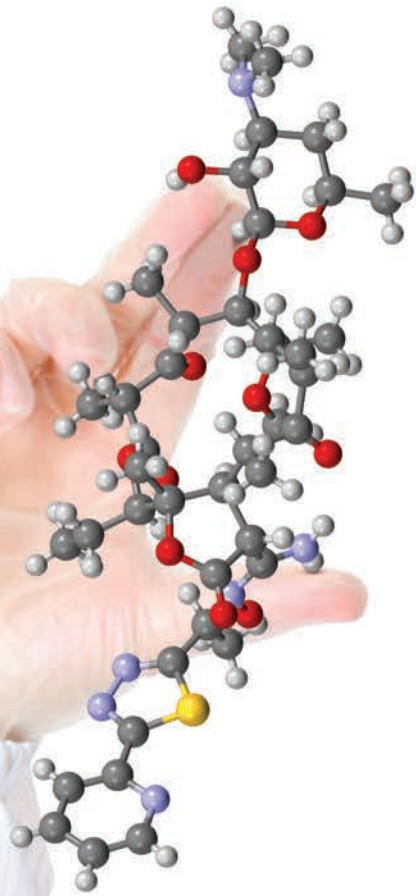


RESEARCH WINS. LIFE WINS.



WOCKHARDT | LIFE WINS



Annual Report 2015-16



Globally, drug-resistant infections have been recognised and acknowledged as a clear and present danger. The US Centers for Disease Control and Prevention (CDC) estimated that antibiotic resistance is responsible for more than 2 million infections and 23,000 deaths each year in the United States, at a direct cost of \$20 billion and additional productivity losses of \$35 billion (CDC 2013). In Europe, an estimated 25,000 deaths are attributable to antibiotic-resistant infections, costing €1.5 billion annually in direct and indirect costs (EMA and ECDC 2009). The worldwide estimates of global antibiotic resistance, published by the World Health Organisation (WHO) in 2014, list *Escherichia coli*, *Klebsiella pneumoniae*, and *Staphylococcus aureus* as the three agents of greatest concern, associated with both hospital and community-acquired infections.

The current global concern and efforts to survive the 'post-antibiotic era' vindicates Wockhardt's research focus on the anti-infectives space over two decades ago. While other global drug manufacturers at that time displayed waning interest in antibiotics, intuition and a competitive analysis of potential market dynamics was reason enough for Wockhardt to create a conceptual framework to focus on antibiotics. And two decades of unwavering focus and diligence has come to fruition.

Today, Wockhardt has the unique distinction of being the only pharmaceutical company in the world to have 5 of its new drugs under development accorded the coveted Qualified Infectious Disease Product (QIDP) status from USFDA.

Considering our corporate credo and given our strong focus and heavy investment on R&D, it is only fitting to say that when Research Wins, Life Wins.

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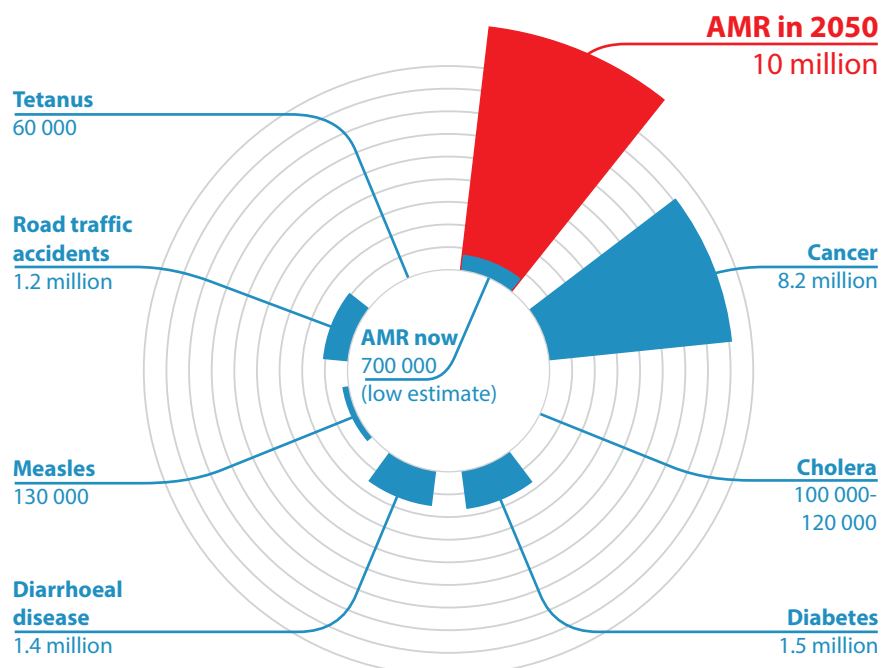


Antimicrobial Resistance (AMR): A global crisis

The Review on AMR, published in May, 2016, cites a current average of 700,000 deaths attributable to AMR every year and estimates that by 2050, 10 million lives every year, and a cumulative USD 100 trillion of economic output will be at risk due to the rise of drug-resistant infections.

The US Centers for Disease Control and Prevention (CDC) has identified and classified several 'Urgent', 'Serious' and 'Concerning' resistance threats that require focus and attention. They include Carbapenem-resistant Enterobacteriaceae (CRE), Multi drug-resistant Acinetobacter, Extended Spectrum β -lactamase producing Enterobacteriaceae (ESBLs), Vancomycin-resistant Enterococcus (VRE), Methicillin-resistant Staphylococcus aureus (MRSA), Vancomycin-resistant Staphylococcus aureus (VRSA) etc.

Deaths attributable to AMR every year



Source: The Review on Antimicrobial Resistance, Jim O'Neill, 2016

Wockhardt's New Drug Discoveries to counter AMR

Wockhardt's New Drug Discovery Programme has focused on novel solutions to these very threats for over two decades and has achieved significant successes to fulfill unmet medical needs. Assigned International Nonproprietary Names (INN) by the World Health Organisation, Wockhardt has 5 new drugs, accorded Qualified Infectious Disease Product (QIDP) status by US FDA, in various stages of development.

WCK 5222 is a life-saving combination of Cefepime and Zidebactam (INN for WCK 5107) for MDR blood, lung and urinary tract infections not treatable with most available therapies.

Levonadifloxacin (INN for WCK 771) and Alalevonadifloxacin (INN for WCK 2349) are broader spectrum bactericidal anti-MRSA drugs.

Nafithromycin (INN for WCK 4873) is being developed for community-origin pneumonia, as well as for the treatment of upper respiratory tract infections such as bronchitis and pharyngitis.

WCK 4282 is a combination of Cefepime and Tazobactam which leads to coverage of Multidrug Resistant (MDR) gram negative infections caused by E.coli, Klebsiella and Enterobacter infections in hospital settings.



CHAIRMAN'S STATEMENT

My Dear Shareowners

Last year, we adopted Life Wins as the underlying philosophy and driving principle of everything that we do at Wockhardt. As our corporate credo, Life Wins will continue to characterise what we do and reiterate our commitment to do it the right way.

Research that Wins

Albert Einstein said, "To raise new questions, new possibilities, to regard old problems from a new angle, requires creative imagination and marks real advance in science." I am happy to inform you that Wockhardt's Research & Development division has made significant advances in the pharmaceutical sciences. This year, 3 more of our new drugs under development received breakthrough discovery status by US FDA, taking our tally to 5 new drugs in the anti-infectives space to receive the coveted QIDP (Qualified Infectious Disease Product) status by US FDA.

This makes Wockhardt the only pharmaceutical company in the world to have 5 experimental antibiotic drugs given QIDP status by US FDA, making way for an accelerated drug development cycle in addition to providing a five-year extension of the exclusivity period, post approval.

This momentous achievement catapults Wockhardt amongst a group of select global drug makers that include Roche, Merck, Allergan and AstraZeneca. It validates our long and consistent R&D focus by our New Drug Discovery Programme on antibiotics. Given the global concern over drug-resistant infections, our early focus and recent achievements translate into a tremendous opportunity in the near future.

At Wockhardt, we have always believed that R&D is the key to the future. Naturally, we continue to increase our industry-leading investment in R&D as a percentage of total sales every year. In FY 2015-16, our R&D spend of ₹ 669 crore at 15% of total sales is almost 30% higher

than our investment in R&D of ₹ 515 crore at 11.5% of total sales in FY 2014-15. This financial year, we filed 311 patents and were granted 100 patents, taking cumulative patents filed to 2,579 and patents granted to 441.

Performance that Wins

For the year under review, FY 2015-16, our operations worldwide yielded consolidated revenues of ₹ 4,461 crore and a Profit After Tax of ₹ 326 crore. The marginally lower numbers as compared to FY 2014-15 increased our Net Debt to ₹ 932 crore as compared to ₹ 437 crore in FY 2014-15. Currently, Net Debt to Equity Ratio is 0.24 as compared to 0.12 as on March 31, 2015. Our US business declined by 11% and our EU market declined by 11%.

But there are several wins too. Our Emerging Markets business grew by 36% and our India business grew by 16%. We launched 48 new products in India. We filed 17 ANDAs with US FDA and have received 2 approvals in FY 2015-16, with 84 ANDAs pending approval. Of course, QIDP status for 3 new drugs under development by US FDA, adding to the 2 that got QIDP status in FY 2014-15, is a huge win by itself. At Wockhardt, we are constantly seeking to grow our business, expand our markets and launch new products.

Compliance that Wins

"The only way around is through." Simple and practical words of wisdom by American poet Robert Frost reflect

our approach to regulatory compliance. We have invested significant resources to deploy people, processes and technology to ensure regulatory compliance and I am happy to announce steady progress on that front.

During the year, our L1-Chikalhana, Aurangabad, manufacturing facility was inspected by UK MHRA and they have confirmed the closure of the inspection and issued an unrestricted GMP certificate. Accordingly, supplies have been resumed from L1 facility to UK Market. US FDA has also recently completed inspections of our manufacturing units at Ankleshwar, Gujarat, and Shendra, Aurangabad, and made some observations. They have been responded to. The Shendra manufacturing unit is a new facility supplying to India, UK & Irish markets. Currently we are not supplying any product from the Shendra facility to the US market. Also, our manufacturing facility at Waluj received the Establishment Inspection Report (EIR) from US FDA. We constantly seek and implement measures towards remediation and compliance and are confident of achieving full regulatory compliance soon.

Healthcare that Wins

You will be pleased to know that Wockhardt Hospitals' reputation as a provider of state-of-the-art healthcare services continues to grow. The new-age Wockhardt Hospital that was opened in FY 2014-15 is characteristic of our vision of operating a chain of super specialty hospitals delivering world-class tertiary healthcare and establishing a benchmark in clinical care. We constantly seek to employ experienced professionals, implement advanced treatment regimens and deploy best-in-class technology to offer healthcare services designed to improve and save lives. Every successful procedure that we carry out in all our hospitals is a big win for us.

CSR that Wins

"I slept and dreamt that life was joy. I awoke and saw that life was service. I acted and behold, service was joy." Our joy of giving couldn't be better expressed than by this truly beautiful thought by Rabindranath Tagore. At Wockhardt, our approach to Corporate Social Responsibility (CSR) goes beyond compliance and we initiate and implement social projects and activities with the same zeal and professionalism as we conduct our business.

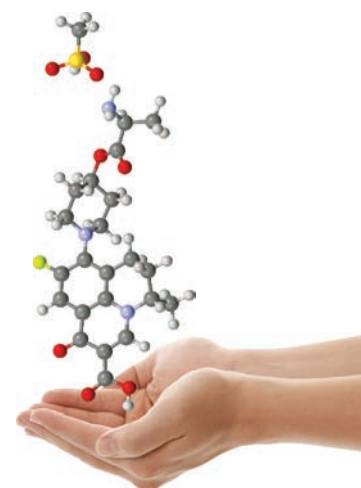
Driven by Wockhardt Foundation in tandem with Wockhardt Hospitals, our social initiatives include mobile medical services, toy libraries, potable water, sanitation, e-learning, skill development etc. Last year, we initiated an ambitious social project by adopting a village and transforming it into an ideal community that lacks nothing. It is a work in progress. At Wockhardt, we constantly seek to enhance and improve the quality of life of underprivileged communities. For us, every smile generated and every life touched is a huge win.

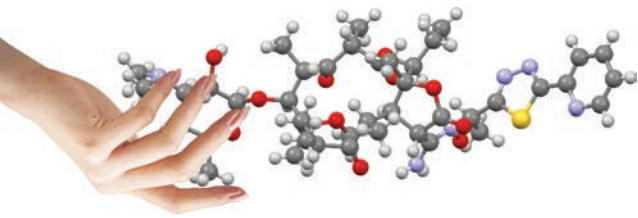
Excellence that Wins

I am happy to announce that excellence has become a byword for Team Wockhardt. 10,000 Wockhardians across 6 continents and 21 nationalities with a global work culture and a global mindset make Wockhardt a truly global organisation. Leadership champion and former CEO of the iconic Campbell Soup Company, Douglas Conant gets it right when he says, "To win in the marketplace you must first win in the workplace." Wockhardt's work culture that considers human capital to be its most valuable asset has ensured that Wockhardt, Wockhardt Hospitals and Wockhardt Foundation have all won leading ranks in the prestigious 'Great Place to Work' Survey. Notable amongst this year's awards are awards won by Dr. Murtaza Khorakiwala, Managing Director, Wockhardt; Dr. Huzaifa Khorakiwala, Executive Director, Wockhardt and Trustee & CEO, Wockhardt Foundation; and Ms. Zahabiya Khorakiwala, Managing Director, Wockhardt Hospitals. We also received the 'Niryat Shree' Award conferred by the Federation of Indian Export Organisations (FIEO) at the hands of the Hon'ble President of India Mr. Pranab Mukherjee. Bound by a common thread of a passion for excellence, Team Wockhardt has surpassed itself this year. They have added to their FY 2014-15 tally of 54 awards for excellence, by winning 64 awards for excellence in FY 2015-16 across functions and departments, on an individual as well as at the organisational level. Team Wockhardt constantly seeks to excel and every win is a measure of their success.

I will conclude with a profound quote by eminent 19th century French physiologist and medical researcher Claude Bernard. "Art is I; science is we." Wockhardt will continue to focus on R&D and innovation. We will continuously seek and strive to do good, act better and do what is best for us and our stakeholders. In this endeavor, every success and every achievement, on an individual as well as on an organisational level, will be a big win.

