

11th July, 2016

**Corporate Relationship Department,
BSE Limited**

1st Floor, New Trading Wing,
Rotunda Bldg, P.J. Towers,
Dalal Street, Fort,
Mumbai - 400 001.

**Listing Department,
National Stock Exchange of India Ltd.,**
Exchange Plaza, 5th Floor,
Plot No. C/1, G. Block,
Bandra-Kurla Complex,
Mumbai – 400 051.

Dear Sir / Madam,

**Ref: BSE Scrip code: 532979
NSE Symbol: PIRPHYTO**

**Sub: 1) Submission of Notice of Annual General Meeting as per Regulation 30 of the
SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and**

2) Intimation of remote E- voting facility

In compliance with Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, ('Listing Regulations') please find enclosed the Annual Report for FY 2015-16 which includes the Notice of the 15th Annual General Meeting (AGM) of the Company scheduled to be held on Thursday, 4th August, 2016.

In compliance with Regulation 44 of the Listing Regulations and Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 the Company is providing E-voting facility to the members to cast their votes on all resolutions set forth in the Notice of the AGM.

The remote e-voting will commence at 10.00 a.m. on 1st August, 2016 and end at 5.00 p.m. on 3rd August, 2016. All the Members of the Company, whose names appear in the Register of Members/ List of Beneficial Owners as received from National Securities Depository Limited and Central Depository Services (India) Limited (CDSL) on 28th July, 2016, being the cut-off date, shall be entitled to avail the remote E- voting facility as well as voting at the AGM through ballot paper. The voting rights of shareholders shall be in proportion to their shares in the paid up equity share capital of the Company as on this cut-off date.



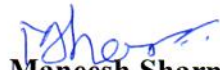
Further, the Company has engaged the services of CDSL through their e-voting platform www.evotingindia.com

Kindly take the above on record and oblige.

Thanking You,

Yours truly,

For Piramal Phytocare Limited



Maneesh Sharma
Company Secretary

Annual Report 2015 - 2016

Piramal Phytocare Limited

BOARD OF DIRECTORS

N. L. Bhatia

Gautam Doshi

Rajesh Laddha

Vandana Sonavaria

MANAGER

Ashish Suthar

CHIEF FINANCIAL OFFICER

Karthik Muralidharan

COMPANY SECRETARY

Maneesh Sharma

AUDITORS

M/s. Haribhakti & Co.,

Chartered Accountants

Race Course Circle,

Vadodara – 390 007

Gujarat, India

BANKERS

HDFC Bank Limited

REGISTERED OFFICE

Piramal Tower,

Ganpatrao Kadam Marg,

Lower Parel,

Mumbai – 400 013, India.

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This Annual Report can also be accessed at the Company's website, www.piramalphytocare.com



MANAGEMENT DISCUSSION AND ANALYSIS

Performance Highlights:

Income Statement

(₹ in Lakhs)

Year ended March 31	2016	2015	Growth
Income			
Sales	632.0	453.6	39.3%
Other Income	25.8	37.0	(30.3%)
Expenditure			
Total Operating Expenses	523.1	372.5	40.4%
Profit / (Loss) Before Interest, Depreciation and Tax	134.7	118.1	14.1%
Less: Interest Paid (Net)	0.3	—	—
Profit/(Loss) Before Depreciation and Tax	134.4	118.1	13.8%
Less: Depreciation	463.2	464.0	(0.2%)
(Loss) Before Tax	(328.8)	(345.9)	—
Less: Tax Expenses	—	—	—
(Loss) For the Year	(328.8)	(345.9)	—
Earnings / (Loss) per Share (Basic / Diluted) (₹) (Face value of ₹ 10/- each)	(1.27)	(1.33)	—

Net Sales:

Piramal Phytocare Limited (PPL) is engaged in marketing globally novel healthcare solutions from natural sources. During the year, PPL's sales were higher by 39.3% to ₹ 632.0 lakhs as against ₹ 453.6 lakhs in FY2015 on account of increase in demand in international markets.

Profit before Interest, Depreciation and Tax (EBITDA):

Operating expenditures were higher by 40.4% at ₹ 523.1 lakhs as compared to ₹ 372.5 lakhs in FY2015 primarily on account of higher raw material and manpower cost, compared to the previous year.

The Company recorded a profit before interest, depreciation and tax of ₹ 134.7 lakhs during the year as compared with ₹ 118.1 lakhs for FY2015 mainly on account of increase in net sales.

Profit / Loss for the year and Earning Per Share (EPS)

On account of higher profit at an operating level, loss for the year was lower at ₹ 328.8 lakhs as compared with a loss of ₹ 345.9 lakhs for FY2015. EPS for the year was at ₹ (1.3) per share.

Balance Sheet

(Rs. in Lakhs)

As at March 31	2016	2015
LIABILITIES		
Shareholders' funds		
Share Capital	2,596.0	2596.0
Reserves and surplus	(2,097.5)	(1,768.7)
Non-Current liabilities		
Long term provisions	8.8	6.0
Current Liabilities		
Short term Borrowings	-	-
Trade payables	57.7	44.3
Other Current Liabilities	55.4	2.1
Short Term Provisions	2.5	0.0
Total Liabilities	622.9	879.7
ASSETS		
Non-Current assets		
Tangible assets	39.8	43.9
Intangible assets	-	459.0
Long term loans and advances	50.1	50.6
Current assets		
Inventories	49.8	34.2
Trade receivables	146.7	183.1
Cash and bank balance	319.6	94.9
Short term loans and advances	10.7	9.5
Other current assets	6.2	4.5
Total Assets	622.9	879.7

Industry Overview:

The global market for Nutraceuticals is expected to exceed US\$ 200 billion by 2017. Major trends influencing the market include growing competition, maturing markets in the developed regions, higher disposable incomes leading to greater personal care in the developing markets, etc. The largest regional markets for nutraceuticals include the US, followed by Europe and Japan. Aging population, growing health care spending, and rising interest towards self-medication and preventive healthcare have been the key market drivers in above markets. Developing markets are expected to grow faster in both production and consumption of nutraceuticals, given the rapid pace of development of food and beverage, pharmaceutical, and nutritional industries in Asian and other emerging markets.

Business and Strategy:

Piramal Phytocare Limited (PPL) offers proprietary medicinal products that are made from standardized herbal extracts. The Company is engaged in global marketing of finished pharmaceutical dosage forms especially Proprietary Formulations, wherein the active ingredients are derived from natural sources. Polyherbal formulations, finds its roots in the classical wisdom of Ayurveda and are being consumed in many countries across the globe such as Georgia, Algeria, Moldova, UAE, Singapore,

Ukraine, Kazakhstan, Sri Lanka and India. The phyto-active constituents used in these products are well known and are already available in the industry, but the formulations have been designed, developed and standardized for specific use by PPL.

While marketing of PPL's products is done through country specific marketing & distribution partners, manufacturing is outsourced on Loan License basis. The manufacturing process is subject to stringent norms for standardization, validation and product development, ensuring world class quality and consistent performance. These products are classified under various regulatory categories in different countries depending on the local laws, such as Food Supplements, Herbal Supplements, Nutraceuticals or Traditional Herbal Medicine. In India, these products are licensed under the Department of AYUSH as Proprietary Ayurvedic Medicine. The Company is registered with the Pharmaceutical Export Promotion Council (PHARMEXCIL), Government of India and is actively engaged in promoting the cause of scientific, safe & effective herbal products through participation in relevant events and conferences in India and internationally.

The Company plans to be a vertically integrated company with the capability to develop new products from discovery through clinical development and launch worldwide. At the same time the management is open to partnerships that can accelerate the commercialization and worldwide availability of Piramal Phytocare proprietary products.

Internal Control Systems:

The Company has a sound internal control system, which ensures that all assets are protected against loss from unauthorized use and all transactions are recorded and reported correctly. The internal control systems are further supplemented by internal audit carried out by an independent firm of Chartered Accountants and periodical review by management. The Audit Committee of the Board addresses issues raised by both, the Internal Auditors and the Statutory Auditors.

Human Resources:

There is no material change in the number of employees.

Risks & Concerns:

PPL sells herbal products to various countries including India. Each country has its own set of regulations governing the herbal industry. Inability to comply with all the regulations in these countries could affect the performance of the Company.

As the Company has earnings in foreign currencies, any significant changes in foreign exchange rate can adversely impact sales and earnings.

Also, scientific research and clinical trials corroborating safety claims of herbal supplements and remedies remain a critical factor in determining long-term success in the market place.

Disclaimer:

Certain statements included above may be forward looking and would involve a number of risks, uncertainties and other factors that could cause actual results to differ materially from those suggested by the forward looking statements.

REPORT ON CORPORATE GOVERNANCE

A report for the financial year ended March 31, 2016 on the compliance by the Company with the Corporate Governance requirements under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as 'Listing Regulations'), is furnished below.

1. Company's Philosophy on Corporate Governance

Corporate Governance is the combination of voluntary practices and compliance with laws and regulations leading to effective control and management of the organisation. Good Corporate Governance leads to long-term stakeholder value and enhances interests of all stakeholders. It brings into focus the fiduciary and trusteeship role of the Board to align and direct the actions of the organisation towards creating wealth and stakeholder value.

The Company's essential character is shaped by the values of transparency, customer satisfaction, integrity, professionalism and accountability. The Company continuously endeavors to improve on these aspects. The Board views Corporate Governance in its widest sense. The main objective is to create and adhere to a corporate culture of integrity and consciousness. Corporate Governance is a journey for constantly improving sustainable value creation and is an upward moving target. The Company's philosophy on Corporate Governance is guided by the Company's philosophy of Knowledge, Action and Care.

The Board of Directors fully supports and endorses Corporate Governance practices in accordance with the provisions of the erstwhile Clause 49 of the Listing Agreement and Chapter IV of the Listing Regulations.

2. Board of Directors

A. Composition and Size of the Board

The composition of your Company's Board, which comprises 4 Directors, is given in the table below and is in conformity with Regulation 17(1) of the Listing Regulations and other applicable regulatory requirements. There are no Nominee Directors representing any institution on the Board of the Company.

Name of Director	Other Directorships ¹		Membership of other Board Committees ²	
	as Member	as Chairman	as Member	as Chairman
Non-Executive Directors				
Mr. Rajesh Laddha	8	–	–	–
Dr. Vandana Sonavaria	–	–	–	–
Non-Executive Independent Directors				
Mr. Gautam Doshi	11	–	4	1
Mr. N. L. Bhatia	2	–	1	–

Notes:

¹ This excludes directorships in foreign companies and companies licensed under Section 8 of the Companies Act, 2013 / Section 25 of the Companies Act, 1956.

² This relates to membership of Committees referred to in Regulation 26(1) of the Listing Regulations, viz. Audit Committee and Stakeholders Relationship Committee of all public limited companies, whether listed or not and excludes private limited companies, foreign companies and companies licensed under Section 8 of the Companies Act, 2013 / Section 25 of the Companies Act, 1956.

• Role of Non-Executive / Independent Directors

Non-Executive / Independent Directors play a key role in the decision-making process of the Board and in shaping various strategic initiatives of the Company. These Directors are committed to act in what they believe to be in the

best interest of the Company and its stakeholders. These Directors are professionals, with expertise and experience in general corporate management, science and innovation, corporate laws, finance and other allied fields. This wide knowledge of their respective fields of expertise and best-in-class boardroom practices, helps foster varied, unbiased, independent and experienced perspective. The Company benefits immensely from their inputs in achieving its strategic direction.

An Independent Director is the Chairman of each of the Audit Committee, Nomination & Remuneration Committee and Stakeholders Relationship Committee.

- **Meeting of Independent Directors**

The Company's Independent Directors met on February 4, 2016 without the presence of Non-Executive Directors or members of management and reviewed matters pertaining to Performance Evaluation of the Board / Committees and the Directors. All the Independent Directors attended the meeting.

- **Familiarization Programme for Independent Directors**

The Company has established a Familiarization Programme for Independent Directors. The framework of the Familiarization Programme has been uploaded on the website of the Company. The web-link to this is <http://piramalphytocare.com/investors/>

- **Board Evaluation**

Evaluation of performance of all Directors is undertaken annually. The Company has implemented a system of evaluating performance of the Board of Directors and of its Committees and individual Directors on the basis of a structured questionnaire which comprises evaluation criteria taking into consideration various performance related aspects.

The Board of Directors has expressed their satisfaction with the evaluation process.

- **Inter-se relationships among Directors**

There are no Inter-se relationships among the Directors.

B. Board Meetings and Procedures

The yearly calendar for the Board / Committee meetings is fixed well in advance and is in confirmation with the availability of the Directors, so as to facilitate active and consistent participation of all Directors in the Board / Committee meetings. Video conferencing facilities are provided to enable Directors who are unable to attend the meetings in person to participate in the meeting via video conferencing.

Details presented to the Board include operations, business performance, finance, sales and related details. All necessary information including but not limited to those mentioned in Part A of Schedule II to the Listing Regulations, are placed before the Board of Directors. The Members of the Board are at liberty to bring up any matter for discussion at the Board meetings and the functioning is democratic.

I. Meetings Held

Four Board meetings were held during the year. The Company has held at least one Board meeting in every quarter and the maximum time gap between any two meetings was not more than one hundred and twenty days, thereby complying with applicable statutory requirements.

The meetings were held on the following dates:

May 8, 2015	August 12, 2015
October 31, 2015	February 4, 2016

II. Details of Directors attendance at Board Meetings and at the last Annual General Meeting (AGM) held on August 12, 2015 are given in the following table:

Name of Director	Board Meetings		Attended last AGM
	Held during tenure	Attended	
Mr. Rajesh Laddha	4	3	No
Mr. Gautam Doshi	4	4	Yes
Mr. N. L. Bhatia	4	4	Yes
Dr. Vandana Sonavaria	4	4	Yes

C. Shareholding of Non-Executive Directors

The individual shareholding of Non-Executive Directors (including shareholding as joint holder) as on March 31, 2016 is given below:

Name of Director	No. of Shares held
Mr. Rajesh Laddha	949
Mr. Gautam Doshi	16,480

D. Details of Director seeking re-appointment at the forthcoming Annual General Meeting:

Dr. Vandana Sonavaria is retiring by rotation at the ensuing Annual General Meeting (AGM) and is eligible for re-appointment.

The profile of Dr. Vandana Sonavaria is given below:

Dr. Vandana Sonavaria

Dr. Vandana Sonavaria is working in the capacity of Vice President - Pharma Manufacturing Services in Piramal Enterprises Limited, the flagship company of the Piramal Group.

Dr. Sonavaria has over twenty years of experience in the Global Pharmaceutical Industry of which 14 years comprise in USA and 6 years in India.

She has also worked in the capacity of Director in Sicor Inc, a Division of Teva Pharmaceuticals in California, USA.

Dr. Sonavaria is 50 years of age and has done her Ph.D with honors, from Massachusetts College of Pharmacy, Boston, USA, with a specialization in Pharmaceutics and Industrial Pharmacy.

Dr. Sonavaria does not hold Directorship in any other company or any Committee membership in the Board Committees referred to in the Listing Regulations.

Dr. Sonavaria does not hold any shares of the Company.

3. Statutory Board Committees

A. Audit Committee

I. Constitution of the Committee

The Audit Committee comprises three members as per details in the following table:

Name	Category
Mr. Gautam Doshi – Chairman	Non-Executive, Independent
Mr. N. L. Bhatia	Non-Executive, Independent
Mr. Rajesh Laddha	Non-Executive

All the members of the Committee have sound knowledge of finance, accounts and business management. The Chairman of the Committee, Mr. Gautam Doshi, is a Chartered Accountant and has extensive accounting and related financial management expertise.

The composition of this Committee is in compliance with the requirements of Section 177 of the Companies Act, 2013 and Regulation 18 of the Listing Regulations.

Mr. Maneesh Sharma, Company Secretary, is the Secretary to the Committee.

II. Terms of Reference

The terms of reference of the Audit Committee are aligned with the terms of reference provided under Section 177(4) of the Companies Act, 2013 and Part C of Schedule II of the Listing Regulations.

III. Meetings Held & Attendance

The Audit Committee met four times during the financial year 2015-16, on the following dates before finalisation of annual accounts and adoption of quarterly financial results by the Board:

May 8, 2015	August 12, 2015
October 31, 2015	February 4, 2016

It can be seen from the above table that the frequency of the Committee meetings was as per the applicable regulatory requirements and the gap between two Committee meetings was not more than one hundred and twenty days.

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

Name	Committee Meetings	
	Held during tenure	Attended
Mr. Gautam Doshi	4	4
Mr. N. L. Bhatia	4	4
Mr. Rajesh Laddha	4	3

Mr. Gautam Doshi, Chairman of the Audit Committee was present at the last AGM.

B. Nomination & Remuneration Committee

I. Constitution of the Committee

The Nomination & Remuneration Committee ('NRC') comprises three members as per details in the following table:

Name	Category
Mr. Gautam Doshi – Chairman	Non-Executive, Independent
Mr. N. L. Bhatia	Non-Executive, Independent
Mr. Rajesh Laddha	Non-Executive

The composition of this Committee is in compliance with the requirements of Section 178 of the Companies Act, 2013 and Regulation 19 of the Listing Regulations.

II. Terms of Reference

The terms of reference of the NRC are aligned with the terms of reference provided under Section 178 of the Companies Act, 2013 and Para A of Part D of Schedule II of the Listing Regulations.

III. Meetings Held & Attendance

The Committee met once during the financial year 2015-16 on August 12, 2015. The meeting was attended by all the members of the Committee except Mr. Rajesh Laddha.

Mr. Gautam Doshi, Chairman of Nomination & Remuneration Committee was present at the last AGM.

C. Stakeholders Relationship Committee

I. Constitution of the Committee

The Stakeholders Relationship Committee comprises two members, as per details in the following table:

Name	Category
Mr. N. L. Bhatia - Chairman	Non-Executive, Independent
Mr. Rajesh Laddha	Non-Executive

The composition of this Committee is in compliance with the requirements of Section 178 of Companies Act, 2013 and Regulation 20 of the Listing Regulations.

II. Terms of Reference

The terms of reference of the Committee are aligned with the terms of reference provided under Section 178 of the Companies Act, 2013 and Para B of Part D of Schedule II of the Listing Regulations.

III. Meetings Held & Attendance

The Committee met four times during the financial year 2015-16, on the following dates:

May 8, 2015	August 11, 2015
October 31, 2015	February 4, 2016

All the four meetings were attended by both the members of the Committee.

