Interest Band
i) Foreign currency loan	Libor + 0.55% to 2.45%

4. Deferred Tax Liabilities (net)

	As at 31/03/2016	As at 31/03/2015
	(₹ Crores)	(₹ Crores)
Deferred tax liabilities on account of		
Depreciation including on R & D Assets, Amortisation and impairment	208.35	183.80
Deferred tax asset on account of		
Leave Encashment	7.80	6.80
Bonus	2.77	0.69
Unabsorbed depreciation	28.48	-
Other tax disallowance	-	2.08
Total Deferred Tax Asset	39.05	9.57
Net deferred tax liability	169.30	174.23

The company has recognized Deferred Tax Asset on unabsorbed tax depreciation of ₹ 82.30 crores to the extent that it has deferred tax liability relating to depreciation in accordance with opinion of the Expert Advisory Committee of the Institute of Chartered Accountants of India which has held that there is virtual certainty in such cases.

5. Other Long Term Liabilities

	As at 31/03/2016	As at 31/03/2015
	(₹ Crores)	(₹ Crores)
Deposits from customers	3.09	3.21
Total	3.09	3.21

6. Provisions

	Long Term		Short Term	
	As at 31/03/2016	As at 31/03/2015	As at 31/03/2016	As at 31/03/2015
	(₹ Crores)		(₹ Crores)	
Provision for employee benefits				
Gratuity	-	-	1.92	2.78
Provision for leave encashment	20.22	17.66	2.32	1.99
Provision for leave travel assistance (LTA)	-	-	4.84	4.17
Other employee related provision	-	-	5.74	1.32
Others				
Proposed final dividend	-	-	-	12.62
Provision for tax on proposed final dividend	-	-	-	2.57
Provision for taxation* (net of prepaid taxes)	-	-	3.52	9.99
Total	20.22	17.66	18.34	35.44

* Provision for taxation includes provision for wealth tax of ₹ NIL (Previous year ₹ 0.25 crore).

Disclosures:

- a) Disclosure under Accounting Standard -29 "Provisions, Contingent Liabilities and Contingent Assets" of the Companies (Accounting Standards) Rules 2006.

(₹ Crores)

Particulars	Opening Balance	Additions during the year	Amounts paid / reversed during the year	Closing Balance
Provision for wage revision under negotiation	1.32	4.60	0.18	5.74
(Previous Year)	1.83	0.39	0.90	1.32

- b) As per the Accounting Standard -15 "Employee Benefits" of the Companies (Accounting Standards) Rules 2006 and as defined in the accounting standard the summarised components of net benefit expense recognized in the statement of Profit and Loss and the funded status and amounts recognized in the balance sheet are given herein below.

Particulars	Gratuity		Leave Encashment	
	2015-16	2014-15	2015-16	2014-15
	(₹ Crores)		(₹ Crores)	
I. Change in Benefit Obligation				
Liability at the beginning of the year	37.79	30.62	19.65	15.76
Interest cost	3.02	2.45	1.31	1.06
Current service cost	5.01	4.90	5.41	4.49
Past service cost	-	-	-	-
Benefit paid	(1.46)	(2.86)	(5.12)	(4.32)
Actuarial (gain)/loss on obligations	(1.16)	2.68	1.29	2.66
Curtailments and settlements	-	-	-	-
Liability at the end of the year	43.20	37.79	22.54	19.65
II. Fair Value of Plan Assets				
Fair value of plan assets at the beginning of the year	35.01	29.48	-	-
Expected return on plan assets	3.33	2.93	-	-
Contributions	6.69	5.46	-	-
Benefit paid	(1.46)	(2.86)	-	-
Actuarial gain/(loss) on plan assets	-	-	-	-
Fair Value of Plan Assets at the end of the year	43.57	35.01	-	-
Less:- Benefit paid but pending claim from LIC	(2.29)	-	-	-
Adjusted Fair Value of Plan Assets at the end of the year	41.28	35.01	-	-

Particulars	Gratuity		Leave Encashment	
	2015-16	2014-15	2015-16	2014-15
	(₹ Crores)		(₹ Crores)	
III. Actual Return on Plan Assets				
Expected return on plan assets	3.33	2.93	-	-
Actuarial gain/(loss) on plan assets	-	-	-	-
Actual Return on Plan Assets	3.33	2.93	-	-
IV. Amount Recognised in the Balance Sheet				
Liability at the end of the year	43.20	37.79	22.54	19.65
Fair value of plan assets at the end of the year	41.28	35.01	-	-
Difference	1.92	2.78	22.54	19.65
Unrecognised past service cost	-	-	-	-
Amount Recognised in the Balance Sheet	1.92	2.78	22.54	19.65
Breakup of Above:				
Current	1.92	2.78	2.32	1.99
Non-current	-	-	20.22	17.66
Total	1.92	2.78	22.54	19.65
V. Expenses Recognised in the Income Statement				
Current service cost	5.01	4.90	5.41	4.49
Interest cost	3.02	2.45	1.31	1.06
Expected return on plan assets	(3.33)	(2.93)	-	-
Net actuarial (gain)/loss to be recognised	(1.16)	2.68	1.29	2.66
Benefit paid but pending claim from LIC	2.29	-	-	-
Expense Recognised in the statement of Profit and Loss	5.83	7.10	8.01	8.21
VI. Balance Sheet Reconciliation				
Opening net liability	2.78	1.14	19.65	15.76
Expense as above	5.83	7.10	8.01	8.21
Past service cost	-	-	-	-
Employer's contribution	(6.69)	(5.46)	(5.12)	(4.32)
Amount Recognised in Balance Sheet	1.92	2.78	22.54	19.65
VII. Category of assets as at the end of the year				
Insurer managed funds	43.57	35.01	-	-
(Fund is managed by LIC as per IRDA guidelines, Category-wise composition of the plan assets is not available. The plan assets under the fund are deposited under approved securities.)				
VIII. Actuarial Assumptions				
Discount rate	8.00%	8.00%	8.00%	8.00%
Salary escalation	6.00%	6.00%	6.00%	6.00%

Notes :

- Employer's contribution includes payments made by the Company directly to its past employees.
- The estimates of future salary increases considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.
- The Company's leave encashment liability is entirely unfunded.
- Experience adjustments are not made due to non availability of data from the actuary appointed by the fund manager - LIC.

7. Short-Term Borrowings

	As at 31/03/2016 (₹ Crores)	As at 31/03/2015 (₹ Crores)
(i) Secured Loans:		
Working Capital Loan from banks	41.63	200.63

- Secured by first charge by way of hypothecation of all the stocks, book debts and all other movable current assets of the Company and second charge by way of mortgage of the immovable properties of the Company and hypothecation of plant & machinery of the Company.

	As at 31/03/2016 (₹ Crores)	As at 31/03/2015 (₹ Crores)
(ii) Unsecured Loans:		
Short term loans from banks	66.26	120.35
Short term loans from others	0.60	-
Total Short-Term Borrowings (i)+(ii)	108.49	320.98

8. Trade Payables

	As at 31-Mar-2016 (₹ Crores)	As at 31-Mar-2015 (₹ Crores)
Outstanding dues of micro enterprises and small enterprises	3.67	2.51
Others		
- Against acceptance of Import documents	13.83	16.88
- Others	397.74	283.17
Total	411.57	300.05
	415.24	302.56

Disclosures:

Disclosure In accordance with Section 22 of The Micro, Small and Medium Enterprises Development Act 2006.

Particulars	2015-16 (₹ Crores)	2014-15 (₹ Crores)
a) the principal amount and the interest due thereon remaining unpaid to any micro and small enterprises as at the end of each year;		
Principal amount due	3.67	2.51
Interest due thereon ₹ 4,132/- (previous year ₹ 189/-)	-	-
b) The amount of interest paid in terms of Section 16 of the MSMED Act 2006 alongwith the amounts of the payment made to the suppliers beyond the appointed date during the year.		
Principal amount paid beyond appointed day	1.59	1.68
Interest paid thereon	0.01	0.06
c) The amount of interest due and payable for the period of delay in making payment beyond appointed day during the year.	-	-
d) The amount of interest accrued and remaining unpaid at the end of the accounting year.	0.01	0.01
e) The amount of further interest due and payable even in the succeeding years.	-	-

The information has been given in respect of such vendors to the extent they could be identified as 'micro and small enterprises' on the basis of information available with the Company. This has been relied upon by the auditors.

9. Other Current Liabilities

	As at 31/03/2016 (₹ Crores)	As at 31/03/2015 (₹ Crores)
Current maturities of non-current liabilities (Refer Note 3)	198.35	106.43
Interest accrued but not due on borrowings	2.73	2.62
Advance received from customers	20.70	21.96
Unpaid dividends *	1.67	1.82
Duties & taxes payable	21.27	39.21
Amount payable on hedging transactions	3.84	1.27
Payable for capital goods	43.09	58.33
Other payables	3.90	3.29
Total	295.55	234.93

* Unpaid dividend does not include any amount to be credited to Investor Education and Protection fund.

10. Fixed Assets

(₹ Crores)

Description of Assets	Cost					Depreciation, Amortisation & Impairment					Net Block				
	As at 1 st April 2014	Additions (14-15)	Disposals/ Adjustments (14-15)	As at 31 st March 2015	Additions (15-16)	Disposals/ Adjustments (15-16)	As at 31 st March 2016	As at 1 st April 2014	Charge for the year (14-15)	Disposals/ Adjustments (14-15)	As at 31 st March 2015	Charge for the year (15-16)	Disposals/ Adjustments (15-16)	As at 31 st March 2016	As at 31 st March 2015
A. Tangible Assets															
1. Freehold Land	46.12	3.58	(0.01)	49.69	0.62	-	50.31	0.03	-	-	0.03	-	-	50.28	49.66
2. Leasehold Land	19.87	28.83	-	48.70	0.63	-	49.33	1.00	0.54	0.96	1.54	0.96	-	46.83	47.16
3. Buildings	360.13	126.71	(0.10)	486.74	61.43	0.48	548.65	56.46	16.08	16.81	72.54	16.81	(0.01)	459.31	414.20
4. Plant & Machinery	1,135.07	321.01	(4.59)	1,451.49	263.88	(9.07)	1,706.30	360.06	121.36	101.16	477.86	101.16	(4.67)	1,131.95	973.63
5. Plant & Machinery (Given on Lease)	5.83	-	-	5.83	-	0.06	5.89	1.82	0.47	0.45	2.29	0.45	-	3.15	3.54
6. Office & Other Equipments	12.56	8.79	(0.08)	21.27	4.13	(0.17)	25.23	5.43	3.87	3.72	9.25	3.72	(0.10)	12.36	12.02
7. Effluent Treatment Plant	37.78	25.49	(1.48)	61.79	19.43	(0.31)	80.91	9.34	2.78	5.07	10.94	5.07	-	64.90	50.85
8. Furniture & Fixtures	32.51	23.15	(0.02)	55.64	10.10	0.04	65.78	16.62	4.58	5.13	21.18	5.13	-	39.47	34.46
9. Vehicles	23.25	3.05	(1.30)	25.00	1.90	(1.34)	25.56	8.33	3.60	3.75	11.09	3.75	(0.86)	11.58	13.91
10. Leasehold Improvement	0.76	-	(0.76)	-	-	-	-	0.72	-	-	-	-	-	-	-
11. R & D Building	18.20	0.21	-	18.41	0.03	-	18.44	3.50	0.61	0.62	4.11	0.62	-	13.71	14.30
12. R & D Leasehold Improvement	0.74	-	(0.74)	-	-	-	-	0.70	-	-	-	-	-	-	-
13. R & D Equipments	117.09	48.36	(3.62)	161.83	14.95	(0.45)	176.33	61.99	11.14	14.18	70.56	14.18	(0.66)	92.25	91.27
14. R & D Furnitures	2.55	0.42	-	2.97	0.95	-	3.92	1.36	0.22	0.25	1.58	0.25	-	2.09	1.39
Total (A)	1,812.46	589.60	(12.70)	2,389.36	378.05	(10.76)	2,756.65	527.36	165.25	152.10	682.97	152.10	(6.30)	1,927.88	1,706.39

B. Intangible Assets												
1. Goodwill	15.88	18.10	-	33.98	-	-	33.98	4.14	6.23	8.49	15.12	23.61
2. Software	15.51	8.35	-	23.86	9.05	(0.01)	32.90	7.12	3.87	5.87	16.04	12.87
3. Brands & Trade Mark	2.19	7.03	-	9.22	-	-	9.22	2.08	1.24	1.76	4.14	5.90
4. Know-How	3.99	3.75	-	7.74	0.97	-	8.71	3.70	0.50	1.06	3.45	3.54
5. Software - R & D	1.26	0.48	-	1.74	1.27	-	3.01	0.78	0.31	0.46	1.46	0.65
Total (B)	38.83	37.71	-	76.54	11.29	(0.01)	87.82	17.82	12.15	17.64	40.21	46.57
Total (A+B)	1,851.29	627.31	(12.70)	2,465.90	389.34	(10.77)	2,844.47	545.18	177.40	169.74	1,968.09	1,752.96

Notes:

- Buildings include cost of shares in Co-operative societies.
- Out of depreciation and amortisation for the year of ₹ 169.74 crores (Previous year ₹ 177.40 crores), depreciation of ₹ 0.02 crore (Previous year ₹ 0.23 crore) relating to project under execution for the period before start of production is transferred to project expenses pending allocation.
- Cost of Borrowing of ₹ 0.65 crore (Previous year ₹ 3.79 crores) is capitalised to the projects.

11. Investments

i) Non Current Investments

Sr. No.	Name of the Body Corporate	Subsidiary / Associate / JV/ Controlled Entity / Others	No. of Shares / Units		Face Value	Quoted / Unquoted	Partly Paid / Fully paid	Extent of Holding (%)		₹ Crores	
			31/03/2016	31/03/2015				31/03/2016	31/03/2015	31/03/2016	31/03/2015
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
A. Details of Trade Investments											
i) Investment in Equity Instruments (At cost)											
1.	Ipca Pharmaceuticals, Inc. USA	Subsidiary	1,000	1,000	No Par Value	Unquoted	Fully Paid	100.00	100.00	9.20	8.54
2.	Ipca Laboratories (U.K.) Ltd.,U.K.	Subsidiary	9,14,186	9,14,186	STG 1	Unquoted	Fully Paid	100.00	100.00	7.19	7.19
3.	Ipca Pharma Nigeria Ltd. Nigeria	Subsidiary	5,15,89,190	5,15,89,190	Niara 1	Unquoted	Fully Paid	100.00	100.00	2.82	2.82
4.	National Druggists (Pty) Ltd. South Africa	Subsidiary	-	10,59,732	Rand 1	Unquoted	Fully Paid	-	100.00	-	0.64
5.	Ipca Pharma (Australia) Pty Ltd. Australia	Subsidiary	26,944	26,944	Aus \$ 1	Unquoted	Fully Paid	100.00	100.00	0.17	0.17
6.	Ipca Pharmaceuticals(Shanghai) Ltd.China	Subsidiary	-	-	No Par Value	Unquoted	Fully Paid	-	100.00	-	1.19
7.	Ipca Pharmaceuticals Ltd. SA de CV. Mexico	Subsidiary	-	-	No Par Value	Unquoted	Fully Paid	100.00	100.00	1.15	1.12
8.	Tonira Exports Limited	Subsidiary	1,00,000	1,00,000	₹10	Unquoted	Fully Paid	100.00	100.00	0.10	0.10
Total										20.63	21.77
ii) Investment in Preference Instruments (At cost)											
9.	Ipca Laboratories (U.K.) Ltd.,U.K.	Subsidiary	40,00,000	40,00,000	STG 1	Unquoted	Fully Paid	100.00	100.00	41.02	41.02
Total (i + ii)										61.65	62.79
iii) Investment in Equity Instruments (At cost)											
10.	CCPL Software Pvt.Ltd. #	Associate	55,000	55,000	₹100	Unquoted	Fully Paid	28.95	28.95	-	-
11.	Trophic Wellness Pvt. Ltd. @100000 shares fully paid & 680000 partly paid - ₹ 7.50 (Previous year ₹ 7.50 per share)	Associate	7,80,000	7,80,000	₹10	Unquoted	@	19.26	19.26	8.94	8.94
12.	Krebs Biochemicals & Industries Ltd.	Associate	41,00,100	18,00,000	₹10	Quoted	Fully Paid	31.38	18.92	21.96	9.54
Total										30.90	18.48
iv) Investment in Equity Instruments (At cost)											
13.	Avik Pharmaceutical Ltd.	Joint Venture	5,00,000	5,00,000	₹100	Unquoted	Fully Paid	49.02	49.02	6.51	6.51
Total										6.51	6.51
v) Investment in Equity Instruments (At cost)											
14.	Mangalam Drugs & Organics Ltd.	Others	-	10,67,939	₹10	Quoted	Fully Paid	-	-	-	3.29
Total										-	3.29
Total										99.06	91.07

Cost fully written off in books

B. Details of Non Trade Investments											
i) Investment in Equity Instruments (At cost)											
1.	Gujarat Industrial Co-Op Bank Ltd.	Others	140	140	₹50	Unquoted	Fully Paid	-	-	-	-
2.	Narmada Clean Tech Ltd. (NCTL) (formerly known as Bharuch Eco Aqua Infrastructure Ltd.)	Others	35,000	35,000	₹10	Unquoted	Fully Paid	-	-	0.04	0.04
ii) Investment in Preference Instruments (At cost)											
3.	Enviro Infrastructure Company Limited	Others	45,000	45,000	₹10	Unquoted	Fully Paid	-	-	0.05	0.05
Total										0.09	0.09
C. Total Non current Investments (A+B)										99.15	91.16
Less : Provision for diminution in value (Refer table (ii) below)										2.68	9.30
Non current investments (Net of provision)										96.47	81.86

ii) Provision for diminution in the value of Investments till date in shares in respect of the above companies is as follows:-

Sr. No.	Name of the Body Corporate	Subsidiary / Associate / JV/ Controlled Entity / Others	₹ Crores	
			31/03/2016	31/03/2015
1.	Ipca Pharmaceuticals Inc., USA	Subsidiary	2.68	7.61
2.	National Druggists (Pty) Ltd. South Africa	Subsidiary	-	0.64
3.	Ipca Pharmaceuticals(Shanghai) Ltd. China	Subsidiary	-	1.05
Total			2.68	9.30

iii) Aggregate value of investments

Particulars	₹ Crores	
	31/03/2016	31/03/2015
Aggregate book value of quoted investments (Non Current - Trade)	21.96	12.83
Aggregate market value of quoted investments (Non Current - Trade)	43.05	18.84
Aggregate book value of unquoted investments (Non Current - Trade)	77.10	78.24
Aggregate book value of unquoted investments (Non Current - Non Trade)	0.09	0.09

iv) Ipca Pharmaceuticals(Shanghai) Ltd. China has been wound up during the year.

v) National Druggists (Pty) Ltd. South Africa has been wound up during the year and the amount receivable has since been received. Necessary entries for the determination of profit / loss has been done based on the information.

Details of loans given, investments made & guarantee given covered under section 186(4) of the Companies Act, 2013 are given in statement 2 attached to the financial statements.

12. Loans and Advances

	Long Term		Short Term	
	As at 31/03/2016	As at 31/03/2015	As at 31/03/2016	As at 31/03/2015
	(₹ Crores)		(₹ Crores)	
a. Loans and advances to related parties				
Unsecured, considered good (Refer Note (c) given hereunder)	29.83	22.77	0.64	0.78
b. Capital Advances				
Unsecured, considered good	4.48	26.58	-	-
c. Share application money pending allotment	-	12.42	-	-
d. Others (Unsecured, considered good, unless otherwise stated)				
Advance to suppliers	-	-	4.56	8.38
Loans given to :				
- Employees	0.70	1.03	1.65	1.64
- Others	-	-	-	4.72
Hedging gain receivable	-	-	-	14.48
Prepaid taxes (net of provisions)	3.47	2.88	-	-
Deposits with Govt. departments and others (Refer note (e) given hereunder)				
- Considered good	58.92	52.40	1.16	0.71
- Considered doubtful	0.02	0.02	-	-
	58.94	52.42	1.16	0.71
Less : Provision for doubtful deposits	0.02	0.02	-	-
	58.92	52.40	1.16	0.71
Prepaid expenses	0.83	0.79	9.18	9.35
Advances to Employees				
- Considered good	-	-	4.15	4.33
- Considered doubtful	-	-	0.29	0.43
	-	-	4.44	4.76
Less : Provision for doubtful advances	-	-	0.29	0.43
	-	-	4.15	4.33
Other advances	0.36	-	3.89	2.45
Total	98.59	118.87	25.23	46.84

Disclosures:

a) Details of loans and advances in the nature of loan to subsidiaries, associates etc. as required under Schedule V(A) (2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 :

(₹ Crores)

Sr. No.	Name of the company and Relationship	Balance as at 31/03/2016	Maximum outstanding during the year 2015-16	Balance as at 31/03/2015	Maximum outstanding during the year 2014-15
i)	Ipca Laboratories (U.K.) Ltd. U.K.- 100% Subsidiary	2.88	9.23	9.23	51.07
ii)	Krebs Biochemicals & Industries Limited - Associate	11.40	11.40	-	-
iii)	Avik Pharmaceutical Limited - Joint Venture	16.19	16.19	14.32	14.32

Loans and advances to subsidiary company is interest free and there is no repayment schedule fixed.

b) Investment by the loanee in the shares of the Company:

None of the loanees have, per se, made investments in the shares of the Company.

c) Details of Loans and advances to Related Parties.**(₹ Crores)**

Sr. No.	Name of the company and Relationship	Balance as at 31/03/2016	Balance as at 31/03/2015
i)	*Ipca Laboratories (UK) Ltd. U.K.- 100% Subsidiary	2.88	9.23
ii)	Avik Pharmaceutical Limited - Joint Venture	16.19	14.32
iii)	Krebs Biochemicals & Industries Limited - Associate	11.40	-
	Total	30.47	23.55

* During the previous year, part amount of the loan to Ipca Laboratories (U.K.) Limited has been converted to preference capital.

d) Share application money pending allotment of the previous year represents amount invested in Krebs Biochemicals & Industries Limited, an associate, for allotment of 23,00,000 fully paid equity shares of ₹ 10/- each, which are allotted on 9th May, 2015.

e) Deposit includes ₹ 45.00 crores (previous year ₹ 39.44 crores) given as lease deposit for two manufacturing facilities of Krebs Biochemicals & Industries Limited taken on lease by the Company.