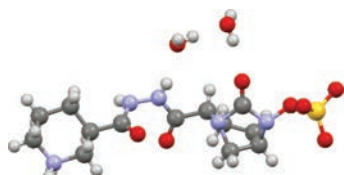
Dr. Habil Khorakiwala,
Founder Chairman & Group CEO



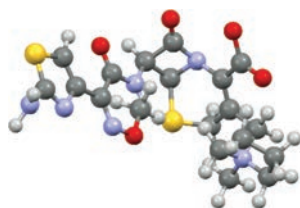


Breakthrough Drugs Under Development with QIDP Status from US FDA

WCK 5222



Zidebactam



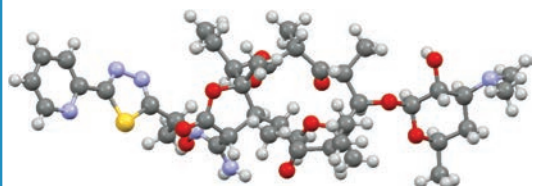
Cefepime

This is a unique Gram-negative targeted product based on a novel mechanism of action driven by one of its constituents, Zidebactam (INN for WCK 5107), a β -lactam enhancer, combined with a cephalosporin (Cefepime).

It has the broadest ever coverage of life threatening infections including Extensively drug-resistant (XDR) pathogens, Metallo- β -lactamase, Multi-Drug Resistant (MDR) Pseudomonas and Acinetobacter.

It is a high-efficacy product for high-mortality indications like Hospital-Acquired Bacterial Pneumonia (HABP), Bloodstream Infections (BSI), intra-abdominal and urinary tract infections.

Nafithromycin (INN for WCK 4873)

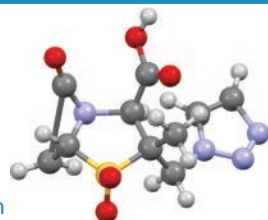


This is a novel lactone ketolide antibiotic designed to target MDR pneumococci, a bacterial pathogen contributing to the highest number of deaths globally.

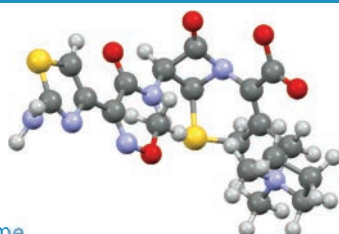
Clinically attractive attributes of WCK 4873 include best-in-class oral pharmacokinetics, highest level of lung tissue and alveolar macrophage penetration and good hepatic safety.

It is being developed to treat community-acquired pneumonia, pneumococcal bacteraemia, otitis media, chlamydial urethritis and upper respiratory tract infections

WCK 4282



Tazobactam

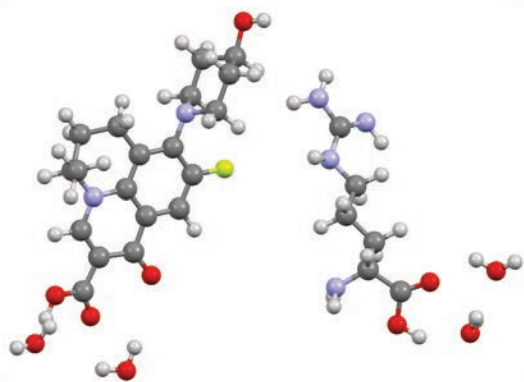


Cefepime

This is a first ever high-proportion combination of a well-established cephalosporin (Cefepime) with clinically validated β -lactamase inhibitor (Tazobactam). This combination yields superior Extended Spectrum β -lactamase producing Enterobacteriaceae (ESBL) pathogen coverage extending up to some of the Carbapenem-resistant Enterobacteriaceae (CRE).

It is suitable as a first line empiric therapy for Complicated Urinary Tract Infections (cUTI), Complicated Intra-Abdominal Infections (cIAI), Hospital-Acquired Bacterial Pneumonia (HABP) and Bloodstream Infections (BSI).

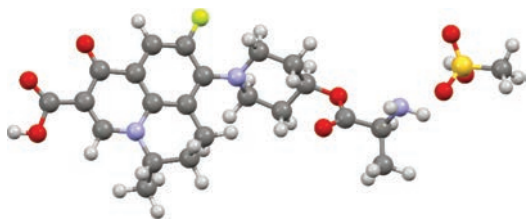
Levonadifloxacin (INN for WCK 771)



It is a broader spectrum bactericidal anti Methicillin-resistant Staphylococcus aureus (MRSA) drug whose novel structural attributes of Levonadifloxacin leads to a differentiated mechanism of action against MRSA. Its resistant pathogen coverage includes MRSA, Community-Acquired MRSA, Vancomycin-resistant Staphylococcus aureus (VRSA), Multi drug-resistant (MDR) Pneumococci, Clindamycin-resistant Group B Streptococci, E.coli, Klebsiella, Enterobacter, Salmonella and Gram-positive & Gram-negative anaerobes.

Its treatment potential includes acute bacterial skin and skin structure infections, hospital-acquired pneumonia caused by MRSA, diabetic foot infections and community-acquired pneumonia.

Alalevonadifloxacin (INN for WCK 2349)



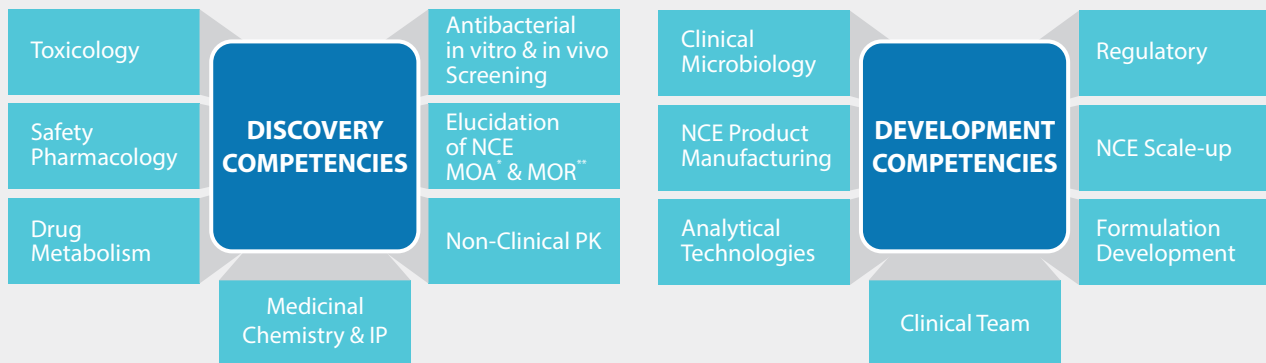
It is a novel L-alanine ester prodrug of Levonadifloxacin with remarkably high oral bioavailability. It is being developed as an oral fluoroquinolone antibacterial agent that displays excellent coverage for Methicillin-resistant Staphylococcus aureus (MRSA). Its resistant pathogen coverage includes MRSA, Community-Acquired MRSA, Vancomycin-resistant Staphylococcus aureus (VRSA), Multi drug-resistant (MDR) Pneumococci, Clindamycin-resistant Group B Streptococci, E.coli, Klebsiella, Enterobacter, Salmonella and Gram-positive & Gram-negative anaerobes.

This agent is being developed for the treatment of Acute bacterial skin and skin structure infections (ABSSSI), Hospital-acquired bacterial pneumonia (HABP) caused by MRSA, diabetic foot infections and community-acquired pneumonia.

Wockhardt NCEs Addressing Several Resistance Threats Identified by CDC

URGENT THREATS	
Clostridium difficile	-
Carbapenem-resistant Enterobacteriaceae (CRE)	WCK 5222, WCK 4282
Drug-resistant Neisseria gonorrhoeae	-
SERIOUS THREATS	
Multidrug-resistant Acinetobacter	WCK 5222
Extended spectrum β -lactamase producing Enterobacteriaceae (ESBLs)	WCK 5222, WCK 4282
Vancomycin-resistant Enterococcus (VRE)	-
Drug-resistant Salmonella typhi	WCK 5222, WCK 4282
Multidrug-resistant Pseudomonas aeruginosa	WCK 5222, WCK 4282
Methicillin-resistant Staphylococcus aureus (MRSA)	WCK 771, WCK 2349
Drug-resistant Streptococcus pneumoniae	WCK 4873, WCK 2349
CONCERNING THREATS	
Vancomycin-resistant Staphylococcus aureus (VRSA)	WCK 771, WCK 2349
Erythromycin-resistant Group A Streptococcus	WCK 4873, WCK 2349
Clindamycin-resistant Group A Streptococcus	WCK 4873, WCK 2349

End-to-End Discovery Research & NCE Development Competencies



*Mechanism of action | **Mechanism of resistance

3
R&D Centres
in India, UK & USA

99
DOCTORATES
IN

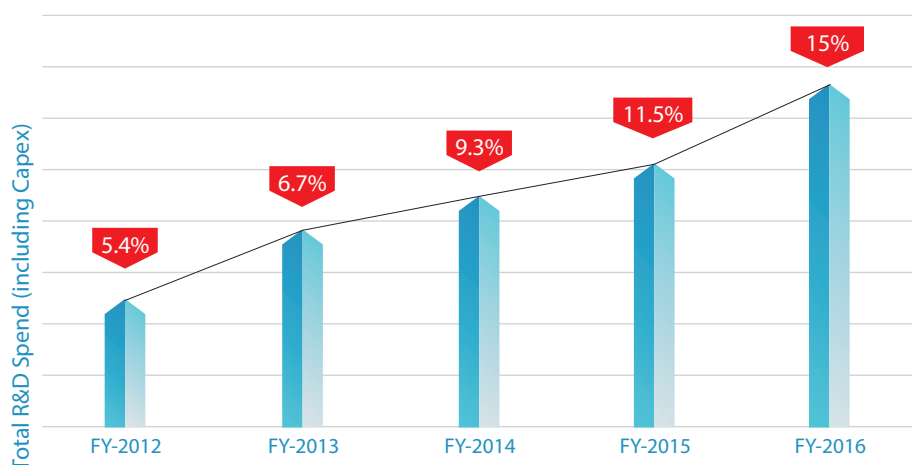
- Chemistry
- Pharmaceutics
- Pharmacology
- Biotechnology
- Medicinal Chemistry
- Synthetic Organic
- Organic Synthesis
- Microbiology
- Molecular biology
- Clinical Microbiology
- Clinical Research
- Analytical Chemistry
- Regulatory Affairs

822 Professionals
comprise a
committed
Research Team

Research Areas

- Generics
- Novel Drug Delivery
- New Drug Discovery
- Recombinant Biopharmaceuticals

Year-on-Year increase in industry-leading investment in R&D as a percentage of total sales



EVERY PATENT & APPROVAL IS A WIN. LIFE WINS.

At Wockhardt, our comprehensive R&D capabilities include end-to-end drug discovery competencies, developed in-house, right from concept to drug discovery to clinical development to approvals to manufacturing and marketing.

As a result of our long and steady focus on community and hospital acquired infections for over two decades, we pride ourselves on having one of the most comprehensive anti-bacterial R&D programmes in the world.

Our year-on-year increasing investment in R&D as a

percentage of sales is vindicated by our successes and achievements. In FY 2015-16, we won QIDP status by US FDA for 3 more new drugs, making it a total of 5 new drugs under development with QIDP status, a feat unmatched by any pharmaceutical company in the world.

This year we also added to our Intellectual Property (IP) base by filing 311 patents out of which 100 patents were granted, taking cumulative patents filed to 2,579 and patents granted to 441.

FY 2015-16 Performance Highlights

SALES

US\$ **673** million

₹ 4,461 crore

OPERATING PROFIT (EBITDA)

US\$ **78** million

₹ 518 crore

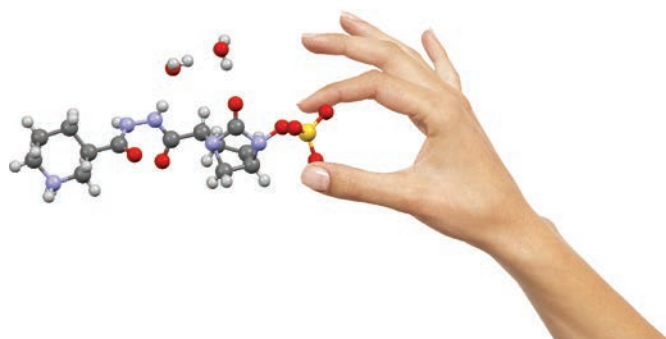
PROFIT AFTER TAX

US\$ **49** million

₹ 326 crore

EBITDA MARGIN

11.6%







Dr. Murtaza Khorakiwala
Managing Director

EVERY SUCCESS, AWARD & ACHIEVEMENT IS A WIN. LIFE WINS.

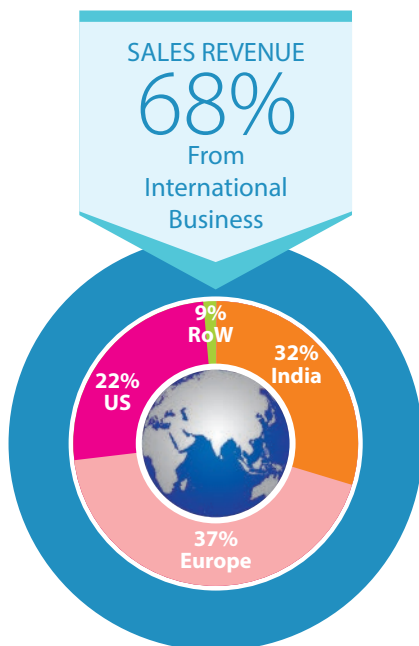
Wockhardt is a research-based, multinational organisation with a multi-ethnic workforce and a global work culture. Our corporate credo, Life Wins, drives all our endeavours and actions in serving unmet medical needs across our operations worldwide.

Our manufacturing facilities in India, UK and USA cater to global markets in Europe, USA, Asia, the Middle East, Africa and Latin America. In FY 2015-16, our international business accounted for 68% of total sales with the domestic market contributing 32% of total sales.

Our 3 R&D facilities in India, UK & USA have together been granted 441 patents till date and have put Wockhardt in the unique position of being the only pharmaceutical company in the world to have 5 breakthrough drugs under development granted QIDP status by US FDA.

Team Wockhardt, comprising over 10,000 people across 21 nationalities, has won numerous awards for excellence, and has ensured that the organisation has a leading rank in the prestigious 'Great Place to Work' Survey.

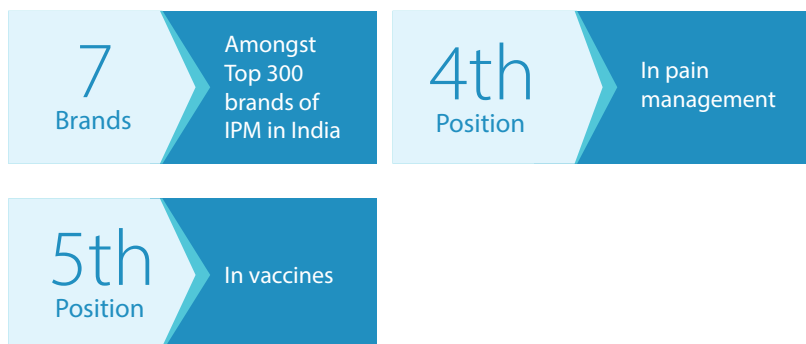
We research and implement best practices, deploy cutting-edge technologies and employ committed professionals to improve productivity, enhance efficiency and derive sustainable growth.