Mr. N. L. Bhatia, Chairman of the Stakeholders Relationship Committee was present at the last AGM.

IV. Stakeholders Grievance Redressal

There was one complaint during the year under review which was duly redressed. There was no outstanding complaint as on March 31, 2016. No requests for transfer and for dematerialization were pending for approval as on March 31, 2016.

The Registrar and Share Transfer Agents (RTA), M/s. Link Intime India Pvt. Ltd. attend to all grievances of shareholders received directly or through SEBI, Stock Exchanges or the Ministry of Corporate Affairs. Most of the grievances / correspondences are attended within a period of 7 days from the date of receipt of such grievances.

The Company maintains continuous interaction with the RTA and takes proactive steps and actions for resolving shareholder complaints / queries.

V. Compliance Officer

Mr. Maneesh Sharma, Company Secretary is the Compliance Officer. The Company has designated the Email ID complianceofficer.ppl@piramal.com to enable stakeholders to email their grievances.

4. Remuneration of Directors

Sitting fees paid to Independent Directors

Details of sitting fees paid to the Independent Directors for attending the Board & Committee meetings held during the year ended March 31, 2016 are given below. These are within the limits prescribed under the Companies Act, 2013:

(₹)

Name	Sitting fees
Mr. Gautam Doshi	2,00,000
Mr. N. L. Bhatia	2,80,000

Note: As per policy, sitting fees are paid only to Independent Directors.

5. General Body Meetings

A. Details of the Annual General Meetings held during the preceding 3 years and Special Resolutions passed thereat are given below:

Sl. No.	Annual General Meeting (AGM)	Date	Time	Venue	Details of Special Resolutions passed
1.	12 th AGM	July 31, 2013	11.00 a.m.	Walchand Hirachand Hall, Indian Merchants' Chambers Building, 4 th Floor, IMC Marg, Churchgate, Mumbai-400 020.	- Change in the name of the Company from Piramal Life Sciences Limited to Piramal Phytocare Limited - Appointment of Dr. Ashish Suthar as Manager
2.	13 th AGM	July 17, 2014	10.45 a.m.	Auditorium, 3 rd Floor, Piramal Tower Annexe, Ganpatrao Kadam Marg, Lower Parel, Mumbai-400 013.	Issue of Non - Convertible Debentures by Private Placement
3.	14 th AGM	August 12, 2015	3.00 p.m.	Walchand Hirachand Hall, Indian Merchants' Chambers Building, 4 th Floor, IMC Marg, Churchgate, Mumbai-400 020.	None

B. Postal Ballot

No resolution was passed through Postal Ballot during the financial year 2015-16.

6. Disclosures

Related Party Transactions

- All transactions entered into with Related Parties as defined under the Companies Act, 2013 and Regulation 23 of the Listing Regulations during the financial year 2015-16 were undertaken in compliance with the aforesaid regulatory provisions;
- There were no materially significant transactions with related parties during the financial year which were in conflict with the interest of the Company;
- Suitable disclosure as required by the Accounting Standards (AS18) has been made in the notes to the Financial Statements;
- The Board has approved a policy for related party transactions which has been uploaded on the website of the Company and can be accessed at <http://piramalphytocare.com/investors/>;
- The Register of Contracts / statement of related party transactions, is placed before the Board / Audit Committee regularly;

- f. Transactions with related parties are disclosed in Note No. 28 of the Statement of Accounts, which forms part of this Annual Report;
- There has been no non-compliance by the Company on any matter related to capital markets. Hence, the question of penalties or strictures being imposed by SEBI or the Stock Exchanges or any other statutory authority does not arise;
- Listing fees for the financial year 2016-17 have been paid to the Stock Exchanges on which the shares of the Company are listed.

Vigil Mechanism / Whistle Blower Policy for Directors and Employees

The Company has established a Vigil Mechanism, which includes a Whistle Blower Policy, for its Directors and Employees, to provide a framework to facilitate responsible and secure reporting of concerns of unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct & Ethics. The details of establishment of Vigil Mechanism / Whistle Blower Policy are posted on the website of the Company and the weblink to the same is <http://piramalphytocare.com/investors/>. No Director / Employee has been denied access to the Audit Committee.

Compliance with Mandatory / Non-Mandatory Requirements

- The Company has complied with all the applicable mandatory requirements of the Listing Regulations.
- The Company has also adopted the non-mandatory requirement as specified in the Listing Regulations regarding unmodified financial statements.

7. Means of Communication

The Company recognizes the importance of two-way communication with shareholders and of giving a balanced reporting of results and progress and responds to questions and issues raised in a timely and consistent manner. Shareholders seeking information may contact the Company directly throughout the year. They also have an opportunity to ask questions in person at the Annual General Meeting. Some of the modes of communication are mentioned below:

A. Quarterly Results:

The approved financial results are forthwith sent to the Stock Exchanges where the shares are listed and are displayed on the Company's website www.piramalphytocare.com and are published in Business Standard (all editions) (English) and Mumbai Lakshadweep (Marathi), within forty-eight hours of approval thereof.

B. Website:

The Company's website www.piramalphytocare.com contains a separate dedicated section for Investors, the link to which is <http://www.piramalphytocare.com/investors/> where all information and relevant policies to be provided under applicable regulatory requirements, are available on the website in a user friendly form.

C. Annual Report:

The Annual Report containing inter-alia the Audited Annual Accounts, Board's Report, Auditor's Report, Corporate Governance Report and other important information is circulated to Members and others entitled thereto. The Management Discussion and Analysis Report forms part of the Annual Report.

D. Designated Exclusive Email ID:

The Company has designated the Email ID complianceofficer.ppl@piramal.com exclusively for investor servicing. This Email ID has been displayed on the Company's website www.piramalphytocare.com.

E. SEBI Complaints Redress System (SCORES):

SCORES is a system implemented by SEBI which enables investors to lodge their complaints electronically on the SEBI website. The investor complaints are processed in a centralized web based complaints redressal system. The salient features of this system are centralised database of all complaints, online uploading of Action Taken Reports (ATRs) by the concerned companies and online viewing by investors of actions taken on the complaint and its current status.

All complaints received through SCORES are resolved in a timely manner by the Company, similar to other complaints.

F. NSE Electronic Application Processing System (NEAPS) and BSE Corporate Compliance & Listing Centre (BSE Listing Centre):

NEAPS and BSE Listing Centre are web based application systems for enabling corporates to undertake electronic filing of various periodic compliance related filings like shareholding pattern, results, press releases, etc.

8. General Information for Shareholders

A. Company Registration Details

The Company is registered in the State of Maharashtra, India. The Corporate Identification Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is L73100MH2001PLC132523.

B. Annual General Meeting

Day, Date and Time: Thursday, August 4, 2016 at 3.00 p.m.

Venue: Walchand Hirachand Hall, Indian Merchants' Chamber Building, 4th Floor, IMC Marg, Churchgate, Mumbai-400 020.

The Company shall also provide facility of e-voting and ballot voting for the ensuing Annual General Meeting.

C. Financial Calendar

Financial reporting for:

Quarter ending June 30, 2016	on or before August 14, 2016
Half year ending September 30, 2016	on or before November 14, 2016
Quarter ending December 31, 2016	on or before February 14, 2017
Year ending March 31, 2017	on or before May 30, 2017
Annual General Meeting for the year ending March 31, 2017	July / August, 2017

D. Listing on Stock Exchanges

Equity Shares

BSE Limited (BSE),

[Scrip Code: 532979]

Phiroze Jeejeebhoy Towers,

Dalal Street, Mumbai - 400 001.

National Stock Exchange of India Limited (NSE),

[Trading Symbol: PIRPHYTO]

"Exchange Plaza", Bandra-Kurla Complex,

Bandra (E), Mumbai - 400 051.

ISIN : INE122J01015

Reuters code : PPTL.BO

: PPTL.NS

Bloomberg code : PPHL: IN

E. Stock Market Data

High, Low and Average Closing Price and Trading Volume of the Company's Equity Shares during each month of the last financial year 2015-16 at BSE and NSE are given below:

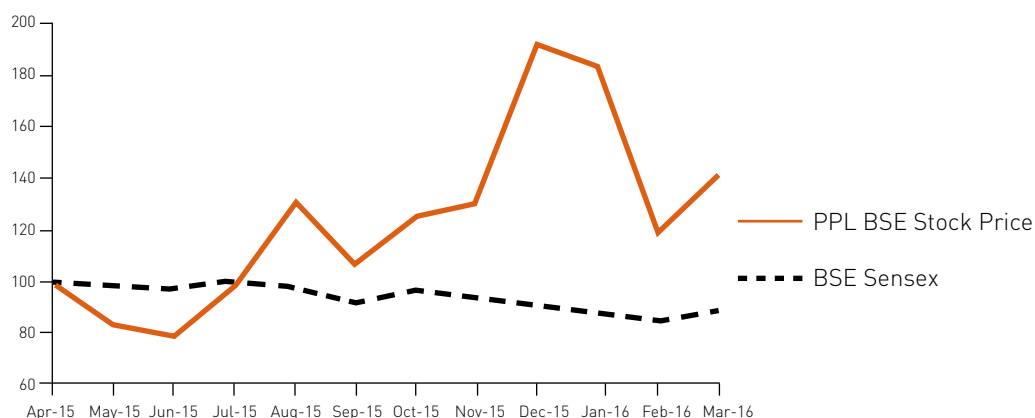
Month	BSE Limited ("BSE")				National Stock Exchange of India Limited ("NSE")			
	High (₹)	Low (₹)	Average Closing Price (₹)	Monthly Volume	High (₹)	Low (₹)	Average Closing Price (₹)	Monthly Volume
Apr - 2015	58.20	34.50	46.37	8,47,187	58.35	33.65	46.46	12,24,026
May - 2015	45.70	35.40	38.37	2,21,214	45.75	32.00	38.40	5,29,285
Jun - 2015	41.40	33.60	36.42	1,45,032	42.00	33.60	36.36	2,59,271
Jul - 2015	59.85	38.95	45.10	9,04,465	60.50	38.50	44.97	15,96,315
Aug - 2015	74.95	48.00	60.43	16,09,176	75.20	48.25	60.36	28,76,981
Sep - 2015	52.80	46.60	49.19	1,55,474	53.05	46.50	49.19	3,48,254
Oct - 2015	70.00	47.15	58.21	4,02,643	70.25	47.35	58.35	7,26,614
Nov - 2015	73.00	53.60	60.11	4,07,341	72.95	53.40	60.12	7,29,155
Dec - 2015	140.50	63.10	88.85	26,56,393	140.60	63.00	89.03	53,88,466
Jan - 2016	122.50	58.20	84.86	24,18,667	123.00	58.25	84.77	29,79,203
Feb - 2016	70.00	47.55	54.84	5,50,721	70.70	47.10	54.71	9,93,560
Mar - 2016	74.80	48.75	65.43	6,81,271	75.00	47.95	65.54	12,83,881

Source: BSE and NSE Websites

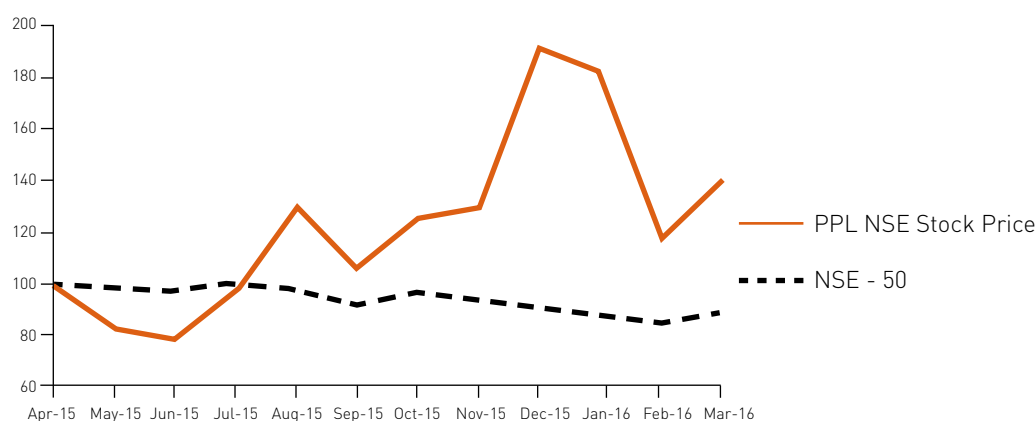
F. Stock Performance vs BSE Sensex and NSE - 50

Performance of the Company's Equity Shares on BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE") relative to the BSE Sensitive Index (S&P BSE Sensex) and CNX Nifty (NSE - 50) respectively are graphically represented in the charts below:

Average monthly closing price of the Company's shares on BSE as compared to S&P BSE Sensex



Average monthly closing price of the Company's shares on NSE as compared to NSE - 50



- **Liquidity**

Shares of the Company are actively traded on BSE and NSE as is seen from the volume of shares indicated in the table containing stock market data and hence ensure good liquidity for the investors.

G. Share Transfer Agents

M/s. Link Intime India Pvt. Ltd. ("Link Intime"), are the Share Transfer Agents of the Company. The contact details of Link Intime are given below:

Link Intime India Pvt. Ltd.

C-13, Pannalal Silk Mills Compound,
LBS Marg, Bhandup (West), Mumbai – 400 078.
Tel.: (022) 2594 6970
Fax: (022) 2594 6969
Email ID: piramal.irc@linkintime.co.in

H. Share Transfer System (in physical segment)

For administrative convenience and to facilitate speedy approvals, authority has been delegated to the Share Transfer Agents (RTA) to approve share transfers upto specified limits. Share transfers / transmissions approved by the RTA and / or the authorised executives are placed at the Board meeting from time to time.

In case of shares in electronic form, the transfers are processed by NSDL / CDSL through respective Depository Participants.

In case of shares held in physical form, all transfers are completed within 15 days from the date of receipt of complete documents. As at March 31, 2016 there were no Equity Shares pending for transfer. Also, there were no demat requests pending as on March 31, 2016.

The Company obtains from a Company Secretary in Practice, half-yearly certificate of compliance with the share transfer and other formalities as required under Regulation 40 of the Listing Regulations and files a copy of the certificate with the Stock Exchanges.

I. Distribution of Shareholding by size as on March 31, 2016

No. of Shares held	No. of Shareholders	% to total no. of Shareholders	No. of Shares	% to total no. of Shares
1 to 100	47,297	86.51	10,91,705	4.21
101 to 200	3,072	5.62	4,68,688	1.81
201 to 500	2,238	4.09	8,01,080	3.09
501 to 1000	989	1.81	7,98,104	3.07
1001 to 5000	817	1.49	19,16,511	7.38
5001 to 10000	124	0.23	9,22,801	3.56
10001 to 20000	71	0.13	9,65,912	3.72
20001 to 30000	24	0.04	6,06,994	2.34
30001 to 40000	11	0.02	3,89,645	1.50
40001 to 50000	8	0.01	3,69,719	1.42
50001 to 100000	9	0.02	5,59,095	2.15
Above 100000	14	0.03	1,70,70,086	65.75
Total	54,674	100.00	2,59,60,340	100.00

J. Statement showing shareholding pattern as on March 31, 2016

Sr. No.	Category of Shareholder	No. of Shareholders	No. of Shares	% to total no. of Shares
(A)	Shareholding of Promoter and Promoter Group	14	14,937,205	57.54
(B)	Public shareholding			
1	Institutions			
(a)	Mutual Funds / UTI	2	57	0.00
(b)	Financial Institutions / Banks	11	2,006	0.00
(c)	Insurance Companies	1	8,73,537	3.37
(d)	Foreign Institutional Investors / Foreign Portfolio Investors	1	1,66,893	0.65
2	Non-Institutions			
(a)	Bodies Corporate	463	8,46,003	3.26
(b)	Individuals			
	(i) holding nominal share capital up to ₹ 2 lakhs	52,625	58,72,081	22.62
	(ii) holding nominal share capital in excess of ₹ 2 lakhs	33	16,82,767	6.48
(c)	Others			
	(i) Non Resident Indians – Repatriable	369	1,80,041	0.69
	(ii) Non Resident Indians - Non Repatriable	247	36,216	0.14
	(iii) Foreign Companies	1	5,61,773	2.16
	(iv) Overseas Bodies Corporate	1	385	0.00
	(v) Clearing Member	177	2,22,213	0.86
	(vi) Trusts	13	5,204	0.02
	(vii) Foreign Banks	1	32	0.00
	(viii) Hindu Undivided Family	715	5,73,927	2.21
	Total Public Shareholding	54,660	11,023,135	42.46
	TOTAL	54,674	25,960,340	100.00

K. Dematerialisation of shares

As on March 31, 2016, 2,50,37,114 Equity Shares (96.44 % of the total number of shares) are in dematerialized form as compared to 2,49,55,389 Equity Shares (96.13 % of the total number of shares) as on March 31, 2015.

The Company's shares are compulsorily traded in dematerialised form and are admitted in both the Depositories in India - National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL).

Particulars of Shares	Equity Shares of ₹ 10/- each		Shareholders	
	No.	% of total	No.	% of total
Dematerialised form				
NSDL	2,21,58,652	85.36	30,207	55.25
CDSL	28,78,462	11.08	8,766	16.03
Sub-Total	2,50,37,114	96.44	38,973	71.28
Physical Form	9,23,226	3.56	15,701	28.72
Total	25,960,340	100.00	54,674	100.00

L. Outstanding GDRs/ADRs/Warrants or any convertible warrants

There are no outstanding convertible warrants / instruments.

M. Commodity Price Risk or Foreign Exchange Risk and hedging activities

During FY 2016, the Company did not have significant foreign currency exposure and has not engaged in any hedging activities.

N. Disclosures with respect to the Demat Suspense Account / Unclaimed Suspense Account

During the year under review, the Company has transferred 68,289 Equity Shares belonging to 4,481 shareholders to the Demat Suspense Account viz. Piramal Phytocare Limited-Unclaimed Suspense Account.

Corporate benefits in terms of securities accruing on such shares will be credited to the aforementioned suspense account. The voting rights on such unclaimed shares will remain frozen till the rightful owner claims the shares.

9. Code of Conduct

The Board has laid down a Code of Conduct and Ethics for its Members and Senior Management Personnel of the Company. All Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct for the financial year 2015-16. Requisite declaration signed by Dr. Ashish Suthar, Manager to this effect is given below.

"I hereby confirm that the Company has obtained from all the members of the Board and Senior Management Personnel, affirmation that they have complied with the Codes of Conduct and Ethics for Directors and Senior Management of the Company in respect of the financial year 2015-16."