13. Other Assets

	Non Current		Current	
	As at 31-Mar-2016	As at 31-Mar-2015	As at 31-Mar-2016	As at 31-Mar-2015
	(₹ Crores)		(₹ Crores)	
Term deposits with banks #	2.45	3.13	-	-
Export benefits receivables	-	-	40.62	39.98
Forward contract gain receivable	-	-	3.32	-
Duties & taxes refundable	6.59	6.91	80.11	98.46
Gratuity and other claim receivables	-	-	3.56	7.06
Unbilled revenue	-	-	4.30	8.25
Others	0.04	-	2.91	8.75
Total	9.08	10.04	134.82	162.50

Term deposits are lying with government authorities and / or as margin for guarantees issued by banks to various Authorities.

14. Inventories

	As at 31-Mar-2016		As at 31-Mar-2015	
	(₹ Crores)		(₹ Crores)	
i) Raw Materials				
In hand	278.85	294.27	315.72	331.30
In transit	15.42		15.58	
ii) Packing Materials				
In hand	32.33	32.68	39.11	39.39
In transit	0.35		0.28	
iii) Work-in-progress		198.14		172.16
iv) Finished goods				
In hand				
Own	253.18	294.07	316.99	361.47
Traded	28.83		30.00	
In transit				
Own	9.78	12.78	10.63	12.66
Traded	2.28		3.85	
v) Stores and spares				
Total		831.94		916.98

Valuation methodology

Raw materials and packing materials	Lower of cost and Net realisable value. However materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost is determined on First-in-First-out basis.
Work-in-process and finished goods	At lower of cost including material cost net of CENVAT, labour cost and all overheads other than selling and distribution overheads and net realisable value. Excise duty is considered as cost for finished goods wherever applicable.
Stores and spares	Stores and spare parts are valued at lower of purchase cost computed on First-in-First-out method and net realisable value.
Traded Goods	Traded Goods are valued at lower of purchase cost and net realisable value.

15. Trade receivables

	As at 31-Mar-2016 (₹ Crores)		As at 31-Mar-2015 (₹ Crores)	
Outstanding for more than six months				
Unsecured, considered good	9.06		15.32	
Unsecured, considered doubtful	0.10		0.23	
Less: Provision for doubtful debts	0.10	9.06	0.23	15.32
Others				
Unsecured, considered good		358.65		338.23
Total		367.71		353.55

16. Cash and Bank Balances

	As at 31-Mar-2016 (₹ Crores)	As at 31-Mar-2015 (₹ Crores)
Cash & Cash Equivalents		
Cash on hand	0.27	0.34
Balances with banks	13.48	8.02
Cheques, drafts on hand	1.56	1.72
Fixed deposit with bank	145.00	82.00
	160.31	92.08
Other Bank Balances		
Unpaid dividend accounts*	1.67	1.82
Open offer ESCROW account	-	19.29
	1.67	21.11
Total	161.98	113.19

*Unpaid dividend does not include any amount to be credited to Investor Education and Protection fund.

17. Revenue from Operations (Gross)

	2015-16 (₹ Crores)		2014-15 (₹ Crores)	
Sale of products (Gross)		2,802.77		3,079.89
Sale of services		5.05		11.82
Other operating revenues				
Export incentives	26.98		12.97	
Sundry balances w/back	2.72		2.70	
Bad debts recovered	0.80		-	
Miscellaneous income	9.29	39.79	12.26	27.93
Total		2,847.61		3,119.64

Disclosures:

	2015-16	2014-15
	(₹ Crores)	(₹ Crores)
i. Sale of Products (Net)		
Gross Sales	2,802.77	3,079.89
Less: - Excise Duty	31.74	31.80
Total	2,771.03	3,048.09
ii. Details of Sale of Products		
Formulations	2,123.79	2,356.19
Active Pharmaceutical Ingredients / Intermediates	634.27	679.28
Others	12.97	12.62
Total	2,771.03	3,048.09
iii. Details of Sale of Services		
Dossier income	4.17	11.74
Others	0.88	0.08
Total	5.05	11.82

18. Other Income

	2015-16	2014-15
	(₹ Crores)	(₹ Crores)
Interest income	9.35	19.51
Dividend income - from current investments	0.03	0.01
Profit on sale of investments - non current (net)	-	2.13
Profit on sale of investments - current (net)	5.36	4.17
Profit on sale of assets	0.38	0.34
Reversal of provision for diminution in value of non-current investments	6.62	4.32
Miscellaneous income	1.31	2.08
Total	23.05	32.56

19. Cost of Materials Consumed

	2015-16	2014-15
	(₹ Crores)	(₹ Crores)
Raw Materials Consumed		
Opening Stock	331.30	333.16
Add : Purchases (Net of discount)	683.08	885.97
Add : Raw Material Conversion Charges	10.53	13.32
	1,024.91	1,232.45
Less : Closing Stock	294.27	331.30
	730.64	901.15
Packing Materials Consumed		
Opening Stock	39.39	35.10
Add : Purchases (Net of discount)	167.07	212.78
	206.46	247.88
Less : Closing Stock	32.68	39.39
	173.78	208.49
Neutralisation of duties and taxes on inputs on exports - Drawback benefits	(18.42)	(21.84)
Total	886.00	1,087.80

Disclosures:
i) Details of Raw Materials Consumption

	2015-16	2014-15
	(₹ Crores)	(₹ Crores)
Artemisinin	42.87	67.67
Novaldiamine	15.46	17.85
Ethoxymethylene Malonic Acid ester	16.98	15.21
Para Hydroxy Acetophenone	17.92	19.88
Amoxycillin Trihydrate	18.20	29.62
Paracetamol	34.23	42.06
Others (None of which individually forms more than 10% of the total consumption.)	584.98	708.86
Total	730.64	901.15

ii) Details of Indigenous and Imported Consumption

	2015-16		2014-15	
	(₹ Crores)	Percentage	(₹ Crores)	Percentage
Raw materials				
Imported	257.80	35.28	373.51	41.45
Indigenous	472.84	64.72	527.64	58.55
Total	730.64	100.00	901.15	100.00
Packing materials				
Imported	0.45	0.26	1.97	0.94
Indigenous	173.33	99.74	206.52	99.06
Total	173.78	100.00	208.49	100.00

iii) During the year the Company has written off / destroyed material worth ₹ 32.90 crores on account of regulatory issues; which is part of the material cost.

20. Purchases of traded goods

	2015-16	2014-15
	(₹ Crores)	(₹ Crores)
Formulations	111.17	109.05
Active Pharmaceutical Ingredients / Intermediates	15.85	4.76
Others	11.31	9.31
Total	138.33	123.12

21. Changes in inventories of Finished Goods(FG), Work-in-progress(WIP) and traded goods

	2015-16		2014-15	
	(₹ Crores)		(₹ Crores)	
Inventory Adjustments - WIP				
Stock at commencement	172.16		163.26	
Less: - Stock at closing	198.14	(25.98)	172.16	(8.90)
Inventory Adjustments - FG				
Stock at commencement	327.62		272.48	
Less : Stock at closing	262.95	64.67	327.62	(55.14)
Inventory Adjustments - Traded Goods				
Stock at commencement	33.85		22.59	
Less : Stock at closing	31.12	2.73	33.85	(11.26)
Variation in Excise duty on :				
Closing stock of finished goods	22.04		41.19	
Less: Opening stock of finished goods	41.19	(19.15)	33.76	7.43
Total		22.27		(67.87)

Disclosures:**Finished Goods (Including Traded Goods)**

	Closing Stock		Opening Stock	
	2015-16	2014-15	2015-16	2014-15
	(₹ Crores)		(₹ Crores)	
Formulations	157.16	190.60	190.60	155.69
Active Pharmaceutical Ingredients / Intermediates	136.91	170.87	170.87	139.38
Total	294.07	361.47	361.47	295.07

22. Employee Benefits Expenses

	2015-16	2014-15
	(₹ Crores)	(₹ Crores)
Salaries, bonus, perquisites, etc.	535.18	478.35
Contribution to provident and other funds	29.98	27.00
Leave encashment	8.01	8.09
Leave travel assistance	3.34	3.00
Gratuity fund contributions	5.83	7.07
Staff welfare expenses	15.35	13.84
Recruitment & training	3.96	3.87
Total	601.65	541.22

Pursuant to the retrospective amendment to the Payment of Bonus Act, the Company was required to make provision for differential bonus for the year 2014-15 as per the amendment. However, various High Courts have granted interim stay to the applicability of the amendment for the year 2014-15. The Company has therefore not made provision for differential bonus for the year 2014-15. Provision for Bonus for the current year is made as per the amendment.

23. Finance Cost

	2015-16	2014-15
	(₹ Crores)	(₹ Crores)
Interest expense	23.55	20.43
Other borrowing cost	6.11	4.93
Interest on income tax	0.01	0.26
Total	29.67	25.62

24. Depreciation & Amortisation

	2015-16	2014-15
	(₹ Crores)	(₹ Crores)
Depreciation on tangible assets	152.08	165.01
Amortisation on intangible assets	17.64	12.16
Total	169.72	177.17

Note : a) In accordance with the provisions of Schedule II to the Companies Act 2013, effective from 1st April, 2014, the Company had revised the useful lives of its fixed assets. As a consequence of such revision, the charge for depreciation is higher than the previously applied rates by ₹ 37.68 crores for the previous year. For assets that had completed the useful lives as a consequence of the aforesaid revision, the carrying value as on 1st April, 2014 of ₹ 13.26 crores had also been charged to the statement of profit and loss. The depreciation charged for the previous year is accordingly higher by ₹ 50.94 crores.

b) The Company has revised the useful life of plant and machinery installed at its formulation plants based on certificate from technical expert from 15 years as per Schedule II to 20 years. Based on this revision depreciation for the year is computed on such assets. On account of this revision, depreciation for the year is lower by ₹ 14.53 crore and profit before tax is higher by similar amount.

25. Other Expenses

	2015-16		2014-15	
	(₹ Crores)		(₹ Crores)	
Consumption of stores and spares		33.10		36.18
Power and fuel		134.74		128.50
Water charges		5.29		4.89
Freight, forwarding and transportation		73.22		101.45
Outside manufacturing charges		18.04		21.66
Repairs and maintenance		84.49		95.73
Loss on sale of assets		0.92		0.68
Loss on sale of investments (net)		0.79		-
Fixed assets scrapped		0.34		0.92
Commission on sales and brokerage		15.54		29.39
Field staff expenses		72.66		77.32
Sales and marketing expenses		128.05		117.54
Product information catalogue		25.55		17.51
Expenditure on scientific research		40.46		40.19
Laboratory expenses and analytical Charges		30.98		35.02
Rent		12.44		11.94
Rates and taxes		15.37		15.40
Travelling expenses		26.37		31.21
Professional charges		28.00		24.14
Printing and stationery		7.49		8.00
Books, subscription and software		17.61		10.24
Product registration expenses		10.10		13.79
Excise duty		7.66		7.42
Communication expenses		6.72		7.88
Insurance		11.30		13.78
Intellectual property right expenses		4.13		1.68
Remuneration to auditors		0.56		0.60
Bank charges		2.51		3.49
Provision for doubtful debts/advances		-		0.56
Bad debts and other balance w/off		3.30		6.24
CSR expenses		4.80		7.09
Provision for diminution in value of investment in				
- Subsidiaries	-		0.05	
- Others	-	-	-	0.05
Compensation towards failure to supply of goods / services		10.13		-
Miscellaneous expenses (none of which individually forms more than 1% of the operating revenue)		10.88		9.37
Total		843.54		879.86
Details of:				
1. Repairs and Maintenance:				
- Building		16.23		19.94
- Machinery		67.18		74.79
- Others		1.08		1.00
		84.49		95.73

	2015-16		2014-15	
	(₹ Crores)		(₹ Crores)	
2. Remuneration To Auditors:				
- Audit fees		0.41		0.41
- Tax matters		0.06		0.07
- Certification and other services		0.06		0.06
- Out of pocket expenses		0.03		0.06
		0.56		0.60

Disclosures:

i) Details of Stores and Spares

	2015-16		2014-15	
	(₹ Crores)	Percentage	(₹ Crores)	Percentage
Break up of Consumption				
Imported	4.44	13.41	6.87	18.99
Indigenous	28.66	86.59	29.31	81.01
Total	33.10	100.00	36.18	100.00

ii) Total expenditure on R & D is included in respective heads of accounts as under:

	2015-16	2014-15
	(₹ Crores)	(₹ Crores)
Expenditure on Scientific Research (Includes stores and chemicals, Bio-availability, Bio-equivalence and Toxicity Studies)	40.46	40.19
Cost of materials consumed	0.97	2.09
Employee benefits expenses	50.50	40.00
Other expenses	28.54	25.44
Depreciation	15.51	12.28
Total	135.98	120.00

26. Disclosure as required by Accounting Standard – AS 17 “Segment Reporting” of the Companies (Accounting Standards) Rules 2006.

In accordance with AS-17 “Segment Reporting”, The Company has only one reportable primary business segment i.e. Pharmaceuticals. However, the Company has secondary geographical segment which is disclosed in Consolidated Financial Statements as per AS-17.

27. Disclosure as required by Accounting Standard – AS 18 “Related Party Disclosure” of the Companies (Accounting Standards) Rules 2006.

Relationships	Country
A. Entities where control exists	
<u>Shareholders of Ipca Laboratories Ltd.</u>	
Kaygee Investments Pvt.Ltd.	India
<u>Subsidiaries</u>	
Ipca Pharmaceuticals, Inc.	USA
Ipca Laboratories (UK) Ltd.	United Kingdom
Ipca Pharma (Australia) Pty Ltd.	Australia
Ipca Pharma Nigeria Ltd.	Nigeria
National Druggists (Pty) Ltd. (Liquidated during the year)	South Africa
Ipca Pharmaceuticals (Shanghai) Ltd. (Liquidated during the year)	Peoples Republic of China
Ipca Pharmaceuticals Ltd.SA de CV.	Mexico
Tonira Exports Ltd.	India
<u>Step-down Subsidiaries</u>	
Ipca Pharma (NZ) Pty Ltd.	New Zealand
Onyx Scientific Ltd.	United Kingdom

Relationships		Country
B. Associates		
Trophic Wellness Pvt. Ltd.		India
Krebs Biochemicals & Industries Ltd.		India
C. Joint Venture		
Avik Pharmaceutical Ltd.		India
D. Key Management Personnel		
Mr. Premchand Godha	Chairman & Managing Director	Indian
Mr. Ajit Kumar Jain	Joint Managing Director & CFO	Indian
Mr. Pranay Godha	Executive Director	Indian
Mr. Prashant Godha	Executive Director	Indian
E. Other Related Parties (Entities in which Directors or their relatives have significant influence)		
Nipra Industries Pvt. Ltd.		India
Nipra Packaging Pvt. Ltd.		India
Prabhat Foundation		India
Vandhara Resorts Pvt. Ltd.		India
Mexin Medicaments Pvt. Ltd.		India
Makers Laboratories Ltd.		India

Details of related party transactions are given in statement 1 Attached to the financial statements

28. Disclosure as required by Accounting Standard – AS 19 “Leases” of the Companies (Accounting Standards) Rules 2006.

The Company has taken various residential / godowns / offices premises (including Furniture and Fittings if any) under leave and license agreements. These generally range between 11 months to 3 years under leave and license basis. These arrangements are renewable by mutual consent on mutually agreed terms. Under some of these arrangements the Company has given refundable security deposits. The lease payments are recognized in the Statement of Profit and Loss under Rent.

During the previous year the Company has taken on operating lease two manufacturing facilities of M/s. Krebs Biochemicals & Industries Limited for manufacturing of products at the said facilities. An amount of ₹ 45.00 crores (previous year ₹ 39.44 crores) has been paid as lease deposit. Since the lease is cancellable at the option of the Company, the further disclosure of committed lease payments are not made.

29. Disclosure as required by Accounting Standard – AS 20 “Earning Per Share” of the Companies (Accounting Standards) Rules 2006.

The earning per share is calculated by dividing the profit after tax by weighted average no. of shares outstanding for basic & diluted EPS.

Particulars	2015-16		2014-15	
	(₹ Crores)		(₹ Crores)	
(i) Profit after tax		91.45		256.11
(ii) Closing Equity Shares Outstanding (Nos.) :				
Opening Equity shares outstanding (Nos.) :	12,61,99,109		12,61,99,109	
Add:- issued during the year (Nos.)	-		-	
Closing Equity Shares Outstanding (Nos.)		12,61,99,109		12,61,99,109
(iii) Weighted Avg no. of shares outstanding (Nos.) (Basic)		12,61,99,109		12,61,99,109
(iv) Weighted Avg no. of shares outstanding (Nos.) (Diluted)		12,61,99,109		12,61,99,109
(v) Nominal value of equity share (₹)		2.00		2.00
(vi) Basic EPS (i/iii) (₹)		7.25		20.29
(vii) Diluted EPS (i/iv) (₹)		7.25		20.29

30. Disclosure as required by Accounting Standard - AS 27 "Financial Reporting of Interest in Joint Ventures" of the Companies (Accounting Standards) Rules 2006.

The Company is holding 49.02% of Shares in Avik Pharmaceutical Ltd. It is a Jointly Controlled entity in which the Company has a control of 49.02%. In the standalone Balance Sheet of the Company, Joint Venture interest is reported under Long term Investment at Cost. Proportionate share of the Company as on 31st March 2016 in the assets, liabilities, income, expenditure, contingent liabilities and capital commitments of the Joint Venture company is as follows:

Particulars	As at 31 st March, 2016 (₹ Crores)	As at 31 st March, 2015 (₹ Crores)
Assets		
Non current assets	2.51	3.08
Current assets	14.55	5.08
Total	17.06	8.16
Liabilities		
Share capital	5.00	5.00
Reserves & surplus	(11.33)	(12.03)
Non current liabilities	10.12	8.95
Current liabilities	13.27	6.24
Total	17.06	8.16
	2015-16	2014-15
Income		
Sales and other income	23.94	8.34
Expenditure		
Cost of sales	14.98	3.49
Other expenses	8.25	6.60
Total	23.23	10.09
Contingent liabilities	-	-
Capital commitments	-	-

31. CIF Value of Imports

	2015-16 (₹ Crores)	2014-15 (₹ Crores)
Raw materials	234.14	354.42
Packing materials	0.50	1.34
Traded goods	1.84	3.96
Capital goods	45.52	156.97
Stores and machine components	4.44	6.87
Others	0.52	1.17
	286.96	524.73

32. Earning in foreign currency

	2015-16 (₹ Crores)	2014-15 (₹ Crores)
FOB value of exports	1,367.79	1,662.40
Deemed exports	2.19	0.47
Dossier income	3.99	11.69
Other service charges	0.43	0.29
	1,374.40	1,674.85

Note: FOB value of exports does not include exports denominated in INR.

33. Expenditure in foreign currency

	2015-16	2014-15
	(₹ Crores)	(₹ Crores)
Professional charges	18.84	9.33
Interest on foreign currency loan	19.04	16.61
Overseas office expenses	44.36	56.69
Product registration and marketing expenses	24.15	28.38
Commission on sales	12.90	28.50
Scientific research expenses	0.28	2.21
Other matters	38.00	29.12
	157.57	170.84

34. Contingent liabilities and commitments not provided for in respect of :

Particulars	As at 31 st March, 2016	As at 31 st March, 2015
	(₹ Crores)	(₹ Crores)
A. Contingent Liabilities		
a) Bills discounted with banks	74.37	276.32
Since realised	(50.27)	(97.81)
b) Other moneys for which the Company is contingently liable for tax, excise, customs and other matters not accepted by the Company	17.03*	12.78*
Amount deposited under protest	(3.51)	(0.53)
c) Claims against the Company not acknowledged as debts	13.22	11.45
d) Corporate guarantee given to others	4.27	6.66
e) Guarantees given by banks in favour of Govt. & others / Letter of Credit opened against which goods are not received *	22.87	47.49
	77.98	256.36
B. Estimated amount of contracts remaining to be executed on capital account and not provided for:		
- Tangible Assets	41.08	115.93
- Intangible Assets	29.71	34.45
	70.79	150.38
C. Uncalled liability on partly paid shares	3.40	3.40
D. Other Commitments	-	5.56

*Note: It includes ₹ 4.38 crores (Previous year ₹ 4.38 crores) towards interest and penalty demanded by excise department, Ankleshwar relating to erstwhile Tonira Pharma Limited since amalgamated with the Company and is not payable in accordance with the order passed by the Hon'ble Central Excise and Service Tax Appellate Tribunal (CESTAT), Ahmedabad. The Department had moved the Hon'ble Gujarat High Court against the said CESTAT order and as per the order of the said Hon'ble High Court, the Company has furnished a Bank Guarantee of ₹ 2.00 crores (Previous year ₹ 2.00 crores) to the Department.