OUR EUROPEAN EDGE



OUR INDIA EDGE





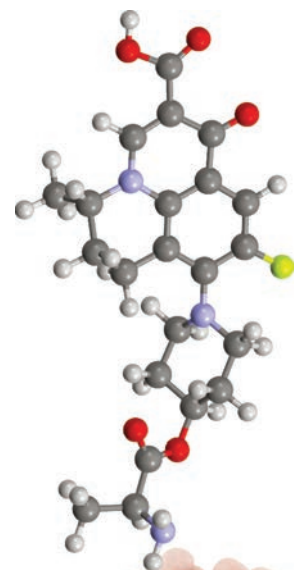
Wockhardt Foundation Programme Execution Policy

WOCKHARDT
PILOT

PERFECT
THE MODEL

COMMUNITY
PARTNERSHIP/
INVOLVEMENT

WOCKHARDT
FOUNDATION | **LIFE**
WINS
A SOCIAL INITIATIVE





Dr. Huzaifa Khorakiwala
Executive Director, Wockhardt
Trustee & CEO, Wockhardt Foundation

EVERY SMILE IS A WIN. LIFE WINS.

Corporate Social Responsibility at Wockhardt is driven by a deep rooted philosophy of sharing and caring. We research and identify areas of need, analyse and optimise our knowledge and resources, and initiate and implement activities designed to bring relief and succour to underprivileged communities around us.

Spearheaded by Wockhardt Foundation, an ISO 9001:2008 certified organisation, in collaboration with various corporate partners including Wockhardt Hospitals, our social initiatives include mobile medical services to remote rural locations; facilitating surgeries for children with congenital heart defects; toy libraries for children; e-learning infrastructure in schools; drinking water purification tablets; sanitation facilities in schools and bio-toilets in villages; and skill development.

Last year, we adopted Abdimandi, a village near Aurangabad, under the Adarsh Gram Yojana and initiated a comprehensive development programme on multiple levels. We are making steady progress in this unique social model where our goal is to improve and enhance the quality of life through social and community development activities in the areas of health, education, sanitation and potable water. During FY 2015-16, the Adarsh Gram Yojana programme was expanded to 20 more villages in Aurangabad district.

Over 16 million Lives Times Touched

Mobile 1000	79 Vans (1.4 million patients treated)	
Little Hearts	25 Congenital Heart Surgeries	
Pronto Toilet	898 School Toilets	
Pronto Bio-Toilet	237 Bio-Toilets	
E- Learning	181 Schools; 91,500 Children	
Khel Khel Mein	22 Toy Libraries; 512 Children	
Wockhardt Skills Development Institute	131 Students Trained	
Shudhu	10,35,210 Tablets	
Adarsh Gram Yojana	21 villages	

TOTAL BENEFICIARIES: 16.37 million times services availed, utilised and benefited from.



WOCKHARDT
HOSPITALS | **LIFE**
WINS



Zahabiya Khorakiwala
Managing Director
Wockhardt Hospitals*

EVERY SUCCESSFUL PROCEDURE IS A WIN. LIFE WINS.

Wockhardt Hospitals is a super-speciality chain of 9 hospitals delivering world-class healthcare services supported by Partners Medical International, Boston, USA. It is our endeavour to offer the best of healthcare services and we have garnered a growing reputation for quality and successful treatment.

Our hospitals are located in areas of high demand and offer world-class, comprehensive treatment and care facilities in Cardiology, Neurosurgery, Orthopaedics, Critical Care, Oncology, Nephrology, Urology, etc. One area of new focus is our comprehensive offering in Trichology or hair care and management.

Our New Age Wockhardt Hospital in South Mumbai is a 350-bed, state-of-the-art tertiary care hospital bridging the gap between demand and supply for world-class facilities in the area.

We constantly research and adopt new-age technology and implement new-age developments in disease management and treatment. For us at Wockhardt Hospitals, every successful medical intervention to treat and manage a life-threatening or life-debilitating condition is a win. Our holistic approach and patient-centric process has won us several awards for excellence.

105,437
CARDIAC
PROCEDURES

Angiographies,
Angioplasties, Bypass,
Open heart & Cardiac
valve surgeries
for adult &
paediatric patients

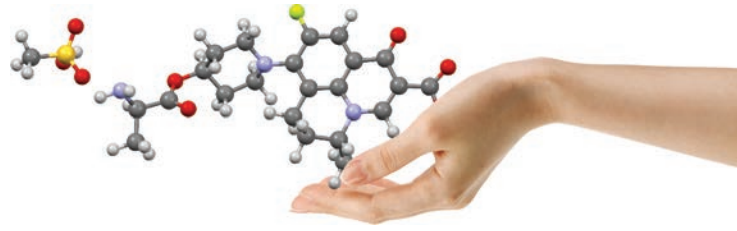
14,768
ORTHOPAEDIC
PROCEDURES

Knee & hip
replacements,
Poly-trauma
surgeries, Complex
fracture surgeries...

165,946
SURGICAL
PROCEDURES

Organ transplants,
Complex brain
surgeries,
Endoscopic
spine surgeries...

* Wockhardt Hospitals, an unlisted company, is part of the Wockhardt Group



BOARD OF DIRECTORS



Dr. HABIL KHORAKIWALA

Founder Chairman & Group CEO

Dr. Habil Khorakiwala founded Wockhardt in 1967. Today, the Wockhardt Group is India's leading research-based global healthcare enterprise with relevance in the fields of Pharmaceuticals, Biotechnology, Active Pharmaceutical Ingredients (APIs) and Super Speciality Hospitals. An alumnus of Purdue University and Harvard Business School, he is the only non-American in the 125-year history of Purdue University to be awarded an Honorary Doctorate, the highest award that they bestow.

A member of the World Economic Forum, Dr. Khorakiwala has held many senior positions as an industry representative, and has been lauded and awarded by various institutions and organisations. As a former president of FICCI (Federation of Indian Chambers of Commerce & Industry), he has met and shared India's business and economic dynamics with many Presidents, Prime Ministers and Heads-of-State.

He is currently the Chairman of the Board of Governors at the Centre for Organisation Development in Hyderabad, a non-profit, scientific and industrial research organisation and a recognised doctoral research centre. He is also the Chancellor of Jamia Hamdard University, New Delhi, which has emerged as an outstanding institution of higher learning with distinct and focused academic programmes.



Mr. SHEKHAR DATTA

Non-Executive Independent Director

Mr. Shekhar Datta has been a Director of the Company since 2000. A mechanical engineering graduate, Mr. Datta has served as Managing Director of Greaves Cotton Limited, Chairman of Bombay Stock Exchange, and held directorships of Crompton Greaves Limited, Industrial Development Bank of India Limited, and other corporates. Mr. Datta is a former member of the International Business Advisory Board of UNIDO, former President of the Confederation of Indian Industry (CII), Bombay Chamber of Commerce & Industry, and Indo-Italian Chamber of Commerce & Industry.



Mr. AMAN MEHTA

Non-Executive Independent Director

Mr. Aman Mehta has been a Director of the Company since 2004. An Economics graduate, he has over 35 years of experience in various positions with the HSBC Group. He headed HSBC operations in the Middle East, America, Australia and Asia Pacific.



Mr. D S BRAR

Non-Executive Independent Director

Mr. D S Brar has been a Director of the Company since August 2012. He is a B.E. (Electrical) from Thapar Institute of Engineering & Technology, Patiala, and holds a Master's degree in Management (Gold Medallist) from Faculty of Management Studies, University of Delhi.

Mr. Brar has been associated with the Pharmaceutical Industry for over three decades and his major stint was at Ranbaxy Laboratories, where he rose to become the CEO & Managing Director in the year 1999. Mr. Brar also served as a Director of RBI, member on the Board of National Institute of Pharmaceutical Education & Research, and member of the Board of Governors of IIM, Lucknow. Mr. Brar serves on the Boards and acts as an Advisor to companies like Maruti Suzuki, Mphasis, Gland Pharma, Bain Consulting and start-ups funded by Private Equity and Venture funds. He is currently member of the Consultative Group on Exports of Pharmaceutical Products under the Chairmanship of the Hon'ble Minister of Commerce, Industry & Textiles, Government of India.



Dr. SANJAYA BARU

Non-Executive Independent Director

Dr. Sanjaya Baru has been a Director on the board of Wockhardt since April 2012. With a Ph.D and master's degree in Economics from Jawaharlal Nehru University, New Delhi, Dr. Baru is director of Geo-economics and Strategy at the International Institute for Strategic Studies (IISS), London, and a Honorary Senior Fellow and member of the Governing Board, Centre for Policy Research, New Delhi.

In the past, Dr. Sanjaya Baru was the official spokesman and media advisor to the Prime Minister of India and has also served as editor of the Business Standard, chief editor of The Financial Express and as associate editor of The Economic Times and The Times of India.



Mrs. TASNEEM MEHTA

Non-Executive Independent Director

Mrs. Tasneem Mehta has been a Director on the board of Wockhardt since September 2014. Mrs. Mehta is an art historian, writer, curator, designer and museum expert who has studied Fine Arts and Design at the Sir J. J. School of Art, Mumbai. She holds an undergraduate degree in Political Philosophy from Columbia University, New York, a master's degree in English from the University of Delhi, and a postgraduate diploma in Art History from London.

Mrs. Mehta has successfully pioneered the revival and restoration of several of Mumbai's important cultural sites. In 2010, she was elected Vice Chairman of INTACH, the Indian National Trust for Art and Cultural Heritage and has been the Convenor of the Mumbai Chapter and member of the Governing Council since 1996. Since 2003, Mrs. Mehta is the Managing Trustee and Honorary Director of the Dr. Bhau Daji Lad Museum, Mumbai City Museum, (the erstwhile Victoria and Albert Museum) which won the prestigious UNESCO 2005 Asia Pacific 'Award of Excellence' for Cultural Conservation.



Mr. BALDEV RAJ ARORA

Non-Executive Independent Director

Mr. Baldev Raj Arora has been a Director on the board of Wockhardt since May 2015. Mr. Arora holds a bachelor's degree in Mechanical Engineering from Punjab Engineering College, Chandigarh. He graduated from the Senior Management Development Programme at Asian Institute of Management, Manila, Philippines, and Executive Education Programme from Michigan Business School at Ann Arbor, Michigan, USA.

He has worked with leading MNCs for over 44 years and has a proven track record of building high performance customer-oriented teams, giving outstanding results on a sustained basis. He successfully managed publicly listed companies of MNCs in India for over 10 years as Chairman/Managing Director. He started his career in the Life Sciences industry with Warner Lambert (now Pfizer) in India and retired from Nestle S.A. in March 2015 as Regional President, Asia & Pacific Rim for Wyeth nutrition business of Nestle S.A.



Dr. HUZAIFA KHORAKIWALA

Executive Director

Dr. Huzaifa Khorakiwala is a Bachelor of Commerce graduate from Mumbai University. He holds a Master's degree in Business Management from Yale University School of Management, USA. He joined the Company in July 1996 and has over the years run various Wockhardt businesses and served in Corporate Administration. He is the Executive Director of the Company since April 2009.

Dr. Huzaifa Khorakiwala devotes a significant part of his time to Wockhardt's corporate social responsibility activities. He serves as Trustee & CEO of Wockhardt Foundation.



Dr. MURTAZA KHORAKIWALA

Managing Director

Dr. Murtaza Khorakiwala represents a unique blend of scientific knowledge and business acumen. A graduate in Medicine from GS Medical College, Mumbai, India, and Master in Business Administration (MBA) from the University of Illinois, USA, he has been Managing Director of Wockhardt Limited since April 2009.

Thinking out of the box, challenging assumptions and innovation are some of the key principles that shape his strategic thought process. His young and dynamic leadership has become the ideal springboard for various corporate initiatives in creating a new Wockhardt.

A member of the executive committee of the Indian Pharmaceutical Association (IPA), he was the past Chairman of the Marketing Committee of the Bombay Management Association.



BOARD'S REPORT

Dear Members,

The Board of Directors take pleasure in presenting the Seventeenth Annual Report of the Company along with the Audited Financial Statements for the year ended 31st March, 2016.

FINANCIAL RESULTS AND HIGHLIGHTS

Particulars	(₹ in crore)	
	Year ended March 31, 2016	Year ended March 31, 2015
Consolidated		
Total Revenue	4,558	4,548
Profit Before Depreciation, Finance Cost & Tax	615	894
Profit Before Exceptional Items & Tax	357	575
Profit Before Tax	357	575
Provision for Taxation (Expense)/Credit	(25)	(162)
Profit After Tax	332	413
Minority Interest (Profit)/Loss	(6)	(8)
Net Profit for the year	326	405
Standalone		
Total Revenue	2,281	2,352
Profit Before Depreciation, Finance Cost & Tax	191	490
Profit Before Tax	3	350
Provision for Taxation (Expense)/Credit	30	(18)
Profit After Tax	33	332

The consolidated total revenue of Company for the financial year ended 31st March, 2016 stood at ₹ 4,558 crore as compared to ₹ 4,548 crore of previous year. The consolidated net profit for the year stood at ₹ 326 crore vis-à-vis ₹ 405 crore of previous year.

On Standalone basis, the Company registered total revenue of ₹ 2,281 crore as compared to ₹ 2,352 crore during previous year. The Profit After Tax stood at ₹ 33 crore vis-à-vis ₹ 332 crore of previous year.

STATE OF COMPANY'S AFFAIRS

The Company continued its focus on Research & Development during the year with its consolidated Research expense at ₹ 498 crore (11% of consolidated revenue). In pursuit of creating a strong Intellectual Property (IP) base, the Company as on 31st March, 2016, cumulatively filed 2,579 patents and holds 441 patents worldwide.

The Company's New Chemical Entity (NCE) research program continued to get major boost during the financial year 2015-16 with US FDA granting Qualified Infectious Disease Product (QIDP) status to WCK 4282, WCK 5222 and WCK 4873 for its Breakthrough Drug Discovery program in Anti Infection space. WCK 4282 & WCK 4873 are new class of antibiotic drugs for treatment of Community Acquired Bacterial Pneumonia (CABP). WCK 5222, a new class of antibiotic for gram negative terrain for complicated Urinary Tract Infections & Hospital Acquired Bacterial Pneumonia. Last year, Wockhardt received approval for WCK 771 and WCK 2349 making it the only Company to have five QIDP status globally.

QIDP status is granted to drugs, identified by CDC (Centre for Disease Control, USA), that act against pathogens which have a high degree of unmet need in their treatment. QIDP status provides fast track clinical development and review of the drug application by US FDA for drug approval. The drug is also awarded five-year extension of market exclusivity. QIDP was constituted under Generating Antibiotic Incentives Now (GAIN) Act in 2012 as part of the FDA Safety and Innovation Act to underline the urgency in new antibiotics development.