Dr. Ashish Suthar
Manager

Copies of the aforementioned Codes have been put on the Company's website and can be accessed at <http://piramalphytocare.com/investors/>

10. Certificate on Corporate Governance

Certificate from M/s. Dhruvil M. Shah & Co., Practicing Company Secretaries, confirming compliance with the conditions of Corporate Governance as stipulated under the Listing Regulations, is attached to the Board's Report forming part of the Annual Report.

NOTICE

NOTICE is hereby given that the 15th Annual General Meeting of the Members of Piramal Phytocare Limited will be held on Thursday, August 4, 2016 at 3.00 p.m. at Walchand Hirachand Hall, Indian Merchants' Chambers Building, 4th Floor, IMC Marg, Churchgate, Mumbai – 400 020, to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements i.e. Balance Sheet as at and the Statement of Profit & Loss and the Cash Flow Statement for the financial year ended on March 31, 2016 and the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Dr. Vandana Sonavaria (holding Director Identification Number 07133220), who retires by rotation in terms of Section 152(6) of the Companies Act, 2013 and being eligible, offers herself for re-appointment.
3. To ratify the appointment of and payment of remuneration to the Statutory Auditors of the Company and in this regard, to consider and, if thought fit, to pass, the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 and of the Companies (Audit and Auditors) Rules, 2014 and pursuant to the resolution passed by the members at the Annual General Meeting held on July 17, 2014, the appointment of M/s. Haribhakti & Co., Chartered Accountants, Vadodara (Firm Registration No.118013W) as the Statutory Auditors of the Company, to hold office until the conclusion of the 18th Annual General Meeting of the Company, to be held in calendar year 2019 be and is hereby ratified and that it is hereby confirmed that the Board of Directors are authorised to fix the remuneration payable to them for the financial year ending March 31, 2017."

SPECIAL BUSINESS

4. Re-appointment of Dr. Ashish Suthar as Manager

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

"RESOLVED THAT in accordance with the provisions of Sections 196, 197, 203 and Schedule V read with the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 and other applicable provisions, if any, of the Companies Act, 2013 ('the Act') (including any statutory modification(s) or re-enactment thereof, for the time being in force), approval of the members of the Company be and is hereby accorded to the re-appointment of Dr. Ashish Suthar as Manager of the Company with effect from May 22, 2016, for a period of 3 years, upon the terms and conditions including payment of remuneration, perquisites and benefits as are set out in the draft of the Agreement to be entered into between the Company and Dr. Ashish Suthar and main terms of which are set out hereunder, which Draft Agreement is hereby approved, with liberty and powers to the Board of Directors ('the Board' which term shall include its Committee(s) constituted / to be constituted by it to exercise its powers including the powers conferred by this resolution) to re-designate him and/or reallocate his duties and responsibilities and to grant increments and alter and vary from time to time the terms and conditions, including the remuneration, perquisites and benefits to be provided to Dr. Ashish Suthar subject to the applicable provisions of Schedule V of the Act:

a) Basic Salary: ₹ 12,16,968 per annum (i.e. ₹ 1,01,414 per month);

b) Perquisites and Allowances: Dr. Ashish Suthar will be entitled to perquisites, benefits and allowances like house rent allowance, education allowance, medical allowance, drivers' salary, company maintained / leased cars (or allowances in lieu thereof), health coverage, leave travel allowance, leave and encashment of leave, contributions to provident fund and superannuation fund, gratuity and /or contribution to gratuity fund and such other payments in the nature of perquisites, benefits and allowances as per Company policy in force from time to time or as may otherwise be decided by the Board;

In arriving at the value of perquisites, in so far as there exists a provision for valuation of such perquisites under the Income Tax Rules, the value shall be determined on the basis of the Income Tax Rules in force from time to time;

PROVIDED HOWEVER THAT Total Fixed Pay (as defined herein below) shall not exceed ₹ 30,42,408 (Rupees Thirty Lakhs Forty Two Thousand Four Hundred Eight) per annum, with authority to the Board to grant such annual increments and/or

revisions in the Total Fixed Pay and/or in the components thereof from time to time during the tenure of his appointment, subject to the applicable provisions of Schedule V of the Act, as may be amended from time to time, PROVIDED FURTHER THAT the limits referred to herein shall not apply to those components of his perquisites which, as per Company policy in force from time to time, are reimbursable at actuals;

Total Fixed Pay: For the purpose of this resolution, the term 'Total Fixed Pay' shall mean the aggregate of and shall include all fixed components (including basic salary) of Dr. Ashish Suthar's remuneration, all allowances and the value of all perquisites as per Company policy in force from time to time, excluding Performance Linked Incentive;

Performance Linked Incentive: In addition to Total Fixed Pay, Dr. Suthar shall also be entitled to Performance Linked Incentive of such amount as may be determined by the Board for each financial year of the Company or part thereof, subject to the applicable provisions of Schedule V of the Act, as may be amended from time to time, taking into consideration various criteria, including the performance of Dr. Suthar and the performance of the Company;

RESOLVED FURTHER THAT the Board shall have authority to finalise and grant increments and/or to alter and vary from time to time the terms of his remuneration as aforesaid and the terms and conditions of his appointment, in accordance with the general policy of the Company or as may otherwise be decided by the Board, as it may deem fit and proper subject to the applicable provisions of Schedule V of the Act, as may be amended from time to time;

RESOLVED FURTHER THAT where in any financial year the Company has no profits or its profits are inadequate, Dr. Ashish Suthar shall be entitled to receive the aforesaid remuneration, perquisites, performance linked incentive and benefits on the same terms as set out above, subject to compliance with the applicable provisions of Schedule V of the Act, if and to the extent necessary, with the approval of the Central Government;

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

NOTES:

1. **A member entitled to attend and vote at the Annual General Meeting ('the Meeting' or 'the AGM') is entitled to appoint a proxy to attend and to vote on a poll instead of himself and the proxy need not be a member of the Company. The instrument appointing the proxy should, however, be deposited at the Registered Office of the Company not less than forty-eight hours before the commencement of the Meeting.**

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

2. Corporate members intending to send their authorised representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorising their representative to attend and vote on their behalf at the Meeting.
3. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 is annexed hereto.
4. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
5. Relevant documents referred to in the Notice and Explanatory Statement are open for inspection at the Registered Office of the Company on all working days, except Saturdays, between 11.00 a.m. and 1.00 p.m. upto the date of the Meeting.
6. Route map giving directions to reach the venue of the 15th AGM is given at the end of the Notice.
7. Dr. Vandana Sonavaria, Non-Executive Director retires by rotation at the ensuing AGM and is eligible for re-appointment.

The information to be provided under Secretarial Standard on General Meetings (SS-2) and Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') is given in the Report on Corporate Governance forming part of the Annual Report.

8. Members are requested to bring their Attendance Slip along with their copy of the Annual Report to the Meeting.
9. Section 72 of the Companies Act, 2013 provides for **Nomination** by the shareholders of the Company in the prescribed Form No. SH-13. If a Member desires to cancel the earlier nomination and record fresh nomination, he may submit the same in Form No. SH-14. Both these forms are available on the website of the Company <http://piramalphytocare.com/investors/>. Shareholders are requested to avail this facility.
10. Members are requested to note that in case of transfers, transmission and transposition of names of shareholders in respect of shares held in physical form, submission of photocopy of PAN Card of both the transferor(s) and the transferee(s) is mandatory.

In case of deletion of name of deceased shareholder(s), in respect of shares held in physical form, the PAN Card of the surviving shareholder(s), is mandatory.

11. Members who have not registered their email addresses so far are requested to register their email address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.

12. Voting through electronic means

Pursuant to Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide its members the facility to exercise their right to vote at the 15th AGM by electronic means. The business may be transacted through e-voting services provided by Central Depository Services (India) Limited (CDSL).

The instructions for members for voting electronically are as under:

- (i) The shareholders should log on to the e-voting website www.evotingindia.com.
- (ii) Click on "Shareholders".
- (iii) Now Enter your User ID:
 - a. For CDSL: 16 digits beneficiary ID;
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID;
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (iv) Next enter the Image Verification as displayed and Click on 'Login'.
- (v) If you are holding shares in demat form and had logged on to www.evotingindia.com and e-voted for any company, then your existing password is to be used. For those who have forgotten their login password, click on 'Forgot Password' (after entering the User ID and the image verification code) and enter the details as prompted by the system.
- (vi) If you are a first time user or if you are holding shares in physical form, follow the steps given below:

PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (applicable for both demat shareholders as well as physical shareholders). Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on the Attendance Slip.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Bank Account Details as recorded in your demat account or in the Company's records or alternatively, enter your Date of Birth (in dd/mm/yyyy format) in order to login. If both these details are not registered with the Depository Participant or with the Company, then please enter the User ID / Folio Number in the Dividend Bank details field (as mentioned in instruction (iii) above), in order to login.

After entering these details appropriately, click on 'SUBMIT' tab.

- (vii) Members who have earlier e-voted for any company and have used their existing password, will then directly reach the Company selection screen. However, members holding shares in demat form who are using e-voting for the first time and who have not earlier generated their password and for members holding shares in physical form, will now reach 'Password Creation' menu, wherein they are required to mandatorily create and enter their login password in the new password field. Members holding shares in demat form may kindly note that this password is also to be used for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (viii) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (ix) After reaching the company selection screen, click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (x) On the voting page, you will see 'RESOLUTION DESCRIPTION' and against the same, the option 'YES/NO' for voting. Select the option 'YES' or 'NO' as desired. The option 'YES' implies that you assent to the Resolution and option 'NO' implies that you dissent to the Resolution.
- (xi) Click on the 'RESOLUTIONS FILE LINK' if you wish to view the entire Resolution details.
- (xii) After selecting the resolution you have decided to vote on, click on 'SUBMIT'. A confirmation box will be displayed. If you wish to confirm your vote, click on 'OK', else to change your vote, click on 'CANCEL' and accordingly modify your vote.
- (xiii) Once you 'CONFIRM' your vote on the resolution, you will not be allowed to modify your vote.
- (xiv) You can also take a print of the votes cast by clicking on 'Click here to print' option on the Voting page.
- (xv) Note for Non – Individual Shareholders and Custodians
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI, etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xvi) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.

Please note that:

1. The voting period begins on August 1, 2016, at 10.00 a.m. and ends on August 3, 2016, at 5.00 p.m. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date which is July 28, 2016, may cast their vote electronically. The voting rights of shareholders shall be in proportion to their shares in the paid-up equity share capital of the Company as on this cut-off date. The e-voting module shall be disabled by CDSL for voting after 5.00 p.m. on August 3, 2016.
2. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ('FAQs') and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com.

3. Mr. Sanjay Buch, Advocate & Solicitor, has been appointed as the Scrutinizer to scrutinize the e-voting process and voting through ballot paper at the AGM in a fair and transparent manner.
4. The members would be able to cast their votes at the Meeting through ballot paper if they have not availed the remote e-voting facility. If the vote is cast through remote e-voting facility then the members cannot exercise their voting rights at the Meeting.
5. The Scrutinizer shall immediately after the conclusion of voting at the AGM, first count the votes cast at the AGM, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in employment of the Company and make, within 48 hours of the conclusion of the AGM a consolidated Scrutinizer's report of the votes cast in favour or against, to the Chairman or to any Director or any person authorized by the Chairman for this purpose, who shall countersign the same.
6. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website www.piramalphytocare.com and on the website of CDSL and communicated to the Stock Exchanges.

Registered Office:

Piramal Tower,
Ganpatrao Kadam Marg,
Lower Parel, Mumbai - 400 013.
Dated: May 14, 2016

By Order of the Board

Maneesh Sharma
Company Secretary

Explanatory Statement under Section 102 of the Companies Act, 2013

Item No.4

Re - Appointment of Dr. Ashish Suthar as Manager

Members will recall that by a Special Resolution passed at the 12th AGM held on July 31, 2013, members had approved the appointment of Dr. Ashish Suthar as Manager, for a period of 3 years, w.e.f. May 22, 2013.

Since the said period of 3 years expired on May 21, 2016, the Board of Directors of the Company has on the basis of the recommendations made by the Nomination & Remuneration Committee and taking into consideration several factors, including the qualifications of Dr. Ashish Suthar, performance during his existing tenure, growth and performance targets for the functions under his responsibility, familiarity with the business operations of the Company and leadership skills, decided to continue the appointment of Dr. Ashish Suthar as Manager, for a period of 3 years w.e.f. May 22, 2016 and approved the terms and conditions of his appointment, including payment of remuneration, subject to requisite approval of shareholders.

The terms of remuneration of Dr. Ashish Suthar is as per the Remuneration Policy of the Company.

In view of the inadequacy of profits, remuneration paid to Dr. Ashish Suthar is within the limits prescribed under section 197 read with Section II of Part II of Schedule V of the Companies Act, 2013 ('the Act'). Requisite information to be provided under the same is given hereinbelow.

Information under Section II of Part II of Schedule V of the Act

General Information

1) Nature of Industry

The Company's business comprises product development and marketing of Herbal products.

2) Date or expected date of commencement of commercial production

The Company has already undertaken commercial production under loan licensing.

3) Financial Performance

In FY 2016, the Company achieved sales of ₹ 632 Lakhs as compared to ₹ 453.6 Lakhs for FY 2015. Net Loss after tax for FY 2016 was ₹ 328.8 Lakhs as compared to ₹ 345.9 Lakhs for FY 2015.

4) Foreign investments or collaborators, if any

At present, there are no foreign direct investments in the Company other than by way of portfolio investments. Neither is there any foreign collaboration.

Information about Dr. Ashish Suthar

1) Background Details

Dr. Ashish Suthar is 40 years of age. He has done his Master in Sciences and Ph.D. from University of Mumbai. He has more than 21 years of rich and varied experience in R&D, regulatory as well as marketing of pharma products in India as well as International markets.

2) Past Remuneration

Details of his remuneration for last 3 years are given below:

Financial year	2013-2014	2014-2015	2015-2016
Total Remuneration	₹ 19,78,399	₹ 24,24,075	₹ 28,94,876

3) Recognition / Awards

Achievements of Dr. Ashish Suthar include the following:

- a. Awarded by the committee of Indian Pharmacopoeia Commission (2007) for the preparation of monographs of Indian herbs. Also participated and awarded for preparation of monographs for Indian Herbal Pharmacopoeia (2010).
- b. Authorship in more than 15 scientific publications (national as well as international peer reviewed journals) and presented scientific work in more than 10 national and international conferences / seminars.
- c. Leading inventor in more than 10 herbal product related inventions (Indian & International).
- d. Selected in Marquis Who's Who in the World 2011 (28th Edition) with biography.

4) Job Profile and his suitability

Dr. Ashish Suthar is responsible for the entire marketing operations, including development of new markets.

His rich experience in marketing of pharmaceutical products, coupled with his deep knowledge and understanding of herbal products and its market and his performance during his existing tenure make him adequately suitable for the position as Manager of the Company.

5) Remuneration proposed

Details of remuneration proposed are given in the resolution in the accompanying notice.

6) Comparative remuneration profile with respect to industry, size of the company, profile of the position and person

Taking into consideration the qualifications, skill and experience of Dr. Ashish Suthar, his job profile and the nature and size of the Company's business, there is no meaningful comparative remuneration profile with respect to industry, size of the company, etc. which can be provided under this section.

7) Pecuniary relationship directly or indirectly with the company, or relationship with managerial personnel, if any

Dr. Ashish Suthar does not have any pecuniary relationship directly or indirectly with the Company (other than his present employment) or with any of the Directors of the Company.

Other Information

1) Reasons of loss or inadequate profits

Amortisation of outstanding Goodwill that was created upon the demerger of the New Chemical Entity (NCE) Research unit of the Company to Piramal Enterprises Limited pursuant to the Scheme of Arrangement sanctioned by the Hon'ble High Court of Mumbai on November 25, 2011.

2) Steps taken or proposed to be taken for improvement

- Goodwill on demerger has been fully amortised during FY 2015-16, which should improve the profitability of the Company in the following years;
- Focusing on products with Intellectual property protections with addition of new products for our customers;
- Registering our products in regulated & developed markets;
- Introduction of products in new geographies.

3) Expected increase in productivity and profits in measurable terms

The management expects that the above and other efforts underway would result in an improved performance. However, considering the nature of the Company's activity and related factors, it is difficult to lay down expected profits in measurable terms.

Disclosures

Details of the remuneration package proposed for Dr. Ashish Suthar are given in the resolution in the accompanying notice.

The terms and conditions, including remuneration payable to Dr. Ashish Suthar, are contained in the Draft Agreement ('Agreement') proposed to be entered into by the Company with Dr. Ashish Suthar, main terms of which are set out in the resolution at Item No. 4 of the accompanying Notice.

A copy of the Agreement along with the relevant Company policy are open for inspection at the Registered Office of the Company on all working days, except Saturdays between 11.00 a.m. and 1.00 p.m. upto the date of the Meeting.

The Board recommends the Special Resolution set out at Item No. 4 of the Notice for approval by the shareholders.

Dr. Ashish Suthar may be deemed to be interested in this resolution as it concerns his appointment. Save and except the above, none of the other Directors / Key Managerial Personnel of the Company or their relatives are in any way, concerned or interested, financially or otherwise, in this resolution.