35. a) The Company has entered into various derivatives transactions, which are not intended for trading or speculative purpose but to hedge the export receivables including future receivables and foreign currency loan interest rate risks.

The Company has following derivatives instruments / forward cover outstanding.

Sr. No.	Type of Transaction	Purpose	Amount Outstanding (In Million)	
			As at 31 st March, 2016	As at 31 st March, 2015
i.	USD Interest Rate Swap	To hedge the USD LIBOR risk by moving from Floating LIBOR rate to Fixed LIBOR Rate.	USD 68.38 (outstanding)	USD 57.79 (outstanding)
ii.	Forward Cover beyond six months	To hedge export receivables	Nil Nil	GBP 11.75 USD 37.00

b) The Company has continued its decision not to exercise the option available under amendment to AS 11 relating to “The effects of Changes in Foreign Exchange Rates” in respect of its Long Term Foreign Currency Monetary Items in respect of foreign currency loans for the acquisition of fixed assets.

c) The Company has following unhedged foreign exchange liability.

Sr. No.	Particulars	Currency	As at 31 st March, 2016		As at 31 st March, 2015	
			Amount in Foreign Currency (In Million)	Amount (₹ Crores)	Amount in Foreign Currency (In Million)	Amount (₹ Crores)
i.	ECB Term loan and interest	USD	90.28	598.22	86.52	540.82
ii.	Buyers credit and interest	USD	8.67	57.44	8.65	54.09
		EURO	2.86	21.56	-	-
iii.	Packing credit and interest	USD	6.24	41.37	17.93	112.09
		EURO	-	-	1.74	11.66
		GBP	-	-	6.49	59.96
		AUD	-	-	1.55	7.34
iv.	FCNR working capital loan	USD	10.01	66.36	10.01	62.59
v.	Trade and other payables incl. advances received	USD	12.77	84.64	13.86	86.65
		EURO	0.22	1.69	0.32	2.12
		GBP	0.01	0.09	0.01	0.06
		NZD	-	-	0.01	0.04
		CHF	-	-	0.03	0.20
		AUD	0.01	0.05	-	-
		CAD	0.06	0.31	-	-

d) Unhedged receivables in foreign currency.

Sr. No.	Particulars	Currency	As at 31 st March, 2016		As at 31 st March, 2015	
			Amount in Foreign Currency (In Million)	Amount (₹ Crores)	Amount in Foreign Currency (In Million)	Amount (₹ Crores)
i.	Long term loan	GBP	0.24	2.24	0.92	8.45
ii.	Short term loan and interest receivable	GBP	-	-	0.02	0.21
		EURO	0.09	0.64	0.09	0.57
iii.	Trade & other receivables incl. advances given	USD	38.70	256.42	34.46	215.86
		EURO	3.42	25.79	3.32	22.31
		GBP	3.51	33.49	1.22	11.28
		AUD	0.96	4.87	0.51	2.43
		CAD	0.62	3.15	0.21	1.05
		NZD	0.99	4.54	0.25	1.16
		JPY	-	-	1.24	0.06
		COP	954.77	2.10	665.26	1.64
iv.	Unbilled revenue	USD	0.65	4.30	1.02	6.36
		CAD	-	-	0.38	1.89

36. CSR expenditure:

- a) Gross amount required to be spent by the Company during the year ₹ 9.51 crores (previous year ₹ 9.68 crores).
b) i) Amount spent by the Company during the year is as follows;

(₹ Crores)				
Sr. No.	Particulars	Paid in cash	Yet to be paid in cash	Total
1.	Eradication of poverty, promotion of healthcare, sanitation, drinking water etc.	0.44	-	0.44
2.	Promotion of education, vocational training & skill enhancement etc.	4.08	-	4.08
3.	Promoting of gender equality and empowering women	0.03	-	0.03
4.	Protection of national heritage, art, culture etc.	0.05	-	0.05
5.	Promotion of rural sports	0.06	-	0.06
6.	Rural development	0.14	-	0.14
	Total	4.80	-	4.80

- ii) Amount spent by the Company during the previous year is as follows;

				(₹ Crores)
Sr. No.	Particulars	Paid in cash	Yet to be paid in cash	Total
1.	Eradication of poverty, promotion of healthcare, sanitation, drinking water etc.	4.93	-	4.93
2.	Promotion of education, vocational training & skill enhancement etc.	1.94	-	1.94
3.	Environmental sustainability, animal welfare, natural resource conservation etc.	0.04	-	0.04
4.	Protection of national heritage, art, culture etc.	0.02	-	0.02
5.	Promotion of rural sports	0.03	-	0.03
6.	Rural development	0.13	-	0.13
	Total	7.09	-	7.09

37. In the opinion of the Board of Directors, all the assets other than fixed assets and non current investments have value on realisation in the ordinary course of business atleast equal to the amount at which they are stated in the Balance Sheet.
38. The balance sheet, statement of profit and loss, cash flow statement, statement of significant accounting policies and the other explanatory notes forms an integral part of the financial statements of the Company for the year ended 31st March, 2016.
39. Previous year's figures have been regrouped and rearranged wherever necessary to make them comparable.

As per our report of even date attached
For **Natvarlal Vepari & Co.**
Chartered Accountants
Firm Registration No. 106971W

N. Jayendran
Partner
M.No. 40441

Mumbai
30th May, 2016

For and on behalf of the Board of Directors
Premchand Godha
Chairman & Managing Director (DIN 00012691)
Ajit Kumar Jain
Joint Managing Director & CFO (DIN 00012657)
Pranay Godha
Executive Director (DIN 00016525)
Prashant Godha
Executive Director (DIN 00012759)
Harish P. Kamath
Company Secretary (ACS - 6792)

Statement 1 (refer Note No. 27)

Related Party Disclosure as required by Accounting Standard – AS 18 “Related Party Disclosures” of the Companies (Accounting Standards) Rule 2006.

Transactions with Related Parties

(₹ Crores)

Description	Entities where control exists Subsidiaries		Key Management Personnel		Associates		Joint Venture		Other Related Parties		Total	
	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15
Purchase of goods and services												
Makers Laboratories Ltd.	-	-	-	-	-	-	-	-	13.12	16.00	13.12	16.00
Ipca Pharmaceuticals, Inc. USA	5.75	6.84	-	-	-	-	-	-	-	-	5.75	6.84
Avik Pharmaceutical Ltd.	-	-	-	-	-	-	17.31	12.18	-	-	17.31	12.18
Nipra Packaging Pvt Ltd.	-	-	-	-	-	-	-	-	3.63	4.13	3.63	4.13
Krebs Biochemicals & Industries Limited	-	-	-	-	4.15	-	-	-	-	-	4.15	-
Others	-	0.31	-	-	-	-	-	-	1.88	2.37	1.88	2.68
TOTAL	5.75	7.15	-	-	4.15	-	17.31	12.18	18.63	22.50	45.84	41.83
Sales of goods and services												
Ipca Pharma Nigeria Ltd.	6.08	15.63	-	-	-	-	-	-	-	-	6.08	15.63
Ipca Pharmaceuticals, Inc. USA	-	1.32	-	-	-	-	-	-	-	-	-	1.32
Makers Laboratories Ltd.	-	-	-	-	-	-	-	-	2.24	2.38	2.24	2.38
Trophic Wellness Pvt. Ltd.	-	-	-	-	0.60	0.40	-	-	-	-	0.60	0.40
Avik Pharmaceutical Ltd.	-	-	-	-	-	-	16.07	8.02	-	-	16.07	8.02
Others	-	-	-	-	-	-	-	-	0.15	0.18	0.15	0.18
TOTAL	6.08	16.95	-	-	0.60	0.40	16.07	8.02	2.39	2.56	25.14	27.93
Rent income												
Avik Pharmaceutical Ltd.	-	-	-	-	-	-	0.46	0.71	-	-	0.46	0.71
Trophic Wellness Pvt. Ltd.	-	-	-	-	0.04	-	-	-	-	-	0.04	-
TOTAL	-	-	-	-	0.04	-	0.46	0.71	-	-	0.50	0.71
Interest income												
Avik Pharmaceutical Ltd.	-	-	-	-	-	-	1.58	1.61	-	-	1.58	1.61
Krebs Biochemicals & Industries Limited	-	-	-	-	0.65	-	-	-	-	-	0.65	-
TOTAL	-	-	-	-	0.65	-	1.58	1.61	-	-	2.23	1.61
Purchase of fixed assets												
Makers Laboratories Ltd.	-	-	-	-	-	-	-	-	0.06	0.02	0.06	0.02
TOTAL	-	-	-	-	-	-	-	-	0.06	0.02	0.06	0.02
Sale of fixed assets												
Makers Laboratories Ltd.	-	-	-	-	-	-	-	-	-	0.04	-	0.04
TOTAL	-	-	-	-	-	-	-	-	-	0.04	-	0.04
Rent and other expenses												
Ipca Pharma (Australia) Pty Ltd. Australia	0.89	0.67	-	-	-	-	-	-	-	-	0.89	0.67
Makers Laboratories Ltd.	-	-	-	-	-	-	-	-	0.21	0.11	0.21	0.11
Avik Pharmaceutical Ltd.	-	-	-	-	-	-	(0.25)	0.02	-	-	(0.25)	0.02
Ipca Laboratories (U.K.) Ltd.	-	0.60	-	-	-	-	-	-	-	-	-	0.60
Ipca Pharmaceuticals, Inc. USA	0.19	0.26	-	-	-	-	-	-	-	-	0.19	0.26
Krebs Biochemicals & Industries Limited	-	-	-	-	0.90	-	-	-	-	-	0.90	-
Others	0.01	0.01	-	-	-	-	-	-	-	0.03	0.01	0.04
TOTAL	1.09	1.54	-	-	0.90	-	(0.25)	0.02	0.21	0.14	1.95	1.70
Excise duty Reimbursements												
Makers Laboratories Ltd.	-	-	-	-	-	-	-	-	0.30	0.14	0.30	0.14
Avik Pharmaceutical Ltd.	-	-	-	-	-	-	(0.68)	(0.16)	-	-	(0.68)	(0.16)
Krebs Biochemicals & Industries Limited	-	-	-	-	(0.51)	-	-	-	-	-	(0.51)	-
TOTAL	-	-	-	-	(0.51)	-	(0.68)	(0.16)	0.30	0.14	(0.89)	(0.02)
Net loans and advances given/(Recovered)												
Ipca Laboratories (U.K.) Ltd.	(6.49)	(41.02)	-	-	-	-	-	-	-	-	(6.49)	(41.02)
Avik Pharmaceutical Ltd.	-	-	-	-	-	-	1.87	1.76	-	-	1.87	1.76
Krebs Biochemicals & Industries Limited	-	-	-	-	16.23	-	-	-	-	-	16.23	-
TOTAL	(6.49)	(41.02)	-	-	16.23	-	1.87	1.76	-	-	11.61	(39.26)
Deposit given												
Krebs Biochemicals & Industries Limited	-	-	-	-	5.56	17.74	-	-	-	-	5.56	17.74
TOTAL	-	-	-	-	5.56	17.74	-	-	-	-	5.56	17.74
Share application money paid												
Krebs Biochemicals & Industries Limited	-	-	-	-	-	12.42	-	-	-	-	-	12.42
TOTAL	-	-	-	-	-	12.42	-	-	-	-	-	12.42
Loan converted to Preference Share												
Ipca Laboratories (U.K.) Ltd.	-	41.02	-	-	-	-	-	-	-	-	-	41.02
TOTAL	-	41.02	-	-	-	-	-	-	-	-	-	41.02
Investments made												
Ipca Pharmaceuticals, Inc. USA	0.66	-	-	-	-	-	-	-	-	-	0.66	-
Ipca Pharmaceuticals Ltd. SA de CV, Mexico	0.03	0.03	-	-	-	-	-	-	-	-	0.03	0.03
Krebs Biochemicals & Industries Limited	-	-	-	-	12.42	-	-	-	-	-	12.42	-
TOTAL	0.69	0.03	-	-	12.42	-	-	-	-	-	13.11	0.03
Money received on Liquidation												
Ipca Pharmcelitcals (Shanghai) Ltd. China	0.14	-	-	-	-	-	-	-	-	-	0.14	-
TOTAL	0.14	-	-	-	-	-	-	-	-	-	0.14	-
Guarantee given / (released) against standby letter of credit issued by company's banker												
Ipca Pharmaceuticals, Inc. USA	(2.39)	(1.60)	-	-	-	-	-	-	-	-	(2.39)	(1.60)
TOTAL	(2.39)	(1.60)	-	-	-	-	-	-	-	-	(2.39)	(1.60)
Remuneration to Directors												
Mr. Premchand Godha	-	-	4.88	13.13	-	-	-	-	-	-	4.88	13.13
Mr. Ajit Kumar Jain	-	-	2.46	3.67	-	-	-	-	-	-	2.46	3.67
Mr. Pranay Godha	-	-	1.18	2.12	-	-	-	-	-	-	1.18	2.12
Others	-	-	0.81	1.44	-	-	-	-	-	-	0.81	1.44
TOTAL	-	-	9.33	20.36	-	-	-	-	-	-	9.33	20.36
Donation												
Prabhat Foundation	-	-	-	-	-	-	-	-	0.15	0.35	0.15	0.35
TOTAL	-	-	-	-	-	-	-	-	0.15	0.35	0.15	0.35
Balance at year end												
Receivables												
Ipca Laboratories (U.K.) Ltd.	4.29	10.60	-	-	-	-	-	-	-	-	4.29	10.60
Ipca Pharma Nigeria Ltd.	5.04	7.83	-	-	-	-	-	-	-	-	5.04	7.83
Avik Pharmaceutical Ltd.	-	-	-	-	-	-	17.74	19.80	-	-	17.74	19.80
Krebs Biochemicals & Industries Limited	-	-	-	-	58.06	51.86	-	-	-	-	58.06	51.86
Others	0.12	0.13	-	-	-	0.06	-	-	-	-	0.12	0.19
TOTAL	9.45	18.56	-	-	58.06	51.92	17.74	19.80	-	-	85.25	90.28
Payables												
Ipca Pharmaceuticals, Inc. USA	1.24	1.77	-	-	-	-	-	-	-	-	1.24	1.77
Mr. Premchand Godha	-	-	0.51	8.62	-	-	-	-	-	-	0.51	8.62
Mr. Ajit Kumar Jain	-	-	0.53	2.00	-	-	-	-	-	-	0.53	2.00
Makers Laboratories Ltd.	-	-	-	-	-	-	-	-	5.22	1.21	5.22	1.21
Others	0.02	-	0.51	1.95	-	-	-	-	1.03	0.57	1.56	2.52
TOTAL	1.26	1.77	1.55	12.57	-	-	-	-	6.25	1.78	9.06	16.12
Guarantee outstanding against standby letter of credit issued by company's banker												
Ipca Pharmaceuticals, Inc. USA	1.99	4.38	-	-	-	-	-	-	-	-	1.99	4.38
TOTAL	1.99	4.38	-	-	-	-	-	-	-	-	1.99	4.38

Statement 2 (refer Note No. 11)

Details of Loans given, Investments made and guarantee given covered u/s 186(4) of the Companies Act, 2013 during the year 2015 - 2016.

Sr. No.	Name of the Party	Nature	Relation	Purpose	Amount (₹ Crores)	
					2015-16	2014-15
1.	Ipca Pharmaceuticals, INC USA	Investments	Subsidiary	Equity contribution to Subsidiary	0.66	-
2.	Ipca Laboratories (UK) Ltd.	Investments	Subsidiary	Loan of STG pound 40 Lacs converted to redeemable preference shares	-	41.02
3.	Ipca Pharmaceuticals Ltd., SA de CV, Mexico	Investments	Subsidiary	Equity contribution to Subsidiary	0.03	0.03
4.	Krebs Biochemicals & Industries Ltd.	Investments	Associate	Equity contribution to Associate - Share application money	-	12.42
5.	Krebs Biochemicals & Industries Ltd.	Investments	Associate	Equity contribution to Associate - Share allotment	12.42	9.54
6.	Krebs Biochemicals & Industries Ltd.	Loan Given	Associate	Loan (ICD) given to Associate for business purpose	11.40	-
7.	Avik Pharmaceutical Limited	Loan Given	Joint venture	Interest and other income receivable converted to loan	1.87	1.76
Total					26.38	64.77

INDEPENDENT AUDITORS' REPORT ON CONSOLIDATED ACCOUNTS

To
The Members of

Ipca Laboratories Limited

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Ipca Laboratories Limited (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), (as defined in the Companies (Accounting Standards) Rules, 2006) comprising of the Consolidated Balance Sheet as at March 31, 2016, 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 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 Governing Bodies of the entities included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial 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 Board of Directors of the Holding Company, as aforesaid.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters, which are required to be included in the audit, report under the provisions of the Act and the Rules made thereunder. We conducted our audit in accordance with the Standards on Auditing 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. 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, as at March 31, 2016, and their consolidated profit and their consolidated cash flows for the year ended on that date.

Other Matters

- (a) We did not audit the financial statements of 4 subsidiaries and 1 jointly controlled entity, whose financial statements reflect total assets of ₹ 144.91 crores as at March 31, 2016, total revenues of ₹ 124.82 crores and net cash flows

amounting to ₹ (8.28) crores for the year ended on that date, as considered in the preparation of the consolidated financial statements. The group's share of total assets, total revenue and net cash flows in respect of the joint venture is ₹ 17.06 crores, ₹ 23.94 crores and ₹ 0.14 crores respectively. The consolidated financial statements also includes the Group's share of net loss of ₹ 4.91 crores for the year ended March 31, 2016, as considered in the consolidated financial statements, in respect of 1 associate, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, jointly controlled entities and associates, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, jointly controlled entities and associates in India, is based solely on the reports of the other auditors.

- (b) We did not audit the financial statements of 4 subsidiaries, whose financial statements reflect total assets of ₹ 0.89 crores as at March 31, 2016, total revenues of ₹ 0.38 crores and net cash flows amounting to ₹ (0.25) crores for the year ended on that date, as considered in the preparation of the consolidated financial statements. These financial statements are unaudited and have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these associates, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act in so far as it relates to the aforesaid associates, is based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the Management, these financial statements are not material to the Group.

Report on Other Legal and Regulatory Requirements

1. As required by sub-section (3) of Section 143 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 and working / records 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 March 31, 2016 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary company incorporated in India, none of the directors of the Group Companies incorporated in India is disqualified as on March 31, 2016 from being appointed as a director in terms of Section 164 (2) of the Act. Since the provisions of Section 164(2) of the Act do not apply to entities incorporated outside India, no comments are made in respect of such overseas entities.
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in "Annexure A"; and
 - (g) 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– Refer Note 33 to the consolidated financial statements.
 - ii. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary company incorporated in India.

For **Natvarlal Vepari & Co.**
Chartered Accountants
Firm Registration No.106971W

Mumbai,
30th May, 2016

N Jayendran
Partner
Membership No. 40441

Annexure - A to the Auditors' Report

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

We have audited the internal financial controls over financial reporting of consolidated financial statements of Ipca Laboratories Limited (hereinafter referred to as "the Holding Company") and its subsidiary companies, which are companies incorporated in India, (the Holding Company and its subsidiaries together referred to as "the Group"), as of March 31, 2016 in conjunction with our audit of the Consolidated financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding company, its subsidiary companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in Other Matters paragraph below is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Holding Company and its subsidiary companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matters

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to one subsidiary company which is a company incorporated in India, is based on the corresponding reports of the auditors' of such company.

For **Natvarlal Vepari & Co.**
Chartered Accountants
Firm Registration No.106971W

N Jayendran
Partner

Membership No. 40441

Mumbai,
30th May, 2016

CONSOLIDATED ACCOUNTS

Consolidated Balance Sheet as at 31st March, 2016

Particulars	Note Ref.	As at 31/03/2016	As at 31/03/2015
		(₹ Crores)	(₹ Crores)
Equity & Liabilities			
1. Shareholders' funds			
(a) Share capital	1	25.24	25.24
(b) Reserves & surplus	2	2,258.57	2,183.19
(c) Money received against share warrants		-	-
		2,283.81	2,208.43
2. Share application money pending allotment		-	-
3. Minority interest (net of provision)		-	-
4. Non-current liabilities			
(a) Long-term borrowings	3	488.29	503.21
(b) Deferred tax liabilities (net)	4	170.12	174.31
(c) Other long term liabilities	5	3.15	4.02
(d) Long term provisions	6	20.64	18.03
		682.20	699.57
5. Current liabilities			
(a) Short-term borrowings	7	116.47	325.35
(b) Trade payables	8		
- Due to micro/small enterprises		3.67	2.51
- Due to others		422.99	304.08
(c) Other current liabilities	9	297.48	236.44
(d) Short-term provisions	6	19.31	35.98
		859.92	904.36
Total		3,825.93	3,812.36
Assets			
1. Non-current assets			
(a) Fixed assets	10		
(i) Tangible assets		1,944.23	1,719.42
(ii) Intangible assets		40.21	46.57
(iii) Capital work-in-progress		93.80	236.29
(iv) Intangible assets under development		35.13	30.93
		2,113.37	2,033.21
(b) Goodwill on consolidation	11	34.44	34.44
(c) Non-current investments	12	21.86	16.19
(d) Deferred tax assets (net)		-	-
(e) Long-term loans & advances	13	89.39	104.36
(f) Other non-current assets	14	9.19	10.18
		2,268.25	2,198.38
2. Current assets			
(a) Current investments		-	-
(b) Inventories	15	843.70	926.56
(c) Trade receivables	16	376.83	353.00
(d) Cash and bank balances	17	175.97	124.79
(e) Short-term loans and advances	13	29.49	47.46
(f) Other current assets	14	131.69	162.17
		1,557.68	1,613.98
Total		3,825.93	3,812.36

Statement of significant accounting policies and other explanatory notes form part of the balance sheet and statement of profit and loss.