During the year, Company has undergone inspections at its L1, Chikalthana, Aurangabad manufacturing facility by UK MHRA and have received communication confirming the closure of the inspection and issuance of an unrestricted cGMP certificate. Accordingly, supplies have been resumed from L1 facility to UK Market during the year. US FDA has also recently completed inspections of our manufacturing facilities at Ankleshwar, Gujarat and Shendra, Aurangabad and made some observations for which appropriate reply has been submitted. Shendra, Aurangabad manufacturing facility is a new facility supplying only to India, UK & Irish market. During the year, Waluj Facility of the Company received the Establishment Inspection Report (EIR) from US FDA which has been a significant progress with respect to remediation of regulatory alert. The Company's on-going efforts towards remediation and compliance measures for Chikalthana and Waluj facilities continue to be in place.

CREDIT RATING

During the year, Credit Analysis & Research Ltd ('CARE') has reaffirmed your Company's Rating for total Working Capital limit as "CARE AA" and "CARE A1+" for Long Term Bank Facilities (Fund Based) and Short Term Bank Facilities (Non-Fund Based) respectively.

Further, India Ratings & Research Private Limited (Fitch Group) has reaffirmed the Company's Rating for Long Term loan as 'IND AA'/Stable and Working Capital Facility as 'IND AA'/Stable for Fund Based & 'IND A1+' for Non-Fund Based facility.

DIVIDEND AND RESERVES

During the year 2015-16, the Board recommend dividend @ 0.01% (₹ 0.0005 per Preference Share of ₹ 5/- each) on 47,56,59,941 Non-Convertible Cumulative Redeemable Preference Shares of ₹ 5/- each and 12,14,54,927 Optionally Convertible Cumulative Redeemable Preference Shares of ₹ 5/- each absorbing a sum of ₹ 298,557/-.

No amount is proposed to be transferred to the General Reserves of the Company out of the profits for the year.

SHARE CAPITAL

During the year under review, the paid-up equity share capital of the Company increased from ₹ 55,03,64,515/- to ₹ 55,25,44,515/- pursuant to the allotment of 4,36,000 equity shares of ₹ 5/- each against exercise of stock options granted under Wockhardt Employees' Stock Option Scheme – 2011 ('the Scheme').

There was no issue of equity shares with differential voting rights and sweat equity shares during the year 2015-16. The Company does not have any scheme to fund its employees to purchase the shares of the Company. Further, no shares have been issued to employees of the Company except under the scheme mentioned above.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

During the year under review, Mr. Baldev Raj Arora (DIN: 00194168) and Ms. Tasneem Mehta (DIN: 05009664) were appointed as an Independent Director for a term upto 27th May, 2020 and 29th September, 2019 respectively.

All the Independent Directors have furnished Declaration of Independence stating that they meet the criteria of independence as provided under Section 149(6) of the Companies Act, 2013 and Regulation 16 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations') and there has been no change in the circumstances which may affect their status as Independent Directors during the year.

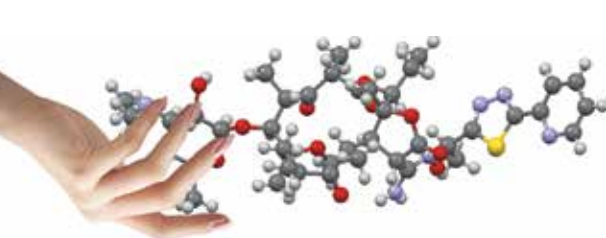
Pursuant to the provisions of Section 152 of the Companies Act, 2013, Dr. Huzaifa Khorakiwala, Executive Director (DIN : 02191870) retires by rotation as Director at the ensuing AGM and being eligible, offers himself for the re-appointment. The Board recommends his re-appointment.

A brief resume and other details of Dr. Huzaifa Khorakiwala seeking re-appointment are provided in the Notice.

In accordance with the provisions of Section 2(51) and 203 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Dr. Murtaza Khorakiwala, Managing Director, Mr. Manas Datta, Chief Financial Officer and Mr. Narendra Singh, Company Secretary and Compliance Officer are the Key Managerial Personnel (KMP) of your Company. Mr. Narendra Singh was appointed as Company Secretary and Compliance Officer on 28th May, 2015.

MEETINGS

During the financial year 2015-16, the meetings of the Board of Directors and Audit Committee were held 4 (four) times each. Details of these meetings and other Committees/General Meeting are given in the Report on Corporate Governance forming part of this Annual Report.



AUDIT COMMITTEE

As on 31st March, 2016, the Audit Committee comprises of Mr. Shekhar Datta, Chairman, Mr. Aman Mehta, Mr. Davinder Singh Brar, Dr. Sanjaya Baru, Ms. Tasneem Mehta and Mr. Baldev Raj Arora as its Members. All the Members of the Committee are Independent Directors and recommendations made by the Audit Committee were accepted by the Board of Directors of the Company. Further, the Committee has carried out the role assigned to it. Other details about the Audit Committee and other Committees of the Board are provided in the Report on Corporate Governance forming part of this Annual Report.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the provisions of Section 134(3)(c) of the Companies Act, 2013, the Directors state that:

- (a) in the preparation of Annual Accounts for the year ended 31st March, 2016, the applicable Accounting Standards have been followed and that no material departures have been made from the same;
- (b) such Accounting Policies as mentioned in the Notes to the Financial Statements for the year ended 31st March, 2016 have been selected and applied consistently and judgments and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for the year ended 31st March, 2016;
- (c) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) the Annual Accounts for the year ended 31st March, 2016 have been prepared on a going concern basis;
- (e) the internal financial controls to be followed by the Company have been laid down and that such internal financial controls are adequate and operating effectively; and
- (f) proper systems to ensure compliance with the provisions of all applicable laws have been devised and that such systems are adequate and operating effectively.

STATUTORY AUDITORS AND AUDITORS' REPORT

At the Annual General Meeting ('AGM') of the Company held on 15th September, 2014, Haribhakti & Co. LLP, Statutory Auditors of the Company were appointed for a term of five years i.e. till the conclusion of 20th AGM subject to ratification of their appointment at every AGM of the Company. The resolution for ratification of their appointment is placed for approval of Members of the Company at the ensuing AGM. The Company has received a letter from Statutory Auditors confirming that they are eligible for ratification of their appointment.

The reports of the Statutory Auditors on Standalone and Consolidated Financial Statements forms part of this Annual Report. The Auditors' Report does not contain any qualification, reservation, adverse remark, disclaimer or emphasis of matter.

COST AUDIT

Pursuant to the provisions of Section 148 of the Companies Act, 2013 ('the Act') read with the Companies (Audit and Auditors) Rules, 2014, as amended from time to time and as recommended by the Audit Committee, the Board of Directors of the Company appointed M/s. Kirit Mehta & Co., Cost Accountants as Cost Auditors to conduct the audit of cost records of the Company for the financial year 2016-17. The Company has received consent from M/s. Kirit Mehta & Co. to act as Cost Auditors. Further, pursuant to the aforesaid provisions of the Act, the remuneration payable to M/s. Kirit Mehta & Co. for conducting the audit of cost records of the Company for the financial year ending on 31st March, 2017 needs to be ratified by the Members of the Company and resolution for the said ratification is placed for approval of Members of the Company at the ensuing AGM.

The Cost Auditors' Report does not contain any qualification, reservation, adverse remark, disclaimer or emphasis of matter for the financial year ended 31st March, 2015 and the same was duly filed with the Ministry of Corporate Affairs within the due date.

SECRETARIAL AUDIT

Pursuant to the provisions of Section 204 of the Companies Act, 2013, the Board of Directors of the Company had appointed Mr. Virendra Bhatt, Practising Company Secretary to conduct Secretarial Audit of the Company for the year ended on 31st March, 2016. The Secretarial Audit Report issued by Mr. Virendra Bhatt does not contain any qualification, reservation, adverse remark or disclaimer and the same is annexed as Annexure I to this Report.

EXTRACT OF ANNUAL RETURN

An extract of the Annual Return as prescribed under Section 92(3) of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 is annexed as Annexure II to this Report.

EMPLOYEE STOCK OPTIONS

Pursuant to SEBI (Share Based Employee Benefits) Regulations, 2014 and other applicable laws, if any, the required disclosures as on 31st March, 2016 are annexed as Annexure III to this Report.

During the year under review, there were no material changes in the Employee Stock Option Scheme and the same is in compliance with the said Regulations.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

Pursuant to provisions of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 and pursuant to the recommendation of the CSR Committee, the Board has approved a CSR Policy and the same has been uploaded on the website of the Company www.wockhardt.com. CSR Policy contains the CSR activities which can be carried out by the Company, governance structure and implementation process etc.

In accordance with the aforesaid provisions, the Average Net Profit of the Company for the immediately preceding 3 financial years calculated as per Section 198 of the Companies Act, 2013 was negative. Hence, no amount was required to be spent on CSR activities during the financial year 2015-16. However, as a continuing corporate governance practice, the Company contributed ₹ 8 crore to Wockhardt Foundation, CSR arm of the Company, which has undertaken CSR projects in the areas of healthcare and education etc. for spending on CSR activities.

The details on CSR activities as required under Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended from time to time, is annexed as Annexure IV to this Report.

POLICY ON APPOINTMENT AND REMUNERATION OF DIRECTORS

The Company has been following well laid down policy on appointment and remuneration of Directors, KMP and Senior Management personnel.

The appointment of Directors is made pursuant to the recommendation of Nomination and Remuneration Committee (NRC). The remuneration of Executive Directors comprises of Basic Salary, Perquisites & Allowances and follows applicable requirements as prescribed under the Companies Act, 2013. Approval of shareholders and the Central Government, as the case may be, for payment of remuneration to Executive Directors is sought, from time to time.

The remuneration of Non-Executive Directors comprises of sitting fees & commission, if any, in accordance with the provisions of Companies Act, 2013 and reimbursement of expenses incurred in connection with attending the Board meetings, Committee meetings, General meetings and in relation to the business of the Company.

A brief of the Remuneration Policy on appointment and remuneration of Directors, KMP and Senior Management is provided in the Report on Corporate Governance forming part of this Annual Report.

NRC have also formulated criteria for determining qualifications, positive attributes and independence of a director and the same have been provided in the Report on Corporate Governance forming part of this Annual Report.

PERFORMANCE EVALUATION OF DIRECTORS

The Nomination and Remuneration Committee of the Board of Directors of the Company have laid down criteria for performance evaluation of the Board of Directors including Independent Directors. Pursuant to the requirement of the Companies Act, 2013 and the SEBI Listing Regulations, the Board has carried out the annual performance evaluation of entire Board, Committee and all the Directors based on the parameters specified in the Report on Corporate Governance forming part of this Annual Report. The parameters of performance evaluation were circulated to the Directors in the form of questionnaire.

INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS

M/s. KPMG was engaged to review and comment on adequacy of Internal Financial Control ('IFC') process of the Company in accordance with the requirement of the Companies Act, 2013 and there have been no material observations.



The Company has adequate internal financial control procedures commensurate with its size and nature of business. These controls include well defined policies, guidelines, Standard Operating Procedures ('SOPs'), authorization and approval procedures and technology intensive processes. The internal financial controls of the Company are adequate to ensure the accuracy and completeness of the accounting records, timely preparation of reliable financial information, prevention and detection of frauds and errors, safeguarding of the assets and that the business is conducted in an orderly and efficient manner.

RISK MANAGEMENT

The Company has laid down the procedure for risk assessment and their mitigation through an internal Risk Committee. Key risks and their mitigation arising out of periodic reviews by the Committee are assessed and reported to the Audit Committee, on a periodic basis.

The current key risk relates to regulatory risk on overseas operations and business. This is arising out of regulatory audits at Company's manufacturing locations, which is being adequately addressed through strengthening of current processes and controls by Company's internal quality assurance and manufacturing teams and through the help of reputed external consultants. There are no risks which in the opinion of the Board threaten the existence of your Company. Other details about Risk Management have been elaborated in the Report on Corporate Governance forming part of this Annual Report.

PARTICULARS OF LOANS, INVESTMENTS AND GUARANTEES UNDER SECTION 186 OF THE COMPANIES ACT, 2013

In accordance with the approval sought from the shareholders under Section 186 of the Companies Act, 2013, the Company can give loans, guarantees and/or providing security(ies) and/or make investments upto ₹ 3,000 crore. The particulars of loans, investments and guarantees are provided under Note 32 in the Notes to the Financial Statements.

PARTICULARS OF CONTRACTS/ARRANGEMENTS WITH RELATED PARTIES

All contracts/arrangements/transactions entered into by the Company during the financial year 2015-16 with its related parties were reviewed and approved by the Audit Committee. Prior omnibus approvals were obtained from the Audit Committee for related party transactions which were of repetitive nature, entered in the ordinary course of business and on an arm's length basis. The particulars of contracts/arrangements with related parties in Form AOC-2 are provided in Annexure V to this Report.

VIGIL MECHANISM

Pursuant to the requirements laid down under Regulation 22 of the SEBI Listing Regulations and Section 177 of the Companies Act, 2013, the Company has well laid down Vigil Mechanism. The details of the same are provided in the Report on Corporate Governance forming part of this Annual Report.

PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

Disclosure pertaining to the remuneration as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is provided in Annexure VI to this Report.

In terms of the requirement of Section 197(12) of the Companies Act, 2013 read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement showing the names and other particulars of the employees drawing remuneration in excess of the limits set out in the said rules forms part of this Report. Pursuant to the provisions of Section 136(1) of the Companies Act, 2013, the Board's Report is being sent to the shareholders of the Company excluding the said statement. Any shareholder interested in inspection or obtaining a copy of the statement, may write to the Company Secretary and the same will be furnished on request.

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The particulars in relation to conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 is provided in Annexure VII to this Report.

SUBSIDIARIES

During the year, the Company's Subsidiary, Wockhardt Bio AG, has formed subsidiaries namely Wockhardt Bio (R), Wockhardt Bio Pty Ltd. and Wockhardt Bio Ltd. in Russia, Australia and New Zealand respectively. Hence, as on 31st March, 2016, the Company had total 31 subsidiaries.

There were no companies who ceased to be subsidiaries of the Company during the financial year under review. However, Swiss Biosciences AG ceased to be an associate of the Company during the financial year under review.

Pursuant to Section 129(3) of the Companies Act, 2013, a statement containing salient features of the subsidiaries of the Company is provided in Form AOC-1 attached as Annexure VIII to this Report and other details of the subsidiaries are also provided in the said Annexure.

CONSOLIDATED FINANCIAL STATEMENT

The Consolidated Financial Statement of your Company for the financial year 2015-16 are prepared in compliance with applicable provisions of the Companies Act, 2013 read with the Rules issued thereunder, applicable Accounting Standards and provisions of the SEBI Listing Regulations.