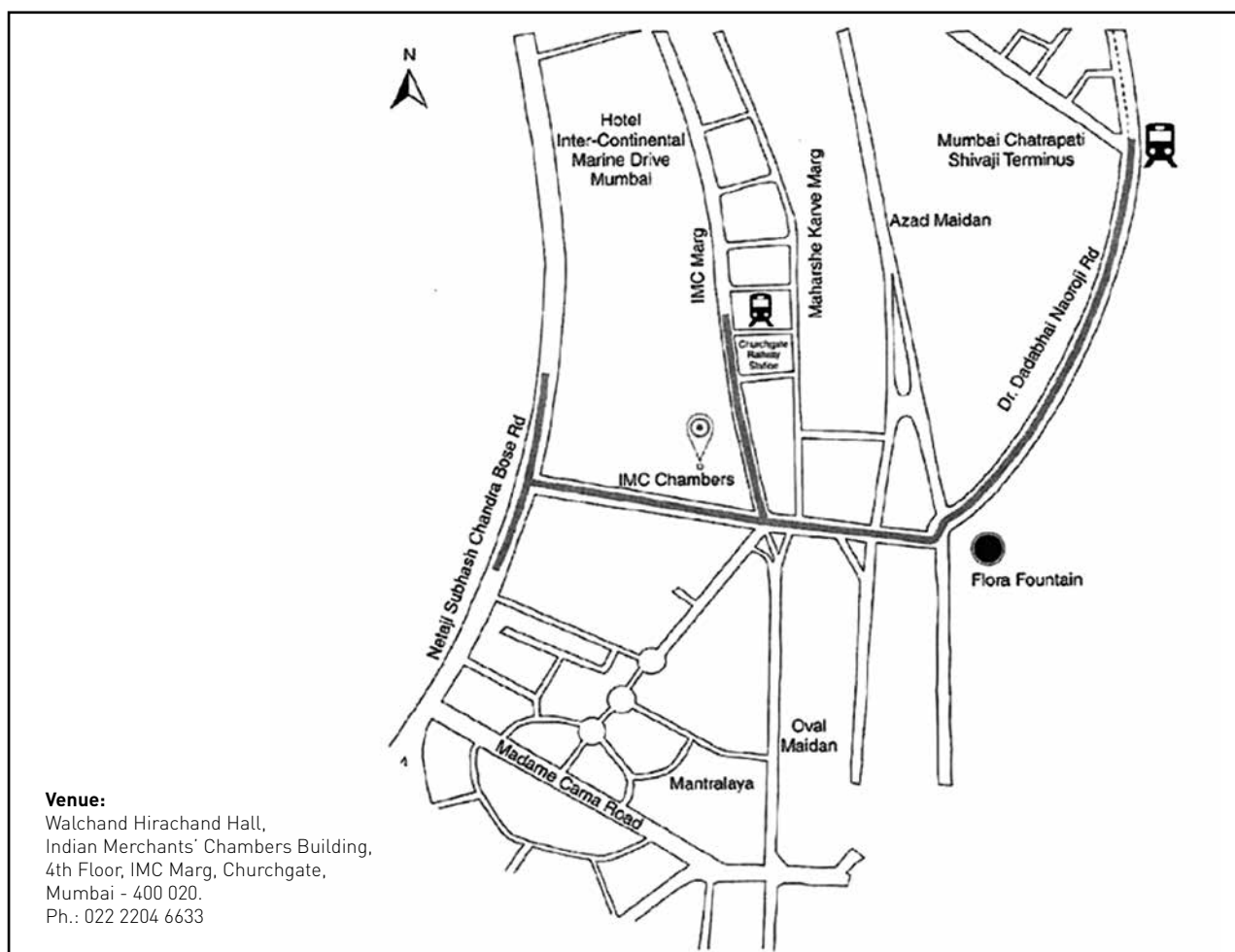
Registered Office:

Piramal Tower,
Ganpatrao Kadam Marg,
Lower Parel, Mumbai - 400 013.

Dated: May 14, 2016

By Order of the Board

Maneesh Sharma
Company Secretary



BOARD'S REPORT

Dear Shareholders,

Your Directors have pleasure in presenting their 15th Annual Report on the business and operations of the Company and the Audited Financial Statements for the financial year ended March 31, 2016.

PERFORMANCE HIGHLIGHTS

(₹ in Lakhs)

Particulars	FY 2015-16	FY 2014-15
Income		
Net Sales	632.0	453.6
Other Income	25.8	37.0
Expenditure		
Total Operating Expenses	523.1	372.5
Profit / (Loss) before Interest, Depreciation and Tax	134.7	118.1
Less: Interest Paid (Net)	0.3	-
Profit / (Loss) before Depreciation and Tax	134.4	118.1
Less: Depreciation / Amortisation	463.2	464.0
(Loss) before Tax	(328.8)	(345.9)
Less: Tax Expense	-	-
(Loss) for the year	(328.8)	(345.9)
Earnings / (Loss) per share (Basic / Diluted) (₹) (Face Value of ₹10/- each)	(1.27)	(1.33)

Note: Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

DIVIDEND

In view of the losses incurred by the Company, the Directors do not recommend any dividend for the Financial Year ended March 31, 2016.

OPERATIONS REVIEW

Net sales for the year were at ₹ 632 lakhs as against ₹ 453.6 lakhs for FY 2015. The operating expenditure for FY 2016 increased to ₹ 523.1 lakhs as compared to ₹ 372.5 lakhs for FY 2015 primarily on account of higher raw material and manpower cost as compared with the previous year. The Company had a profit before interest, depreciation and taxes of ₹ 134.7 lakhs for FY 2016 as compared to ₹ 118.1 lakhs for FY 2015. Consequentially, loss for the year was lower at ₹ 328.8 lakhs as compared with ₹ 345.9 lakhs for FY 2015. EPS for the year was at ₹ (1.27) per share. During the year, the Company continued to explore domestic markets on pan India level for which it had commenced manufacturing as a Loan Licence Manufacturer. A detailed discussion of operations for the year ended March 31, 2016 is given in the Management Discussion and Analysis Report.

DEPOSITS

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

STATUTORY AUDITORS AND AUDITOR'S REPORT

In accordance with Section 139 of the Companies Act, 2013, M/s. Haribhakti & Co., Chartered Accountants, were re-appointed by the shareholders of the Company at the Annual General Meeting (AGM) held on July 17, 2014, as Statutory Auditors for a period of 5 years to hold office until the conclusion of the 18th AGM of the Company in calendar year 2019.

In accordance with the provisions of Sections 139, 142 and other applicable provisions of the Companies Act, 2013 and of the Companies (Audit and Auditors) Rules, 2014, the appointment of the Statutory Auditors is required to be ratified by the shareholders at every AGM during their tenure.

M/s. Haribhakti & Co., Chartered Accountants, have confirmed that they are eligible for having their appointment as Statutory Auditors ratified at this AGM. Accordingly, approval of shareholders is being sought at this AGM for ratification of their appointment.

The Auditor's Report does not contain any qualification, reservation or adverse remark on the financial statements for the year ended March 31, 2016. The statements made by the Auditors in their Report are self-explanatory and do not call for any further comments.

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

Particulars regarding Conservation of energy, technology absorption and foreign exchange earnings and outgo are given as Annexure A to this Report.

EXTRACT OF ANNUAL RETURN

The extract of the Annual return in Form MGT-9 is annexed herewith as Annexure B.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

In accordance with the provisions of the Companies Act, 2013, Dr. Vandana Sonavaria retires by rotation at the ensuing Annual General Meeting and is eligible for re-appointment.

Mr. Neelesh Bhise resigned as the Company Secretary of the Company with effect from close of business hours on July 10, 2015.

Mr. Maneesh Sharma was appointed as the Company Secretary with effect from July 22, 2015.

The Company has received declarations from all its Independent Directors, confirming that they meet the criteria of independence as prescribed under Companies Act, 2013 and Regulation 16(1)(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as 'Listing Regulations').

BOARD EVALUATION

Evaluation of performance of all Directors is undertaken annually. The Company has implemented a system of evaluating performance of the Board of Directors and of its Committees and individual Directors on the basis of a structured questionnaire which comprises evaluation criteria taking into consideration various performance related aspects.

The Board of Directors has expressed its satisfaction with the evaluation process.

NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS

During the year four Board Meetings were convened and held, details of which are given in the Report on Corporate Governance forming part of the Annual Report.

VIGIL MECHANISM / WHISTLE BLOWER POLICY FOR DIRECTORS AND EMPLOYEES

The Company has established a Vigil Mechanism, which includes a Whistle Blower Policy, for its Directors and Employees, to provide a framework to facilitate responsible and secure reporting of concerns of unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct & Ethics. The details of establishment of Vigil Mechanism/ Whistle Blower policy are posted on the website of the Company and the weblink to the same is <http://piramalphytocare.com/investors/>

AUDIT COMMITTEE

The Audit Committee comprises three members:

1. Mr. Gautam Doshi – Independent Director and Chairman
2. Mr. N.L. Bhatia – Independent Director
3. Mr. Rajesh Laddha – Non-Executive Director

Further details on the Audit Committee are provided in the Report on Corporate Governance forming part of the Annual Report.

NOMINATION AND REMUNERATION POLICIES

The Board of Directors has formulated a Policy which lays down a framework for selection and appointment of Directors and Senior Management and for determining qualifications, positive attributes and independence of Directors.

The Board has also formulated a Policy relating to remuneration of Directors, members of Senior Management and Key Managerial Personnel.

Details of the Nomination Policy and the Remuneration Policy are given in Annexure C.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

There were no loans, guarantees or investments covered under Section 186 of the Companies Act, 2013.

MANAGERIAL REMUNERATION:

A) Remuneration to Directors and Key Managerial Personnel

- i. The percentage increase in remuneration of Manager, Chief Financial Officer (CFO) and Company Secretary during FY 2016 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under:

Sr. No.	Name of KMP	Designation	Remuneration of Director/KMP for FY 2016 (₹ in Lakhs)	% change in Remuneration during FY 2016	Comparison of the Remuneration of KMP against Company's Performance
1.	Dr. Ashish Suthar	Manager	28.95	19.42%	Loss for FY 2016 was ₹ 328.8 Lakhs as against loss of ₹ 345.9 Lakhs for FY 2015
2.	Mr. Karthik Muralidharan	Chief Financial Officer	26.05	N.A.	
3.	Mr. Neelesh Bhise	Company Secretary (upto July 10, 2015)	2.29	N.A.	
4.	Mr. Maneesh Sharma	Company Secretary (w.e.f July 22, 2015)	5.25	N.A.	

Note:

- A. Ratio of remuneration of each Director to median remuneration of employees -Independent Directors do not receive any remuneration other than sitting fees for attending Board and Committee Meetings. Details of sitting fees paid to Independent Directors are given in the Report on Corporate Governance forming part of the Annual Report and hence, are not included in the above table. The Non-Independent Directors do not receive any sitting fees nor any other remuneration.

- B. Mr. Karthik Muralidharan was appointed as the CFO with effect from April 1, 2015. Hence, percentage change in remuneration during FY 2016 is not applicable.
- C. Mr. Neelesh Bhise resigned as the Company Secretary with effect from July 10, 2015 and Mr. Maneesh Sharma was appointed in his place as the Company Secretary with effect from July 22, 2015. Hence, percentage change in remuneration during FY 2016 is not applicable.
- ii. The median remuneration of employees of the Company during FY 2016 was ₹ 15,96,904. There were 5 permanent employees on the rolls of the Company during FY 2016;
- iii. The percentage change in the median remuneration of employees during FY 2016 is not comparable to the previous financial year, since the Company has only 5 employees and there were changes in the employees who were Key Managerial Personnel;
- iv. Relationship between average increase in remuneration and Company's performance:

As mentioned above, comparison of average remuneration between the last financial year and this financial year would not be meaningful, since the Company has only 5 employees and there were changes in the employees who were Key Managerial Personnel. As regards Company's performance, loss for the FY 2016 was ₹ 328.8 Lakhs as against loss of ₹ 345.9 Lakhs for the FY 2015.

Remuneration to employees is as per the HR Policy of the Company in force from time to time and in compliance with applicable regulatory requirements. Total remuneration comprises fixed pay, perquisites, retiral benefits and performance pay. The performance pay, which is the variable component of remuneration and comprises a significant portion of total remuneration is, amongst other factors, linked to Company's performance.

- v. a) Variations in the market capitalisation of the Company
The market capitalisation as on March 31, 2016 was ₹ 183.8 crores (₹ 90.21 crores as on March 31, 2015)
- b) Price Earnings Ratio as at the closing date of the current and previous financial year – Not applicable, since the Company has incurred losses during FY 2015 and FY 2016.
- vi. Percent increase over/ decrease in the market quotations of the shares of the company as compared to the price at which the last public offer was made - Not Applicable.
- vii. As mentioned above, change in the salaries of employees other than the managerial personnel in the last financial year i.e. 2015-16 is not comparable to the previous financial year, since the Company has only 5 employees and there were changes in the employees who were Key Managerial Personnel. As regards change in the managerial remuneration (i.e. remuneration of Dr. Ashish Suthar, Manager), the same reflected an increase of 19.42% over the last financial year.
- viii. The key parameters for the variable component of remuneration availed by the Directors - Not Applicable.
- ix. 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.
- x. It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.

SECRETARIAL AUDIT REPORT

Pursuant to the provisions of Section 204 of the Companies Act, 2013, and the Rules made thereunder, the Company has appointed M/s. Dhruvil M. Shah & Co., Practicing Company Secretaries as the Secretarial Auditor of the Company. The Secretarial Audit Report is annexed as Annexure D and forms an integral part of this Report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

CORPORATE GOVERNANCE CERTIFICATE

The Report on Corporate Governance as stipulated in the Listing Regulations forms part of the Annual Report.

The requisite Certificate from M/s. Dhruvil M. Shah & Co., Practicing Company Secretaries, confirming compliance with the conditions of Corporate Governance as stipulated under the aforesaid Listing Regulations, is annexed hereto as Annexure E and forms part of this Report.

RISK MANAGEMENT POLICY

The Company has a robust Risk Management framework to identify, measure and mitigate business risk and opportunities. This framework seeks to create transparency, minimize adverse impact on the business objective and enhance the Company's competitive advantage. This risk framework thus helps in managing market, credit and operations risks.

DIRECTORS' RESPONSIBILITY STATEMENT

Your Directors state that:

- (a) in the preparation of the annual financial statements for the year ended March 31, 2016, the applicable accounting standards have been followed with no material departures;
- (b) the 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 as at March 31, 2016 and of the loss of the Company for the year ended on that date;
- (c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) the Directors have prepared the annual financial statements on a going concern basis;
- (e) the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and operating effectively; and
- (f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

Contracts/arrangements/transactions entered by the Company during the financial year with related parties were in ordinary course of business and on arm's length basis. During the year, the Company had not entered into any contract/arrangement/transaction with related parties which could be considered material in accordance with the policy of the Company on materiality of related party transactions. Accordingly, the disclosure of Related Party Transactions as required under Section 134(3)(h) of the Companies Act, 2013 in Form AOC 2 is not applicable.

Prior omnibus approval of the Audit Committee has been obtained on an annual basis for transactions with related parties which are of a foreseeable and repetitive nature. The transactions entered into pursuant to the omnibus approval so granted and a statement giving details of all transactions with related parties are placed before the Audit Committee for their review on a periodic basis.

Your Company has formulated a policy for dealing with related party transactions which is also available on website of the Company at <http://piramalphytocare.com/investors/>.

OTHERS

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

1. The details relating to deposits, covered under Chapter V of the Act, since neither has the Company accepted deposits during the year under review nor were there any deposits outstanding during the year.
2. Details relating to issue of equity shares including sweat equity shares and shares with differential rights as to dividend, voting or otherwise, since there was no such issue of shares.
3. No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.

During the year under review, no Stock Options were granted, vested or exercised. No Stock Options are in force as on date. Hence, there are no disclosures required to be made pursuant to the applicable requirements of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014.

There were no employees who were in receipt of remuneration exceeding the limits laid down under Section 197(12) of the Companies Act, 2013, read with the Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Your Directors further state that during the year under review, there were no cases filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

ACKNOWLEDGMENTS

We take this opportunity to thank the employees for their dedicated service and contribution to the Company.

We also thank our business associates and shareholders for their continued support to the Company.

By Order of the Board

Mumbai
May 14, 2016

N.L. Bhatia
Director

Rajesh Laddha
Director

ANNEXURE A

Particulars of Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo required under the Companies (Accounts) Rules, 2014 for the year ended March 31, 2016

A) Conservation of energy:

The business of the Company mainly comprises product development and marketing of herbal products. As such, electricity consumption is not significant.

Your Company is taking measures to improve overall energy efficiency by installing power efficient equipments. Several environment friendly measures have been adopted by your Company such as:

- Minimising usage of air-conditioning;
- Shutting off the lights when not in use;
- Minimising the usage of papers and maximum usage of e-prints or e-folders for data archives;
- Creating environmental awareness by way of distributing relevant information in electronic form, encouraging conservation of energy and natural resources.

B) Technology absorption

As stated earlier, the business of the Company mainly comprises product development and marketing of herbal products. Hence, details relating to Technology Absorption are not applicable.

C) Foreign Exchange Earnings and Outgo

During the year, foreign exchange earnings were ₹ 395 Lakhs as against outgo of ₹ 1.6 Lakhs.

ANNEXURE B

FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN

as on financial year ended on 31.03.2016

Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Company (Management & Administration) Rules, 2014.