As per our report of even date attached

For **Natvarlal Vepari & Co.**

Chartered Accountants

Firm Registration No. 106971W

N. Jayendran

Partner

M.No. 40441

Mumbai,

30th May, 2016

For and on behalf of the Board of Directors

Premchand Godha

Chairman & Managing Director (DIN 00012691)

Ajit Kumar Jain

Joint Managing Director & CFO (DIN 00012657)

Pranay Godha

Executive Director (DIN 00016525)

Prashant Godha

Executive Director (DIN 00012759)

Harish P. Kamath

Company Secretary (ACS - 6792)

Statement of Consolidated Profit and Loss for the year ended 31st March, 2016

Particulars	Note Ref.	2015-16	2014-15
		(₹ Crores)	(₹ Crores)
I. Revenue from operations (gross)	18	2,918.82	3,176.47
Less : excise duty		33.78	32.07
Revenue from operations (net)		2,885.04	3,144.40
II. Other income	19	16.91	32.68
III. Total revenue (I + II)		2,901.95	3,177.08
IV. Expenses			
Cost of materials consumed	20	904.49	1,097.25
Purchases of stock-in-trade	21	132.09	125.34
Changes in inventories of finished goods, work-in-progress and stock-in-trade	22	21.14	(67.94)
Employee benefit expenses	23	626.96	566.70
Finance cost	24	31.61	28.39
Depreciation & amortisation expenses	25	172.21	179.55
Other expenses	26	858.66	890.88
Foreign exchange (gain) / loss - net		39.49	(4.17)
Total expenses (IV)		2,786.65	2,816.00
V. Profit before exceptional, extraordinary items and tax (III-IV)		115.30	361.08
VI. Tax expense			
Current tax		22.75	74.73
Deferred tax		(4.18)	27.20
VII. Profit after tax before exceptional item (V-VI)		96.73	259.15
VIII. Exceptional items		-	-
IX. Profit after tax and exceptional item (VII-VIII)		96.73	259.15
Share of profits/(loss) from investments in associates		(3.46)	(4.92)
X. Net profit after tax, minority interest and share of profit /(loss) of associates		93.27	254.23
XI. Earnings per equity share: (₹)	30		
Basic		7.39	20.15
Diluted		7.39	20.15
Par value per share (₹)		2.00	2.00

Statement of significant accounting policies and other explanatory notes form part of the balance sheet and statement of profit and loss.

As per our report of even date attached
For **Natvarlal Vepari & Co.**
Chartered Accountants
Firm Registration No. 106971W

N. Jayendran
Partner
M.No. 40441

Mumbai,
30th May, 2016

For and on behalf of the Board of Directors
Premchand Godha
Chairman & Managing Director (DIN 00012691)
Ajit Kumar Jain
Joint Managing Director & CFO (DIN 00012657)
Pranay Godha
Executive Director (DIN 00016525)
Prashant Godha
Executive Director (DIN 00012759)
Harish P. Kamath
Company Secretary (ACS - 6792)

Consolidated Cash Flow Statement for the year ended 31st March, 2016

		2015-16		2014-15		
		(₹ Crores)		(₹ Crores)		
A. Cash Flow From Operating Activities						
1) Net profit before taxation and extraordinary item			115.30		361.08	
Adjustments for :						
Depreciation, amortisation and impairment expense		172.21		179.55		
(Profit) / Loss on sale of assets		0.52		0.34		
(Profit) / Loss on sale of investments - non current (net)		(0.90)		(2.13)		
(Profit) / Loss on sale of investments - current (net)		(5.36)		(4.17)		
Assets scrapped		0.34		1.58		
Sundry balances written back		(3.44)		(2.57)		
Provision for doubtful debts / advances		-		0.56		
Bad debts w/off		3.53		6.24		
Bad debts recovered		(0.85)		-		
Reversal of provision for diminution in value of investments		-		(4.32)		
Loss on liquidation of subsidiary		0.67		-		
Unrealised foreign exchange (gain) / loss		34.21		4.02		
Interest income		(8.60)		(18.85)		
Dividend income		(0.03)		(0.01)		
Interest expense		31.61	223.91	28.39	188.63	
2) Operating profit before working capital changes			339.21		549.71	
Decrease / (increase) in receivables		(10.63)		108.87		
Decrease / (increase) in loans and advances		(0.49)		(24.25)		
Decrease / (Increase) in inventories		82.86		(78.98)		
Increase / (decrease) in liabilities & provisions		111.10		(11.56)		
Movement in foreign currency translation reserve		(1.10)	181.74	(0.55)	(6.47)	
3) Cash generated from operation			520.95		543.24	
Income tax paid (Net)			(29.43)		(75.02)	
Net cash from operating activities			491.52		468.22	
B. Cash Flow from Investing Activities						
Purchase of fixed assets including Capital WIP		(247.34)		(558.32)		
Acquisition of industrial undertakings		-		(118.39)		
Investment in associate		-		(21.96)		
Purchase of investment - Others		-		(0.05)		
Sale of other investment		4.19		4.08		
Purchase / Redemption of mutual fund units						
- Purchases	(1,831.96)			(2,037.85)		
- Redemption	1,837.32	5.36		2,042.02	4.17	
Proceeds from sale of assets		1.62		1.15		
Movement in other bank balances		19.44		(19.35)		
Interest received		8.13		19.33		
Dividend received		0.03		0.01		
Net cash used in investing activities			(208.57)		(689.33)	
C. Cash Flow from Financing Activities						
(Decrease) / increase in short term borrowings		(210.20)		182.85		
Proceeds from long-term borrowings		151.83		303.29		
Repayment of long-term borrowings		(101.47)		(109.70)		
Repayment of debentures		(5.00)		(55.00)		
Interest paid		(32.15)		(34.05)		
Dividend & dividend tax paid		(15.34)		(36.85)		
Net cash from / (used in) financing activities			(212.33)		250.54	
Net increase in cash and cash equivalents (A + B + C)			70.62		29.43	
Cash and cash equivalents at beginning of year			103.68		74.25	
Cash and cash equivalents at end of year			174.30		103.68	
Components of cash & cash equivalents :						
Cash and cheques on hand			2.05		2.33	
Balance with banks			172.25		101.35	
			174.30		103.68	

As per our report of even date attached
For Natvarlal Vepari & Co.
Chartered Accountants
Firm Registration No. 106971W

N. Jayendran
Partner
M.No. 40441

Mumbai,
30th May, 2016

For and on behalf of the Board of Directors
Premchand Godha
Chairman & Managing Director (DIN 00012691)
Ajit Kumar Jain
Joint Managing Director & CFO (DIN 00012657)
Pranay Godha
Executive Director (DIN 00016525)
Prashant Godha
Executive Director (DIN 00012759)
Harish P. Kamath
Company Secretary (ACS - 6792)

Statement of Significant Accounting policies and Other Explanatory Notes

A. Principles of Consolidation:

The consolidated financial statements relates to Ipca Laboratories Ltd. and its Subsidiary Companies, Associates and Joint Ventures. The consolidated financial statements have been prepared in accordance with Accounting Standard - AS 21 "Consolidated Financial Statement", Accounting Standard - AS 23 "Accounting for Investment in associate in consolidated financial statements" and Accounting Standard - AS 27 "Financial Reporting of Interests in Joint Ventures" of the company's (Accounting Standard) Rules 2006. The Consolidated Financial Statements have been prepared on the following basis: -

The Financial Statements of the Company, its subsidiary companies and its Joint Ventures have been combined on a line-by-line basis by adding together the book values of like items of Assets, Liabilities, Income and expenses after fully eliminating intra group balances and inter group transactions resulting in unrealized profits and losses.

In case of foreign subsidiaries, revenue items are consolidated at average rate prevailing during the year. All Assets and Liabilities are converted at the rates prevailing at the end of the year. Exchange gain or loss on conversion arising on consolidation is recognized under foreign currency translation reserve.

Investments in Associate Companies have been accounted under equity method as per Accounting Standard - AS 23.

Investments in Joint Ventures have been accounted as per Accounting Standard - AS 27 "Financial Reporting of Interests in Joint Ventures".

The financial statements of the Subsidiaries, Associate and Joint Ventures used in consolidation are drawn up to the same reporting date as that of the Company i.e. 31st March.

The difference between the cost to the Company of its investments in the subsidiary companies over the Company's portion of equity is recognized in the financial statement as Goodwill on consolidation or Capital Reserve.

The list of subsidiary companies, associates and joint ventures included in consolidation and Company's holding therein are as under: -

Name of the Companies	Relationship	Country of Incorporation	% of ultimate holding	
			2015-16	2014-15
Ipca Pharmaceuticals, Inc. USA	Subsidiary	USA	100.00	100.00
Ipca Laboratories (U.K.) Ltd.	Subsidiary	UK	100.00	100.00
National Druggists (Pty) Ltd. *	Subsidiary	South Africa	100.00	100.00
Ipca Pharma Nigeria Ltd.	Subsidiary	Nigeria	100.00	100.00
Ipca Pharma (Australia) Pty.Ltd.	Subsidiary	Australia	100.00	100.00
Ipca Pharmaceuticals (Shanghai) Ltd. *	Subsidiary	China	100.00	100.00
Ipca Pharmaceuticals Ltd.,SA de CV	Subsidiary	Mexico	100.00	100.00
Tonira Exports Ltd.	Subsidiary	India	100.00	100.00
Onyx Scientific Ltd. (Subsidiary of Ipca Laboratories (U.K.) Ltd.)	Step down subsidiary	UK	100.00	100.00
Ipca Pharma (NZ) Pty. Ltd. (Subsidiary of Ipca Pharma (Australia) Pty.Ltd.)	Step down subsidiary	New Zealand	100.00	100.00
Avik Pharmaceutical Ltd.	Joint Venture	India	49.02	49.02
CCPL Software Private Ltd.	Associate	India	28.95	28.95
Trophic Wellness Pvt. Ltd.	Associate	India	19.26	19.26
Krebs Biochemicals & Industries Ltd.	Associate	India	31.38	18.92

[* Liquidated during the year.]

B. Accounting Policies

a) Basis of Preparation

- (i) The Financial Statements have been prepared to comply in all material respects with the notified accounting standards by the Companies Accounting Standards Rules, 2006 (which are deemed to be applicable as per section 133 of the Companies Act 2013 read with rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act 2013. The financial statements have been prepared under the historical cost convention, on an accrual basis of accounting.

The classification of assets and liabilities of the Company is done into current and non-current based on the operating cycle of the business of the Company. The operating cycle of the business of the Company is less than twelve months and therefore all current and non-current classifications are done based on the status of realisability and expected settlement of the respective asset and liability within a period of twelve months from the reporting date as required by Schedule III to the Companies Act, 2013.

- (ii) Change in Accounting Policy

The accounting policies adopted in the preparation of financial statements are consistent with those used in the previous year.

b) Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

c) Inflation

Assets and liabilities are shown at historical cost except revalued assets, which are shown at revalued amounts. No adjustments are made for changes in purchasing power of money.

d) Fixed Assets

- i. Tangible / Intangible Assets are recorded at cost of acquisition or construction. Cost of acquisition comprises its purchase price including import duties and other non-refundable taxes or levies and any directly attributable cost of bringing the asset to its working condition for its intended use; any trade discount and rebates are deducted in arriving at the purchase price. Revalued assets are recorded at revalued amounts.
- ii. Goodwill represents excess of consideration paid for acquisition of business over the fair value of net assets.
- iii. Capital Work In Progress represents expenditure incurred on capital assets that are under construction or are pending capitalisation and includes Project expenses pending allocation. Project expenses pending allocation are apportioned to the fixed assets of the project proportionately on capitalisation.
- iv. Cost of borrowing for assets taking substantial time to be ready for use is capitalised for the period up to the time the asset is ready for its intended use.

e) Goodwill on Consolidation

Goodwill on Consolidation represents excess cost of investment over the company's share of equity that is carried in balance sheet and is tested for impairment at each balance sheet date.

f) Investments

- i) Long term Investments are stated at cost. Provisions are made for diminution in value of investments other than temporary in nature. Current Investments are stated at cost or fair value whichever is lower.
- ii) Investments that are readily realisable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.
- iii) Investments in associates are accounted for using equity method. The difference between the cost of investment in the associates and the share of net assets at the time of acquisition of shares in the associates is identified in the financial statements as Goodwill or Capital Reserve as the case may be.

g) Depreciation, Amortisation and Impairment

- i) Depreciation on all assets of the Company is charged on straight line method over the useful life of assets mentioned in Schedule II to the Companies Act, 2013 or the useful life previously assessed by the management based on technical review whichever is lower for the proportionate period of use during the year. Intangible assets are amortised over the economic useful life estimated by the management.

The management's estimated useful life/useful life as per schedule II whichever is lower for the various tangible assets are as follows.

Assets	Estimated useful life (Years)
Leasehold Land	Period of Lease
Buildings	28 to 58
Roads	3 to 10
Plant and Machinery and R&D Equipments	9 to 20
Office and other equipments	5
Computers	3 to 6
Furniture and Fixtures	10
Vehicles	6 to 8
Leasehold Improvements	Period of Lease

- ii) The management has estimated the useful life for the various intangible assets as follows.

Assets	Estimated useful life (Years)
Brands and Trademarks	4
Technical Know how	4
Software for internal use	4
Goodwill	4

- iii) On an annual basis the company makes an assessment of any indicator that may lead to impairment of assets. An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. The recoverable amount is higher of an asset's net selling price and value in use. Value is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life.
- iv) Fixed Assets individually costing upto ₹ 5,000/- are fully depreciated in the year of purchase.

h) Inventories

Items of inventories are valued lower of cost or estimated net realisable value as given below:

Raw Materials and Packing Materials	Lower of cost and Net realisable value. However materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost is determined on First-in-First-out basis.
Work-in-process and Finished Goods	At lower of cost including material cost net of CENVAT, labour cost and all overheads other than selling and distribution overheads and net realisable value. Excise duty is considered as cost for finished goods wherever applicable.
Stores and Spares	Stores and spare parts are valued at lower of purchase cost computed on First-in-First-out method and net realisable value.
Traded Goods	Traded Goods are valued at lower of purchase cost and net realisable value.

i) Employee Benefits

- i) Retirement benefit in the form of provident fund is a defined contribution scheme and contributions are charged to the Statement of Profit and Loss for the year/period when the contributions are due.
- ii) Gratuity being a defined benefit obligation is provided on the basis of an actuarial valuation made at the end of each year/period using the projected unit credit method.
- iii) Leave encashment is recognised on the basis of an actuarial valuation made at the end of each year.
- iv) Actuarial gains/losses are immediately taken to Statement of Profit and Loss and are not deferred.
- v) Leave Travel Assistance (LTA) liability has been provided on the basis of actual accumulated obligation.

j) Excise Duty and Cenvat Credit

- i) The excise duty expenses are bifurcated into three components: excise duty expenses related to sales is reduced from gross sales, excise duty relating to the difference between the closing and opening stock of finished goods is recognized in the material cost and inventory adjustments and the un-recovered excise duty is recognized under other expenses.
- ii) CENVAT /Service Tax credit utilised during the year is accounted in excise duty and unutilised CENVAT / Service Tax credit at the year end is considered as duties and taxes refundable.

k) Government Grants

- i) Grants and subsidies are recognized when there is a reasonable assurance that the grant or subsidy will be received and that all underlying conditions thereto will be complied with.
- ii) Grants relating to specific fixed assets are reduced from the gross value of the respective fixed assets.
- iii) Grants in the nature of promoter's contribution are credited to capital reserve account and treated as a part of shareholders' funds.

l) Foreign Exchange Transactions

- i) Transactions denominated in foreign currency are recorded at the exchange rate on the date of transaction. The exchange gain/loss on settlement / negotiation during the year is recognised in the Statement of Profit and Loss.
- ii) Foreign currency monetary transactions remaining unsettled at the end of the year are converted at year-end rates. The resultant gain or loss is accounted for in the Statement of Profit and Loss.
- iii) Non Monetary items which are carried in terms of historical cost denominated in foreign currency are reported using the exchange rate at the date of the transaction.
- iv) The overseas trading and non trading offices are integral foreign operation and are accounted accordingly.
- v) Exchange difference arising on a monetary item that in substance, forms part of an enterprise's net investments in a non-integral foreign operation are accumulated in foreign currency translation reserve.
- vi) The goodwill on consolidation is accounted at the rate of exchange on the date of acquisition and is not restated at each balance sheet date.

m) Derivative Instruments and Hedge Accounting

- i) The Company uses foreign currency forward contracts and currency options to hedge its risks associated with foreign currency fluctuations relating to certain firm commitments and forecasted transactions. The Company designates these hedging instruments as cash flow hedges applying the recognition and measurement principles set out in the Accounting Standard - AS 30 "Financial Instruments: Recognition and Measurement" of the Companies (Accounting Standards) Rules 2006. The use of hedging instruments is governed by the Company's policies approved by the Board of Directors, which provide written principles on the use of such financial derivatives consistent with the Company's risk management strategy.
- ii) Hedging instruments are initially measured at fair value, and are re-measured at subsequent reporting dates. Changes in the fair value of these derivatives that are designated and effective as hedges of future cash flows are recognised directly in shareholders' funds and the ineffective portion is recognised immediately in the Statement of Profit and Loss.
- iii) Changes in the fair value of derivative financial instruments that do not qualify for hedge accounting are recognised in the Statement of Profit and Loss as they arise.

- iv) Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated or exercised or no longer qualifies for hedge accounting. At that time for forecasted transactions, any cumulative gain or loss on the hedging instrument recognised in shareholders' funds is retained there until the forecasted transaction occurs. If a hedged transaction is no longer expected to occur, the net cumulative gain or loss recognised in shareholders' funds is transferred to the Statement of Profit and Loss for the period.

n) Research and Development

Revenue expenditure on research and development is charged to Statement of Profit and Loss in the year in which it is incurred. Capital expenditure on research and development is considered as an addition to fixed assets.

o) Revenue Recognition

- i) Revenue from sale of goods is recognised net of returns, product expiry claims and trade discount, on transfer of significant risk and rewards in respect of ownership to the buyer which is generally on dispatch of goods. Sales include excise duty but exclude sales tax and value added tax.
- ii) In respect of incentives attributable to the export of goods, the Company following the accounting principle of matching revenue with the cost has recognised export incentive receivable when all conditions precedent to the eligibility of benefits have been satisfied and when it is reasonably certain of deriving the benefit. Since these schemes are meant for neutralisation of duties and taxes on inputs pursuant to exports, the same are grouped under material costs.
- iii) The other export incentives that do not arise out of neutralisation of duties and taxes are disclosed under other operating revenue.
- iv) Revenue from services is recognised when all relevant activities are completed and the right to receive income is established.
- v) Revenue in respect of insurance/other claims, commission, etc. are recognised only when it is reasonably certain that the ultimate collection will be made.
- vi) Interest income is recognised on time proportion method basis taking into account the amount outstanding and the rate applicable.
- vii) Dividend income is accounted when the right to receive the same is established.

p) Borrowing Cost

Borrowing costs directly attributable to the acquisition or construction of qualifying assets are capitalized. Other borrowing costs are recognized as expenses in the period in which they are incurred. In determining the amount of borrowing costs eligible for capitalization during a period, any income earned on the temporary investment of those borrowings is deducted from the borrowing costs incurred.

q) Employee Stock Option Scheme

Employee stock options are evaluated and accounted on intrinsic value method as per the accounting treatment prescribed under Guidance Note on "Accounting for Employee Share-based payments" issued by the ICAI read with SEBI (Employee Stock Option Scheme & Employee Stock Purchase Scheme) Guidelines, 1999 issued by Securities and Exchange Board of India. Accordingly the excess of market value of the stock options as on the date of grant over the exercise price of the options is recognized as deferred employee compensation and is charged to the Statement of Profit and Loss on graded vesting basis over the vesting period of the options. The un-amortized portion of the deferred employee compensation is reduced from Employee Stock Option outstanding which is shown under Reserves and Surplus.

r) Taxation

Tax expenses comprise Current Tax and Deferred Tax.:

- i) Current Tax:
Current Income tax is Measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income tax Act, 1961 and the Income Computation and Disclosure Standards issued by the Central Board of Direct Taxes.

Current Income tax for overseas subsidiaries are measured as per the local tax laws of the respective overseas subsidiary.

ii) **Deferred Tax:**

Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years. Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set-off current tax assets against current tax liabilities and the deferred tax assets and the deferred tax liabilities related to the taxes on income levied by same governing taxation laws. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. In situations where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that they can be realised against future taxable profits.

The carrying amount of deferred tax assets are reviewed at each balance sheet date. The Company writes down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realised. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

iii) **MAT Credit:**

Minimum Alternate Tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The Company recognises MAT credit available as an asset only to the extent that there is reasonable certainty that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the company recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternate Tax under the Income-tax Act, 1961, the said asset is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement." The company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the company does not have reasonable certainty that it will pay normal tax during the specified period.

s) Provisions, Contingent Liabilities and Contingent Assets

A provision is recognised when an enterprise has a present obligation as a result of past event; it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Contingent Liabilities are not recognised but disclosed in notes to accounts.