A copy of the Audited Financial Statements of the subsidiaries shall be made available for inspection at the Registered Office of the Company during business hours. The Audited Financial Statement of the Company including Consolidated Financial Statement and Financial Statements of its subsidiaries are also available on the website of the Company. Further, any shareholder interested in obtaining a copy of the separate Financial Statement of the subsidiary(ies) shall make specific request in writing to the Company Secretary.

DEPOSITS

The Company has not accepted any deposits under Chapter V of the Companies Act, 2013 during the year under review.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS/COURT

There are no significant and material orders passed by the Regulators or Courts or Tribunals which impact the going concern status and operations of the Company during the year under review. However, Member's attention is drawn on the following development:

Ministry of Health and Family Welfare vide its various Notifications dated 10th March, 2016 prohibited manufacture for sale, sale and distribution for human use some of the Fixed Dose Combination ('FDC') with immediate effect. The said Notification includes some of the Products of the Company.

However, the Hon'ble Delhi High Court allowed the stay on the said Notifications and further ordered that *Till then, the effect of the Notifications aforesaid impugned in these petitions qua the petitioners shall remain stayed and no coercive steps be taken in pursuance thereto against the petitioners and their stockists, agents, retailers and distributors.* As on date, the matter is pending in Hon'ble Delhi High Court.

CORPORATE GOVERNANCE AND MANAGEMENT DISCUSSION & ANALYSIS REPORT

Pursuant to the requirement of the SEBI Listing Regulations, a Report on Corporate Governance along with a Certificate from Practicing Company Secretary confirming the compliance of the conditions of Corporate Governance and Management Discussion and Analysis Report forms part of this Annual Report.

ACKNOWLEDGEMENTS

Your Directors appreciate and acknowledge the unstinted commitment and valuable contribution made by the employees of the Company at all levels. The Directors also take this as an opportunity to express their gratitude to all the Stakeholders of the Company viz. customers, members of medical profession, investors, banks, regulators for their continued support during the year under review.

For and on behalf of the Board of Directors

Dr. H. F. KHORAKIWALA

Chairman
DIN: 00045608

Place : Mumbai,

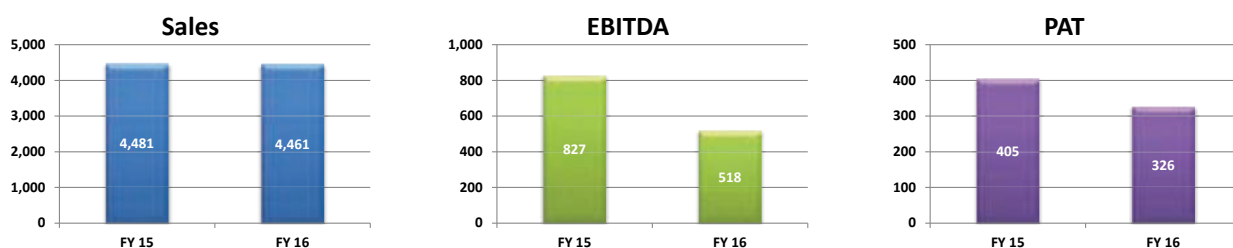
Date : 6th May, 2016



MANAGEMENT DISCUSSION & ANALYSIS

The Company's strategic focus in expanding business in newer horizons resulted steady growth in various geographies particularly in Indian & Emerging markets during the year. India Business launched 48 new products during the year and achieved a turnover of INR 1432 crore resulting in a growth of 16%. The revenue share of the Company's International Business continues to be robust at 68%. The base business of UK continued to grow at about 15%.

During the year, the Company's research & development expense continued to grow keeping in view its strategic focus in Pharma, Biotechnology & NCE segment and was about 11% of consolidated revenue.



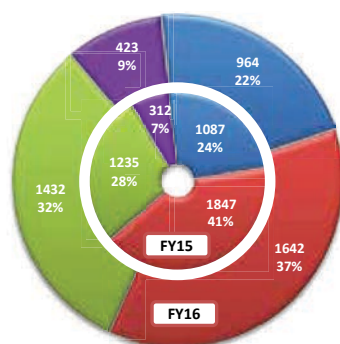
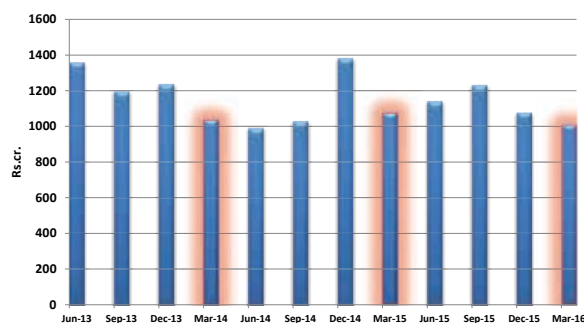
REVENUES

Revenue from Operations during the year was ₹ 4,461 crore compared to ₹ 4,481 crore in the previous year. Excluding one-offs revenue grew by 6%.

₹ in crore

	FY 16	FY 15	Change	% Change
Revenue from operations	4,461	4,481	(20)	-0.4%

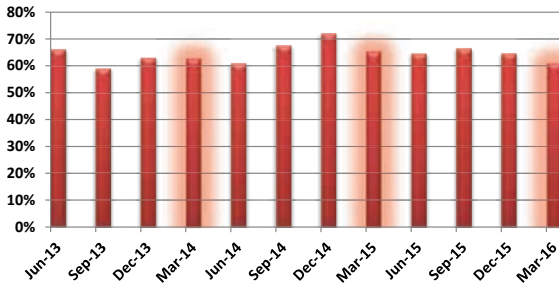
On a quarterly basis, Q1 and Q2 revenues are higher compared to its corresponding quarters in previous year due to one time business opportunity in UK whereas revenue for Q3 and Q4 has declined compared to its corresponding quarters in the previous year due to absence of one time opportunity in UK and decline in US business on account of continued regulatory alerts.



■ US ■ EU ■ India ■ ROW

The revenue split of US operations stood at 22% (compared to 24% as in FY 2015) while European Business including one time opportunity in Contract Manufacturing in UK Business contributed 37% (compared to 41% in FY 2015). India and Rest of the World continue to grow and contributed a robust 41% (compared to 35% in FY 2015).

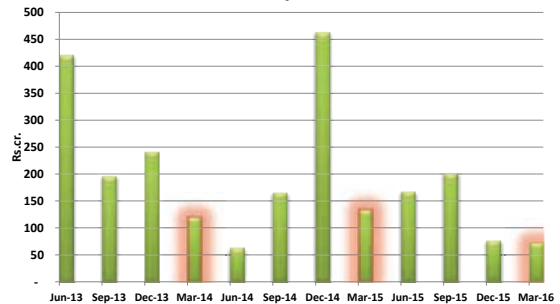
PROFITABILITY



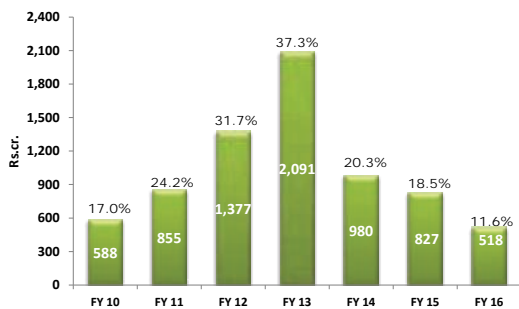
The Gross Margins have consistently stayed around 60% in all the quarters.

The decrease in EBITDA is mainly due to decline on account of one time business opportunity in UK, one time income in Ireland in previous year, genericisation of some key products in US market, Inflationary impact in expenses and higher spends on R&D.

Quarterly EBITDA



EBITDA & EBITDA Margins



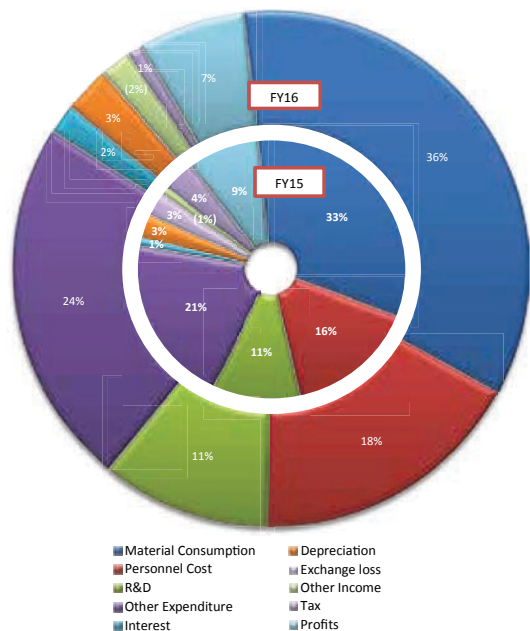
Company's EBITDA margins stood at 11.6% compared to 18.5% in the previous year.

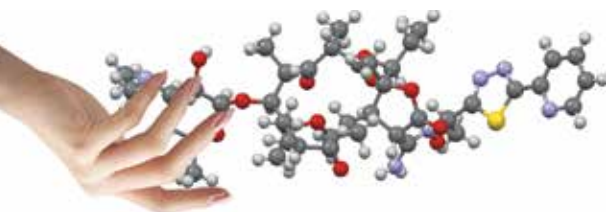
Material consumption for FY 2016 stood at 36% of sales compared to 33% in FY 2015, largely due to impact of high margin one time business opportunity in UK in the previous year.

The company's emphasis on R&D continued during the year with R&D costs for FY 2016 at 11%.

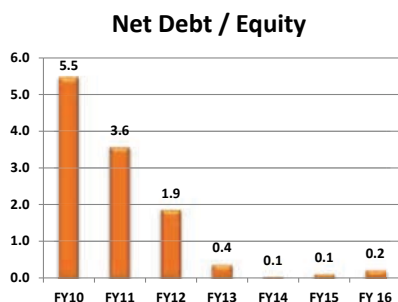
Other expenses for FY 2016 were at 24% of sales compared to 21% in the previous year. Interest cost during the year has gone up due to additional borrowings.

During the year, Other Income has gone up from INR 66 Crores in the previous year to INR 97 Crores mainly due to Interest income on surplus funds.





DEBT AND LEVERAGE



The Net Debt to Equity ratio stood at 0.24 as on 31st March, 2016.

Debt Position

₹ in crore

	FY 16	FY 15	Change	% Change
Secured	2,407	2,004	403	20.1%
Unsecured	3	6	(3)	—
Total	2,410	2,010	400	19.9%

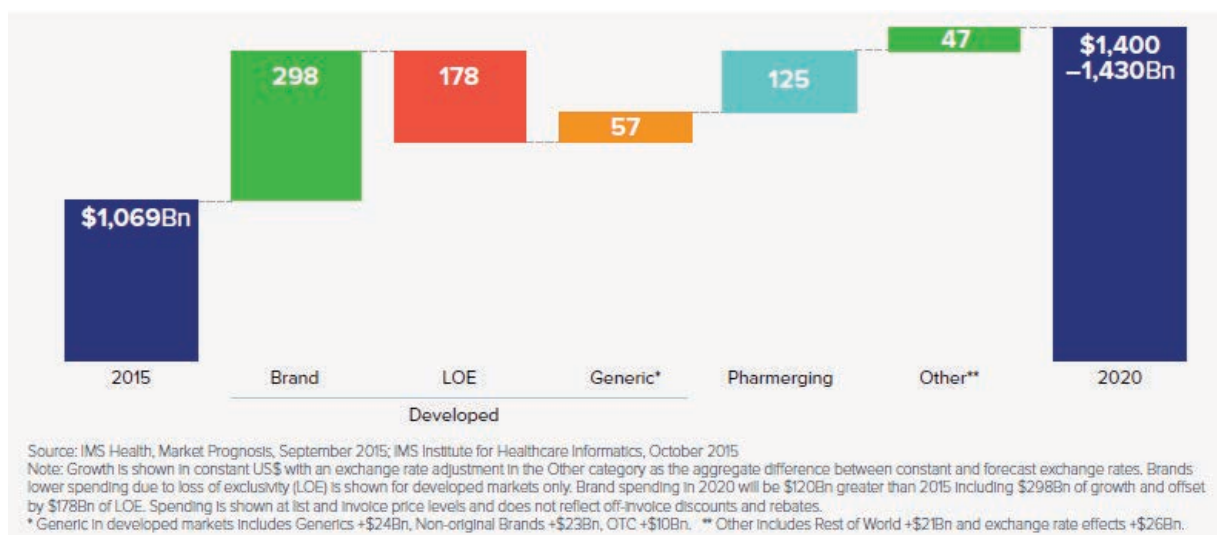
GLOBAL OUTLOOK

The global pharma market continued its growth journey to become a trillion dollar industry at USD 1.07 trillion in 2015. It is expected to attain USD 1.4 trillion by 2020 with a CAGR of 4-7%. This growth will majorly flow from Branded drugs offset by loss of exclusivities in developed markets.

Branded segment is expected to see robust flow of new medicines especially into oncology along with some price impacts. Loss of exclusivity for branded products is expected to reduce brand spending by USD 178 billion as entry of biosimilars begins to have larger impact. This will include both small drug molecules and biologics.

It was again a significant year for patent expiry and major drugs like Esomeprazole and Aripiprazole accounting for over USD 5 billion each were genericised. The first five years of this decade (2011-2015) have been significant with about USD 150 billion worth of drugs losing patent.

(Source: IMS Global Use of Medicines in 2020)



Geographical Spread

USA

US spending on medicines currently estimated at USD 425 billion is expected to reach USD 560-590 billion which is about 34% increase on 2015 levels. This growth will be driven by innovation & price increases offset by loss of exclusivity. Branded share of spending is continued to be at about 67%. The impact of patent expiries, though higher in absolute dollar terms, is expected to be lower in percentage contribution compared to last five years. Generics will continue to provide majority of prescription medicine usage (90% plus) by 2020 whereas Invoice price growth will continue to remain at historic levels through 2020.

(Source: IMS Global Use of Medicines in 2020)

Europe

EU5 current estimated market size USD 144 billion is expected to grow at CAGR of 4%-7% to about USD 190 billion by 2020 which would include USD 20 billion of exchange rate effects alone. This growth is majorly going to be dominated by Germany (USD 41 billion to USD 57 billion), Italy (USD 25 billion to USD 35 billion) and wider adoption of speciality medicines. 2020 Branded share of spending is expected to be at about 63%. Other major European countries including Spain, Italy & France, those who are facing budgetary challenges as fallout of global economic crisis, may see decline in volumes on per capita basis.

(Source: IMS Global Use of Medicines in 2020)

China

China's continued growth for last couple of years made the current market size to about USD 115 billion making it ahead of Japan. China's decade long access expansion is targeting basic medical insurance to entire 1.4 billion population by 2020 though not at rapid growth, owing to the slowing Chinese economy and lower consumer spending. 2016-2020 CAGR is expected to be between 6-9% making the market to USD 170 billion –180 billion through 2020. Branded share of spending will remain at 23% (+5 pts), generic share at 25% (-3 pts) and non original brand share at 35% (-3 pts).