I. REGISTRATION & OTHER DETAILS

i	CIN	L73100MH2001PLC132523
ii	Registration Date	June 27, 2001
iii	Name of the Company	Piramal Phytocare Limited
iv	Category/Sub-category of the Company	Company Limited by Shares/Indian Non Government Company
v	Address of the Registered office & contact details	Piramal Tower, Ganpatrao Kadam Marg, Lower Parel, Mumbai- 400 013 Tel : (91 22) 3046 7953 Fax : (91 22) 3046 7855
vi	Whether listed company	Yes
vii	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Link Intime India Pvt. Ltd. C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (West) Mumbai – 400078. Tel : (022) 2594 6970 Fax: (022) 2594 6969 Email ID: piramal.irc@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 are given below:

SL No	Name & Description of main products/ services	NIC Code of the Product /service	% to total turnover of the company
1	Pharmaceuticals	210- Manufacture of pharmaceuticals, medicinal chemical and botanical products	100.00

III. PARTICULARS OF HOLDING, SUBSIDIARY & ASSOCIATE COMPANIES - NOT APPLICABLE

IV. SHAREHOLDING PATTERN (Equity Share Capital Break up as % to Total Equity)

i. Category-wise shareholding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	9,22,268	0	9,22,268	3.55	9,22,268	0	9,22,268	3.55	0.00
b) Central Govt./State Govt.	0	0	0	0.00	0	0	0	0.00	0.00
c) Bodies Corporates	1,32,68,440	0	1,32,68,440	51.11	50,41,730	0	50,41,730	19.42	(31.69)
d) Bank/FI	0	0	0	0.00	0	0	0	0.00	0.00
e) Any other - Trusts	7,46,497	0	7,46,497	2.88	89,73,207	0	89,73,207	34.57	31.69
SUB TOTAL (A) (1)	1,49,37,205	0	1,49,37,205	57.54	1,49,37,205	0	1,49,37,205	57.54	0.00
(2) Foreign									
a) NRI- Individuals	0	0	0	0.00	0	0	0	0.00	0.00
b) Other Individuals	0	0	0	0.00	0	0	0	0.00	0.00
c) Bodies Corp.	0	0	0	0.00	0	0	0	0.00	0.00
d) Banks/FI	0	0	0	0.00	0	0	0	0.00	0.00
e) Any other	0	0	0	0.00	0	0	0	0.00	0.00
SUB TOTAL (A) (2)	0	0	0	0.00	0	0	0	0.00	0.00
Total Shareholding of Promoter (A)= (A)(1)+(A)(2)	1,49,37,205	0	1,49,37,205	57.54	1,49,37,205	0	1,49,37,205	57.54	0.00
B. Public Shareholding									
(1) Institutions									
a) Mutual Funds	57	431	488	0.00	57	0	57	0.00	0.00
b) Banks/FI	1,965	90	2,055	0.01	1,965	41	2,006	0.01	0.00
c) Central Govt.	0	0	0	0.00	0	0	0	0.00	0.00
d) State Govt.	0	0	0	0.00	0	0	0	0.00	0.00
e) Venture Capital Fund	0	0	0	0.00	0	0	0	0.00	0.00
f) Insurance Companies	8,73,537	0	8,73,537	3.36	8,73,537	0	8,73,537	3.36	0.00
g) FIIs / FPIs	2,84,060	25	2,84,085	1.10	1,66,893	0	1,66,893	0.64	(0.46)
h) Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
i) Others (specify)	0	0	0	0.00	0	0	0	0.00	0.00
SUB TOTAL (B)(1)	11,59,619	546	11,60,165	4.47	10,42,452	41	10,42,493	4.01	(0.46)
(2) Non Institutions									

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year			% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	
a) Bodies corporates								
i) Indian	14,71,264	5,751	14,77,015	5.69	8,42,132	3,871	8,46,003	3.26
ii) Overseas	385	0	385	0.00	385	0	385	0.00
b) Individuals								
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	42,83,045	4,00,246	46,83,291	18.04	48,83,125	3,21,901	52,05,026	20.05
ii) Individuals shareholders holding nominal share capital in excess of ₹ 1 lakh	28,01,366	33,660	28,35,026	10.92	23,16,162	33,660	23,49,822	9.05
c) Others (specify)								
i) Non Resident Indians (Repat)	1,65,353	2,803	1,68,156	0.65	1,78,233	1,808	1,80,041	0.70
ii) Non Resident Indians (Non Repat)	33,865	172	34,037	0.13	36,044	172	36,216	0.14
iii) Foreign Companies	0	5,61,773	5,61,773	2.16	0	5,61,773	5,61,773	2.16
iv) Clearing Member	1,00,180	0	1,00,180	0.39	2,22,213	0	2,22,213	0.86
v) Trusts	3,075	0	3,075	0.01	5,204	0	5,204	0.02
vi) Foreign Nationals	0	0	0	0.00	0	0	0	0.00
vii) Foreign Banks	32	0	32	0.00	32	0	32	0.00
viii) Hindu Undivided Family	0	0	0	0.00	5,73,927	0	5,73,927	2.21
SUB TOTAL (B)(2)	88,58,565	10,04,405	98,62,970	37.99	90,57,457	9,23,185	99,80,642	38.45
Total Public Shareholding (B)= (B)(1)+(B)(2)	1,00,18,184	10,04,951	1,10,23,135	42.46	1,00,99,909	9,23,226	1,10,23,135	42.46
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0.00	0	0	0	0.00
Grand Total (A+B+C)	2,49,55,389	10,04,951	2,59,60,340	100.00	2,50,37,114	9,23,226	2,59,60,340	100.00

II. Shareholding of Promoters

Sl. No.	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No of shares	% of total shares of the Company	% of shares pledged encumbered to total shares	No. of shares	% of total shares of the Company	% of shares pledged encumbered to total shares	
1	The Sri Krishna Trust [Trustees: Mr. Ajay G. Piramal and Dr. (Mrs.) Swati A. Piramal]	85,93,440	33.10	0.00	85,93,440	33.10	0.00	0.00
2	Piramal Enterprises Limited	45,50,000	17.53	0.00	45,50,000	17.53	0.00	0.00
3	Ms. Nandini Piramal	3,85,626	1.49	0.00	3,85,626	1.49	0.00	0.00
4	Mr. Anand Piramal	3,82,613	1.47	0.00	3,82,613	1.47	0.00	0.00
5	Piramal Life Sciences Limited Senior Employees Stock Option Trust [Trustee: Mr. Ajay G Piramal]	3,79,767	1.46	0.00	3,79,767	1.46	0.00	0.00
6	Piramal Welfare Trust [Formerly known as Piramal Enterprises Executive Trust] [Trustee: Piramal Corporate Services Limited]	3,66,730	1.41	0.00	3,66,730	1.41	0.00	0.00
7	The Ajay G Piramal Foundation	1,25,000	0.48	0.00	1,25,000	0.48	0.00	0.00
8	Mr. Ajay G. Piramal	36,176	0.14	0.00	36,176	0.14	0.00	0.00
9	Mr. Ajay G. Piramal (Karta of Gopikishan Piramal HUF)	10,015	0.04	0.00	10,015	0.04	0.00	0.00
10	Dr. (Mrs.) Swati A. Piramal	44,668	0.17	0.00	44,668	0.17	0.00	0.00
11	Mrs. Lalita G. Piramal	42,283	0.16	0.00	42,283	0.16	0.00	0.00
12	Mr. Ajay G. Piramal (Karta of Ajay G Piramal HUF)	20,887	0.08	0.00	20,887	0.08	0.00	0.00
	Total	1,49,37,205	57.54	0.00	1,49,37,205	57.54	0.00	0.00

III. Change in Promoters Shareholding – During the year, the Trustees of The Sri Krishna Trust changed from Piramal Management Services Private Limited to Mr. Ajay G. Piramal & Dr. (Mrs.) Swati A. Piramal. Apart from this there was no other change in the shareholding of promoters during the year.

IV. Shareholding Pattern of top ten Shareholders (other than Directors, Promoters & Holders of GDRs & ADRs)

Sl. No.	For each of the top 10 shareholders	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	Life Insurance Corporation of India				
	At the beginning of the year	8,74,963	3.37	8,74,963	3.37
	At the end of the year			8,74,963	3.37
2	Indiahold Limited				
	At the beginning of the year	5,61,773	2.16	5,61,773	2.16
	At the end of the year			5,61,773	2.16
3	Somesh Datt Sharma				
	At the beginning of the year	5,25,526	2.02	5,25,526	2.02
	17.04.2015 – Transfer	[77,425]	[0.30]	4,48,101	1.72
	24.04.2015 – Transfer	[19,054]	[0.07]	4,29,047	1.65
	07.08.2015 – Transfer	[29,000]	[0.11]	4,00,047	1.54
	31.12.2015 – Transfer	[9,305]	[0.03]	3,90,742	1.51
	01.01.2016 – Transfer	[40,695]	[0.16]	3,50,047	1.35
	08.01.2016 – Transfer	[4,674]	[0.02]	3,45,373	1.33
	At the end of the year			3,45,373	1.33
4	Elara Capital PLC A/c Vespera Fund Limited				
	At the beginning of the year	2,75,000	1.06	2,75,000	1.06
	15.01.2016 – Transfer	[1,08,107]	[0.42]	1,66,893	0.64
5	Jatin Gandhi			1,66,893	0.64
	At the beginning of the year	1,51,000	0.58	1,51,000	0.58
	At the end of the year			1,51,000	0.58

SL. No.	For each of the top 10 shareholders	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	Vidhi Manoj Gandhi				
	At the beginning of the year	1,18,500	0.46	1,18,500	0.46
	06.11.2015-Transfer	1,500	0.00	1,20,000	0.46
	04.03.2016-Transfer	2,000	0.01	1,22,000	0.47
	At the end of the year			1,22,000	0.47
7	Jyotsna Gandhi[#]				
	At the beginning of the year	49,000	0.19	49,000	0.19
	03.07.2015 - Transfer	2,604	0.01	51,604	0.20
	10.07.2015 - Transfer	27,396	0.10	79,000	0.30
	16.10.2015 - Transfer	1,500	0.01	80,500	0.31
	23.10.2015 - Transfer	3,000	0.01	83,500	0.32
	30.10.2015 - Transfer	3,500	0.01	87,000	0.33
	06.11.2015 - Transfer	5,000	0.02	92,000	0.35
	20.11.2015 - Transfer	2,000	0.01	94,000	0.36
	04.12.2015 - Transfer	3,500	0.01	97,500	0.37
	18.03.2016 - Transfer	5,000	0.02	1,02,500	0.39
	25.03.2016 - Transfer	17,000	0.07	1,19,500	0.46
	At the end of the year			1,19,500	0.46
8	Kishan Gopal Mohta[#]				
	At the beginning of the year	51,532	0.20	51,532	0.20
	10.07.2015 - Transfer	20,000	0.08	71,532	0.28
	07.08.2015 - Transfer	10,000	0.03	81,532	0.31
	At the end of the year			81,532	0.31
9	Rural Engineering Co. Pvt. Ltd.				
	At the beginning of the year	74,945	0.29	74,945	0.29
	At the end of the year			74,945	0.29

Sl. No.	For each of the top 10 shareholders	Shareholding at the beginning of the Year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company	No of shares	% of total shares of the Company
10	Sejal Rakesh Zaveri				
	At the beginning of the year	75,000	0.29	75,000	0.29
	07.08.2015 - Transfer	(5,000)	(0.02)	70,000	0.27
	14.08.2015 - Transfer	(13,000)	(0.05)	57,000	0.22
	11.09.2015 - Transfer	(5,000)	(0.02)	52,000	0.20
	30.10.2015 - Transfer	(22,000)	(0.08)	30,000	0.12
	11.12.2015 - Transfer	(3,000)	(0.01)	27,000	0.11
	18.12.2015 - Transfer	(3,000)	(0.01)	24,000	0.10
	25.12.2015 - Transfer	(6,500)	(0.03)	17,500	0.07
	15.01.2016 - Transfer	(15,500)	(0.06)	2,000	0.01
11	29.01.2016 - Transfer	1,000	0.00	3,000	0.01
	At the end of the year			3,000	0.01
	Shreelekha Global Finance Ltd.*				
	At the beginning of the year	6,18,000	2.38	6,18,000	2.38
	15.01.2016 - Transfer	(20,000)	(0.08)	5,98,000	2.30
	22.01.2016 - Transfer	(2,73,688)	(1.05)	3,24,312	1.25
	29.01.2016 - Transfer	(3,24,312)	(1.25)	0	0.00
	At the end of the year			0	0.00

Sl. No.	For each of the top 10 shareholders	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	Libra Exporters Ltd.*				
	At the beginning of the year	2,35,043	0.91	2,35,043	0.91
	11.09.2015 - Transfer	(5,043)	(0.02)	2,30,000	0.89
	18.09.2015 - Transfer	(13,000)	(0.05)	2,17,000	0.84
	25.09.2015 - Transfer	(19,000)	(0.08)	1,98,000	0.76
	30.09.2015 - Transfer	(5,689)	(0.02)	1,92,311	0.74
	09.10.2015 - Transfer	(2,311)	(0.01)	1,90,000	0.73
	23.10.2015 - Transfer	(5,000)	(0.02)	1,85,000	0.71
	30.10.2015 - Transfer	(3,000)	(0.01)	1,82,000	0.70
	06.11.2015 - Transfer	(8,500)	(0.03)	1,73,500	0.67
	20.11.2015 - Transfer	(6,500)	(0.03)	1,67,000	0.64
	08.01.2016 - Transfer	(13,500)	(0.05)	1,53,500	0.59
	15.01.2016 - Transfer	(12,990)	(0.05)	1,40,510	0.54
	22.01.2016 - Transfer	(12,500)	(0.05)	1,28,010	0.49
	29.01.2016 - Transfer	(23,000)	(0.09)	1,05,010	0.40
	05.02.2016 - Transfer	(21,500)	(0.08)	83,510	0.32
	12.02.2016 - Transfer	(25,475)	(0.10)	58,035	0.22
	19.02.2016 - Transfer	(17,500)	(0.07)	40,535	0.15
	26.02.2016 - Transfer	(19,000)	(0.07)	21,535	0.08
	04.03.2016 - Transfer	(11,535)	(0.04)	10,000	0.04
	11.03.2016 - Transfer	(8,000)	(0.03)	2,000	0.01
	18.03.2016 - Transfer	(1,515)	(0.01)	485	0.00
	25.03.2016 - Transfer	(485)	(0.00)	0	0.00
	At the end of the year			0	0.00

Not in the list of Top 10 shareholders as on 01.04.2015. The same is reflected above since the shareholder was one of the Top 10 shareholder as on 31.03.2016

* Ceased to be in the list of Top 10 shareholders as on 31.03.2016. The same is reflected above since the shareholder was one of the Top 10 shareholder as on 01.04.2015

V. Shareholding of Directors & KMP

Sl. No.	For each of the Directors & KMP	Shareholding at the beginning of the Year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	Mr. Gautam Bhailal Doshi				
	At the beginning of the year	16,101	0.06	16,101	0.06
	Transfer - 28.08.2015	379	0.06	16,480	0.06
2	Mr. Rajesh Laddha			16,101	0.06
	At the end of the year				
	Mr. Rajesh Laddha				
3	Mr. N. L. Bhatia				
	At the beginning of the year	949	0.00	949	0.00
	At the end of the year			949	0.00
4	Dr. Vandana Sonavarria				
	At the beginning of the year	0	0.00	0	0.00
	At the end of the year			0	0.00
5	Dr. Ashish Suthar				
	At the beginning of the year	0	0.00	0	0.00
	At the end of the year			0	0.00
6	Mr. Karthik Muralidharan				
	At the beginning of the year	1	0.00	1	0.00
	At the end of the year			1	0.00
7	Mr. Neelesh Bhise				
	At the beginning of the year	2	0.00	2	0.00
	14.03.2016 - Transfer	(2)	[0.00]	0	0.00
8	Mr. Maneesh Sharma			0	0.00
	At the beginning of the year	0	0.00	0	0.00
	19.10.2015 - Transfer	1	0.00	1	0.00
	At the end of the year			1	0.00

VI. INDEBTEDNESS - There was no loan outstanding as at the beginning of the year and the Company has not availed any loan during the year

VII. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

(₹)

Sl. No.	Particulars of Remuneration	Name of the MD/WTD/Manager Dr. Ashish Suthar - Manager	Total Amount
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income Tax, 1961.	24,90,564	24,90,564
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	3,27,179	3,27,179
	(c) Profits in lieu of salary u/s 17(3) of the Income Tax Act, 1961	-	-
2	Stock option	-	-
3	Sweat Equity	-	-
4	Commission	-	-
	as % of profit	-	-
	others (specify)	-	-
5	Others, please specify	-	-
	Total (A)	28,17,743	28,17,743
	Ceiling as per the Act	See note	

Note: The appointment of Dr. Ashish Suthar as Manager for a period of 3 years w.e.f. 22nd May, 2013 has been duly approved by the members under the provisions of the erstwhile Companies Act, 1956. His remuneration is within the limits prescribed under Section II of Part II of Schedule XIII of the said Act which refers to the maximum remuneration that can be paid in case of loss / inadequate profits.

B. Remuneration to other directors:

(₹)

Sl. No.	Particulars of Remuneration	Name of the Directors				Total Amount
		Gautam Doshi	N. L. Bhatia	Rajesh Laddha	Vandana Sonavaria	
1	Independent Directors					
	(a) Fee for attending Board/Committee meetings	2,00,000	2,80,000	-	-	4,80,000
	(b) Commission	-	-	-	-	-
	(c) Others, please specify	-	-	-	-	-
	Total (1)	2,00,000	2,80,000	-	-	4,80,000
2	Other Non-Executive Directors					
	(a) Fee for attending Board/Committee meetings	-	-	-	-	-
	(b) Commission	-	-	-	-	-
	(c) Others, please specify.	-	-	-	-	-
	Total (2)	-	-	-	-	-
	Total (B)=(1+2)	2,00,000	2,80,000	-	-	4,80,000
	Total Managerial Remuneration (A+B)					28,17,743#
	Overall Ceiling as per the Act.	Independent Directors were paid sitting fees for attending the meetings of the Board and its Committees during FY2016, which were within the limits prescribed under the Companies Act, 2013. # Exclusive of sitting fees.				

C. Remuneration to key managerial personnel other than MD/Manager/WTD

(₹)

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		CFO	Total Amount
		Company Secretary Mr. Neelesh Bhise (upto July 10, 2015)	Company Secretary Mr. Maneesh Sharma (w.e.f. July 22, 2015)		
1	Gross Salary (a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961 (b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961 (c) Profits in lieu of salary u/s 17(3) of the Income Tax Act, 1961	2,45,922	4,32,267	21,56,738	28,34,927
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission as % of profit others, specify	-	-	-	-
5	Others, please specify (Consolidated Fees)	-	-	-	-
	Total	2,45,922	4,32,267	21,56,738	28,34,927

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES- There were no penalties/punishment/compounding of offences for breach of any Section of the Companies Act against the Company or its Directors or other officers in default, if any, during the year

ANNEXURE C

NOMINATION POLICY

I. Preamble

The Nomination and Remuneration Committee ('NRC') of Piramal Phytocare Limited ('the Company'), has adopted the following policy and procedures with regard to identification and nomination of persons who are qualified to become directors and who may be appointed in senior management.

This policy is framed in compliance with the applicable provisions of Regulation 19 read with Part D of the Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the Regulations') and Section 178 and other applicable provisions of the Companies Act, 2013.

II. Criteria for identifying persons for appointment as Directors and Senior Management

A. Directors

1. Candidates for Directorship should possess appropriate qualifications, skills and expertise in one or more fields of finance, law, general corporate management, information management, science and innovation, public policy, financial services, sales & marketing and other disciplines as may be identified by the NRC and/or the Board from time to time, that may be relevant to the Company's business.
2. Such candidates should also have a proven record of professional success.
3. Every candidate for Directorship on the Board should have the following positive attributes:
 - a) Possesses a high level of integrity, ethics, credibility and trustworthiness;
 - b) Ability to handle conflict constructively and possess the willingness to address critical issues proactively;
 - c) Is familiar with the business of the Company and the industry in which it operates and displays a keen interest in contributing at the Board level to the Company's growth;
 - d) Possesses the ability to bring independent judgment to bear on the Board's deliberations especially on issues of strategy, performance, risk management and resource planning;
 - e) Displays willingness to devote sufficient time and attention to the Company's affairs;
 - f) Values Corporate Governance and possesses the skills and ability to assist the Company in implementing good corporate governance practices;
 - g) Possesses leadership skills and is a team player;
4. Criteria for Independence applicable for selection of Independent Directors
 - a) Candidates for Independent Directors on the Board of the Company should comply with the criteria for Independence as stipulated in the Companies Act, 2013 and the Regulations, as amended or re-enacted or notified from time to time. Such candidates should also comply with other applicable regulatory requirements relating to Independence or as may be laid down by the Board from time to time.
 - b) Such Candidates shall submit a Declaration of Independence to the NRC / Board, initially and thereafter, annually, based upon which, the NRC / Board shall evaluate compliance with this criteria for Independence.
5. Change in status of Independence

Every Independent Director shall be required to inform the NRC / Board immediately in case of any change in circumstances that may put his or her independence in doubt, based upon which, the NRC / Board may take such steps as it may deem fit in the best interest of the organization.