Contingent Assets are neither recognised nor disclosed in financial statements.

t) Cash and Cash Equivalents

Cash and cash equivalents in the Balance Sheet comprise cash at bank, cheques on hand, cash in hand and short term investments with an original maturity of three months or less.

u) Earnings Per Share

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of equity shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

(C) Other Explanatory Notes**1. Share Capital**

Particulars	As at 31-Mar-2016		As at 31-Mar-2015	
	Numbers	(₹ Crores)	Numbers	(₹ Crores)
Face Value		₹ 2.00 each		₹ 2.00 each
Class of Shares		Equity Shares		Equity Shares
Authorised Capital	28,50,00,000	57.00	28,50,00,000	57.00
Issued, Subscribed and Paid up Capital				
Issued & Subscribed	12,74,80,204	25.50	12,74,80,204	25.50
Paid up	12,61,99,109	25.24	12,61,99,109	25.24
Total		25.24		25.24

Of the above :

3,22,704 Equity shares of ₹ 2/- each of the Company have been issued during 2012-13 under the scheme of amalgamation of erstwhile Tonira Pharma Limited with the Company.

Disclosures:-**i) Reconciliation of Shares**

Particulars	Equity Shares			
	As at 31-Mar-2016		As at 31-Mar-2015	
	Numbers	(₹ Crores)	Numbers	(₹ Crores)
Shares outstanding at the beginning of the year	12,61,99,109	25.24	12,61,99,109	25.24
Shares Issued during the year	-	-	-	-
Shares outstanding at the end of the year	12,61,99,109	25.24	12,61,99,109	25.24

ii) Details of Shareholding in excess of 5%

Name of Shareholders	As at 31-Mar-2016		As at 31-Mar-2015	
	Number of shares held	%	Number of shares held	%
Kaygee Investments Private Limited	2,70,18,195	21.41%	2,70,18,195	21.41%
Exon Laboratories Private Limited	82,71,000	6.55%	82,71,000	6.55%
Chandurkar Investments Private Limited	69,78,005	5.53%	69,78,005	5.53%

iii) Rights and obligations of shareholders

The Company has only one class of share referred as Equity shares having a par value of ₹ 2/- per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after payment of external liabilities. The distribution will be in proportion to the number of equity shares held by the shareholders.

2. Reserves & Surplus

i) Reserves

	As at 31-Mar-2016		As at 31-Mar-2015	
	(₹ Crores)		(₹ Crores)	
Capital Reserve		0.59		0.59
Capital Redemption Reserve		0.26		0.26
Securities Premium Account		43.99		43.99
Debenture Redemption Reserve *				
Opening Balance	10.00		17.50	
(+) Current Year Transfer	-		-	
(-) Transfer to General Reserve	(5.00)		(7.50)	
Closing Balance		5.00		10.00
Other Reserves :				
General Reserve **				
Opening Balance	1,300.48		1,250.48	
(+) Current Year Transfer	-		42.50	
(+) Transfer from Debenture Redemption Reserve	5.00		7.50	
(+) Reversal on account of liquidation of subsidiary	0.57		-	
Closing Balance		1,306.05		1,300.48
Hedging Reserve ***				
Opening Balance	13.58		3.30	
Net transfer during the Year	(17.42)		10.28	
Closing Balance		(3.84)		13.58
Foreign Currency Translation Reserve				
Opening Balance	2.67		3.22	
Add:- Reversal on account of liquidation of subsidiaries	0.06		-	
Net transfer during the Year	(1.10)		(0.55)	
Closing Balance		1.63		2.67
Balance at the year end		1,353.68		1,371.57

* Debenture redemption reserve is maintained in accordance with the Companies (Share capital & Debenture) Rules, 2014.

** General Reserve represents the reserve created in accordance with Companies (Transfer of Profits to Reserves) Rules, 1975.

*** Hedging Reserve represents the fair value changes of hedging instruments that are designated and effective as hedges of future cash flows.

ii) Surplus in Statement of Profit and Loss Account

	As at 31-Mar-2016		As at 31-Mar-2015	
	(₹ Crores)		(₹ Crores)	
Balance as per last Balance Sheet	811.62		615.08	
Net Profit for the year	93.27	904.89	254.23	869.31
Less:				
Profit transfer to General Reserve	-		42.50	
Proposed dividend	-		12.62	
Tax on proposed dividend	-	-	2.57	57.69
Balance as at year end		904.89		811.62
Total Reserves & Surplus (i + ii)		2,258.57		2,183.19

3. Long-term Borrowings - Secured

a) - Secured

	Non - Current Portion As at		Current Maturities as at	
	31-Mar-2016	31-Mar-2015	31-Mar-2016	31-Mar-2015
	(₹ Crores)		(₹ Crores)	
i. Debentures	5.00	10.00	5.00	5.00
ii. Foreign Currency Term Loan	415.82	437.65	180.64	101.43
iii. Buyers Credit	14.80	-	1.64	-
Total	435.62	447.65	187.28	106.43

Details of above:-

Sr. No.	Name of the Instruments / Institutions	Non - Current Portion As at		Current Maturities As at		Details of Securities	Repayment terms
		31/03/2016	31/03/2015	31/03/2016	31/03/2015		
		(₹ Crores)		(₹ Crores)			
i.	Debentures					Secured by first mortgage and pari-passu charge over Company's office premises at Ahmedabad, Gujarat and first charge by way of equitable mortgage charge on immovable properties being land and building situated at Sejavata, Ratlam and Polo Ground, Indore, both in the state of Madhya Pradesh; Village Athal & Village Piparia (Silvassa); plot no. 48, plot no. 142-AB, plot no. 123, plot no. 125 & plot no. 126ABCD at Kandivli Industrial Estate in Mumbai and at Dehradun in the state of Uttarakhand.	Redeemable in 4 equal annual installments of ₹ 5.00 crores at the end of 2 nd year, 3 rd year, 4 th year and 5 th year from the date of issue i.e. 12 th December, 2012.
1.	9.25% Secured Redeemable Non-Convertible Debentures	5.00	10.00	5.00	5.00		
	Total (i)	5.00	10.00	5.00	5.00		
ii.	Foreign Currency Term Loans						
1.	a) BNP PARIBAS, Singapore Branch	66.26	-	-	-	- Secured by first pari passu charge by way of hypothecation of movable fixed assets both present and future Including Pithampur Plant(Indore).	Repayable in 13 equal quarterly installments from 30 th June, 2017.
	b) BNP PARIBAS, Singapore Branch	-	62.50	66.26	-	- Secured by first pari passu charge by way of hypothecation of movable fixed assets both present and future except on movable fixed assets at Pithampur, Indore.	Bullet Repayment at the end of 5 th year on 7 th October, 2016.
2.	DBS BANK, Singapore Branch	23.40	36.78	15.58	14.70	Secured by first pari passu charge by way of hypothecation of all the movable fixed assets both present and future.	Repayable in 17 equal quarterly installments from 16 th September, 2014.
3.	Barclays Bank PLC, London Branch	-	-	-	6.56	Secured by first pari passu charge on the plant & machinery of the Company except assets at Pithampur, Indore.	Repayable in 13 quarterly installments from 31 st May, 2012.
4.	a) HSBC Bank Mauritius Ltd.	-	15.63	16.56	37.50	Secured by first pari passu charge on the plant & machinery of the Company except assets at Pithampur, Indore.	Repayable in 7 half yearly installments from 31 st July, 2013.

Sr. No.	Name of the Instruments / Institutions	Non - Current Portion As at		Current Maturities As at		Details of Securities	Repayment terms
		31/03/2016	31/03/2015	31/03/2016	31/03/2015		
		(₹ Crores)		(₹ Crores)			
5.	b) HSBC Bank Mauritius Ltd.	44.17	62.50	22.09	-	Secured by first pari-passu charge over current and future movable fixed assets of the Company except assets at Pithampur, Indore and at Baroda.	Repayable in 9 equal quarterly installments from 26 th September, 2016.
	c) HSBC Bank Mauritius Ltd.	15.29	33.66	20.39	19.23	Secured by first pari-passu charge over current and future movable fixed assets of the Company except assets at Pithampur, Indore and at Baroda.	Repayable in 13 equal quarterly installments from 19 th November, 2014.
	d) HSBC Bank Mauritius Ltd.	74.54	101.57	33.13	23.44	Secured by first pari-passu charge over current and future movable fixed assets of the Company except assets at Pithampur, Indore and at Baroda.	Repayable in 16 equal quarterly installments from 30 th September, 2015.
	e) HSBC Bank Mauritius Ltd.	125.90	125.01	6.63	-	- Secured by first pari-passu charge over current and future movable fixed assets of the Company except assets at Baroda(Gujarat).	Repayable in 11 Half Yearly Un-equal installments from 8 th December, 2016
	United Overseas Bank Ltd.	66.26	-	-	-	- Secured by first pari passu charge by way of hypothecation on movable fixed assets both present and future Including Pithampur Plant(Indore).	Repayable in 4 Equal Half Yearly Installments from 29 th June, 2018.
iii.	Total (ii)	415.82	437.65	180.64	101.43		
1.	Buyers Credit						
	Standard Chartered Bank	14.80	-	1.64	-	- Exclusive Charge by way of hypothecation on specific movable fixed assets financed through this Buyers Credit.	Repayable 10% at end of 12 months, 45% at end of 24 months and balance 45% at end of 36 months from the date of drawdown.
	Total (iii)	14.80	-	1.64	-		
	Grand Total (i + ii + iii)	435.62	447.65	187.28	106.43		

b) Long-term Borrowings - Unsecured

Buyers Credit	50.90	53.75	11.07	-
Others	1.77	1.81	-	-
Total (b)	52.67	55.56	11.07	-
Total (a+b)	488.29	503.21	198.35	106.43

c) Maturity Profile of Borrowings other than Debentures

	As at 31-Mar-2016	As at 31-Mar-2015
	₹ Crores	₹ Crores
Installments payable between 1 to 2 years	182.06	224.15
Installments payable between 2 to 5 years	261.48	203.43
Installments payable beyond 5 years	39.75	65.63
Total	483.29	493.21

d) The long term loans other than non convertible debentures are taken at the following rates

	Interest Band
Foreign Currency loan	Libor+ 0.55% to 2.45 %

4. Deferred Tax Liabilities (Net)

	As at 31-Mar-2016	As at 31-Mar-2015
	(₹ Crores)	(₹ Crores)
Deferred tax liabilities on account of		
Depreciation including on R & D Assets, Amortisation and impairment	209.17	183.88
Deferred tax asset on account of		
Leave Encashment	7.80	6.80
Bonus	2.77	0.69
Unabsorbed depreciation	28.48	-
Other tax disallowance	-	2.08
Total Deferred Tax Asset	39.05	9.57
Net deferred tax liability	170.12	174.31

The Company has recognized Deferred Tax Asset on unabsorbed tax depreciation of ₹ 82.30 crores to the extent that it has deferred tax liability relating to depreciation in accordance with opinion of the Expert Advisory Committee of the Institute of Chartered Accountants of India which has held that there is virtual certainty in such cases.

No credit for deferred tax assets is taken in the consolidated financial statements of the loss making foreign subsidiaries since in the opinion of the Management there is no virtual certainty supported by convincing evidence to assess fairly the future business prospects and the likely tax assessments.

5. Other Long Term Liabilities

	As at 31-Mar-2016	As at 31-Mar-2015
	(₹ Crores)	(₹ Crores)
Deposits from customers	3.09	3.21
Others	0.06	0.81
Total	3.15	4.02

6. Provisions

	Long Term		Short Term	
	As at 31-Mar-2016	As at 31-Mar-2015	As at 31-Mar-2016	As at 31-Mar-2015
	(₹ Crores)		(₹ Crores)	
Provision for employee benefits				
Gratuity	0.31	0.27	2.05	2.94
Provision for leave encashment	20.33	17.76	2.39	2.05
Provision for leave travel assistance (LTA)	-	-	4.84	4.17
Other employee related provision	-	-	5.74	1.32
Others				
Proposed final dividend	-	-	-	12.62
Provision for tax on proposed final dividend	-	-	-	2.57
Provision for taxation* (net of prepaid taxes)	-	-	4.29	10.31
Total	20.64	18.03	19.31	35.98

* Provision for taxation includes provision for wealth tax of ₹ NIL (Previous year ₹ 0.25 crore).

Disclosures:

- a) Disclosure under Accounting Standard - AS 29 "Provisions, Contingent Liabilities and Contingent Assets" of the Companies (Accounting Standards) Rules 2006.

(₹ Crores)

Particulars	Opening Balance	Additions during the year	Amounts paid / reversed during the year	Closing Balance
Provision for wage revision under negotiation	1.32	4.60	0.18	5.74
(Previous Year)	1.83	0.39	0.90	1.32

- b) As per the Accounting Standard - AS 15 "Employee Benefits" of the Companies (Accounting Standards) Rules 2006 and as defined in the accounting standard the summarised components of net benefit expense recognized in the statement of Profit and Loss and the funded status and amounts recognized in the balance sheet are given herein below. This disclosure is done only in respect of the entities in india who has gratuity liability.

Particulars	Gratuity		Leave Encashment	
	2015-16	2014-15	2015-16	2014-15
	(₹ Crores)		(₹ Crores)	
I. Change in Benefit Obligation				
Liability at the beginning of the year	38.22	30.97	19.81	16.04
Interest cost	3.05	2.48	1.32	1.08
Current Service Cost	5.04	4.92	5.43	4.53
Benefit Paid	(1.49)	(2.87)	(5.15)	(4.34)
Actuarial (gain)/loss on obligations	(1.18)	2.72	1.31	2.50
Liability at the end of the year	43.64	38.22	22.72	19.81
II. Fair Value of Plan Assets				
Fair Value of Plan Assets at the beginning of the year	35.01	29.48	-	-
Expected Return on Plan Assets	3.33	2.93	-	-
Contributions	6.69	5.47	-	-
Benefit Paid	(1.46)	(2.87)	-	-
Actuarial gain/(loss) on Plan Assets	-	-	-	-
Fair Value of Plan Assets at the end of the year	43.57	35.01	-	-
Less:- Benefit paid but pending claim from LIC	(2.29)	-	-	-
Adjusted Fair Value of Plan Assets at the end of the year	41.28	-	-	-
III. Actual Return on Plan Assets				
Expected Return on Plan Assets	3.33	2.93	-	-
Actuarial gain/(loss) on Plan Assets	-	-	-	-
Actual Return on Plan Assets	3.33	2.93	-	-
IV. Amount Recognised in the Balance Sheet				
Liability at the end of the year	43.64	38.22	22.72	19.81
Adjusted Fair Value of Plan Assets at the end of the year	41.28	35.01	-	-
Difference	2.36	3.21	22.72	19.81
Unrecognised Past Service Cost	-	-	-	-
Amount Recognised in the Balance Sheet	2.36	3.21	22.72	19.81
Breakup of Above:				
Current	2.05	2.94	2.35	2.05
Non-Current	0.31	0.27	20.37	17.76
Total	2.36	3.21	22.72	19.81
V. Expenses Recognised in the Income Statement				
Current Service Cost	5.04	4.92	5.43	4.53
Interest Cost	3.05	2.48	1.32	1.08
Expected Return on Plan Assets	(3.33)	(2.93)	-	-
Net Actuarial (gain)/loss to be Recognised	(1.18)	2.72	1.31	2.50
Benefit paid but pending claim from LIC	2.29	-	-	-
Expense Recognised in the statement of Profit and Loss	5.87	7.19	8.06	8.11
VI. Balance Sheet Reconciliation				
Opening Net Liability	3.21	1.49	19.81	16.04
Expense as above	5.87	7.19	8.06	8.11
Past Service cost	-	-	-	-
Employer's Contribution	(6.72)	(5.47)	(5.15)	(4.34)
Amount Recognised in Balance Sheet	2.36	3.21	22.72	19.81
VII. Category of assets as at the end of the year				
Insurer managed Funds	43.57	35.01	-	-
(Fund is managed by LIC as per IRDA guidelines, category-wise composition of the plan assets is not available. The plan assets under the fund are deposited under approved securities.)				
VIII. Actuarial Assumptions				
Discount Rate	8.00%	8.00%	8.00%	8.00%
Salary Escalation	6.00%	6.00%	6.00%	6.00%

Notes :

- Employer's contribution includes payments made by the Company directly to its past employees.
- The estimates of future salary increases considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.
- The Company's leave encashment liability is entirely unfunded.
- Experience adjustments are not made due to non availability of data from the actuary appointed by the fund manager- LIC.
- The Gratuity liability amounting to ₹ 0.44 Crores (Previous year ₹ 0.43 Crores) is unfunded.

7. Short-Term Borrowings

(i) Secured Loans:

	As at 31-Mar-2016 (₹ Crores)	As at 31-Mar-2015 (₹ Crores)
a) Working Capital Loans from banks	47.62	200.63
b) Other Loans from banks	1.99	4.37
Sub Total (i)	49.61	205.00

Security:

- a) - Secured by first charge by way of hypothecation of all the stocks, book debts and all other movable current assets of the Company and second charge by way of mortgage of the immovable properties of the Company and hypothecation of plant & machinery of the Company.
- b) - Secured by Collateral property being immovable property in USA, which is defined under the Loan agreement. Further, a Standby Letter of credit from Citibank N.A., India Branch has been submitted which has been guaranteed by parent company Ipca laboratories limited.

(ii) Unsecured Loans:

	As at 31-Mar-2016 (₹ Crores)	As at 31-Mar-2015 (₹ Crores)
Short Term Loans from Banks	66.26	120.35
Short term loans from others	0.60	-
Sub Total (ii)	66.86	120.35
Total Short-Term Borrowings (i)+(ii)	116.47	325.35

8. Trade Payables

	As at 31-Mar-2016 (₹ Crores)	As at 31-Mar-2015 (₹ Crores)
Outstanding dues of micro enterprises and small enterprises	3.67	2.51
Others		
- Against acceptance of Import documents	13.83	16.88
- Others	409.16	287.20
Total	422.99	304.08
	426.66	306.59

Disclosures:

Disclosure In accordance with Section 22 of The Micro, Small and Medium Enterprises Development Act 2006.

Particulars	2015-16 (₹ Crores)	2014-15 (₹ Crores)
a) The principal amount and the interest due thereon remaining unpaid to any micro and small enterprises as at the end of each year;		
Principal amount due	3.67	2.51
Interest due thereon ₹ 4,132/- (previous year ₹ 189/-)	-	-
b) The amount of interest paid in terms of Section 16 of the MSMED Act 2006 along with the amounts of the payment made to the supplier beyond the appointed date during the year.		
Principal amount paid beyond appointed day	1.59	1.68
Interest paid thereon	0.01	0.06
c) The amount of interest due and payable for the period of delay in making payment beyond appointed day during the year.	-	-
d) The amount of interest accrued and remaining unpaid at the end of the accounting year.	0.01	0.01
e) The amount of further interest due and payable even in the succeeding years.	-	-

The information has been given in respect of such vendors to the extent they could be identified as 'micro and small enterprises' on the basis of information available with the company. This has been relied upon by the auditors.

9. Other Current Liabilities

	As at 31-Mar-2016 (₹ Crores)	As at 31-Mar-2015 (₹ Crores)
Current maturities of non-current liabilities (Refer note 3)	198.35	106.43
Interest accrued but not due on borrowings	2.73	2.62
Advance received from customers	20.75	22.03
Unpaid dividends *	1.67	1.82
Duties & taxes payable	22.71	40.55
Amount payable on foreign currency hedging transactions	3.84	1.27
Payable for capital goods	43.09	58.33
Others	4.34	3.39
Total	297.48	236.44

* Unpaid dividend does not include any amount to be credited to Investor Education and Protection fund.

10 FIXED ASSETS

(₹ Crores)

Description of Assets	Cost				Depreciation, Amortisation & Impairment				Net Block		
	As at 1 st April, 2014	Additions (14-15)	Disposals/ Adjustments (14-15)	As at 31 st March 2015	Additions (15-16)	Disposals/ Adjustments (15-16)	As at 31 st March 2016	Charge for the year (14-15)	Disposals/ Adjustments (14-15)	As at 31 st March 2015	As at 31 st March 2016
A. Tangible Assets											
1. Freehold Land	46.12	3.58	(0.01)	49.69	0.62	-	50.31	0.03	-	0.03	50.28
2. Leasehold Land	20.42	28.83	-	49.25	0.64	-	49.89	1.00	0.54	1.54	47.39
3. Buildings	375.86	126.92	(0.35)	502.43	62.30	1.13	565.86	63.98	16.71	80.16	467.98
4. Plant & Machinery	1,162.15	322.79	(6.24)	1,478.70	267.76	(8.39)	1,738.07	384.07	122.81	501.60	1,138.17
5. Plant & Machinery (Given on Lease)	5.83	-	-	5.83	-	0.06	5.89	1.82	0.47	2.29	3.15
6. Office & Other Equipments	12.94	8.79	(0.12)	21.61	4.20	(0.21)	25.60	5.71	3.91	9.53	12.45
7. Effluent Treatment Plant	37.89	25.50	(1.48)	61.91	19.43	(0.31)	81.03	9.40	2.78	11.00	64.95
8. Furniture & Fixtures	33.76	23.22	-	56.98	10.17	0.09	67.24	17.42	4.69	22.06	39.90
9. Vehicles	24.29	3.26	(1.81)	25.74	2.01	(1.35)	26.40	8.94	3.75	11.47	11.92
10. Leasehold Improvement	0.76	-	(0.76)	-	-	-	-	0.72	-	-	-
11. R & D Building	18.19	0.21	-	18.40	0.03	-	18.43	3.50	0.61	4.11	13.70
12. R & D Leasehold Improvement	0.74	-	(0.74)	-	-	-	-	0.70	-	-	-
13. R & D Equipments	117.10	48.36	(3.62)	161.84	14.95	(0.46)	176.33	61.99	11.14	70.56	92.25
14. R & D Furnitures	2.55	0.42	-	2.97	0.95	-	3.92	1.36	0.22	1.58	2.09
Total 'A'	1,858.60	591.88	(15.13)	2,435.35	383.06	(9.44)	2,808.97	560.64	167.63	715.93	1,944.23
											1,719.42

B. Intangible Assets											
1. Goodwill	15.88	18.10	-	33.98	-	-	33.98	4.14	6.23	10.37	23.61
2. Software	15.51	8.35	-	23.86	9.05	(0.01)	32.90	7.12	3.87	10.99	12.87
3. Brands & Trade Mark	2.19	7.03	-	9.22	-	-	9.22	2.08	1.24	3.32	5.90
4. Know-How	4.17	3.75	(0.18)	7.74	0.97	-	8.71	3.70	0.50	4.20	3.54
5. Software - R & D	1.26	0.48	-	1.74	1.27	-	3.01	0.78	0.31	1.09	0.65
Total 'B'	39.01	37.71	(0.18)	76.54	11.29	(0.01)	87.82	17.82	12.15	29.97	46.57
Total (A + B)	1,897.61	629.59	(15.31)	2,511.89	394.35	(9.45)	2,896.79	578.46	179.78	745.90	1,765.99

Notes:

- Buildings include cost of shares in Co-operative societies.
- Out of depreciation and amortisation for the year of ₹ 171.96 crore (Previous year ₹ 179.78 crore), depreciation of ₹ 0.02 crore (Previous year ₹ 0.23 crore) relating to project under execution for the period before start of production is transferred to project expenses pending allocation.
- Cost of borrowing of ₹ 0.65 crore (Previous year ₹ 3.79 crore) is capitalised to the projects.
- Disposal/Adjustment under gross block and accumulated depreciation includes ₹ 1.56 crore (previous year ₹ 2.20 crore) and ₹ 0.99 crore (previous year ₹ 2.32 crore) respectively pertaining to foreign currency translation reserve.