(Source: IMS Global Use of Medicines in 2020)

Japan

Japan's Pharma market size in 2015 which is estimated to be USD 79 billion is expected to grow slowly at CAGR of 0-3% in the next 4 years to close 2020 between USD 85 billion –90 billion. The share of branded spending which is currently at 67% is expected to contract. 2020 generic share of spending would remain at 9%. The incentive to wider generic usage is expected to significantly improve the generic spending. Japan's growth is expected to return to historic patterns through 2020 and the long term effects of the new price regime will see average prices unchanged from 2015. The introduction of VAT in 2014 and planned increase to sales tax during 2016-2018 could offset expected growth and lead to zero growth for the next 3-4 years.

(Source: IMS Global Use of Medicines in 2020)

Emerging Markets and ROW

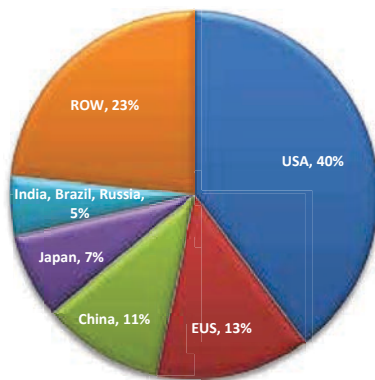
The combined market size for India, Brazil and Russia put together as of 2015 is USD 57 billion which is expected to grow up to USD 90 billion through 2020 growing at 10% CAGR. Other ROW markets which accounts for USD 249 billion in 2015 is expected to grow at CAGR of 4% to USD 305 billion in 2020. Pharmaceutical market in these economies like India, Brazil, Russia etc. is primarily comprised of generic medicines and hence the growth is determined by the growth of this subsector. While Brazil and Russia are expected to clock CAGR of 12% and 14% respectively through 2020, India is well placed to have a growth profile with CAGR of 8%. It is expected to grow to USD 20 billion by 2020 from current levels of USD 12-14 billion.

The Russian pharmaceutical market is one of the country's dynamic industries having consistently outperformed national GDP growth rates. An analysis of the pharma market, however, suggests that regulatory obstacles are more likely to hamper FDI than the current economic recession. The Russian Pharma market experienced 27% growth rate (in Rouble term) between 2011-2013 and the market was projected to expand three fold by 2020. However, as a result of the deteriorating economic situation in Russia, the beginning of 2015 saw a reduction of the annual rate of pharma market growth to 7.5% which is expected to be range bound and not exceeding 10% till 2020.

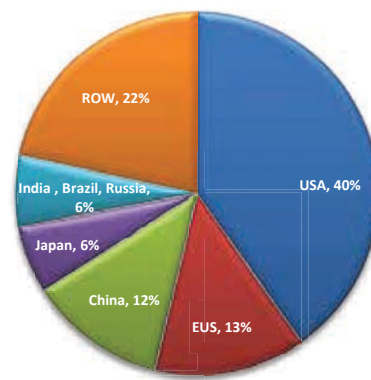


Region	FY 15	FY 20	CAGR %
US	425	570	6%
EU5	144	190	6%
China	115	175	9%
Japan	79	85	1%
India, Brazil, Russia	57	90	10%
RoW	249	305	4%
Total	1,069	1,415	6%

2015



2020



Generic Penetration

Generic share of prescriptions will continue to rise across the market. In US the generic penetration currently between 85-88% will rise to 91-92% levels by 2020. The major geographical change in generic prescriptions will be in Japan, a traditionally Brand forte, where the Health ministry foresees the generic share to 80% by 2020 from under 55% currently. EU and Major EM countries have traditionally been generic or branded generic oriented already along with Price controls for Brand drugs, and the scenario is set to continue. In EM's though there is a movement towards pure generic drugs with government support compared to currently dominating Branded generic case. Hence there is a possibility of shift within generic scenario bringing price consolidation.

Growth in Generic and Branded generic products between 2016-20 is expected to be 6.1%, higher than the branded products growth (5.1%) and OTC/other (4.8%) and will increase the overall share of Generic penetration (pure generic and branded generic) to 35% by 2020.

Developments in Biosimilars Space

The global Biosimilar market is expected to grow at CAGR of 49.1% to USD 55 billion by 2020. Biologics with patents expiring between 2015 and 2020 constitute the second wave of biosimilars. Biosimilars is expected to account for 4% to 10% of the biologics market total by 2020, depending on the number of biosimilars launched in the U.S. The U.S. is the largest market for biologics and the biosimilars can achieve 10% of the global sales in 2020, only if the volume growth for biologics is achieved in the U.S. market.

There is a large pipeline of biosimilars in different stages of development, with more than 160 biosimilars that relates to six top selling biologics whose patents are set to expire between 2015-2020. Till recently, industry did not see any significant biosimilars development activity for the third wave of biologics with patent expiries beyond 2020. One important factor for this is the lower market value of these products.

Since the first set of over-arching guidelines for biosimilars released by the European Medicines Agency in 2005, there has been much development in this space. The evolution continues, as earlier guidelines have been revised or are in the process of revision. The US Food and Drug Administration (US FDA) released its first set of draft guidelines in 2012 followed by additional guidelines in 2014-15, and others are in the pipeline. US FDA guidelines in the pipeline are expected to cover interchangeability, statistical approaches to evaluation of analytical similarity, and labelling of biosimilars.

Approvals of more biosimilars for anti-TNF biologics, as well as biosimilars for oncology products, are anticipated in 2016. Interchangeability/substitution and naming are two important considerations in the uptake of biosimilars once they are launched.

Industry R&D Pipeline

	USD bn
Global R&D Pipeline	
NPV of R&D Pipeline – June 2014	419
Less: Approvals	-70
Add: New Projects	80
Add: Revaluation of Base NPV	64
NPV of R&D Pipeline – June 2015	493

The (NPV) of the industry's R&D pipeline surged 18% over last year's reported to USD 493 bn as on June 2015. One technology wave that is taking the industry by storm is projects targeting the programmed death-1 (PD-1) pathway with many leading players in the fray. Should these projects get approved the value will likely be revised upward, due to the removal of approval risk from the NPV. R&D expenditure is forecast to grow at a modest 2% per year to 2020, reaching \$160 billion.

Source: EvaluatePharma® (22 May 2015)

GLOBAL ANTIBIOTIC SCENARIO AND NEW DEVELOPMENTS

Growth in global antibiotic resistance is not new phenomenon. What's alarming though is the rate of growth and the possibility of phasing out of some of the most commonly used antibiotic drugs in a not so far future. Last year witnessed another antibiotic defence being breached in form of emergence of Polymixin resistant bacteria. Though it will be low in number of incidence but Polymixins were themselves toxic enough to be given only in extremely rare cases of infection, and this is a major setback after the emergence of carbapenem resistant bacteria and discovery of New Delhi Metallobactamase (NDMs). US alone witnesses about 7 million infections of which 2 million are resistant infections with direct cost of treatment at USD 20 billion and further USD 35 billion in loss of productivity. (CDC 2013).

While regulated countries have strong patient tracking mechanisms built in to monitor the growth of drug resistant bacteria and undertake corrective measures, the emerging countries where antibiotic abuse is rampant and organism growth is high and untraceable, these drug resistant bacteria will be a cause of major concern. Most of the regularly used antibiotics like Azithromycin, Clarithromycin, PipTaz, various cephalosporin, etc. have attained a resistance level of 15-25% in regulated markets and much more in emerging market. With globalization yielding high frequency of travel between countries, regulated markets too will be at high risk of infection incidences, just as was witnessed in rise of another resistance bacteria Acinetobacter in USA.

With the movement of drug majors to more lifestyle oriented drugs (cardiovascular, diabetes management, etc.) the new antibiotic drug development queue has for long been a thin one. It has largely been left to relatively newer or specialized entities like your company to undertake the research in developing new antibiotics countering the rise of these superbugs.

OPPORTUNITIES

The Global Biosimilar market is one of the biggest opportunity in the years to come with USD 62–67 billion worth of drugs going off patent by 2020. This growth will further be propelled with the key focus shift of regulators, payers, state governments towards cost containment and cheaper drug access and financial pressures on healthcare industry to make significant cost reductions. With USFDA opening up the regulatory pathways the US biosimilars market alone is projected to be around USD 25 billion by 2020 (Source- 2014 Thomson Reuters & GABI Online report). The acceptance of biosimilars in Europe and India is also quite impressive.



Growth opportunities in US, UK, Europe, India and in other Emerging markets are significantly high for the company because of the existing presence of operations in these economies. Your company is striving in all aspects to establish its brand and ramp up its presence and operations in larger GCC countries, Latam Countries, New markets like Australia, New Zealand, Turkey and not last but significant partnerships in China, Japan and Korea. Your company is also in the process of constructing a State of Art manufacturing facility in Jebel Ali Free Trade Zone (JAFZA), Dubai, UAE for manufacturing of speciality drugs for the US / European markets. Company's current operations except for USA which is still under regulatory scanner, has been significantly better than market averages in those regions.

There is a global crisis of availability of antibiotics to fight growing numbers of resistant bacteria and there has been a big void in Anti Infective as relatively very few drugs have been discovered in the last decade. However your Company's relentless focus for almost two decades in the Anti-Infective space has started showing recognition with consecutive approvals for QIDP in quick succession. With the rise in number of new organisms and new strains of old organisms with significant resistance to existing medicines, the Company with its array of under-development drugs in this space aims to counter these unmet needs in both gram positive and gram negative bacterial infections in both regulated and unregulated markets. During last year (2014), Wockhardt received approvals for WCK 771 & WCK 2349 and in 2015 approvals were received for WCK 4873, WCK 4282 and WCK 5222, making it the only company globally to receive QIDP status for 5 drugs from US FDA. Qualified Infectious Disease Product (QIDP) is granted to drugs, identified by Center for Disease Control (CDC), USA that act against Pathogens which have a high degree of unmet needs in their treatment. QIDP status by US FDA makes way for an accelerated drug development cycle in addition to providing a five-year extension of the exclusively period post approval.

RISK

Quality compliance, globally, has gained significant impetus and has emerged as a key success factor for long term sustenance. Global Regulatory management continues to remain key focus area for entire pharmaceutical industry with agencies like USFDA, EMA, Anvisa and COFEPRIS etc. continuously enhancing the benchmark at regular intervals. The evolving cGMP regulations have become stringent and the industry is striving unanimously to create world class capabilities to adhere to the mandates. Your company which had received setback during 2013 undertook several measures to upgrade its regulatory framework in its manufacturing locations. These efforts have paid off in the current year 2015 with your company receiving the unrestricted cGMP certificate from the UK MHRA for its facility in Chikalthana, Maharashtra, India. Corrective measures for USFDA clearance are in process with significant automation, technology upgrades and rollout of best practices at the manufacturing facilities. The Shendra facility in Aurangabad, Maharashtra, India received nine observations from USFDA during the year. Your company is monitoring the situation closely and its ongoing efforts towards remediation and compliance measures for its manufacturing facilities continue to be in place.

Pricing pressures in India continue to impact several organizations with latest NPPA circulars to include many critical drugs under the scope of price fixation / reduction and your company has been no exception to the same. This has impacted the earnings of many Indian companies including yours. However, your company has maintained the pace of domestic growth amidst such challenges which is mainly because of new product portfolio and better brand management.

Last year was pretty dismal for major economies like Europe, Russia, China and other Emerging countries like Brazil, Greece facing decade long economic uncertainties. The Geo-political instabilities in many countries have translated into currency and commodity volatility – oil price crash and devaluation for many currencies. Your company is a global player and is not insulated against such external risks despite the best financial practices and wide range of measures being taken. This has also to some extent impacted the earnings w.r.t to countries where your company operates in the home currency of these nations. This is an inherent risk which is carried when a company operates trans-border.

Transformation in disease treatments through 2020

- A) Novel Active Substances (NAS) : In 2020 there will be 943 NAS introduced in the prior 25 years and the vast majority will be available to populations around the world. These new medicines will treat oncology and orphan diseases and provide a range of speciality small molecule medicines. Patients will have greater access to breakthrough therapies and clusters of innovation around hepatitis C, cancer, autoimmune diseases, heart disease and orphan drugs.
- B) Oncology treatments will include more immunotherapies, targeted therapies and personalized medicines, sometimes used together in a regimen, improving further survival and life expectancy.

- C) By 2020, the treatment options for orphan diseases- those affecting fewer than 200,000 patients in either the U.S. or Europe - will be at an all-time high. Some 470 orphan treatments will be available, including medicines with multiple uses and those with both orphan and non-orphan indications.
- D) Other developments includes clinical transformations in disease like Hepatitis C bringing highly effective treatments with fewer side effects.
- E) There are fifteen new HIV treatments at advanced stage of clinical trials many of which can be expected to be available in 2020 including a new medicine with a USFDA breakthrough designation that targets a mechanism with reduced potential for viral resistance.
- F) Cell and Gene therapies are thought to offer some of the most powerful treatments for very hard to treat diseases and these are currently under development which are expected to treat conditions varying from cancers to HIV, autoimmune diseases and rarest of the rare conditions

(Source: IMS Global Use of Medicines in 2020)

Global Economic Scenario

The financial year 2015-16 has set a bearish tone for most global economies with conditions getting from bad to worse for Russia, Europe and now China.

Global growth, currently estimated at 3.1 percent in 2015, is projected at 3.4 percent in 2016 and 3.6 percent in 2017. In advanced economies, a modest and uneven recovery is expected to continue, with a gradual further narrowing of output gaps. The picture for emerging market and developing economies are diverse but in many cases challenging. The slowdown and rebalancing of the Chinese economy, lower commodity prices, and strains in some large emerging economies will continue to weigh on growth prospects in 2016-17.

The projected pickup in growth in the next two years despite the ongoing slowdown in China primarily reflects forecasts of a gradual improvement of growth rates in countries currently in economic distress, notably Brazil, Russia, and some countries in the Middle East, though even this projected partial recovery could be farfetched by new economic or geo political shocks. Risks to the global outlook remain tilted to the downside and relate to ongoing adjustments in the global economy: a generalized slowdown in emerging market economies, China's rebalancing, lower commodity prices, and the gradual exit from extraordinarily accommodative monetary conditions in the United States.

(Source: World Economic Outlook – Jan 19, 2016)

RESEARCH

Research & Development as Strategic Core

The company's continuous strategic focus in complex research in Pharma, Biosimilars and NCE for last couple of years has started showing its positive impact on the product pipeline. It is the complex matrix of research encompassing technology intensive generic products for oral, nasal and parenteral administration, New Drug Discovery Program and Biosimilar research that has been playing pivotal role for the company's success and sustainability. Cross functional, highly educated, trained and stable project management team has been the core factor to success. The company has dedicated a lot of focus, investments and initiatives to ensure that the R&D organization stays at the threshold of latest technological advancements in the areas it operates on.