B. Members of Senior Management

1. For the purpose of this Policy, the term 'Senior Management' means all executives of the Company who are heading any business or function of the Company.
2. The eligibility criteria for appointments to Senior Management and continuity thereof shall include integrity and ethics, in addition to possessing qualifications, expertise, experience and special competencies relevant to the position for which purpose the executive is being or has been appointed.
3. Any candidate being considered for the post of Senior Management should be willing to comply fully with the PPL – Code of Conduct for Senior Management, PPL – Code of Conduct for Prevention of Insider Trading and other applicable policies, in force from time to time.

III. Process for identification & shortlisting of candidates**A. Directors**

1. The NRC shall identify the need for appointment of new Directors on the Board on the basis of the evaluation process for Board as a whole and of individual Directors or as it may otherwise determine.
2. Candidates for Board membership maybe identified from a number of sources, including but not limited to past members of the Board and Directors database.
3. NRC shall evaluate proposals for appointment of new Directors on the basis of qualification criteria and positive attributes referred to hereinabove and make its recommendations to the Board.

B. Members of Senior Management

1. The NRC shall consider the recommendations of the management while evaluating the selection of executives in Senior Management. The NRC may also identity potential candidates for appointment to Senior Management through referrals and recommendations from past and present members of the Board or from such other sources as it may deem fit and proper.
2. The NRC shall evaluate proposals for appointments to Senior Management on the basis of eligibility criteria referred to hereinabove and such other criteria as it may deem appropriate.
3. Based on such evaluation, the NRC shall shortlist the desired candidate and make its recommendations to the Board for appointment.

IV. Removal**A. Directors**

1. If a Director incurs any disqualification mentioned under the Companies Act, 2013 or any other applicable law, regulations or statutory requirement, the NRC may recommend to the Board with reasons recorded in writing, the removal of the said Director subject to the provisions of and compliance with the statutory provisions.
2. Such recommendations may also be made on the basis of performance evaluation of the Directors or as may otherwise be thought fit by the NRC.

B. Members of Senior Management

1. The NRC shall consider the recommendations of the management while making recommendations to the Board for dismissal / removal of those in Senior Management.
2. Such recommendations may also be made on the basis of performance evaluation of members of Senior Management to the extent applicable or as may otherwise be thought fit by the NRC.

V. Review

The NRC shall periodically (at least on an annual basis) review the effectiveness of this Policy and recommend any revisions that maybe required to this Policy to the Board for consideration and approval.

REMUNERATION POLICY

I. Preamble

- 1.1. The Nomination and Remuneration Committee ('NRC') of Piramal Phytocare Limited ('the Company'), has adopted the following policy and procedures with regard to remuneration of Directors, Key Managerial Personnel and other employees.
- 1.2. The Remuneration Policy ('Policy') is framed in compliance with the applicable provisions of Regulation 19 read with Part D of the Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the Regulations') and Section 178 and other applicable provisions of the Companies Act, 2013.
- 1.3 This Policy reflects the Company's core values viz. Knowledge, Action and Care.

II. Designing of Remuneration Packages

- 2.1 While designing remuneration packages, the following factors are taken into consideration:
 - a. Ability to attract, motivate and retain the best talent in the industries in which the Company operates;
 - b. Current industry benchmarks;
 - c. Cost of living;
 - d. Maintenance of an appropriate balance between fixed, performance linked variable pay and long term incentives reflecting long and short term performance objectives aligned to the working of the Company and its goals;
 - e. Achievement of Key Result Areas (KRAs) of the employee, the concerned department / function and of the Company.

III. Remuneration to Directors

A. Independent Directors:

The Independent directors are entitled to the following:

1. Sitting Fees: The Independent Directors receive remuneration in the form of sitting fees for attending meetings of Board or Committee thereof of the Company. The Independent Directors also receive sitting fees for attending separate meetings of the Independent Directors. Provided that the amount of such fees shall not exceed such amount per meeting as may be prescribed by the Central Government from time to time.
2. Commission: Commission may be paid to Independent Directors subject to availability of profits and in compliance with applicable regulatory requirements.

B. Remuneration to Whole – Time Directors

1. The remuneration to be paid to the Whole – Time Directors, if any, shall be in compliance with the applicable regulatory requirements, including such requisite approvals as required by law.
2. Increments may be recommended by the Committee to the Board which shall be within applicable regulatory limits.
3. The Board may at the recommendation of the NRC and at its discretion, may consider the payment of such additional remuneration within the framework of applicable laws and regulatory requirements.

IV. Remuneration to Key Managerial Personnel and Senior Management

Remuneration to Key Managerial Personnel and other Senior Management shall be as per the HR Policy of the Company in force from time to time and in compliance with applicable regulatory requirements. Total remuneration comprises of:

- i. Fixed Basic Salary;
- ii. Perquisites as per Company Policy;
- iii. Retirement benefits as per Company Rules and statutory requirements;
- iv. Performance linked incentive (on an annual basis) based on the achievement of pre-set KRAs and long term incentives based on value creation.

In addition to the above mentioned remuneration package, Key Managerial Personnel and Senior Management may also be provided Employee Stock Options (ESOPs) in compliance with applicable regulatory requirements.

V. Remuneration to Other Employees

The remuneration packages of other employees are also formulated in accordance with HR Policy of the Company in force from time to time. In addition to basic salary and other components forming part of overall salary package, employees are also provided with perquisites and retirement benefits as per the HR Policy of the Company and statutory requirements, where applicable.

VI. Disclosure

As per existing applicable regulatory requirements, the Remuneration Policy shall be disclosed in the Board's Report.

VII. Review

The NRC shall periodically (at least on an annual basis) review the effectiveness of this Policy and recommend any revisions that maybe required to this Policy to the Board for consideration and approval.

ANNEXURE D

To,
The Members,
Piramal Phytocare Limited

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

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

For **Dhrumil M. Shah & Co.**
UIN: S2010MH130700
Practicing Company Secretary

DHRUMIL M SHAH
C.P. No. 8978
FCS No. 8021

Place: Mumbai
Date: May 14, 2016

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2015

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

To,
The Members,

Piramal Phytocare Limited

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Piramal Phytocare 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 and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2016 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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

- i. The Companies Act, 2013 ('the Act') and the Rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 ('FEMA') 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 till May 14, 2015;
 - c. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 with effect from May 15, 2015;
 - d. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; - **Not applicable for the financial year ended March 31, 2016;**
 - e. Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; - **Not applicable for the financial year ended March 31, 2016;**
 - f. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; - **Not applicable for the financial year ended March 31, 2016;**
 - g. 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;

- h. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; - **Not applicable for the financial year ended March 31, 2016;**
- i. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;- **Not applicable for the financial year ended March 31, 2016;**
- j. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 with effect from December 1, 2015.

Amongst the various laws which are applicable to the Company, following are the laws which are specifically applicable to the Company:

1. Drugs and Cosmetics Act, 1940 and Drugs and Cosmetics Rules, 1940
2. The Legal Metrology Act & Legal Metrology (Packaged Commodities) Rules, 2011

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

- i. Secretarial Standards issued by The Institute of Company Secretaries of India (ICSI).
- ii. The Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited till November 30, 2015.

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

We further report that; the Board of Directors of the Company is duly constituted with proper balance of Non-Executive and Independent Directors. There were no changes in the composition of the Board of Directors during the period under review.

Adequate notice is given to all directors to schedule the Board Meetings and Board Committee Meetings. Agenda and detailed notes on agenda are sent at least seven days in advance and a system exists for seeking consent of Directors in the few cases where these documents are sent less than seven days in advance. A system also exists for obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views, where applicable, are captured and recorded as part of the minutes. **However during the period under report, all the decisions have been taken unanimously and no dissent recorded in Board/ Committee minutes.**

We further report that; there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, Rules, Regulations and Guidelines.

For **Dhrumil M. Shah & Co.**

UIN: S2010MH130700

Practicing Company Secretary

DHRUMIL M SHAH

C.P. No. 8978

FCS No. 8021

Place: Mumbai

Date: May 14, 2016

ANNEXURE E

CERTIFICATE ON CORPORATE GOVERNANCE

To,

The Members,

Piramal Phytocare Limited

We have examined all the relevant records of Piramal Phytocare Limited ('the Company') for the purpose of certifying compliance with the conditions of Corporate Governance under Clause 49 of the Listing Agreement with the Stock Exchanges for the period from April 1, 2015 to November 30, 2015 and the Chapter IV to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 'Listing Regulations' from the period December 1, 2015 to March 31, 2016.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementation process adopted by the Company for ensuring compliance with the conditions of Corporate Governance. This certificate 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 and information furnished to us, we certify that the Company has complied with all the conditions of Corporate Governance as stipulated in the said Listing Agreement/ Listing Regulations.

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

For **Dhruvil M. Shah & Co.**

UIN: S2010MH130700

Practicing Company Secretary

DHRUMIL M SHAH

C.P. No. 8978

FCS No. 8021

Place: Mumbai

Date: May 14, 2016

Auditors' Report

To the Members of Piramal Phytocare Limited

We have audited the accompanying financial statements of Piramal Phytocare Limited ("the Company"), which comprise the balance sheet as at 31 March 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 in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these 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 the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the 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 internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these 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 there under.

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 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 financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the Balance Sheet, of the state of affairs of the company as at 31st March 2016
- (b) in the case of the Statement of Profit and Loss, of the loss for the year ended on that date, and
- (c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

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 Companies Act, 2013, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by section 143(3) of the Act, we report that:
 - (a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.

- (b) in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
- (c) the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this report are in agreement with the books of account.
- (d) in our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement comply with the accounting standards specified under section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) on the basis of written representations received from the directors as on 31 March 2016, and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2016, from being appointed as a director in terms of section 164(2) of the Companies Act, 2013.
- (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"
- (g) With respect to the other matters included in the Auditor's Report and to the best of our information and according to the explanations given to us :
 - i. there are no pending litigations which would impact the financial position of the Company
 - ii. the Company does not foresee any material losses on long term contracts including derivative contracts, and hence no provision is made on such contracts
 - iii. there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For HARIBHAKTI & CO.,
Chartered Accountants
Firm Reg. No. 118013W

Hitesh J. Desai
Partner
M. No. 037569

Place:- Mumbai
Date:- 14th May, 2016

Annexure to Auditors' Report

“ANNEXURE A” REFERRED TO IN PARAGRAPH 1 UNDER “REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS” SECTION OF REPORT ON FINANCIAL STATEMENTS OF EVEN DATE TO THE MEMBERS OF PIRAMAL PHYTOCARE LIMITED ON THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH 2016 .

- i. (a) The Company is maintaining proper records showing full particulars including quantitative details and situation of its fixed assets.
- (b) The fixed assets of the Company in its possession, are physically verified by the management according to a phased programme designed to cover all the items over a period of three years, which in our opinion is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme a portion of the fixed assets have been verified by the management during the year and no material discrepancies between the book records and the physical inventory has been noticed. Confirmations have been received in respect of fixed assets lying with third parties.
- (c) According to the information and explanations given to us and to the best of the knowledge and belief the title deeds of immovable properties are held in name of the Company.
- ii. The inventory (excluding stocks with third parties and materials in transit) has been physically verified by the management during the year. In respect of stocks lying with third parties, these have been substantially confirmed by them. In our opinion the frequency of verification is reasonable.
- iii. In our opinion and according to the information and explanations given to us, the Company has not granted any loans secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly sub-clauses (a), (b) and (c) of clause 3 (iii) of the Order are not applicable to the Company.
- iv. In our opinion and according to the information and explanations given to us, the Company in respect of loans, investments, guarantees and security, provisions of section 185 and 186 of the Companies Act, 2013 has been complied with.
- v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits within the meaning of Section 73 to section 76 or any other relevant provisions the Companies Act, 2013 and the rules framed there under.
- vi. In our opinion and according to the information and explanations given to us, the Company has not been specified by Central Government under sub-section (1) of section 148 of the Companies Act 2013 for maintenance of cost records etc.
- vii. According to the information and explanations given to us and the records of the Company examined by us in respect of statutory and other dues:
 - (a) The Company is generally regular in depositing undisputed statutory dues, including Provident Fund, Investor Education and Protection Fund, Employees State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and other statutory dues with the appropriate authorities in India. According to the information and explanations given to us, there are no undisputed amount payable in respect of any such statutory dues which have remained outstanding as at 31st March 2016 for a period more than six months from the date they became payable.
 - (b) According to the information and explanation given to us, there are no dues of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax outstanding on account of any dispute.
- viii. In our opinion and according to the information and explanations given to us, the company has not defaulted in the repayment of due of Banks. The Company has not taken any loan either from financial institutions or from the government and has not issued any debentures.
- ix. According to the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable to the Company and hence not commented upon.

Annexure to Auditors' Report (Contd.)

- x. During the course of our examination of books of account and records of the Company, carried out in accordance with the generally accepted auditing practices in India and according to information and explanation given to us, we have neither come across any instance of material fraud on or by the Company, noticed or reported during the year, nor have been informed of such cases by the management.
- xi. According to the information and explanations given to us and to the best of the our knowledge and belief, managerial remuneration has been paid/provided with requisite approvals mandated in the provision of section 197 read with Schedule V of the Companies Act 2013.
- xii. In our opinion and according to the information and explanation given to us the Company is not a Nidhi Company. Therefore, the provisions of clause 3(xii) of the Order are not applicable to the Company.
- xiii. According to the information and explanations given to us and to the best of the our knowledge and belief all transactions with related parties are in compliance with section 177 and 188 of the Companies Act 2013 wherever applicable and the details of transactions with related parties have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. The Company has not made during the year any preferential allotment or private placement of shares or fully or partly convertible debentures. Therefore, the provisions of clause 3(xiv) of the Order are not applicable to the Company.
- xv. According to the information and explanations given to us and to the best of our knowledge and belief the Company has not entered into any non cash transaction with directors or persons connected with the directors. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.
- xvi. According to the information and explanations given to us and to the best of the our knowledge and belief the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For HARIBHAKTI & CO.,
Chartered Accountants
Firm Reg. No. 118013W

Hitesh J. Desai
Partner
M. No. 037569

Place:- Mumbai
Date:- 14th May 2016

“ANNEXURE B” REFERRED TO IN PARAGRAPH 2(F) UNDER “REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS” SECTION OF REPORT ON FINANCIAL STATEMENTS OF EVEN DATE TO THE MEMBERS OF PIRAMAL PHYTOCARE LIMITED ON THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH 2016.

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 Piramal Phytocare 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 my /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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

The Company’s Management in compliance with sec 138 of the Companies Act 2013, has appointed M/s Aneja Associates, Chartered Accountants as internal auditors of the Company for the financial year 2015-16. They have also been appointed to carryout review of Internal Finance Control as put in place by the management. The internal auditors have carried out an extensive internal audit and audit of the internal financial controls established by the Company as defined in explanation to section 134(5)(e) of the companies

act, 2013 and the guidelines issued by ICAI on Internal Finance Control Over Financial Reporting. The audit report containing the observations, recommendations and their opinion as shared by the internal auditors has been relied upon by us.

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

We have extensively relied upon the work of internal auditors of the Company viz M/s Aneja & Associates, shared with us along with our review of the financial controls over financial reporting of the Company. 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.

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 HARIBHAKTI & CO.,
Chartered Accountants
Firm Reg. No. 118013W

Hitesh J. Desai
Partner
M. No. 037569

Place:- Mumbai
Date:- 14th May 2016

Balance Sheet

as at March 31, 2016

	Note No.	As at March 31, 2016 ₹ in Lakhs	As at March 31, 2015 ₹ in Lakhs
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share capital	3	2,596.03	2,596.03
Reserves and surplus	4	(2,097.49)	(1,768.69)
		498.54	827.34
Non-Current liabilities			
Long-term provisions	5	8.78	5.90
		8.78	5.90
Current Liabilities			
Trade Payables			
Total outstanding dues of Micro enterprises and small enterprises		0.01	—
Total outstanding dues of creditors other than Micro enterprises and small enterprises		57.59	44.29
Other current liabilities	6	55.44	2.10
Short-term provisions	7	2.52	0.02
		115.56	46.41
TOTAL		622.88	879.65
ASSETS			
Non-Current Assets			
Fixed assets			
Tangible assets	8	39.75	43.92
Intangible assets	8	—	459.01
		39.75	502.93
Long-term loans and advances	9	50.13	50.55
		89.88	553.48
Current Assets			
Inventories	10	49.77	34.15
Trade receivables	11	146.68	183.10
Cash and bank balances	12	319.63	94.91
Short-term loans and advances	13	10.69	9.51
Other current assets	14	6.23	4.50
		533.00	326.17
TOTAL		622.88	879.65
Summary of Significant Accounting Policies	2		
The notes are an integral part of the Financial Statements			

This is the Balance Sheet referred to in our report of even date

For Haribhakti & Co.