11. Goodwill on consolidation arising out of acquisition

Name of the Company	As at 31-Mar-2016	As at 31-Mar-2015
	(₹ Crores)	(₹ Crores)
i) Onyx Research Chemicals Ltd.	23.51	23.51
ii) Tonira Exports Ltd. (on merger of Tonira Pharma Ltd.)	0.08	0.08
iii) Avik Pharmaceutical Ltd.	10.85	10.85
Total	34.44	34.44

12. Investments

i) Non Current Investments

Sr. No.	Name of the Body Corporate	Subsidiary / Associate / JV/ Controlled Entity / Others	No. of Shares / Units		Face Value (₹)	Quoted / Unquoted	Partly Paid / Fully paid	Extent of Holding (%)		(₹ Crores)	
			31/03/2016	31/03/2015				31/03/2016	31/03/2015	31/03/2016	31/03/2015
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
A. Details of Trade Investments											
Investment in Equity Instruments (Associate - accounted under equity method) (Others - at Cost)											
1.	CCPL Software Pvt.Ltd. #	Associate	55,000	55,000	100	Unquoted	Fully Paid	28.95	28.95	-	-
2.	Trophic Wellness Pvt. Ltd. @100000 shares fully paid & 680000 partly paid - ₹ 7.50 (Previous year ₹ 7.50 per share)	Associate	7,80,000	7,80,000	10	Unquoted	@	19.26	19.26	5.87	4.42
3.	Krebs Biochemicals & Industries Ltd.	Associate	41,00,100	18,00,000	10	Quoted	Fully Paid	31.38	18.92	15.90	8.39
4.	Mangalam Drugs & Organics Ltd.	Others	-	10,67,939	10	Quoted	Fully Paid	-	-	-	3.29
Total										21.77	16.10
# Cost fully written off in books											
B. Details of Non Trade Investments											
i) Investment in Equity Instruments (At cost)											
1.	Gujarat Industrial Co-Op Bank Ltd.	Others	140	140	50	Unquoted	Fully Paid	-	-	-	-
2.	Narmada Clean Tech Ltd. (NCTL) (formerly known as Bharuch Eco Aqua Infrastructure Ltd.)	Others	35,000	35,000	10	Unquoted	Fully Paid	-	-	0.04	0.04
ii) Investment in Preference Instruments (At cost)											
3.	Enviro Infrastructure Company Limited	Others	45,000	45,000	10	Unquoted	Fully Paid	-	-	0.05	0.05
Total										0.09	0.09
C. Total Non current Investments (A+B)										21.86	16.19

ii) The associates of the Company and the ownership interest are as follows: -

Name of the Associate	CCPL Software Private Ltd.	Trophic Wellness Pvt. Ltd.	Krebs Biochemicals & Industries Ltd.	Total (₹ Crores)
% of Share held	28.95%	19.26%	31.38%	-
Original cost of Investment	1.31	8.94	21.96	32.21
(Goodwill)/Capital Reserve	(0.79)	1.73	(16.31)	-
Accumulated Profit/ (Loss) up to 31/03/2015	(0.51)*	(4.52)	(1.15)	(5.67)
Share of Profit / (Loss) for the year Plus Proportionate Dividend received by Associates	*	1.45	(4.91)	(3.46)
Dividend received from associates	-	-	-	-
Less: - Disposal of Investment	-	-	-	-
Carrying value of Investment on 31/03/2016	NIL**	5.87	15.90	21.77

* No effect of share of loss from CCPL is taken since 01.04.2004, as the Company has no further commitment towards its share of loss in the Associate.

** Balance cost is fully written off in books.

iii) Details of loans given, investments made & guarantee given covered under section 186(4) of the Companies Act, 2013 are given in statement 2 attached to the financial statements.

13. Loans and Advances

	Long Term		Short Term	
	As at 31/03/2016	As at 31/03/2015	As at 31/03/2016	As at 31/03/2015
	(₹ Crores)		(₹ Crores)	
a. Loans and advances to related parties				
Unsecured, considered good (Refer disclosure given hereunder)	19.65	7.30	-	-
b. Capital Advances				
Unsecured, considered good	4.48	26.58	-	-
c. Share application money pending allotment	-	12.42	-	-
d. Others (Unsecured, considered good, unless otherwise stated)				
Advance to suppliers	-	-	4.59	8.42
Loans given to :				
- Employees	0.73	1.04	1.76	1.70
- Others	-	0.18	-	4.80
Hedging gain receivable	-	-	3.32	14.48
Prepaid taxes (net of provisions)	4.15	3.49	-	-
Deposits with Govt. departments and others (Refer Note (d) given hereunder)				
- Considered good	58.99	52.46	1.49	1.01
- Considered doubtful	0.02	0.02	-	-
	59.01	52.48	1.49	1.01
Less : Provision for doubtful deposits	0.02	0.02	-	-
	58.99	52.46	1.49	1.01
Prepaid expenses	1.03	0.89	10.29	10.26
Advances to Employees				
- Considered good	-	-	4.15	4.33
- Considered doubtful	-	-	0.29	0.43
	-	-	4.44	4.76
Less : Provision for doubtful Advances	-	-	0.29	0.43
	-	-	4.15	4.33
Other Advances	0.36	-	3.89	2.46
Total	89.39	104.36	29.49	47.46

Disclosures:

- a) Details of Loans and advances in the nature of loan to associates etc. as required under schedule V(A)(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 :

(₹ Crores)

Sr. No.	Name of the company and Relationship	Balance as at 31/03/2016	Maximum outstanding during the year 2015-16	Balance as at 31/03/2015	Maximum outstanding during the year 2014-15
i)	Krebs Biochemicals & Industries Limited - Associate	11.40	11.40	-	-
ii)	Avik Pharmaceutical Limited - Joint Venture	8.25	8.25	7.30	7.30

- b) **Investment by the loanee in the shares of the Company:**

None of the loanees have, per se, made investments in the shares of the Company.

- c) Details of Loans and advances to Related Parties..

(₹ Crores)

Sr. No.	Name of the company and Relationship	Balance as at 31/03/2016	Balance as at 31/03/2015
i)	Avik Pharmaceutical Limited - Joint Venture	8.25	7.30
ii)	Krebs Biochemicals & Industries Limited - Associate	11.40	-

- d) Share application money pending allotment of the previous year represents amount invested in Krebs Biochemicals & Industries Limited, an associate, for allotment of 23,00,000 fully paid equity shares of ₹ 10/- each, which are allotted on 9th May, 2015.
- e) Deposit includes ₹ 45.00 crores (previous year ₹ 39.44 crores) given as lease deposit for two manufacturing facilities of Krebs Biochemicals & Industries Limited taken on lease by the Company.

14. Other Assets

	Non Current		Current	
	As at 31-Mar-2016	As at 31-Mar-2015	As at 31-Mar-2016	As at 31-Mar-2015
	(₹ Crores)		(₹ Crores)	
Term deposits with banks #	2.45	3.13	-	-
Export benefits receivables	-	-	40.62	39.98
Duties & taxes refundable	6.70	7.05	81.50	99.40
Gratuity and other claim receivables	-	-	3.56	7.06
Unbilled revenue	-	-	4.30	8.25
Others	0.04	-	1.71	7.48
Total	9.19	10.18	131.69	162.17

Term deposits are lying with government authorities and / or as margin for guarantees issued by banks to various Authorities.

15. Inventories

	As at 31-Mar-2016		As at 31-Mar-2015	
	(₹ Crores)		(₹ Crores)	
i) Raw Materials				
In hand	280.86	296.28	316.68	332.26
In transit	15.42		15.58	
ii) Packing Materials				
In hand	32.33	32.68	39.11	39.39
In transit	0.35		0.28	
iii) Work-in-progress		202.78		173.55
iv) Finished goods				
In hand				
Own	257.99	299.18	322.97	368.70
Traded	28.83		30.00	
In transit				
Own	10.08	12.78	11.88	12.66
Traded	2.28		3.85	
v) Stores and spares				
Total		843.70		926.56

Disclosures:

Valuation methodology

Raw Materials and Packing Materials	Lower of cost and Net realisable value. However materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost is determined on First-in-First-out basis.
Work-in-process and Finished Goods	At lower of cost including material cost net of CENVAT, labour cost and all overheads other than selling and distribution overheads and net realisable value. Excise duty is considered as cost for finished goods wherever applicable.
Stores and Spares	Stores and spare parts are valued at lower of purchase cost computed on First-in-First-out method and net realisable value.
Traded Goods	Traded Goods are valued at lower of purchase cost and net realisable value.

16. Trade receivables

	As at 31-Mar-2016		As at 31-Mar-2015	
	(₹ Crores)		(₹ Crores)	
Outstanding for more than six months				
Unsecured, considered good	8.88		15.69	
Unsecured, considered doubtful	0.52		0.68	
Less: Provision for doubtful debts	0.52	8.88	0.68	15.69
Others				
Unsecured, considered good		367.95		337.31
Total		376.83		353.00

17. Cash and Bank Balances

	As at 31-Mar-2016	As at 31-Mar-2015
	(₹ Crores)	(₹ Crores)
Cash & Cash Equivalents		
Cash on hand	0.49	0.61
Balances with banks	22.59	19.35
Cheques, drafts on hand	1.56	1.72
Fixed deposit with bank	149.66	82.00
	174.30	103.68
Other Bank Balances		
Unpaid dividend accounts *	1.67	1.82
Open offer ESCROW account	-	19.29
	1.67	21.11
Total	175.97	124.79

* Unpaid dividend does not include any amount to be credited to Investor Education and Protection fund.

18. Revenue from Operations (Gross)

	2015-16		2014-15	
	(₹ Crores)		(₹ Crores)	
Sale of products (Gross)		2,828.04		3,092.40
Sale of services		50.22		56.27
Other operating revenues				
Export incentives	26.98		12.97	
Sundry balances written back	3.44		2.57	
Bad debts recovered	0.85		-	
Miscellaneous income	9.29	40.56	12.26	27.80
Total		2,918.82		3,176.47

19. Other Income

	2015-16	2014-15
	(₹ Crores)	(₹ Crores)
Interest Income	8.60	18.85
Dividend Income - from current investments	0.03	0.01
Profit on sale of investments - non current (net)	0.90	2.13
Profit on sale of investments - current (net)	5.36	4.17
Profit on sale of assets	0.40	0.36
Reversal of provision for diminution in value of non-current investments	-	4.32
Miscellaneous income	1.62	2.84
Total	16.91	32.68

20. Cost of Materials Consumed

	2015-16		2014-15	
	(₹ Crores)		(₹ Crores)	
Raw Materials Consumed				
Opening Stock	332.26		333.89	
Add : Purchases (Net of discount)	702.62		895.65	
Add : Raw Material Conversion Charges	10.53		13.32	
	1,045.41		1,242.86	
Less : Closing Stock	296.28	749.13	332.26	910.60
Packing Materials Consumed				
Opening Stock	39.39		35.10	
Add : Purchases (Net of discount)	167.07		212.78	
	206.46		247.88	
Less : Closing Stock	32.68	173.78	39.39	208.49
Neutralisation of duties and taxes on inputs on exports - Drawback benefits		(18.42)		(21.84)
Total		904.49		1,097.25

Disclosures:

During the year the Company has written off / destroyed material worth ₹ 32.90 crores on account of regulatory issues; which is part of the material cost.

21. Purchases of traded goods

	2015-16	2014-15
	(₹ Crores)	(₹ Crores)
Formulations	112.08	113.32
Active Pharmaceutical Ingredients / Intermediates	8.70	2.71
Others	11.31	9.31
Total	132.09	125.34

22. Changes in inventories of Finished Goods, Work-in-progress and traded goods

	2015-16		2014-15	
	(₹ Crores)		(₹ Crores)	
Inventory Adjustments - WIP				
Stock at Commencement	173.55		165.68	
Less: - Stock at closing	202.78	(29.23)	173.55	(7.87)
Inventory Adjustments - Finished Goods				
Stock at Commencement	334.85		278.70	
Less : Stock at Closing	268.07	66.78	334.85	(56.15)
Inventory Adjustments - Traded Goods				
Stock at Commencement	33.85		22.50	
Less : Stock at Closing	31.11	2.74	33.85	(11.35)
Variation in Excise duty on :				
Closing stock of finished goods	22.04		41.19	
Less: Opening stock of finished goods	41.19	(19.15)	33.76	7.43
Total		21.14		(67.94)

23. Employee Benefits Expenses

	2015-16	2014-15
	(₹ Crores)	(₹ Crores)
Salaries, bonus, perquisites, etc.	556.72	499.93
Contribution to employees welfare funds	32.08	29.13
Leave encashment	8.06	7.99
Leave travel assistance	3.34	3.00
Gratuity	5.87	7.16
Staff welfare expenses	16.78	15.51
Recruitment & training	4.11	3.98
Total	626.96	566.70

Pursuant to the retrospective amendment to the Payment of Bonus Act, the Company was required to make provision for differential bonus for the year 2014-15 as per the amendment. However, various High Courts have granted interim stay to the applicability of the amendment for the year 2014-15. The Company has therefore not made provision for differential bonus for the year 2014-15. Provision for Bonus for the current year is made as per the amendment.

24. Finance Cost

	2015-16	2014-15
	(₹ Crores)	(₹ Crores)
Interest expense	25.49	23.20
Other borrowing cost	6.11	4.93
Interest on Income tax	0.01	0.26
Total	31.61	28.39

25. Depreciation & Amortisation

	2015-16	2014-15
	(₹ Crores)	(₹ Crores)
Depreciation on tangible assets	154.30	167.40
Amortisation on intangible assets	17.64	12.15
Impairment of Intangible Assets under development	0.27	-
Total	172.21	179.55

Notes :

- In accordance with the provisions of Schedule II to the Companies Act 2013, effective from 1st April, 2014, the Company had revised the useful lives of its fixed assets. As a consequence of such revision, the charge for depreciation is higher than the previously applied rates by ₹ 37.68 crores for the previous year. For assets that had completed the useful lives as a consequence of the aforesaid revision, the carrying value as on 1st April, 2014 of ₹ 13.26 crores had also been charged to the statement of profit and loss. The depreciation charged for the previous year is accordingly higher by ₹ 50.94 crores.
- The Company has revised the useful life of plant and machinery installed at its formulation plants based on certificate from technical expert from 15 years as per Schedule II to 20 years. Based on this revision depreciation for the year is computed on such assets. On account of this revision, depreciation for the year is lower by ₹ 14.53 crores and profit before tax is higher by similar amount.

26. Other Expenses

	2015-16	2014-15
	(₹ Crores)	(₹ Crores)
Consumption of stores & spares	34.28	37.35
Power & fuel	136.98	131.05
Water	5.29	4.89
Freight, forwarding and transportation	74.97	103.52
Outside manufacturing charges	17.74	17.91
Repairs & maintenance	88.47	98.34
Loss on sale of assets	0.92	0.70
Fixed assets scrapped	0.34	1.58
Commission on sales and brokerage	15.54	29.39
Field staff expenses	73.17	78.16
Sales & marketing expenses	123.27	112.09
Product information catalogue	25.55	17.51
Expenditure on scientific research	40.46	40.26
Laboratory expenses and analytical charges	33.39	36.76
Rent	14.20	14.28
Rates & taxes	16.36	16.22
Travelling expenses	27.87	32.72
Professional charges	28.75	24.84
Printing and stationery	7.60	8.09
Books, subscription & software	17.63	10.31
Product registration expenses	10.39	13.47
Excise duty	7.66	7.42
Communication expenses	7.18	8.30
Insurance	12.14	14.61
Intellectual property right expenses	4.13	1.68
Remuneration to auditors	0.56	0.60
Remuneration to components' auditors	0.16	0.20
Bank charges	2.79	3.74
Provision for doubtful debts/advances	-	0.56
Bad debts and other balance w/off	3.53	6.24
CSR expenses	4.80	7.09
Compensation towards failure to supply goods/services	10.13	-
Loss on liquidation of subsidiary	0.67	-
Reorganisation Expenses	-	0.97
Miscellaneous expenses (none of which individually forms more than 1% of the operating revenue)	11.74	10.03
Total	858.66	890.88
Details of:		
1. Remuneration To Auditors:		
- Audit fees	0.41	0.41
- Tax matters	0.06	0.07
- Certification and other services	0.06	0.06
- Out of pocket expenses	0.03	0.06
	0.56	0.60

27. Disclosure as required by Accounting Standard – AS 17 “Segment Reporting” of the Companies (Accounting Standards) Rules 2006.

- i) In accordance with AS-17 “Segment Reporting”, the Company has only one reportable primary business segment i.e. Pharmaceuticals.
- ii) Information about secondary geographical segments:

(₹ Crores)

Particulars	India	Outside India	Total
Segment Revenue - Current year	1,394.46	1,490.58	2,885.04
- Previous year	1,344.62	1,799.78	3,144.40

Notes:

- a. The Segment Revenue in the geographical segments considered for disclosure are on the basis of customer location.
- b. In the case of Segment asset and segment capital expenditure the amount attributable to geographical segment “Outside India” is less than 10% of the respective Total assets and Total capital expenditure of the reporting enterprise and hence not disclosed separately.

28. Disclosure as required by Accounting Standard – AS 18 “Related Party Disclosure” of the Companies (Accounting Standards) Rules 2006.

Relationships:	
A. Entities where control exists	
Shareholders of Ipca Laboratories Ltd.	
Kaygee Investments Pvt. Ltd.	
B. Associates	
Trophic Wellness Pvt. Ltd.	
Krebs Biochemicals & Industries Ltd.	
C. Joint Venture	
Avik Pharmaceutical Ltd.	
D. Key Management Personnel	
Mr. Premchand Godha	Chairman & Managing Director
Mr. Ajit Kumar Jain	Joint Managing Director & CFO
Mr. Pranay Godha	Executive Director
Mr. Prashant Godha	Executive Director
E. Other Related Parties (Entities in which Directors or their relatives have significant influence)	
Nipra Industries Pvt. Ltd.	
Nipra Packaging Pvt. Ltd.	
Prabhat Foundation	
Vandhara Resorts Pvt. Ltd.	
Mexin Medicaments Pvt. Ltd.	
Makers Laboratories Ltd.	

Details of related party transactions are given in statement 1 attached to the financial statements

29. Disclosure as required by Accounting Standard – AS 19 “Leases” of the Companies (Accounting Standards) Rules 2006.

- The Company has taken various residential / godowns / offices premises (including Furniture and Fittings if any) under leave and licence agreements. These generally range between 11 months to 3 years under leave and licence basis. These arrangements are renewable by mutual consent on mutually agreed terms. Under some of these arrangements the Company has given refundable security deposits. The lease payments are recognized in the Statement of Profit and Loss under Rent.
- During the previous year the Company has taken on operating lease two manufacturing facilities of M/s. Krebs Biochemicals & Industries Limited for manufacturing of products at the said facilities. An amount of ₹ 45.00 crores (previous year ₹ 39.44 crores) has been paid as lease deposit. Since the lease is cancellable at the option of the Company, the further disclosure of committed lease payments are not made.
- The Company has one lease commitments for its office which expires on 31st March 2017. Total lease commitment is ₹ 0.28 Crores (USD 42, 932) [Previous year ₹ 0.54 Crore (USD 86,304)].
- The following operating lease payments are committed to be paid as under for Onyx Scientific Limited :

Expiring:	31/03/2016	31/03/2015
Within one year	-	0.01
Between one and five years	0.85	0.79
	0.85	0.80

30. Disclosure as required by Accounting Standard – AS 20 “Earning Per Share” of the Companies (Accounting Standards) Rules 2006.