Research Efforts in Novel Drug Delivery Systems and ANDAs Pipeline

During the financial year ended March 31, 2016 the company has filed for 17 new products in US and 2 in UK. Currently for the US business, company's pipeline includes 84 products pending to be approved by US FDA. The company has always been a trendsetter in Indian generic pharma industry with its niche NDDS products like Metoprolol ER, Divalproex ER, Tamsulosin ER which were among the first few generics in US market. Out of the pending ANDAs about 30% ANDAs are complex generics, modified release formulations. It has also made advancements in the area of characterisation of complex muco-polysachcharides and complex delivery technologies, integrating IT system with generic applications and has successfully developed its own patented REMS (Risk Evaluation and Mitigation Strategy) system for narrow therapeutic index medicines.



New Drug Discovery Programme

Company's focus on New Drug Discovery Program targeting Antibacterial infections has started yielding promising drug candidates. These drugs are targeting the current and emerging unmet needs in both gram positive and gram negative terrain where the dearth of medicine is substantial across the world. Anti-Infectives are the only class of medicines which has a curative therapeutic outcome and hence the merits of drug candidates in this class are decided based on clinical efficacy against resistant, difficult-to-treat organisms.

Globally most of the innovator companies have focused on cardiovascular, diabetes and other-lifestyle diseases or oncology which has left a big void in Anti-Infective space. With the global rise in the prevalence of resistant strains, and the emergence of newer resistance mechanisms as well as new pathogenic organisms, where the existing antibiotics are having little impact, the overall infectious disease scenario is highly concerning. The company with its array of drug under development in this space aims to counter these diseases in both regulated and unregulated markets.

Two of our drug candidates (WCK 771 & WCK 2349) received QIDP (Qualified Infectious Disease Product) status from US FDA during the FY 2014-15. Three more drugs under clinical development, WCK 4873, WCK 4282 and WCK 5222 have been granted QIDP status in the current year. QIDP was constituted under Generating Antibiotic Incentives Now (GAIN) Act in 2012 as part of the FDA Safety and Innovation Act to underline the urgency in new antibiotics development. Wockhardt has earned a unique distinction of being the only company globally which has five in-house discovered drugs with QIDP status.

With the rise in the number of new organisms and newer resistance mechanisms, where the existing medicines are having diminishing impact, the company has consolidated its position as the leading innovator in the antibacterial space.

Your Company has strong focus in developing intellectual property and filed 311 patents during the year under review out of which 100 patents were granted. As on 31st March, 2016, combined pool of Company's patent has reached 2579 filings and 441 grants.

COMPANY OUTLOOK

The Company's long term outlook continues to be promising given the following:

- a. Overall growth in the global pharmaceutical industry.
- b. Continued focus on R&D in regards to its complex generic, bio technology and NCE programs.
- c. Company's global reach in regulated market and continued efforts to enhance its reach in emerging markets.
- d. Increasing pipeline of niche & complex technology generic products.

SEGMENT-WISE PERFORMANCE

The Company is exclusively into pharmaceutical business segment.

INTERNAL CONTROL SYSTEMS AND ADEQUACY

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

Your Company during the year undertook "Internal Financial Control (IFC)" evaluation by M/s KPMG in accordance with the requirement of the Companies Act, 2013. Your company is also in the advanced stage of implementing online compliance management tool in association with M/s EY.

The Company has an independent Internal Audit and assurance team that comprises of multidisciplinary and experienced professionals. This team is assisted by external audit firms wherever necessary, for specialized and other audits. There is a set practice of reviewing various key select risks of the various businesses and report to Audit Committee time to time. Material observations and recommendations under implementation are reported by the Head of Internal Audit at quarterly Audit Committee meetings.

HUMAN RESOURCES

The Company's talent base, as on March 31, 2016 stands at 7376.

Wockhardt has introduced the ethos of the Group by adopting "Life Wins" as an extension of the brand. It is a Corporate Philosophy / motto / mission with a purpose of existence, emphasising that Life should Win, always! Life Wins is not just a tagline, but a far more fundamental principle for Wockhardt by adding a meaning and commitment to the cause and purpose of making "Life Wins".

Your Company believes in exploring new avenues and attaining greater heights, by placing Human capital at the heart of all actions. As an organization it equally emphasizes on the imperatives of capability building and workforce sustainability by using unconventional methods of hiring, developing, motivating, rewarding and thereby nurturing the Human capital.

Wockhardt believes that Associates are the most valuable assets and key players in business success and sustainable growth. Developing Human Capital is the core object for all employee training programmes that effectively ensures adaptability to ever changing technology and functional fields while creating a pool of future ready talent. Employee benefits, engagement and team building programmes are conducted to enhance employee skill, motivation as also to foster team spirit. Continuous focus on strengthening existing middle and senior leadership through a structured Leadership Development Initiative, "Wocklead", that aims at identifying potential talent among senior professionals.

Employee engagement is an important element of the Company's success. To ensure a comprehensive and effective employee engagement, your company has built an enriching culture of communication with the Top Management through numerous initiatives such as Town Hall Meetings, MD Connect, Coffee with MD, Aadharshila, Engagement beyond work including participation of family members of the employees in various activities etc.

At Wockhardt the key focus areas are Innovation, Technology and people building. A new drive for growth today permeates every mind-set, process and techno-innovation within the company.

The Goal setting process is very unique at Wockhardt, that ensures horizontal alignment among various constituents of the organization. It starts with the Top Management being taken through a process called "ALIGN", an acronym denoting "Assimilate & Link Individual and Group Needs" as a starting point of defining the business objectives. In business parlance, the "ALIGN" process would ultimately link the organizational goals with each employees' goals and for that the Company has institutionalized a robust online performance management system.

In line with the SEBI Listing Regulations, the company has adopted a "Whistle Blower Policy" which encourages the Whistle Blower to report genuine concerns or grievances. It also provides adequate safeguard to the Whistle Blower against victimization. The policy on Whistle Blower may be accessed on the company's website at www.wockhardt.com

Pursuant to the requirement of The Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 ('Act'), the Company has constituted Internal Complaints Committees (ICC) across all the locations which are responsible for redressal of complaints related to sexual harassment at respective locations. The objective of the Policy is to create and provide a work environment that is safer, civilized, free from any sort of hostility, supportive to the diversity & dignity of all Associates, where Associates feel secure, provide protection to the Associates at the workplace and established guidelines for prevention & redressal of complaints of sexual harassment and matters connected or incidental thereto at the workplace on the basis of natural justice and confidentiality. During the year ended 31st March, 2016, the Company has not received any complaints in the matter.



INDEPENDENT AUDITOR'S REPORT

To the Members of Wockhardt Limited

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Wockhardt Limited (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and its associate, comprising of the Consolidated Balance Sheet as at March 31, 2016, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Financial Statements").

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group and its associate in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Group and its associate are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditors' Responsibility

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

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

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

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their report referred to in sub-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group and its associate as at 31st March, 2016, their consolidated profit and their consolidated cash flows for the year ended on that date.

Other Matter

- (a) We did not audit the financial statements of 23 (Twenty Three) subsidiaries, whose financial statements reflects total assets of ₹ 7,340.20 Crore as at March 31, 2016, total revenues of ₹ 3,583.07 Crore and net cash inflows amounting to ₹ 211.35 Crore for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include Group's share of net profit of ₹ 0.64 Crore for the year ended March 31, 2016, as considered in

the consolidated financial statements, in respect of 1 (One) associate, whose financial statement have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and associate, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries and associate, is based solely on the reports of the other auditors.

- (b) We did not audit the financial statements of 2 (Two) subsidiaries, which as per the management have been incorporated during the year and capital infusion in these subsidiaries is yet to be done.

Our opinion on the consolidated financial statements and our report on the Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and information certified by the management.

Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, we report, to the extent applicable, that:

- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;
- b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept by the Company so far as it appears from our examination of those books and the reports of the other auditors;
- c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;
- d. In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014;
- e. On the basis of written representations received from the directors of the Holding Company as on March 31, 2016 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary company incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on March 31, 2016 from being appointed as a director in terms of Section 164 (2) of the Act;
- f. With respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, we give our separate Report in the "Annexure".
- g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - (i) The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group and its associate – Refer Note 37 to the consolidated financial statements;
 - (ii) Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts – Refer (a) Note 7 and 11 to the consolidated financial statements;
 - (iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary company incorporated in India.

For **Haribhakti & Co. LLP**

Chartered Accountants

ICAI Firm Registration No. 103523W

Bhavik L. Shah

Partner

Membership No. 122071

Place: Mumbai

Date : May 6, 2016



ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT

[Referred to under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report of even date to the members of **Wockhardt Limited** on the consolidated financial statements for the year ended March 31, 2016]

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

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2016, we have audited the internal financial controls over financial reporting of the Holding Company and its subsidiary, which are the companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the of the Holding Company and its subsidiary, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective 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.

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

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

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

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

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

For **Haribhakti & Co. LLP**

Chartered Accountants

ICAI Firm Registration No. 103523W

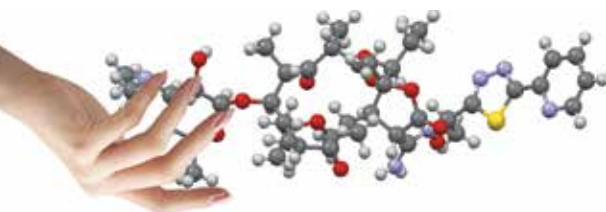
Bhavik L. Shah

Partner

Membership No. 122071

Place: Mumbai

Date : May 6, 2016



CONSOLIDATED BALANCE SHEET

As at March 31, 2016

Particulars	Note No.	As at March 31, 2016		As at March 31, 2015	
		₹ in crore	USD in million	₹ in crore	USD in million
EQUITY AND LIABILITIES					
SHAREHOLDERS' FUNDS					
Share capital	3	353.80	53.39	353.59	56.58
Reserves and surplus	4	3,518.61	531.03	3,361.76	537.92
		3,872.41	584.42	3,715.35	594.50
MINORITY INTEREST					
		470.37	70.99	143.95	23.03
NON-CURRENT LIABILITIES					
Long-term borrowings	5	1,654.16	249.65	1,184.84	189.58
Deferred tax liabilities (Net)	6	47.59	7.20	52.57	8.40
Long-term provisions	7	65.30	9.85	69.20	11.08
		1,767.05	266.70	1,306.61	209.06
CURRENT LIABILITIES					
Short-term borrowings	8	550.03	83.01	348.28	55.72
Trade payables	9	637.69	96.24	552.56	88.41
Due to Micro and Small Enterprises ₹ 18.28 crore (Previous Year – ₹ 23.90 crore)					
Due to others ₹ 619.41 crore (Previous Year – ₹ 528.66 crore)					
Other current liabilities	10	621.67	93.82	844.44	135.10
Short-term provisions	11	32.94	4.96	27.69	4.42
		1,842.33	278.03	1,772.97	283.65
TOTAL		7,952.16	1,200.14	6,938.88	1,110.24
ASSETS					
NON-CURRENT ASSETS					
FIXED ASSETS					
	12				
Tangible assets		1,655.72	249.89	1,315.08	210.42
Intangible assets		891.45	134.53	807.66	129.22
Capital work-in-progress		928.18	140.08	1,007.30	161.17
Intangible assets under development		107.87	16.28	–	–
Non-current investments	13	0.45	0.07	2.62	0.42
Long-term loans and advances	14	374.64	56.54	279.83	44.77
Other non-current assets	15	3.28	0.50	4.83	0.77
		3,961.59	597.89	3,417.32	546.77
CURRENT ASSETS					
Current investments	16	–	–	338.72	54.20
Inventories	17	1,102.16	166.34	1,020.78	163.34
Trade receivables	18	1,200.47	181.17	741.43	118.63
Cash and Bank Balances	19	1,478.11	223.07	1,234.55	197.52
Short-term loans and advances	20	209.83	31.67	186.08	29.78
		3,990.57	602.25	3,521.56	563.47
TOTAL		7,952.16	1,200.14	6,938.88	1,110.24
Significant accounting policies	2				
The notes from 1 to 43 form an integral part of the Financial statements.					

As per our attached report of even date

For Haribhakti & Co. LLP
Chartered Accountants
ICAI Firm Registration No. 103523W

Bhavik L. Shah
Partner
Membership No. 122071
Place : Mumbai
Date : May 06, 2016

Narendra Singh **Manas Datta**
Company Secretary Chief Financial Officer

For and on behalf of the Board of Directors

H. F. Khorakiwala
Chairman
DIN: 00045608

Murtaza Khorakiwala
Managing Director
DIN: 00102650

Shekhar Datta
DIN: 00045591

Aman Mehta
DIN: 00009364

D. S. Brar
DIN: 00068502

Sanjaya Baru
DIN: 05344208

Tasneem Mehta
DIN: 05009664

Baldev Raj Arora
DIN: 00194168

Directors

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

For the Year Ended March 31, 2016

Particulars	Note No.	For the year ended March 31, 016 ₹ in crore	For the year ended March 31, 2016 USD in million	For the year ended March 31, 2015 ₹ in crore	For the year ended March 31, 2015 USD in million
Revenue from operations	21	4,470.90	674.75	4,488.28	718.13
Less: Excise duty		(9.47)	(1.43)	(6.74)	(1.08)
Revenue from operations (net)		4,461.43	673.32	4,481.54	717.05
Other income	22	96.95	14.64	66.55	10.65
TOTAL REVENUE		4,558.38	687.96	4,548.09	727.70
Expenses:					
Cost of materials consumed		936.39	141.32	783.98	125.44
Purchases of stock-in-trade		732.23	110.51	754.51	120.72
Changes in inventories of finished goods, work-in-progress and stock-in-trade	23	(64.41)	(9.72)	(51.01)	(8.16)
Employee benefits expense	24	944.30	142.51	868.87	139.02
Finance costs	25	101.21	15.27	55.21	8.83
Depreciation and amortization expense	12	142.56	21.52	145.40	23.26
Exchange fluctuation loss/(gain), net		14.42	2.18	117.70	18.83
Other expenses	26	1,394.67	210.48	1,298.09	207.69
TOTAL EXPENSES		4,201.37	634.07	3,972.75	635.63
PROFIT BEFORE EXCEPTIONAL ITEMS AND TAX		357.01	53.89	575.34	92.07
Exceptional items (gain)/loss		-	-	-	-
PROFIT BEFORE TAX		357.01	53.89	575.34	92.07
Tax expense:					
Current tax		(52.05)	(7.86)	(196.79)	(31.49)
MAT credit		1.89	0.29	58.92	9.43
Tax for earlier years		21.61	3.26	36.57	5.85
Deferred tax		3.07	0.46	(61.35)	(9.82)
PROFIT AFTER TAX		331.53	50.04	412.69	66.04
Add: Share in Profit/(Loss) of Associate Companies		0.64	0.10	-	-
NET PROFIT FOR THE YEAR		332.17	50.14	412.69	66.04
Minority Interest – Profit/(Loss)		6.51	0.98	7.78	1.24
NET PROFIT FOR THE YEAR		325.66	49.16	404.91	64.80
Earnings per equity share of face value of ₹ 5/- each:	29				
(1) Basic ₹		29.50	0.45	36.81	0.59
(2) Diluted ₹		29.29	0.44	36.39	0.58
Significant accounting policies	2				
The notes from 1 to 43 form an integral part of the Financial statements.					