Firm Registration Number: 118013W

Chartered Accountants

Hitesh J Desai

Partner

Rajesh Laddha

Director

N. L. Bhatia

Director

Membership No. 037569

Karthik Muralidharan

Chief Financial Officer

Maneesh Sharma

Company Secretary

Mumbai, May 14, 2016

Mumbai, May 14, 2016

Statement of Profit and Loss

for the Year Ended March 31, 2016

	Note No.	Year Ended March 31, 2016 ₹ in Lakhs	Year Ended March 31, 2015 ₹ in Lakhs
Revenue from operations	15	632.02	453.60
Other Income	16	25.76	36.96
Total Revenue		657.78	490.56
Expenses			
Cost of raw and packing materials consumed	17	209.39	86.65
Purchases of stock-in-trade	18	15.20	121.00
Changes in inventories of finished goods, work-in-progress and stock-in-trade	19	11.62	(26.20)
Employee benefits expense	20	91.60	57.10
Finance costs	21	0.29	—
Depreciation and amortization expense	8	463.18	464.03
Other expenses	22	195.30	133.89
Total Expenses		986.58	836.47
Profit/(Loss) Before Exceptional Items and Tax		(328.80)	(345.91)
Exceptional Items		—	—
Profit/(Loss) before Tax		(328.80)	(345.91)
Less: Tax Expenses			
Current Tax		—	—
Deferred Tax		—	—
Profit/(Loss) for the Year		(328.80)	(345.91)
Earning/(Loss) Per Share (Basic / Diluted) (₹) (Face Value of ₹ 10/- each)		(1.27)	(1.33)
The notes are an integral part of the Financial Statements			

This is the Statement of Profit and Loss referred to in our report of even date

For Haribhakti & Co.

Firm Registration Number: 118013W
Chartered Accountants

Hitesh J Desai
Partner

Membership No. 037569

Mumbai, May 14, 2016

Rajesh Laddha

Karthik Muralidharan

Mumbai, May 14, 2016

Director

Chief Financial Officer

N. L. Bhatia

Director

Maneesh Sharma Company Secretary

Cash Flow Statement

for the Year Ended March 31, 2016

	Year Ended March 31, 2016 ₹ in Lakhs	Year Ended March 31, 2015 ₹ in Lakhs
A. CASH FLOW FROM OPERATING ACTIVITIES		
(Loss) before tax	(328.80)	(345.91)
Adjustments for:		
Depreciation and amortization expense	463.18	464.03
Finance Costs	0.29	-
Interest Income	(7.36)	(4.50)
Unrealised foreign exchange (gain) / loss	(1.17)	(0.78)
Provision for Doubtful Debts	2.70	-
Operating Profit/(Loss) Before Working Capital Changes	128.84	112.84
Adjustments For Changes in Working Capital :		
(Increase)/Decrease in Trade Receivables	34.89	(39.33)
(Increase)/Decrease in Inventories	(15.62)	(34.15)
Increase / (Decrease) in Long Term Provisions	2.88	2.81
Increase/ (Decrease) in Short Term Provisions	2.50	(0.02)
Increase / (Decrease) in Other Current Liabilities	53.32	(20.30)
Increase / (Decrease) in Trade Payables	13.05	(22.70)
(Increase)/Decrease in Long Term Loans and Advances	0.42	8.30
(Increase) /Decrease in Short Term Loans and Advances	(1.18)	(1.50)
Cash Generated From Operations	219.10	5.94
Taxes paid	—	—
Net Cash Generated From Operating Activities (A)	219.10	5.94
B. CASH FLOW FROM INVESTING ACTIVITIES		
Bank balances not considered as Cash and cash equivalents		
– Fixed deposits placed	(225.00)	(60.50)
– Fixed deposits matured	85.00	—
Interest income	5.63	—
Net Cash (Used in) Investing Activities (B)	(134.37)	(60.50)

Cash Flow Statement

for the Year Ended March 31, 2015

	Year Ended March 31, 2016 ₹ in Lakhs	Year Ended March 31, 2015 ₹ in Lakhs
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Short Term Borrowings		
Receipts	—	—
Payments	—	—
Finance Costs Paid	—	—
Net Cash Generated (Used in) Financing Activities (C)	—	—
Net Increase/(Decrease) in Cash and Cash Equivalents (A)+(B)+(C)	84.73	(54.56)
Cash and Cash Equivalents As At 31.03.2015	34.40	88.96
Cash and Cash Equivalents As At 31.03.2016	119.13	34.40
Cash and Cash Equivalents Comprise		
Cash on Hand	0.01	0.34
Balance with Scheduled Banks in Current Accounts	119.12	34.07
	119.13	34.41

Notes :

- The above Cash Flow Statement has been prepared under the 'Indirect Method' set out in Accounting Standard-3 issued by the Institute of Chartered Accountants of India.
- Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

This is the Cash Flow Statement referred to in our report of even date

For Haribhakti & Co.

Firm Registration Number: 118013W
Chartered Accountants

Hitesh J Desai
Partner

Membership No. 037569

Mumbai, May 14, 2016

Rajesh Laddha

Karthik Muralidharan

Mumbai, May 14, 2016

Director

Chief Financial Officer

N. L. Bhatia

Maneesh Sharma

Director

Company Secretary

Notes to Financial Statements

for the Year Ended March 31, 2016

1. GENERAL INFORMATION

Piramal Phytocare Limited ("the Company") is engaged in Manufacturing & Marketing of Herbal Products and other products. The Company is a public limited company and is listed on the Bombay Stock Exchange and the National Stock Exchange.

2. SIGNIFICANT ACCOUNTING POLICIES

i) Basis of Accounting

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

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

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

From the current year, the company has presented the figures in lakhs instead of millions. Previous year figures have also been presented accordingly.

ii) Fixed Assets and Depreciation

a) Fixed Assets

Intangibles

Intangible assets are stated at acquisition cost, net of accumulated amortisation and accumulated impairment losses, if any.

Tangibles

All tangible assets are stated at cost of acquisition, less accumulated depreciation. In the case of tangible assets acquired for new projects / expansion, interest cost on borrowings and other related expenses incurred upto the date of completion of project are capitalised.

b) Depreciation

Intangibles

Goodwill arising on Demerger is amortised over a period of five years.

Tangibles

Depreciation on tangible assets has been provided on straight line method as per Useful life specified in Schedule II of the Companies Act, 2013.

Depreciation on additions / deletions of assets during the year is provided on a pro-rata basis.

Notes to Financial Statements (Contd.)

for the Year Ended March 31, 2016

c) Impairment of Assets

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the Statement of Profit and Loss. If at the balance sheet date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount.

iii) Revenue recognition

Sale of goods: Sales are recognised when the significant risks and rewards of ownership in the goods are transferred to the buyer as per the terms of the contract and are recognised net of trade discounts, rebates, sales taxes and excise duties.

Other Income

Lease Rent Income is recognised on accrual basis.

iv) Employee Benefits

The Company has a Defined Contribution Plan for its employee's retirement benefits comprising of Provident Fund, Pension and Superannuation Fund which are administered through its trustees. The Company and eligible employees make monthly contributions to the Staff Provident Fund of Piramal Healthcare Limited equal to specified percentage of the covered employee's salary. The interest rate payable by the Provident Fund trust to the beneficiaries every year is being notified by the Government. The Company contributes to Superannuation Fund and Employee's Pension Scheme 1995 and has no further obligations to the plan beyond its monthly contribution.

The Company has a Defined Benefit Plan comprising of Gratuity Fund, Leave Encashment, and Long Term Service Award.

Gratuity: The Company provides for gratuity, a defined benefit plan (the "Gratuity Plan") covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses/ gains are recognized in the Statement of Profit and Loss in the year in which they arise.

Leave Encashment: Provision for Leave Encashment, which are expected to be availed and encashed within 12 months from the end of the year are treated as short term employee benefits. The obligation towards the same is measured at the expected cost of leave encashment as the additional amount expected to be paid as a result of the unused entitlement as at the year end.

Leave Encashment, which are expected to be availed or encashed beyond 12 months from the end of the year are treated as other long term employee benefits. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses/ gains are recognised in the Statement of Profit and Loss in the year in which they arise.

Long Term Service Award: The liability for Long Term Service Award is determined on the basis of an independent actuarial valuation done at the year-end.

Actuarial gains and losses comprise experience adjustments and the effects of changes in actuarial assumptions and are recognised in the Statement of Profit and Loss in the year in which they arise.

v) Inventories

Inventories are stated at lower of cost or net realizable value. Cost is determined on Weighted Average basis. The cost of finished goods and work in progress comprises raw materials, packing material, direct labour, other direct costs and related production overheads.

Net realizable value is the estimate of the selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

Notes to Financial Statements (Contd.)

for the Year Ended March 31, 2016

vi) Foreign Currency Transaction

The transactions in foreign exchange are accounted at the exchange rate prevailing on the date of transactions. Gain or loss resulting from the settlement of such transaction and from the translation of monetary assets and liabilities denominated in foreign currency are recognised in the Statement of Profit and Loss.

vii) Taxes on Income

Current Tax

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

Deferred Taxation

Deferred Tax resulting from timing differences between book and tax profits is accounted for under the liability method, at the current rate of tax, to the extent that the timing differences are expected to crystallise.

viii) Provisions and Contingent Liabilities

Provisions: Provisions are recognised when there is a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation.

Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance sheet date and are not discounted to its present value.

Contingent Liabilities: Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

Notes to Financial Statements (Contd.)

for the Year Ended March 31, 2016

	As at March 31, 2016 ₹ in Lakhs	As at March 31, 2015 ₹ in Lakhs
3. SHARE CAPITAL		
Authorised Shares		
3,00,00,000 (3,00,00,000) Equity Shares of ₹ 10/- each	3,000.00	3,000.00
	<u>3,000.00</u>	<u>3,000.00</u>
Issued, Subscribed and Paid up Shares		
2,59,60,340 (2,59,60,340) Equity Shares of ₹ 10/- each	2,596.03	2,596.03
TOTAL	<u>2,596.03</u>	<u>2,596.03</u>

3.1 Reconciliation of number of shares Equity Shares

Particulars	March 31, 2016		March 31, 2015	
	No. of shares	₹ in Lakhs	No. of shares	₹ in Lakhs
At the beginning of the year	25,960,340	2,596.03	25,960,340	2,596.03
Add: Issued during the year	—	—	—	—
Less: Shares cancelled during the year	—	—	—	—
At the end of the year	25,960,340	2,596.03	25,960,340	2,596.03

3.2 Details of shareholders holding more than 5% shares in the Company

Particulars	March 31, 2016		March 31, 2015	
	No. of shares	% Holding	No. of shares	% Holding
Piramal Enterprises Limited	4,550,000	17.53%	4,550,000	17.53%
The Sri Krishna Trust through its Trustees, Mr. Ajay G. Piramal and Dr. (Mrs.) Swati A. Piramal (Previously held through its Corporate Trustees, Piramal Management Services Private Limited)	8,593,440	33.10%	8,593,440	33.10%

3.3 Rights, preferences and restrictions attached to shares

Equity Shares:

The Company has one class of equity shares having a par value of ₹ 10/- per share. Each shareholder is eligible for one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

	As at March 31, 2016 ₹ in Lakhs	As at March 31, 2015 ₹ in Lakhs
4. RESERVES AND SURPLUS		
SECURITIES PREMIUM ACCOUNT		
As per last Balance Sheet	250.44	250.44
Movement during the year	—	—
	<u>250.44</u>	<u>250.44</u>
SURPLUS IN STATEMENT OF PROFIT AND LOSS		
As per Last Balance Sheet	(2,019.13)	(1,673.22)
Profit/(Loss) for the year	(328.80)	(345.91)
	<u>(2,347.93)</u>	<u>(2,019.13)</u>
TOTAL	<u>2,097.49</u>	<u>(1,768.69)</u>

Notes to Financial Statements (Contd.)

for the Year Ended March 31, 2016

	As at March 31, 2016 ₹ in Lakhs	As at March 31, 2015 ₹ in Lakhs
5. LONG-TERM PROVISIONS		
Provision for employee benefits	8.78	5.90
TOTAL	8.78	5.90
6. OTHER CURRENT LIABILITIES		
Advance From Customers	52.27	—
Other payables		
– Employee Related Liabilities	1.51	1.20
– Statutory Dues (including tax deducted at source)	1.66	0.90
	3.17	2.10
TOTAL	55.44	2.10
7. SHORT-TERM PROVISIONS		
Provision for employee benefits	2.52	0.02
TOTAL	2.52	0.02

8. FIXED ASSETS

₹ in Lakhs

Particulars	COST				DEPRECIATION / AMORTISATION				NET BLOCK	
	Opening As at 01/04/2015	Additions	Deductions	As at 31/03/2016 (A)	Opening as at 01/04/2015	For the Year	Deductions	As at 31/03/2016 (B)	As at 31/03/2016 (A-B)	As at 31/03/2015
Tangible Assets										
Plant and Equipments	55.25	—	—	55.25	13.24	3.85	—	17.09	38.16	42.01
Furniture and Fixtures	2.77	—	—	2.77	0.86	0.32	—	1.18	1.59	1.91
Total	58.02	—	—	58.02	14.10	4.17	—	18.27	39.75	43.92
Intangible Assets										
Goodwill on Demerger	2,295.07	—	—	2,295.07	1,836.06	459.01	—	2,295.07	—	459.01
Total	2,295.07	—	—	2,295.07	1,836.06	459.01	—	2,295.07	—	459.01
Grand Total	2,353.09	—	—	2,353.09	1,850.16	463.18	—	2,313.34	39.75	502.93
Previous Year	2,353.09	—	—	2,353.09	1,386.13	464.03	—	1,850.16	502.93	967.51

Refer Note 2 (ii)

Notes to Financial Statements (Contd.)

for the Year Ended March 31, 2016

	As at March 31, 2016 ₹ in Lakhs	As at March 31, 2015 ₹ in Lakhs
9. LONG-TERM LOANS AND ADVANCES		
Advance Tax [Net of Provision of Nil (Previous year Nil)]	50.13	50.55
TOTAL	50.13	50.55
10. INVENTORIES (Refer Note 2 (v))		
Raw and Packing Materials	35.19	8.00
Work in Progress	—	25.80
Finished Goods	14.58	0.35
TOTAL	49.77	34.15
11. TRADE RECEIVABLES		
i. Outstanding for a period exceeding 6 months from the date they are due for payment		
Unsecured - considered good	6.39	5.00
Unsecured - considered doubtful	2.70	—
Less: Provision for doubtful debts	2.70	—
	6.39	5.00
ii. Others - Considered good		
Unsecured	140.29	178.10
Less: Provision for doubtful debts	—	—
	140.29	178.10
TOTAL	146.68	183.10
12. CASH AND BANK BALANCES		
— Cash and Cash equivalents		
i. Cash on Hand	0.01	0.34
ii. Balances with Banks - Current account	119.12	34.07
	119.13	34.41
	119.13	34.41
— Other bank balances		
i. Other deposits with original maturity more than 3 months but less than 12 months	200.00	60.00
ii. Earmarked balances with banks		
— Deposit Accounts	0.50	0.50
	200.50	60.50
	200.50	60.50
TOTAL	319.63	94.91

Notes to Financial Statements (Contd.)

for the Year Ended March 31, 2016

	As at March 31, 2016 ₹ in Lakhs	As at March 31, 2015 ₹ in Lakhs		
13. SHORT - TERM LOANS AND ADVANCES				
Advances recoverable in cash or in kind or for value to be received				
Unsecured and Considered Good	10.69	9.51		
TOTAL	10.69	9.51		
14. OTHER CURRENT ASSETS				
Interest Receivable	6.23	4.50		
TOTAL	6.23	4.50		
	Year Ended March 31, 2016 ₹ in Lakhs	Year Ended March 31, 2015 ₹ in Lakhs		
15. REVENUE FROM OPERATIONS				
Sale of Products	632.02	453.60		
TOTAL	632.02	453.60		
Sale of products comprises of:	Manufactured	Traded	Manufactured	Traded
Tablets & Capsules	183.93	49.07	110.00	302.00
Liquids	399.02	—	4.00	1.00
GEL	—	—	—	32.00
Cream	—	—	—	4.60
TOTAL	582.95	49.07	114.00	339.60
16. OTHER INCOME				
Interest Income on Bank deposits	7.36			4.50
Exchange Gain (Net)	3.40			0.80
Rent Received	15.00			15.00
Miscellaneous Income	—			16.66
TOTAL	25.76			36.96
17. COST OF RAW AND PACKING MATERIALS CONSUMED				
Opening Stock	8.00			—
Add: Purchases (Net)	236.58			94.65
Less: Closing Stock	35.19			8.00
TOTAL	209.39			86.65

Notes to Financial Statements (Contd.)

for the Year Ended March 31, 2016

	Year Ended March 31, 2016 ₹ in Lakhs	Year Ended March 31, 2015 ₹ in Lakhs
18. PURCHASES OF STOCK-IN-TRADE		
Traded Goods	15.20	121.00
TOTAL	15.20	121.00
Purchases of Stock-in-Trade comprises of		
Tablets & Capsules	15.20	112.00
Liquids	—	2.00
GEL	—	7.00
Cream	—	*
TOTAL	15.20	121.00
19. CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE		
OPENING STOCKS :		
Finished Goods	0.35	—
Work in Progress	25.85	—
	26.20	—
CLOSING STOCKS :		
Finished Goods	14.58	0.35
Work in Progress	—	25.85
	14.58	26.20
TOTAL	11.62	(26.20)
20. EMPLOYEE BENEFITS EXPENSE		
Salaries and Wages	76.57	50.20
Contribution to Provident and Other Funds (Refer Note 23)	3.43	2.18
Contribution to Gratuity Fund (Refer Note 23)	5.28	1.02
Staff Welfare	6.32	3.70
TOTAL	91.60	57.10
21. FINANCE COSTS		
Interest	0.29	—
TOTAL	0.29	—

*Amount is below the rounding off threshold applied by the Company

Notes to Financial Statements (Contd.)

for the Year Ended March 31, 2016

	Year Ended March 31, 2016 ₹ in Lakhs	Year Ended March 31, 2015 ₹ in Lakhs
22. OTHER EXPENSES		
Processing Charges	51.61	8.60
Consumption of Stores and Spares Parts	1.99	2.40
Consumption of Laboratory materials	5.97	2.30
Rent - Others	0.58	—
Rates & Taxes	6.13	5.30
Insurance	6.19	7.20
Travelling Expenses	3.83	3.60
Directors Sitting Fees	4.80	5.20
Provision for Doubtful Debts	2.70	—
Advertisement and Business Promotion Expenses	3.07	11.80
Freight	33.88	9.50
Audit Fee	1.50	1.00
Communication and Postage	16.58	20.10
Royalty	1.08	2.47
Printing and Stationery	15.37	23.10
Legal Charges	—	1.00
Professional Charges	33.48	29.11
Miscellaneous Expenses	6.54	1.21
TOTAL	195.30	133.89

23. EMPLOYEE BENEFITS

The disclosures required as per the revised AS - 15 are as under:

Brief description of the Plans:

The Company has various schemes for long term benefits such as Provident Fund, Superannuation, Gratuity, Leave Encashment, Pension and Long Term Service Award. In case of funded schemes, the funds are administered through trustees. The Company's defined contribution plans are Provident Funds, Superannuation and Employees Pension Scheme (under the provisions of the Employees Provident Funds and Miscellaneous Provisions Act, 1952). The Company has no further obligation beyond making the contributions. The Company's defined benefit plans include Gratuity, Leave Encashment and Long Term Service Award.