The earning per share is calculated by dividing the profit after tax by weighted average no. of shares outstanding for basic and diluted EPS.

Particulars	2015-16		2014-15	
	(₹ Crores)		(₹ Crores)	
(i) Profit after tax		93.27		254.23
(ii) Closing Equity Shares Outstanding (Nos.) :				
Opening equity shares outstanding (Nos.)	12,61,99,109		12,61,99,109	
Add:- issued during the year (Nos.)	-		-	
Closing equity shares outstanding (Nos.)		12,61,99,109		12,61,99,109
(iii) Weighted avg no. of shares outstanding (Nos.) (Basic)		12,61,99,109		12,61,99,109
(iv) Weighted avg no. of shares outstanding (Nos.) (Diluted)		12,61,99,109		12,61,99,109
(v) Nominal value of equity share (₹)		2.00		2.00
Basic EPS		7.39		20.15
Diluted EPS		7.39		20.15

31. Disclosure as required by Accounting Standard - AS 27 “Financial Reporting of Interest in Joint Ventures” of the Companies (Accounting Standards) Rules 2006.

The Company is holding 49.02% of Shares in Avik Pharmaceutical Ltd. It is a Jointly Controlled entity in which the Company has a control of 49.02%. In the standalone Balance Sheet of the Company, Joint Venture interest is reported under Long term Investment at Cost. Proportionate share of the Company as on 31st March, 2016 in the assets, liabilities, income, expenditure, contingent liabilities and capital commitments of the Joint Venture company is as follows:

Particulars	As at 31st March, 2016	As at 31st March, 2015
	(₹ Crores)	(₹ Crores)
Assets		
Non current assets	2.51	3.08
Current assets	14.55	5.08
Total	17.06	8.16
Liabilities		
Share capital	5.00	5.00
Reserves & surplus	(11.33)	(12.03)
Non current liabilities	10.12	8.95
Current liabilities	13.27	6.24
Total	17.06	8.16

	2015-16	2014-15
Income		
Sales and other income	23.94	8.34
Expenditure		
Cost of sales	14.98	3.49
Other expenses	8.25	6.60
Total	23.23	10.09
Contingent liabilities	-	-
Capital commitments	-	-

32. Significant accounting policies and notes to this consolidated financial statement are intended to serve as a means of informative disclosure and a guide to better understanding the consolidated position of the companies. Recognising this purpose, the Company has disclosed only such policies and notes from the individual financial statements, which fairly presents the needed disclosures. Lack of homogeneity and other similar considerations made it desirable to exclude some of them, which in the opinion of the Management could be better viewed when referred from the individual financial statements.

33. Contingent liabilities and commitments not provided for in respect of :

Particulars	As at 31 st March, 2016 (₹ Crores)	As at 31 st March, 2015 (₹ Crores)
A. Contingent Liabilities		
a) Bills discounted with banks	74.37	276.32
Since Realised	(50.27)	(97.81)
b) Other moneys for which the Company is contingently liable for tax, excise, customs and other matters not accepted by the Company	17.03*	12.78*
Amount deposited under protest	(3.51)	(0.53)
c) Claims against the Company not acknowledged as debts	13.22	11.45
d) Corporate Guarantee given to others	2.28	2.28
e) Guarantees given by banks in favour of Govt. & others/ Letter of Credit opened against which goods are not received *	22.87	47.49
	75.99	251.98
B. Estimated amount of contracts remaining to be executed on capital account and not provided for:		
- Tangible assets	41.08	115.93
- Intangible assets	29.71	34.45
	70.79	150.38
C. Uncalled liability on partly paid shares	3.40	3.40
D. Other Commitments	1.14	6.90

*Note:- It includes ₹ 4.38 crores (Previous year ₹ 4.38 crores) towards interest and penalty demanded by excise department, Ankleshwar relating to erstwhile Tonira Pharma Limited since amalgamated with the Company and is not payable in accordance with the order passed by the Hon'ble Central Excise and Service Tax Appellate Tribunal (CESTAT), Ahmedabad. The Department had moved the Hon'ble Gujarat High Court against the said CESTAT order and as per the order of the said Hon'ble High Court, the Company has furnished a Bank Guarantee of ₹ 2.00 crores (Previous year ₹ 2.00 crores) to the Department..

34. a) The Company has entered into various derivatives transactions, which are not intended for trading or speculative purpose but to hedge the export receivables including future receivables and foreign currency loan interest rate risks. The Company has following derivatives instruments / forward cover outstanding.

Sr. No.	Type of Transaction	Purpose	Amount Outstanding (In Million)	
			As at 31 st March, 2016	As at 31 st March, 2015
i.	USD Interest Rate Swap	To hedge the USD LIBOR risk by moving from Floating LIBOR rate to Fixed LIBOR Rate.	USD 68.38 (outstanding)	USD 57.79 (outstanding)
ii.	Forward Cover beyond six months	To hedge export receivables	Nil Nil	GBP 11.75 USD 37.00

- b) The Company has continued its decision not to exercise the option available under amendment to Accounting Standard - AS 11 relating to "The effects of Changes in Foreign Exchange Rates" in respect of its Long Term Foreign Currency Monetary Items in respect of foreign currency loans for the acquisition of fixed assets.
- c) The Company has following unhedged foreign exchange liability. This does not include overseas subsidiary and Joint Venture in India.

Sr. No.	Particulars	Currency	As at 31 st March, 2016		As at 31 st March, 2015	
			Amount in Foreign Currency (In Million)	Amount (₹ Crores)	Amount in Foreign Currency (In Million)	Amount (₹ Crores)
i.	ECB term loan and interest	USD	90.28	598.22	86.52	540.82
ii.	Buyers credit and interest	USD	8.67	57.44	8.65	54.09
		EURO	2.86	21.56	-	-
iii.	Packing credit and interest	USD	6.24	41.37	17.93	112.09
		EURO	-	-	1.74	11.66
		GBP	-	-	6.49	59.96
		AUD	-	-	1.55	7.34
iv.	FCNR working capital loan	USD	10.01	66.36	10.01	62.59
v.	Trade and other payables incl. advances received	USD	12.58	83.40	13.58	84.88
		EURO	0.22	1.69	0.32	2.12
		GBP	0.01	0.09	0.01	0.06
		NZD	-	-	0.01	0.04
		CHF	-	-	0.03	0.20
		AUD	0.01	0.05	-	-
		CAD	0.06	0.31	-	-

- d) Unhedged receivables in foreign currency. This does not include overseas subsidiary and Joint Venture in India.

Sr. No.	Particulars	Currency	As at 31 st March, 2016		As at 31 st March, 2015	
			Amount in Foreign Currency (In Million)	Amount (₹ Crores)	Amount in Foreign Currency (In Million)	Amount (₹ Crores)
i.	Trade & other receivables incl. advances given	USD	37.94	251.38	33.21	208.03
		EURO	3.42	25.79	3.23	21.74
		GBP	3.06	29.20	0.13	1.25
		AUD	0.96	4.86	0.51	2.43
		CAD	0.62	3.15	0.21	1.05
		NZD	0.99	4.54	0.25	1.16
		JPY	-	-	1.24	0.06
		COP	954.77	2.10	665.26	1.64
ii.	Unbilled revenue	USD	0.65	4.30	1.02	6.36
		CAD	-	-	0.38	1.89

- e) None of the foreign subsidiaries have effected any steps to hedge their currency risks vis a vis the Indian Parent.

35. CSR expenditure:

- a) Gross amount required to be spent by the Company during the year - ₹ 9.51 Crores (previous year ₹ 9.68 crores).
- b) i. Amount spent by the Company during the year is as follows:

(₹ Crores)

Sr. No.	Particulars	Paid in cash	Yet to be paid in cash	Total
1.	Eradication of poverty, promotion of healthcare, sanitation, drinking water etc.	0.44	-	0.44
2.	Promotion of education, vocational training & skill enhancement etc.	4.08	-	4.08
3.	Promoting of gender equality and empowering women	0.03	-	0.03
4.	Protection of national heritage, art, culture etc.	0.05	-	0.05
5.	Promotion of rural sports	0.06	-	0.06
6.	Rural development	0.14	-	0.14
	Total	4.80	-	4.80

ii. Amount spent by the Company during the previous year is as follows;

Sr. No.	Particulars	Paid in cash	Yet to be paid in cash	Total
1.	Eradication of poverty, promotion of healthcare, sanitation, drinking water etc.	4.93	-	4.93
2.	Promotion of education, vocational training & skill enhancement etc.	1.94	-	1.94
3.	Environmental sustainability, animal welfare, natural resource conservation etc.	0.04	-	0.04
4.	Protection of national heritage, art, culture etc.	0.02	-	0.02
5.	Promotion of rural sports	0.03	-	0.03
6.	Rural development	0.13	-	0.13
	Total	7.09	-	7.09

- 36.** Disclosure under Schedule III of the Companies Act 2013 relating to consolidated financial statements are given in statement 3 attached to the financial statements.
- 37.** During previous year, as a part of group re-construction, Ipca Laboratories (UK) Ltd. acquired the entire issued share capital of Onyx Scientific Ltd., UK from its wholly owned subsidiary Onyx Research Chemicals Ltd., U.K. on 25th March, 2015 in lieu of capital dividend declared by the said company. Consequent to this, Onyx Scientific Ltd., UK has become wholly owned subsidiary of Ipca Laboratories (UK) Ltd. from the said date. From the said date, Onyx Research Chemicals Ltd. UK has ceased to trade and is dissolved during the previous year.
- 38.** The figures of the subsidiaries including the step down subsidiaries are appropriately grouped along with the figures of the parent Ipca Laboratories Ltd.
- 39.** In the opinion of the Board of Directors, all the assets other than fixed assets and non current investments have value on realisation in the ordinary course of business atleast equal to the amount at which they are stated in the Balance Sheet.
- 40.** The balance sheet, Statement of profit and loss, cash flow statement, statement of significant accounting policies and the other explanatory notes forms an integral part of the financial statements of the Company for the year ended 31st March, 2016.
- 41.** Previous year's figures have been regrouped and rearranged wherever necessary to make them comparable.

As per our report of even date attached
For **Natvarlal Vepari & Co.**
Chartered Accountants
Firm Registration No. 106971W

N. Jayendran
Partner
M.No. 40441

Mumbai,
30th May, 2016

For and on behalf of the Board of Directors
Premchand Godha
Chairman & Managing Director (DIN 00012691)
Ajit Kumar Jain
Joint Managing Director & CFO (DIN 00012657)
Pranay Godha
Executive Director (DIN 00016525)
Prashant Godha
Executive Director (DIN 00012759)
Harish P. Kamath
Company Secretary (ACS - 6792)

Statement 1 (refer Note No. 28)

Related Party Disclosure as required by Accounting Standard – AS 18 “Related Party Disclosures” of the Companies (Accounting Standards) Rule 2006.

Transactions with Related Parties

(₹ Crores)

Description	Entities where control exists Subsidiaries		Key Management Personnel		Associates		Joint Venture		Other Related Parties		Total	
	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15
Purchase of goods and services												
Makers Laboratories Ltd.	-	-	-	-	-	-	-	-	13.12	16.00	13.12	16.00
Avik Pharmaceutical Ltd.	-	-	-	-	-	-	8.82	6.21	-	-	8.82	6.21
Nipra Packaging Pvt Ltd	-	-	-	-	-	-	-	-	3.63	4.13	3.63	4.13
Krebs Biochemicals & Industries Limited	-	-	-	-	4.15	-	-	-	-	-	4.15	-
Others	-	-	-	-	-	-	-	-	1.88	2.37	1.88	2.37
TOTAL	-	-	-	-	4.15	-	8.82	6.21	18.63	22.50	31.60	28.71
Sales of goods and services												
Makers Laboratories Ltd.	-	-	-	-	-	-	-	-	2.24	2.38	2.24	2.38
Trophic Wellness Pvt. Ltd.	-	-	-	-	0.60	0.40	-	-	-	-	0.60	0.40
Avik Pharmaceutical Ltd.	-	-	-	-	-	-	8.19	4.09	-	-	8.19	4.09
Others	-	-	-	-	-	-	-	-	0.15	0.18	0.15	0.18
TOTAL	-	-	-	-	0.60	0.40	8.19	4.09	2.39	2.56	11.18	7.05
Rent income												
Avik Pharmaceutical Ltd.	-	-	-	-	-	-	0.23	0.36	-	-	0.23	0.36
Trophic Wellness Pvt. Ltd.	-	-	-	-	0.04	-	-	-	-	-	0.04	-
TOTAL	-	-	-	-	0.04	-	0.23	0.36	-	-	0.27	0.36
Interest income												
Avik Pharmaceutical Ltd.	-	-	-	-	-	-	0.81	0.82	-	-	0.81	0.82
Krebs Biochemicals & Industries Limited	-	-	-	-	0.65	-	-	-	-	-	0.65	-
TOTAL	-	-	-	-	0.65	-	0.81	0.82	-	-	1.46	0.82
Purchase of fixed assets												
Makers Laboratories Ltd.	-	-	-	-	-	-	-	-	0.06	0.02	0.06	0.02
TOTAL	-	-	-	-	-	-	-	-	0.06	0.02	0.06	0.02
Sale of fixed assets												
Makers Laboratories Ltd.	--	--	--	--	--	--	--	--	--	0.04	--	0.04
TOTAL	-	-	-	-	-	-	-	-	-	0.04	-	0.04
Rent and other expenses												
Makers Laboratories Ltd.	-	-	-	-	-	-	-	-	0.21	0.11	0.21	0.11
Avik Pharmaceutical Ltd.	-	-	-	-	-	-	(0.13)	0.01	-	-	(0.13)	0.01
Krebs Biochemicals & Industries Limited	-	-	-	-	0.90	-	-	-	-	-	0.90	-
Others	-	-	-	-	-	-	-	-	-	0.03	-	0.03
TOTAL	-	-	-	-	0.90	-	(0.13)	0.01	0.21	0.14	0.98	0.15
Excise duty Reimbursements												
Makers Laboratories Ltd.	-	-	-	-	-	-	-	-	0.30	0.14	0.30	0.14
Avik Pharmaceutical Ltd.	-	-	-	-	-	-	(0.35)	(0.08)	-	-	(0.35)	(0.08)
Krebs Biochemicals & Industries Limited	-	-	-	-	(0.51)	-	-	-	-	-	(0.51)	-
TOTAL	-	-	-	-	(0.51)	-	(0.35)	(0.08)	0.30	0.14	(0.56)	0.06
Net loans and advances given/ (Recovered)												
Avik Pharmaceutical Ltd.	-	-	-	-	-	-	0.95	0.90	-	-	0.95	0.90
Krebs Biochemicals & Industries Limited	-	-	-	-	16.23	-	-	-	-	-	16.23	-
TOTAL	-	-	-	-	16.23	-	0.95	0.90	-	-	17.18	0.90
Deposit given												
Krebs Biochemicals & Industries Limited	-	-	-	-	5.56	17.74	-	-	-	-	5.56	17.74
TOTAL	-	-	-	-	5.56	17.74	-	-	-	-	5.56	17.74
Share application money paid												
Krebs Biochemicals & Industries Limited	-	-	-	-	-	12.42	-	-	-	-	-	12.42
TOTAL	-	-	-	-	-	12.42	-	-	-	-	-	12.42
Investments made												
Krebs Biochemicals & Industries Limited	-	-	-	-	12.42	-	-	-	-	-	12.42	-
TOTAL	-	-	-	-	12.42	-	-	-	-	-	12.42	-
Remuneration to Directors												
Mr. Premchand Godha	-	-	4.88	13.13	-	-	-	-	-	-	4.88	13.13
Mr. Ajit Kumar Jain	-	-	2.46	3.67	-	-	-	-	-	-	2.46	3.67
Mr. Pranay Godha	-	-	1.18	2.12	-	-	-	-	-	-	1.18	2.12
Others	-	-	0.81	1.44	-	-	-	-	-	-	0.81	1.44
TOTAL	-	-	9.33	20.36	-	-	-	-	-	-	9.33	20.36
Donation												
Prabhat Foundation	-	-	-	-	-	-	-	-	0.15	0.35	0.15	0.35
TOTAL	-	-	-	-	-	-	-	-	0.15	0.35	0.15	0.35
Balance at year end												
Receivables												
Avik Pharmaceutical Ltd.	-	-	-	-	-	-	9.04	10.09	-	-	9.04	10.09
Krebs Biochemicals & Industries Limited	-	-	-	-	58.06	51.86	-	-	-	-	58.06	51.86
Others	-	-	-	-	-	0.06	-	-	-	-	-	0.06
TOTAL	-	-	-	-	58.06	51.92	9.04	10.09	-	-	67.10	62.01
Payables												
Mr. Premchand Godha	-	-	0.51	8.62	-	-	-	-	-	-	0.51	8.62
Mr. Ajit Kumar Jain	-	-	0.53	2.00	-	-	-	-	-	-	0.53	2.00
Makers Laboratories Ltd.	-	-	-	-	-	-	-	-	5.22	1.21	5.22	1.21
Others	-	-	0.51	1.95	-	-	-	-	1.03	0.57	1.54	2.52
TOTAL	-	-	1.55	12.57	-	-	-	-	6.25	1.78	7.80	14.35

Statement 2 (refer Note No. 12)

Details of Loans given, Investments made and guarantee given covered u/s 186(4) of the Companies Act, 2013 during the year 2015 - 2016.

Sr. No.	Name of the Party	Nature	Relation	Purpose	Amount (₹ Crores)	
					2015-16	2014-15
1.	Krebs Biochemicals & Industries Ltd.	Investments	Associate	Equity contribution to Associate - Share application money	-	12.42
2.	Krebs Biochemicals & Industries Ltd.	Investments	Associate	Equity contribution to Associate - Share allotment	12.42	9.54
3.	Krebs Biochemicals & Industries Ltd.	Loan Given	Associate	Loan (ICD) given to Associate for business purpose	11.40	-
4.	Avik Pharmaceutical Limited	Loan Given	Joint venture	Interest and other income receivable converted to loan	0.95	0.90
	Total				24.77	22.86

Statement 3 (refer Note No. 36)

Disclosure under Schedule III of the Companies Act ,2013 relating to consolidated financial statements.

(₹ Crores)

Name of the entity in the	2015-16				2014-15			
	Net Assets, i.e. total assets minus total liabilities		Share in profit or loss		Net Assets, i.e. total assets minus total liabilities		Share in profit or loss	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount
Parent								
- Ipca Laboratories Limited	100.81	2,302.05	92.02	85.84	101.33	2,237.38	100.95	256.65
Subsidiaries in India								
- Tonira Exports Limited	-	0.03	0.01	0.01	(0.03)	(0.61)	-	-
Subsidiaries out of India								
- Ipca Pharmaceuticals, Inc , USA	(0.12)	(2.67)	1.02	0.95	(0.18)	(3.92)	0.48	1.23
- Ipca Laboratories (UK) Ltd.	(0.55)	(12.56)	7.64	7.13	(0.89)	(19.62)	1.73	4.41
- Ipca Pharma (Australia) Pty Ltd.	-	0.03	(0.06)	(0.06)	-	0.04	-	-
- Ipca Pharma Nigeria Ltd.	0.13	2.90	2.95	2.75	0.05	1.10	(0.64)	(1.62)
- Ipca Pharmaceuticals (Shanghai) Ltd.	-	-	0.06	0.06	(0.05)	(1.05)	0.01	0.03
- Ipca Pharmaceuticals Ltd SA de CV , Mexico	(0.05)	(1.06)	(0.03)	(0.03)	(0.05)	(1.03)	(0.01)	(0.03)
- National Druggists (Pty) Ltd, South Africa	-	0.05	(0.79)	(0.74)	-	0.06	-	(0.01)
Associates (Investment as per the equity method)								
Indian								
- Trophic Wellness Pvt Ltd.	0.33	7.56	1.57	1.46	0.18	3.91	(1.48)	(3.77)
- Krebs Biochemicals & Industries Limited	(0.27)	(6.07)	(5.26)	(4.91)	(0.04)	(0.80)	(0.45)	(1.15)
Joint Ventures (as proportionate consolidation)								
Indian								
- Avik Pharmaceutical Ltd.	(0.28)	(6.33)	0.87	0.81	(0.32)	(7.03)	(0.59)	(1.51)
Grand Total	100.00	2283.93	100.00	93.27	100.00	2208.43	100.00	254.23

Form AOC-I

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)
Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

Part "A": Subsidiaries

Sr. No	Name of Subsidiary Company	Reporting Currency	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Investments	Total Income/ Turnover	Profit/ (Loss) Before Taxation	Provision for Taxation	Profit After Taxation	Proposed Dividend	% of Shareholding
₹ in Lacs													
1	Ipca Pharma Nigeria Ltd., Nigeria	Nigerian Naira	188.94	407.22	1,237.17	1,237.17	-	2,283.17	33.81	19.49	14.32	-	100%
2	National Druggists (Pty) Ltd., South Africa	South African Rand	45.72	(40.72)	5.00	5.00	-	-	(0.18)	-	(0.18)	-	100%
3	Ipca Pharmaceuticals, Inc. USA	USD	920.20	(267.43)	856.16	856.16	-	574.98	95.21	-	95.21	-	100%
4	Ipca Pharmaceuticals Ltd. SA de CV, Mexico	Mexican Peso	115.15	(106.09)	15.98	15.98	-	14.53	(2.86)	-	(2.86)	-	100%
5	Ipca Pharma (Australia) Pty. Ltd., Australia	Aus \$	12.98	42.96	66.92	66.92	0.04	22.46	(8.20)	(1.80)	(6.40)	-	100%
6	Ipca Pharma (NZ) Pty. Ltd., New Zealand	Aus \$	0.04	0.03	1.41	1.41	-	-	(0.02)	-	(0.02)	-	100%
7	Ipca Laboratories (UK) Ltd., UK	STG £	4,820.86	(592.31)	5,596.24	5,596.24	4,664.77	236.26	(9.16)	-	(9.16)	-	100%
8	Onyx Scientific Ltd., UK	STG £	249.63	2,275.12	3,306.26	3,306.26	-	4,502.73	631.78	132.94	498.84	-	100%
9	Tonira Exports Limited	INR	10.00	(6.62)	15.86	15.86	-	0.96	0.56	0.03	0.53	-	100%

1) Financials reporting period of all subsidiaries is 31st March.