The Company contributes to the approved Staff Provident Fund of Piramal Healthcare Limited. The Company has no further obligations beyond making these contributions.

I. Charge to the Statement of Profit and Loss based on contributions:

₹ in Lakhs

	Year ended March 31, 2016	Year ended March 31, 2015
Employer's contribution to Provident Fund	2.69	1.70
Employer's contribution to Employees Pension Scheme, 1995	0.74	0.47
Employer's contribution to Superannuation Fund	—	—

Included in Contribution to Gratuity, Provident and Other Funds (Refer Note 20).

Notes to Financial Statements (Contd.)

for the Year Ended March 31, 2016

II. Disclosures for defined benefit plans based on actuarial reports as on March 31, 2016

A. Change in Defined Benefit Obligation

₹ in Lakhs

	As at March 31, 2016		As at March 31, 2015	
	Gratuity (Funded)	Long Term Service Award (Non Funded)	Gratuity (Funded)	Long Term Service Award (Non Funded)
Present Value of Defined Benefit Obligation as at the beginning of the year	6.82	0.19	4.58	0.42
Interest Cost	0.54	0.02	0.43	0.04
Current Service Cost	0.67	0.01	0.62	0.02
Past Service Cost(Vested Benefits Incurred During the Period)	–	0.67	–	–
Benefits Paid	–	–	–	–
Actuarial (gain) / loss	3.13	0.10	1.19	(0.29)
Present Value of Defined Benefit Obligation as at the end of the year	11.16	0.99	6.82	0.19

B. Changes in the Fair Value of Assets

₹ in Lakhs

	As at March 31, 2016		As at March 31, 2015	
	Gratuity (Funded)	Long Term Service Award (Non Funded)	Gratuity (Funded)	Long Term Service Award (Non Funded)
Fair Value of Plan Assets as at beginning of the year	10.35	–	9.14	–
Expected Return on Plan Assets	0.82	–	0.79	–
Actuarial gain / (loss)	(1.76)	–	0.42	–
Fair Value of Plan Assets as at end of the year	9.41	–	10.35	–

C. Reconciliation of Present Value of Defined Benefit Obligation and the Fair Value of Assets

₹ in Lakhs

	As at March 31, 2016		As at March 31, 2015	
	Gratuity (Funded)	Long Term Service Award (Non Funded)	Gratuity (Funded)	Long Term Service Award (Non Funded)
Present Value of Funded Obligation as at end of the year	11.16	–	6.82	–
Fair Value of Plan Assets as at end of the year	9.41	–	10.35	–
Funded (Assets) recognized in the Balance Sheet (Refer Note No. 5 and 7)	1.75	–	(3.53)	–
Present Value of Unfunded Obligation as at end of the year	–	0.99	–	0.19
Unfunded Liability recognised in the Balance Sheet (Refer Note No. 5 and 7)	–	0.99	–	0.19

Notes to Financial Statements (Contd.)

for the Year Ended March 31, 2016

D. Amount recognised in the Balance Sheet

₹ in Lakhs

	As at March 31, 2016		As at March 31, 2015	
	Gratuity (Funded)	Long Term Service Award (Non Funded)	Gratuity (Funded)	Long Term Service Award (Non Funded)
Present Value of Defined Benefit Obligation as at the end of the year	11.16	0.99	6.82	0.19
Fair Value of Plan Assets as at end of the year	9.41	–	10.35	–
Net Liability / (Assets) recognised in the Balance Sheet (Refer Note No. 5 and 7)	1.75	0.99	[3.53]	0.19

E. Expenses recognised in Statement of Profit and Loss

₹ in Lakhs

	As at March 31, 2016		As at March 31, 2015	
	Gratuity (Funded)	Long Term Service Award (Non Funded)	Gratuity (Funded)	Long Term Service Award (Non Funded)
Current Service Cost	0.67	0.01	0.62	0.02
Past Service Cost	–	0.67	–	–
Interest Cost	0.54	0.02	0.43	0.04
Expected Return on Plan Assets	(0.82)	–	(0.79)	–
Net Actuarial (Gain) / Loss	4.89	0.10	0.76	(0.29)
Total Expenses recognised in the Statement of Profit and Loss#	5.28	0.80	1.02	(0.23)

#Included in Employee Benefit Expenses, Contribution to Gratuity Fund (Refer Note No. 20)

F. Actual Return on Plan Assets

₹ in Lakhs

	As at March 31, 2016		As at March 31, 2015	
	Gratuity (Funded)	Long Term Service Award (Non Funded)	Gratuity (Funded)	Long Term Service Award (Non Funded)
Expected Return on Plan Assets	0.82	–	0.79	–
Actuarial gain / (loss) on Plan Assets	(1.76)	–	0.42	–
Actual Return on Plan Assets	(0.94)	–	1.21	–

G. Asset Information

[%]

	As at March 31, 2016		As at March 31, 2015	
	Gratuity (Funded)	Long Term Service Award (Non Funded)	Gratuity (Funded)	Long Term Service Award (Non Funded)
Government Securities (Central and State)	54.12	–	50.40	–
Corporate Bonds	36.25	–	49.60	–
Equity Shares of Listed Companies	9.63	–	–	–

Notes to Financial Statements (Contd.)

for the Year Ended March 31, 2016

H. Principal actuarial assumptions used

	As at March 31, 2016		As at March 31, 2015	
	Gratuity (Funded)	Long Term Service Award (Non Funded)	Gratuity (Funded)	Long Term Service Award (Non Funded)
Discount Rate (per annum)	7.85%	7.85%	7.96%	7.96%
Expected Rate of return on Plan Assets (per annum)	7.85%	–	7.96%	–

I. Experience Adjustments

₹ in Lakhs

	Gratuity (Funded)				
	As at March 31,				
	2016	2015	2014	2013	2012
Defined Benefit Obligation	11.16	6.82	4.58	3.74	3.00
Plan Assets	9.41	10.35	9.14	12.51	11.00
Deficit / (Surplus)	1.75	(3.54)	(4.56)	(8.77)	(8.00)
Experience adjustment on plan liabilities loss / (gain)	3.08	1.19	1.65	3.14	(111.00)
Experience adjustment on plan assets gain / (loss)	(1.76)	0.42	(2.08)	4.45	(73.69)

₹ in Lakhs

	Long Term Service Award (Non Funded)				
	As at March 31,				
	2016	2015	2014	2013	2012
Defined Benefit Obligation	0.99	0.19	0.42	0.24	*
Plan Assets	–	–	–	–	–
Deficit / (Surplus)	0.99	0.19	0.42	0.24	*
Experience adjustment on plan liabilities loss / (gain)	0.10	(0.29)	(0.05)	0.12	1.00
Experience adjustment on plan assets gain / (loss)	–	–	–	–	–

*Amount is below the rounding off threshold applied by the Company

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.

J. Expected employer's contribution for the next year is ₹ 1.75 Lakhs (Previous Year ₹ 0.00 Lakhs) For Gratuity.

K. The liability for Leave Encashment (Non - Funded) as at year-end is ₹ 8.51 Lakhs (Previous year ₹ 6.00 Lakhs).

The expected rate of return on plan assets is based on market expectations at the beginning of the year. The rate of return on long-term government bonds is taken as reference for this purpose.

24. There is no virtual certainty supported by convincing evidence that future taxable income will be available. Accordingly no Deferred Tax Asset and Deferred Tax Liability has been created.

Notes to Financial Statements (Contd.)

for the Year Ended March 31, 2016

25. There are no derivative / forward contracts outstanding as on March 31, 2016.

Particulars of unhedged foreign currency exposures as at the reporting date

	March 31, 2016	March 31, 2015
Advances from Customers		
– USD in Lakhs	0.79	–
– ₹ in Lakhs	52.27	–
Trade Receivables		
– USD in Lakhs	0.33	0.53
– ₹ in Lakhs	22.11	33.23

26. Payment to Auditor in Other Expenses (Note 22) consists of:

₹ in Lakhs

	March 31, 2016	March 31, 2015
As Auditor	1.50	1.20
For Other Services	–	–
For Reimbursement of Expenses	–	–
	1.50	1.20

27. The Company is mainly engaged in Manufacturing & Marketing of Herbal Products which is considered the Primary reportable business segment as per AS - 17 "Segment Reporting" issued by Institute of Chartered Accountants of India.

28. Related Party Disclosures, as required by Accounting Standard -18 "Related Party Disclosures" issued by the Institute of Chartered Accountants of India are given below:

A. Controlling Companies

- The Ajay G. Piramal Foundation*
- Ajay G. Piramal - Trustee Piramal Life Sciences Limited Senior Employee's Stock Option Trust*
- Piramal Corporate Services Limited Trustee of Piramal Welfare Trust (Formerly Piramal Enterprises Limited Trustee of the Piramal Enterprises Executive Trust)*
- The Sri Krishna Trust through its Trustees, Mr. Ajay G. Piramal and Dr. (Mrs.) Swati A. Piramal (Previously held through its Corporate Trustees, Piramal Management Services Private Limited)*

*There are no transactions with the above related parties during the year.

B. Other related parties where common control exists

- Piramal Enterprises Limited

C. Key Management Personnel

- Dr. Ashish Suthar

₹ in Lakhs

Details of Transactions	Key Management Personnel	
	2016	2015
Remuneration		
– Dr. Ashish Suthar	26.31	21.70
	26.31	21.70

₹ in Lakhs

Details of Transactions	Other Related Parties	
	2016	2015
Reimbursement of Expenses		
– Piramal Enterprises Limited	10.88	10.88
TOTAL	10.88	10.88

Notes to Financial Statements (Contd.)

for the Year Ended March 31, 2016

Details of Transactions	Other Related Parties	
	2016	2015
Royalty		
– Piramal Enterprises Limited	1.08	2.77
TOTAL	1.08	2.77
Outstanding Balance (payable)		
– Piramal Enterprises Limited	0.09	0.57
TOTAL	0.09	0.57

₹ in Lakhs

29.	For the year ended March 31, 2016	For the year ended March 31, 2015
a) Expenditure in Foreign Currency		
i) Professional Fees	–	2.70
ii) Subscription / Conference	0.21	–
iii) Others	1.43	–
b) Earnings in Foreign Currency		
i) Export of Goods on FOB basis	395.01	153.14

30. Disclosures as required by the Micro, Small and Medium Enterprises Development Act, 2006 are as under:

₹ in Lakhs

Particulars	As at March 31, 2016	As at March 31, 2015
Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	0.01	–
Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	0.29	–
Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	17.89	–
Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	–	–
Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	–	–
Interest due and payable towards suppliers registered under MSMED Act, for payments already made	0.29	–
Further interest remaining due and payable for earlier years	–	–

The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company.

31. Earning Per Share (EPS) - EPS is calculated by dividing the loss attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year. Numbers used for calculating basic and diluted earnings per equity share are as stated below:

₹ in Lakhs

	For the year ended March 31, 2016	For the year ended March 31, 2015
Loss after tax (₹ in Lakhs)	(328.80)	(345.91)
Weighted Number of Shares (nos.)	25,960,340	25,960,340
Basic/Diluted Earning Per Share (₹)	(1.27)	(1.33)
Face value per share (₹)	10.00	10.00

Notes to Financial Statements (Contd.)

for the Year Ended March 31, 2016

32. a. Materials Consumed

₹ in Lakhs

Particulars	Year ended March 31, 2016	Year Ended March 31, 2015
Herbal extracts	43.75	13.90
Capsules	8.38	6.00
Sugar	14.44	0.18
Packing materials	112.68	37.00
Others *	30.13	29.57
TOTAL	209.39	86.65

* containing various raw materials, none of which represents more than 5% of total consumption of raw materials

Particulars	Year Ended March 31, 2016		Year Ended March 31, 2015	
	(₹ in Lakhs)	%	(₹ in Lakhs)	%
Indigenous	209.39	100.00	86.65	100.00
TOTAL	209.39	100.00	86.65	100.00

b) Stores and Spares Parts Consumed

Particulars	Year Ended March 31, 2016		Year Ended March 31, 2015	
	(₹ in Lakhs)	%	(₹ in Lakhs)	%
Indigenous	1.99	100.00	2.40	100.00
TOTAL	1.99	100.00	2.40	100.00

33. Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification/ disclosure.

Signature to note 1 to 33 of financial statements.

For Haribhakti & Co.

Firm Registration Number: 118013W

Chartered Accountants

Hitesh J Desai

Partner

Membership No. 037569

Mumbai, May 14, 2016

Rajesh Laddha

Director

Karthik Muralidharan

Chief Financial Officer

Mumbai, May 14, 2016

N. L. Bhatia

Director

Maneesh Sharma

Company Secretary

PIRAMAL PHYTOCARE LIMITED
CIN: L73100MH2001PLC132523

Registered Office: Piramal Tower, Ganpatrao Kadam Marg, Lower Parel, Mumbai - 400 013.

Tel. No.: (91 22) 30467953 **Fax No.:** (91 22) 30467855

Website: www.piramalphytocare.com **E-mail Id:** complianceofficer.ppl@piramal.com
Share Transfer Agent: Link Intime India Pvt. Ltd., C-13, Pannalal Silk Mills Compound, LBS Marg, Bhandup (West), Mumbai - 400 078.

ATTENDANCE SLIP

I/We hereby record my/our presence at the 15th Annual General Meeting of the Company held at Walchand Hirachand Hall, Indian Merchants' Chambers Building, 4th Floor, IMC Marg, Churchgate, Mumbai – 400 020 at 3.00 p.m. on Thursday, the 4th day of August, 2016.

DP ID*	Folio No.
Client ID*	No. of Shares

Name and Address of the Shareholder(s)		
If Shareholder(s), please sign here	If Proxy, please mention name and sign here	
	Name of Proxy	Signature

* Applicable for shareholders holding shares in electronic form.

Note:

Shareholder/Proxy holder, as the case may be, is requested to produce the attendance slip duly signed at the entrance of the Meeting venue.

ELECTRONIC VOTING PARTICULARS

Electronic Voting Sequence Number (EVSN)	*Default Sequence Number

* Members who have not updated their PAN with the Company / Depository Participant shall use default Sequence Number in the PAN field. Other members should use their PAN.

PIRAMAL PHYTOCARE LIMITED
CIN: L73100MH2001PLC132523

Registered Office: Piramal Tower, Ganpatrao Kadam Marg, Lower Parel, Mumbai - 400 013.

Tel. No.: (91 22) 30467953 **Fax No.:** (91 22) 30467855

Website: www.piramalphytocare.com **E-mail Id:** complianceofficer.ppl@piramal.com
Share Transfer Agent: Link Intime India Pvt. Ltd., C-13, Pannalal Silk Mills Compound, LBS Marg, Bhandup (West), Mumbai - 400 078.

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:

E-mail Id:

Folio No/ Client Id: DP ID:

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

 1. Name: Address:
 E-mail Id: Signature:, or failing him / her

 2. Name: Address:
 E-mail Id: Signature:, or failing him / her

 3. Name: Address:
 E-mail Id: Signature:

 as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 15th Annual General Meeting of the Company to be held at Walchand Hirachand Hall, Indian Merchants' Chambers Building, 4th Floor, IMC Marg, Churchgate, Mumbai – 400 020 at 3.00 p.m. on Thursday, the 4th day of August, 2016 and at any adjournment thereof in respect of such resolutions as are indicated below:

** I/We wish my above proxy(ies) to vote in the manner as indicated in the box below:

Sr. No.	Resolutions	For	Against	Abstain
1.	Adoption of Audited Financial Statements and the Reports of the Directors and Auditors thereon for the financial year ended March 31, 2016			
2.	Re-appointment of Dr. Vandana Sonavaria, Director who retires by rotation			
3.	Ratification of appointment of Auditors			
4.	Re-appointment of Dr. Ashish Suthar as Manager			

Signed this day of 2016.

 Affix
revenue
stamp

Signature of shareholder

Signature of first proxy holder

Signature of second proxy holder

Signature of third proxy holder

** This is only optional. Please put a 'v' in the appropriate column against the resolutions indicated in the Box. Alternatively, you may mention the number of shares in the appropriate column in respect of which you would like your proxy to vote. If you leave all the columns blank against any or all the resolutions, your proxy will be entitled to vote in the manner as he/she thinks appropriate.

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.
- A proxy need not be a member of the Company.
- In case the appointer is a body corporate, the proxy form should be signed under its seal or be signed by an officer or an attorney duly authorized by it and an authenticated copy of such authorisation should be attached to the proxy form.
- A person can act as proxy on behalf of such number of Members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company. Further, a Member holding more than ten percent, of the total share capital of the Company, may appoint a single person as proxy and such person shall not act as proxy for any other person or Member.
- Appointing a proxy does not prevent a member from attending the meeting in person if he so wishes.
- In case of joint holders, the signature of any one holder will be sufficient, but names of all the joint holders should be stated.

INFORMATION FOR SHAREHOLDERS

Registered Office	Piramal Tower, Ganpatrao Kadam Marg, Lower Parel, Mumbai – 400 013. Tel.: (91 22) 3046 7953 Fax: (91 22) 3046 7855 Email ID: complianceofficer.ppl@piramal.com
CIN	L73100MH2001PLC132523
Listing of Equity Shares on Stock Exchanges	BSE Limited (Code - 532979) National Stock Exchange of India Limited (Symbol - PIRPHYTO)
Share Transfer Agent	Link Intime India Pvt. Ltd. C-13, Pannalal Silk Mills Compound, LBS Marg, Bhandup (West), Mumbai-400 078. Tel.: (022) 2594 6970 Fax: (022) 2594 6969 Email ID: piramal.irc@linkintime.co.in

INVESTORS CORRESPONDENCE

Maneesh Sharma
Company Secretary
Piramal Phytocare Limited
1st Floor, Piramal Tower Annexe,
Ganpatrao Kadam Marg,
Lower Parel, Mumbai - 400 013.
Tel.: (91 22) 3046 7953
Fax: (91 22) 3046 7855
Email ID: complianceofficer.ppl@piramal.com



Piramal Phytocare Limited

CIN: L73100MH2001PLC132523

Piramal Tower, Ganpatrao Kadam Marg, Lower Parel, Mumbai 400 013, India

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