2) Exchange rate considered as on 31st March 2016: 1 USD = ₹ 66.2500, 1 STG £ = ₹ 95.3404, 1 N(Nigerian Naira) = ₹ 0.3287, 1R (South African Rand) = ₹ 4.4525, 1 Aus \$ = ₹ 50.9661, 1 MXN (Mexican Peso) = ₹ 3.8307.

3) The Company own 100% interest in all the above subsidiaries.

4) Ipca Pharma (NZ) Pty. Ltd., New Zealand is a wholly owned subsidiary of Ipca pharma (Australia) Pty. Ltd.

5) Onyx Scientific Ltd., UK is a wholly owned subsidiary of Ipca Laboratories (UK) Ltd., UK.

6) National Druggists Pty. Ltd., South Africa is voluntarily closed down during the year.

7) Onyx Research Chemicals Ltd., UK is voluntarily closed down during the year.

For and on behalf of the Board of Directors

Premchand Godha
Chairman and Managing Director

Mumbai,
30th May, 2016
Harish P. Kamath
Company Secretary

Ajit Kumar Jain
Joint Managing Director

Pranay Godha
Executive Director

Prashant Godha
Executive Director

Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

PARTICULARS		ASSOCIATE		JOINT VENTURE
Name of Associate/ Joint Venture	TROPIC WELLNESS PVT. LTD.	* CCPL SOFTWARE PRIVATE LTD.	KREBS BIOCHEMICALS & INDUSTRIES LTD.	AVIK PHARMACEUTICAL LTD.
1. Latest Audited Balance Sheet Date	31 st March, 2016	-	31 st March, 2016	31 st March, 2016
2. Shares of the Associate/ Joint Venture held by Ipca Laboratories Limited as at 31 st March, 2016				
- Number of Shares	7,80,000	55,000	41,00,100	5,00,000
- Amount of Investment in Associates/ Joint Venture	₹ 894 Lacs	*	₹ 2,196 Lacs	₹ 651 Lacs
- Extent of Holding %	19.26 %	28.95 %	31.38%	49.02%
3. Description of how there is Significant Influence	Company promoted and managed with other promoters	Percentage of shareholding	Company under joint management control	Significant shareholding and joint management control
4. Reason why the associate/joint venture is not consolidated	-	-	-	-
5. Net worth attributable to Shareholding as per latest Audited Balance Sheet	₹ 758.98 Lacs	-	(₹ 41.42 Lacs)	(₹ 632.73 Lacs)
6. Profit/ (Loss) for the Year				
i. considered in consolidation	₹ 145.71 Lacs	*	(₹ 491.18 Lacs)	₹ 70.87 Lacs
ii. not considered in consolidation	-	-	-	-

* cost fully written off in books. No effect of share of loss / profit from CCPL Software Pvt. Ltd. is taken since 01.04.2004, as the Company has no further commitment towards its share either of loss / profit in this company.

For and on behalf of the Board of Directors

Mumbai, 30 th May, 2016	Harish P. Kamath Company Secretary	Premchand Godha Chairman and Managing Director
		Ajit Kumar Jain Joint Managing Director
		Pranay Godha Executive Director
		Prashant Godha Executive Director

Ipca Laboratories Limited

Regd Office: 48, Kandivli Industrial Estate, Kandivli (West), Mumbai – 400 067; Phone: 022-6647 4444, Fax: 022-2868 6613
CIN: L24239MH1949PLC007837; Email: investors@ipca.com ; Website: www.ipca.com



ATTENDANCE SLIP

66th ANNUAL GENERAL MEETING ON THURSDAY, 11th AUGUST, 2016 AT 3.30 P.M.

Folio/D.P. & Client I.D. No. :

Name :

Address :

Joint Holder (s) :

No. of Equity shares held :

I / We hereby record my / our presence at the 66th ANNUAL GENERAL MEETING of the Company at Shri Bhaidas Maganlal Sabhagriha, Swami Bhaktivedanta Marg, J.V.P.D. Scheme, Vile Parle (W), Mumbai - 400056 on Thursday, 11th August, 2016 at 3.30 p.m.

Member's/Proxy's name in Block Letters

Member's/Proxy's Signature

NOTE: Please complete and sign this Attendance Slip and hand it over at the attendance verification counter at the entrance of the meeting hall.

Ipca Laboratories Limited

Regd Office: 48, Kandivli Industrial Estate, Kandivli (West), Mumbai – 400 067; Phone: 022-6647 4444, Fax: 022-2868 6613
CIN: L24239MH1949PLC007837; Email: investors@ipca.com; Website: www.ipca.com

FORM NO. MGT -11

PROXY FORM

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

Name of the member (s) :

Registered address :

No. of Shares held :

Folio No / DP Id & Client Id :

E-mail Id :

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

1. Name	Address	
Email Id	Signature	or failing him;
2. Name	Address	
Email Id	Signature	or failing him;
3. Name	Address	
Email Id	Signature	

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 66th Annual General Meeting of the company to be held at Shri Bhaidas Maganlal Sabhagriha, Swami Bhaktivedanta Marg, J.V.P.D. Scheme, Vile Parle (W), Mumbai - 400056 on Thursday, 11th August, 2016 at 3.30 p.m. and at any adjournment thereof in respect of such resolutions as are indicated below:

Item No.	Resolution	No. of Shares	I/We assent to the Resolution (FOR)	I/We dissent the Resolution (AGAINST)
Ordinary Business:				
1.	a) Adoption of Audited Financial Statements for the financial year ended 31 st March, 2016, Reports of the Board of Directors and Auditors thereon			
	b) Adoption of Audited Consolidated Financial Statements for the financial year ended on 31 st March, 2016 and Report of the Auditors thereon			
2.	Re-appointment of Mr. A. K. Jain (DIN 00012657), who retires by rotation, as a Director.			
3.	Re-appointment of Mr. Pranay Godha (DIN 00016525), who retires by rotation, as a Director.			
4.	Appointment of Auditors and fixing their remuneration.			
Special Business:				
5.	Re-appointment of Mr. Prashant Godha (DIN 00012759) as the Executive Director for a further period of 5 years and remuneration payable to him.			
6.	Continuation in the appointment of Mr. Premchand Godha (DIN 00012691) as the Managing Director upon his attaining the age of 70 years.			
7.	Remuneration payable to Cost Auditors.			

Signature of shareholder Signed this day of, 2016

Signature of Proxy holder(s)

Note:

- This form of proxy in order to be effective, should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the meeting.
- For the Resolutions, Explanatory Statement and Notes, please refer to the Notice of the 66th Annual General Meeting.



Information as per Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014 and forming part of the Directors' Report for the year ended 31st March, 2016

Sr. No.	Name of the Employee	Designation	Age (Years)	Qualification	Date of Joining	Remuneration [₹]	% of Equity Shares Held	Experience [Years]	Last Employment Held Before Joining The Co.	Period of Last Employment [Years]
A EMPLOYED THROUGHOUT THE YEAR										
1	Mr. Premchand Godha	Chairman & Managing Director	68	B.com, A.C.A.	31/10/1975	12,97,53,096	2.13	43	Professional Practice	-
2	Mr. Ajit Kumar Jain	Jt Managing Director	60	B.Sc, A.C.A.	02/04/1980	3,84,00,419	0.05	35	Industrial Oxygen Co. Pvt. Ltd. - Management Accountant	1
3	Mr. Pranay Godha	Executive Director	43	B.Sc, MBA	16/04/2003	2,02,68,908	0.48	18	-	-
4	Mr. Prashant Godha	Executive Director	41	B.Com, PGDBM	16/08/2011	1,47,63,600	0.58	17	Makers Laboratories Limited - Executive Director	12
5	Mr. Jeevanlal Nagori	President - Projects	55	B.Com, A.C.A.	27/09/1983	1,24,24,076	0.05	32	Win Laboratories Pvt. Ltd. - Finance Manager	-
6	Mr. N Guhaprasad	President - International Marketing	52	B.Sc, B.Sc(Tech), MMS	04/05/2005	1,32,24,045	0.04	27	Workhardt Ltd. - V P - Pharma Business	1
7	Dr. Ashok Kumar	President - R&D (Chemicals)	62	M.Sc, Phd	06/09/2000	1,07,97,352	0.04	33	Lupin Lab. Ltd. - Deputy Director	6
8	Mr. Sunil Ghai	President - Domestic Marketing	53	M.Sc	04/02/2002	1,02,79,331	0.03	29	Croslands Ranbaxy Laboratories - Sales Manager	1
9	Dr. Anil Kumar Pareek	President - Medical Affairs & Clinical Res	59	MBBS, MD	11/09/2000	91,65,323	0.01	27	Biological E. Ltd. - V P - Medical Services	9
10	Mr. A P Muralikrishnan Sarma	President - Generics	57	M.Com-1, ICWA	07/04/1986	85,38,569	0.01	36	Griffon Labs Pvt. Ltd. - Sr. Cost Accountant	5
11	Mr. E J Babu	President - API Exports	52	B.A, DMM	01/01/1993	75,71,837	0.01	29	Tata Pharma - Sr. Asst Manager - Exports	1
12	Mr. Harish P Kamath	Corporate Counsel & Company Secretary	56	M.Com-1, LLB, ACS	20/09/1993	79,56,017	0.01	34	Vickers Systems International Limited - Sr. Officer - Secretarial Services	2
13	Ms. Kavita N Sehswani	Sr. Vice President - Regulatory Affairs	45	B Pharm, DBM	17/06/1996	74,36,447	0.02	20	Cipla Ltd. - Supervisor - Packing & Development	1
14	Mr. Sameer S Tamhane	Sr. Vice President - Human Resources	49	B.Com, MHRDM, DPE, PG Dip In Com	29/09/2011	65,17,575	-	25	Bristlecone India Ltd. - Director - HR (India & APAC)	3
15	Mr. Kamal S Mehta	Sr. Vice President - R&D (Formulations)	45	M Pharm	02/03/2015	86,32,803	-	21	Glenmark Pharma Ltd. - V P Formulations Development	9
16	Mr. Pabitra Kumar Bhattacharya	President - Operations (API)	47	B.Sc, B Tech (Chem)	23/05/2013	94,34,516	-	22	Sun Pharma - V P - API Operations & Process Engineering	2
17	Mr. Pawan Kothari	Vice President - Operations	51	B.Com, CA	11/06/2013	60,53,771	-	23	J.K. Ternel - V P - Accounts & Finance	3
18	Dr. B Buchi Reddy	Executive Vice President - R&D (Chemicals)	58	M.Sc Ph.D PGDIPR	21/01/2014	97,95,460	-	27	Orchid Pharma - Executive Vice President R & D	5
19	Mr. Sanjay Kumar Sinha	President - Operations (Formulations)	57	M Pharm	26/03/2014	87,35,670	-	30	Famycare - President - Operations	1
20	Mr. Rajendra N Dadhich	Sr. Vice President - Corporate Quality	52	M.Sc, Dis, DTQM	12/05/2010	62,50,013	-	29	Workhardt Ltd. - General Manager Corporate QA	4
21	Mr. Manoj Kumar Jain	Sr. Vice President - Commercial	42	B.Com, DEIM, GDDM, PGEMP	19/01/1994	63,03,135	-	23	Mahaveer P Kothari - Accountant	1
B EMPLOYED FOR THE PART OF THE YEAR										
1	Mr. Rajendra Jain	Sr. Manager - Production	59	B.Sc., M.A.	16/01/1995	6,94,853	-	33	Stream Pharma - Chemist	13
2	Ms. Abha Pant	President - R&D (Formulations)	51	M Pharm	15/07/2013	1,21,02,313	-	25	Actavis Ltd. - VP - Operations	2
3	Mr. Suryakant N Pai	GM - Distribution	62	B.Com	15/11/1979	45,00,352	-	40	Ashas Medical Stores - Accounts Clerk	4
4	Mr. Sanjay M Gade	Sr. Vice President - Process Engineering	50	ME (Chem)	05/05/2013	46,10,236	-	26	Dr Reddy's Labs - VP Process Engineering	2
5	Mr. N P Sreedhar	Vice President - Sales & Marketing	50	B.Com	24/05/2004	44,09,113	-	28	Emcure Pharma Ltd. - Sr. Reg Business Manager	4
6	Mr. S K Wadhawan	GM - Corp. Affairs	62	B.Sc	27/03/1978	26,31,376	0.01	39	Revers Remedies Pvt Ltd. - Medical Rep	2
7	Dr. Ashvini Saxena	Vice President - R&D (Chemicals)	50	M.Sc, Phd	11/12/1999	29,47,893	0.01	25	Amoli Organics Ltd. - Production Manager	4
8	Mr. Kamal Kumar Mandwaria	GM - Manufacturing	59	M.Sc	08/12/1984	22,49,652	-	30	-	-
9	Mr. Rahul Kapadia	Vice President - Institutional Business	40	B.Com, MBA	04/04/2005	14,56,403	-	17	Eupharma Labs Ltd. - Director	7
10	Dr. Sanjay U Kapadia	President - Corporate Quality Assurance	54	M.Sc, Phd	10/08/2015	93,29,399	-	31	Apotex Research Pvt Ltd. - Head - Quality & Compliance	11

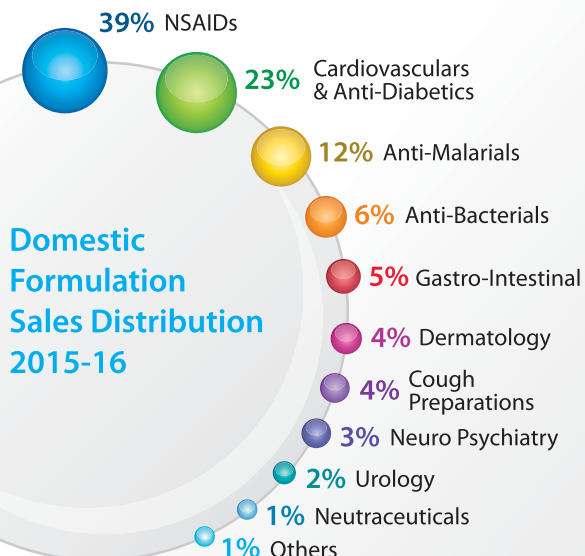
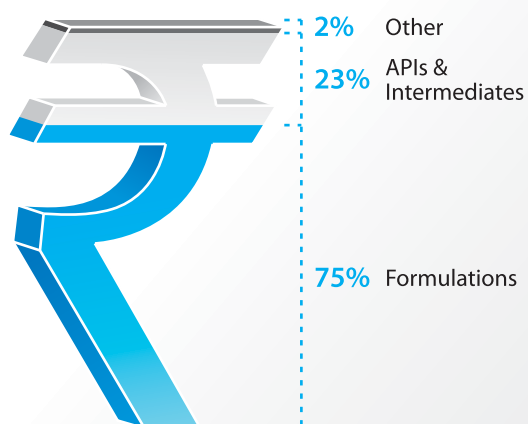
Notes:

- All the employees have adequate experience to discharge the responsibilities assigned to them.
- Nature of employment is contractual for all employees.
- Except Mr. Premchand Godha, Mr. Pranay Godha and Mr. Prashant Godha, Directors who are related to each other, none of the other employees are related to any Director of the company.
- Remuneration includes Salary, Commission, Allowances, Leave Travel Assistance, Ex-Gratia, Leave Encashment, Medical Reimbursement, Gratuity, Company's contribution to the employees' Provident Fund, National pension scheme, Family Pension Fund and Superannuation Funds.
- Perquisites are valued as per Income Tax Rule.

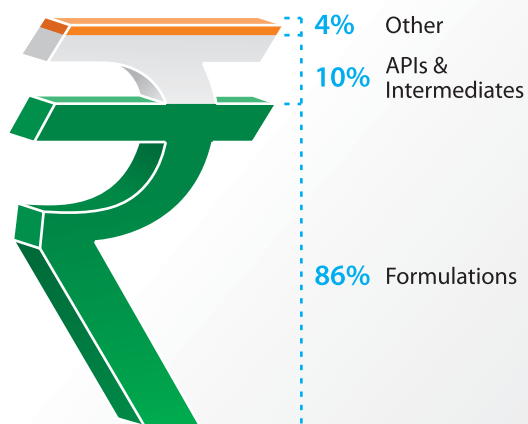
Mumbai
30th May, 2016

For and on behalf of the Board
Premchand Godha
Chairman & Managing Director

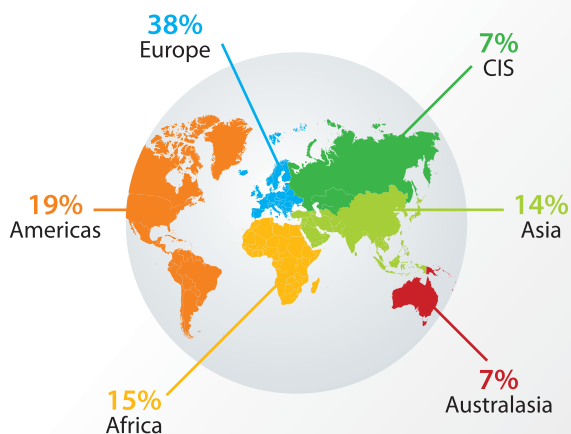
Total Income 2015-16 ₹ 2,838.92 Crores



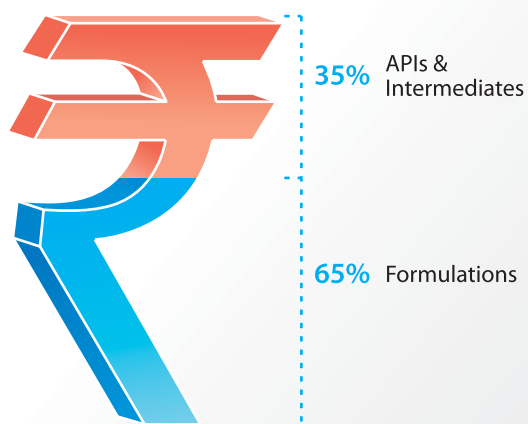
Domestic Income 2015-16 ₹ 1,410.20 Crores



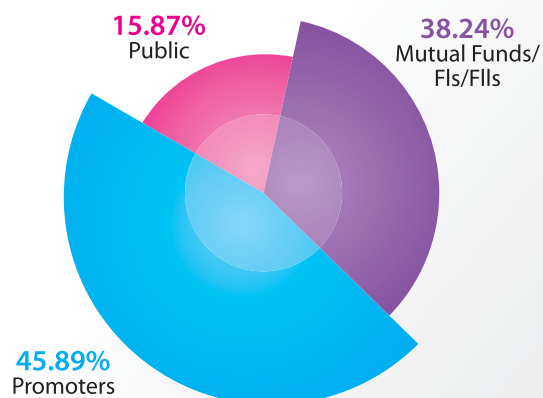
Continent Wise Exports (%)



Export Income 2015-16 ₹ 1,428.72 Crores



Distribution of Shareholding as on 31st March, 2016



International Subsidiaries

Australia

Ipca Pharma (Australia) Pty. Ltd.
6, Morotai Avenue, Ashburton
VIC 3147, Melbourne, Australia
T: + 613 98856172
F: + 613 98856173
E: ipca.australia@ipca.com

Nigeria

Ipca Pharma Nigeria Ltd.
17, Osolo Way, Ajao Estate
Isolo, Lagos, Nigeria
T: + 2341 7926460 / 4528738
F: + 2341 4521146
E: ipca.nigeria@ipca.com

UK

Onyx Scientific Ltd.
Silverbriar
Sunderland Enterprise Park East
Sunderland SR5 2TQ, UK
T: + 44 191 516 6 516
F: + 44 191 516 6 526
E: info@onyxipca.com

Mexico

Ipca Pharmaceuticals Ltd. SA de CV
Presa La Angostura 116, Colonia Irrigación
Delegación Miguel Hidalgo, C. P. 11500
Alvaro Obregon, Mexico D. F.
T: + 52 55 53952590
E: ipca.mexico@ipca.com

UK

Ipca Laboratories (UK) Ltd.
Units 97-98, Silverbriar
Sunderland Enterprise Park East
Sunderland SR5 2TQ, UK
T: + 44 191 516 6 517
F: + 44 191 516 6 526
E: ipca.uk@ipca.com

USA

Ipca Pharmaceuticals, Inc.
51, Cragwood Road, Suite No. 203
South Plainfield, NJ 07080, USA
T: + 1 908 412 6561/63
F: + 1 908 412 6564
E: ipca.usa@ipca.com

New Zealand

Ipca Pharma (NZ) Pty. Ltd.
3-A, St. Oswalds Road
Greenlane
Auckland 1061, New Zealand
T: + 64 2136 0880
E: ipca.newzealand@ipca.com



Ipca Laboratories Ltd.

www.ipca.com

Regd. Office: 48, Kandivli Industrial Estate, Kandivli (West), Mumbai 400 067, India

T: +91 22 6647 4444 F: +91 22 2868 6613 E: investors@ipca.com

CIN: L24239MH1949PLC007837