As per our attached report of even date

For Haribhakti & Co. LLP

Chartered Accountants

ICAI Firm Registration No. 103523W

Bhavik L. Shah

Partner

Membership No. 122071

Place : Mumbai

Date : May 06, 2016

Narendra Singh

Company Secretary

Manas Datta

Chief Financial Officer

For and on behalf of the Board of Directors

H. F. Khorakiwala

Chairman

DIN: 00045608

Murtaza Khorakiwala

Managing Director

DIN: 00102650

Shekhar Datta

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Sanjaya Baru

DIN: 05344208

Tasneem Mehta

DIN: 05009664

Baldev Raj Arora

DIN: 00194168

Directors

CONSOLIDATED STATEMENT OF CASH FLOWS

For the Year Ended March 31, 2016

	For the year ended March 31, 2016 ₹ in crore	For the year ended March 31, 2016 USD in million	For the year ended March 31, 2015 ₹ in crore	For the year ended March 31, 2015 USD in million
A. CASH FLOWS FROM/(USED IN) OPERATING ACTIVITIES:				
Net Profit Before Tax	357.01	53.89	575.34	92.05
Adjustments for:				
Advances no more recoverable	0.05	0.01	–	–
Expense on Employee Stock Option Scheme (ESOS)	7.55	1.14	16.92	2.71
Depreciation/Amortisation	142.56	21.52	145.40	23.26
Exchange fluctuation Loss (net)	14.42	2.18	117.70	18.83
Liabilities no more payable	(6.82)	(1.04)	(6.24)	(1.00)
Provision for doubtful debts	19.32	2.92	3.09	0.49
Bad debts	0.31	0.05	0.46	0.07
(Profit)/Loss on sale of fixed assets, net	4.03	0.61	4.39	0.70
Loss/(Profit) on Sale of Investments	(32.25)	(4.87)	(28.16)	(4.51)
Other Income – fire insurance claim for fixed asset	–	–	(8.18)	(1.31)
Income from Investment	(4.45)	(0.67)	(6.98)	(1.12)
Finance cost	101.21	15.27	55.21	8.83
Interest income	(44.64)	(6.74)	(7.98)	(1.28)
Dividend income	–	–	(0.002)	–
Operating profit before Working Capital changes	558.30	84.27	860.97	137.72
Movement in working capital				
(Increase)/Decrease in inventories	(82.98)	(12.52)	(27.89)	(4.46)
(Increase)/Decrease in trade receivables	(487.12)	(73.52)	(328.77)	(52.60)
(Increase)/Decrease in loans and advances and other assets	(24.48)	(3.69)	10.00	1.60
Increase/(Decrease) in trade payables, other liabilities and provisions	129.75	19.58	23.78	3.80
Adjustment for translation difference in working capital	62.07	9.37	(21.74)	(3.46)
Cash generated from operations	155.54	23.49	516.35	82.60
Income taxes paid	(83.93)	(12.67)	(161.39)	(25.82)
Net cash from/(used in) Operating Activities (A)	71.61	10.82	354.96	56.78
B. CASH FLOWS PROVIDED BY/(USED IN) INVESTING ACTIVITIES:				
Purchase of fixed assets, additions to capital work in progress and intangibles under development	(491.94)	(74.24)	(440.51)	(70.48)
Proceeds from sale of fixed assets	0.14	0.02	9.77	1.56
Sale/(Purchase) of investments	368.16	55.56	240.23	38.44
Income from Investment	4.45	0.67	6.98	1.12
Margin money under lien and Fixed deposits (other than cash and cash equivalents)	(736.06)	(111.09)	(31.08)	(4.97)
Interest received	37.06	5.59	7.98	1.28
Dividend received	–	–	0.002	–
Net cash from/(used in) Investing Activities (B)	(818.19)	(123.49)	(206.63)	(33.05)

	For the year ended March 31, 2016 ₹ in crore	For the year ended March 31, 2016 USD in million	For the year ended March 31, 2015 ₹ in crore	For the year ended March 31, 2015 USD in million
C. CASH FLOWS PROVIDED BY/(USED IN) FINANCING ACTIVITIES:				
Proceeds from issuance of share capital	0.21	0.03	0.16	0.03
Premium on issue of shares	0.20	0.03	–	–
Proceeds from issue of shares to Minority by subsidiary	85.71	12.94	–	–
Repayment of long term borrowings	(503.55)	(76.00)	(466.33)	(74.61)
Proceeds from long term borrowings	570.32	86.07	561.78	89.88
Short term borrowings (net)	189.81	28.65	130.23	20.84
Interest paid	(88.24)	(13.32)	(56.01)	(8.96)
Dividend paid (including dividend distribution tax)	(0.20)	(0.03)	(245.48)	(39.28)
Net cash from/(used in) Financing Activities (C)	254.26	38.37	(75.65)	(12.10)
NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)	(492.32)	(74.30)	72.68	11.63
CASH AND CASH EQUIVALENTS, beginning of year	1,158.69	174.87	1,101.65	176.26
Unrealised gain/(loss) on foreign currency cash and cash equivalents	(1.73)	(0.26)	(15.64)	(2.50)
CASH AND CASH EQUIVALENTS, end of year	664.64	100.31	1,158.69	185.39
Components of cash and cash equivalents, as at March 31, 2016				
Cash	0.11	0.02	0.25	0.04
Balance with banks:				
– on current accounts (excluding unclaimed dividend accounts) (Refer Note 19)	657.43	99.22	949.56	151.93
– on Unpaid Dividend Account (Refer note C below)	1.66	0.25	1.83	0.29
– on fixed deposit accounts	5.44	0.82	207.05	33.13
	664.64	100.31	1,158.69	185.39

Notes:

- A. All figures in bracket are outflow.
 B. Income taxes paid are treated as arising from operating activities and are not bifurcated between investing and financing activities.
 C. These balances are not available for use by the Company as they represent corresponding unclaimed dividend liabilities.
 D. Amalgamation of Vinton Healthcare Limited and Wockhardt Biopharm Limited into Wockhardt Limited does not have any cash flow impact during the previous year (Refer note 38).

As per our attached report of even date

For Haribhakti & Co. LLP

Chartered Accountants

ICAI Firm Registration No. 103523W

Bhavik L. Shah

Partner

Membership No. 122071

Place : Mumbai

Date : May 06, 2016

Narendra Singh

Company Secretary

Manas Datta

Chief Financial Officer

For and on behalf of the Board of Directors

H. F. Khorakiwala

Chairman

DIN: 00045608

Murtaza Khorakiwala

Managing Director

DIN: 00102650

Shekhar Datta

DIN: 00045591

Aman Mehta

DIN: 00009364

D. S. Brar

DIN: 00068502

Sanjaya Baru

DIN: 05344208

Tasneem Mehta

DIN: 05009664

Baldev Raj Arora

DIN: 00194168

Directors



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended March 31, 2016

(All amounts in crore of ₹, unless otherwise stated)

1. (a) Background

Wockhardt Limited ('WL' or 'Company') has controlling interest, directly or through subsidiaries, step down subsidiaries, associates in the following entities during the year ended March 31, 2016:

Entity	Country of Incorporation	Name of Parent	Percentage of holding (%)
Subsidiaries			
1. Wockhardt Infrastructure Development Limited	India	Wockhardt Limited	100%
2. Wockhardt UK Holdings Limited	England & Wales	Wockhardt Limited	100%
3. Wockhardt Bio AG [Formerly, Wockhardt EU Operations (Swiss) AG]*	Switzerland	Wockhardt Limited	85.85%
4. Wockhardt Europe Limited	British Virgin Islands	Wockhardt Limited	100%
Step-down subsidiaries			
1. CP Pharmaceuticals Limited**	England & Wales	Wockhardt Bio AG	100%
2. Wallis Group Limited	England & Wales	Wockhardt UK Holdings Limited	100%
3. The Wallis Laboratory Limited	England & Wales	Wallis Group Limited	100%
4. Wallis Licensing Limited	England & Wales	Wallis Group Limited	100%
5. Wockhardt Farmaceutica Do Brasil Ltda	Brazil	The Wallis Laboratory Limited	90%
		Wockhardt Europe Limited	10%
6. Z & Z Services GmbH (formerly, Esparma GmbH)	Germany	Wockhardt Bio AG	100%
7. Wockhardt UK Limited	England & Wales	Wockhardt Bio AG	100%
8. CP Pharma (Schweiz) AG	Switzerland	Wockhardt Bio AG	100%
9. Wockpharma Ireland Limited	Ireland	Wockhardt Bio AG	100%
10. Pinewood Healthcare Limited	England & Wales	Wockhardt Bio AG	100%
11. Pinewood Laboratories Limited	Ireland	Wockpharma Ireland Limited	100%
12. Wockhardt France (Holdings) S.A.S.	France	Wockhardt Bio AG	100%
13. Niverpharma S.A.S.	France	Wockhardt France (Holdings) S.A.S.	100%
14. Laboratoires Pharma 2000 S.A.S.	France	Wockhardt France (Holdings) S.A.S.	100%
15. Laboratoires Negma S.A.S.	France	Wockhardt France (Holdings) S.A.S.	100%
16. Negma Beneulex S.A.	Belgium	Wockhardt France (Holdings) S.A.S.	53.97%
		Laboratoires Negma S.A.S.	46.03%
17. Phytex S.A.S.	France	Wockhardt France (Holdings) S.A.S.	100%
18. Wockhardt Holding Corp.	USA	Wockhardt Bio AG	100%
19. Morton Grove Pharmaceuticals Inc.	USA	Wockhardt Holding Corp.	100%
20. MGP Inc	USA	Wockhardt Holding Corp.	100%
21. Wockhardt USA LLC	USA	Morton Grove Pharmaceuticals Inc	100%
22. Wockhardt Farmaceutica SA DE CV	Mexico	Wockhardt Bio AG	100%
23. Wockhardt Services SA DE CV	Mexico	Wockhardt Bio AG	100%
24. Wockhardt Nigeria Limited	Nigeria	Wockhardt Europe Limited	100%
25. Wockhardt Bio (R) LLC #	Russia	Wockhardt Bio AG	100%
26. Wockhardt Bio Pty Ltd #	Australia	Wockhardt Bio AG	100%
27. Wockhardt Bio Ltd #	New Zealand	Wockhardt Bio AG	100%
Associate			
1. Swiss Biosciences AG #	Switzerland	Wockhardt Bio AG	45%

During the year, Wockhardt Bio (R) LLC, Wockhardt Bio Pty Ltd., Wockhardt Bio Ltd. have been incorporated in Russia, Australia & New Zealand on August 25, 2015, August 19, 2015 and November 11, 2015 respectively. Wockhardt Bio Pty Ltd and Wockhardt Bio Ltd are yet to commence the business. The company's associate Swiss Bioscience AG was liquidated on April 13, 2015.

* During the year, Wockhardt Bio AG, Switzerland, in accordance with stock option scheme approved by the Ordinary General Meeting of the Shareholders of Wockhardt Bio AG held on September 11, 2015, has allotted 5,000,000 Ordinary shares at the prevailing market price. With this issue of shares, Wockhardt Limited, the Company, now holds 85.85% of the share capital of Wockhardt Bio AG, Switzerland.

** With effect from April 01, 2015, CP Pharmaceuticals Limited, UK, an erstwhile wholly owned subsidiary of Wockhardt UK Holdings Limited (a wholly owned subsidiary of the Company), has become wholly owned subsidiary of Wockhardt Bio AG, Switzerland.

The Company together with its subsidiaries Wockhardt Europe Limited ('WEL'), Wockhardt Infrastructure Development Limited ('WIDL'), Consolidated Wockhardt UK Holdings Limited ('WUK'), and Consolidated Wockhardt Bio AG (collectively, 'the Group') is primarily engaged in the business of manufacture and marketing of pharmaceutical products. The Group has eleven manufacturing locations and there are three locations where research and development activities are carried out.

(b) Basis of consolidation

The consolidated financial statements have been prepared and presented in accordance with the Indian Generally Accepted Accounting Principles ("IGAAP") under the historical cost convention on the accrual basis. IGAAP comprise mandatory accounting standards prescribed under Section 133 of the Companies Act, 2013 ('the Act') read with Rule 7 of the Companies (Accounts) Rules, 2014 and other relevant provisions of the Act to the extent notified.

(c) Principles of consolidation

The consolidated financial statements includes the financial statements of Wockhardt Limited ('WL' or 'Company'), the parent company and all of its subsidiaries in which the Company has more than one-half of the voting power of an enterprise or where the Company controls the composition of the board of directors.

The consolidated financial statements have been prepared on the following basis:

- i. The consolidated financial statements of the Group have been prepared based on a line-by-line consolidation of the financial statements of Wockhardt Limited and its subsidiaries using uniform accounting policies for like transactions and other events in similar circumstances. All material inter-company balances and transactions are eliminated on consolidation. Wockhardt Limited and all the subsidiaries have closed books of accounts as at March 31, 2016 as year-end for the purpose of preparing the consolidated financial statements of the Group.
- ii. Investment of the company in associates is accounted as per the equity method prescribed under notified Accounting Standard 23 – "Accounting for Investment in Associates in Consolidated Financial Statements" under Section 133 of the Companies Act, 2013 ('the Act').
- iii. The excess of cost to the Group of its investments in subsidiary companies over its share of the equity of the subsidiary companies at the dates, on which the investments in the subsidiary companies are made, is recognised as 'Goodwill (on Consolidation)' being an asset in the consolidated financial statements. Alternatively, where the share of equity in the subsidiary companies as on the date of investment is in excess of cost of investment of the Group, it is recognised as 'Capital Reserve (on Consolidation)' and shown under the head 'Reserves and Surplus', in the consolidated financial statements.
- iv. Assets and liabilities of subsidiaries are translated into Indian rupees at the rate of exchange prevailing as at the Balance Sheet date. Revenues and expenses are translated into Indian rupees at average of twelve months closing rates and the resulting net translation adjustment aggregating ₹ 156.16 crore (USD 23.56 million) [Previous Year – ₹ (51.79) crore (USD (8.29) million)] has been adjusted to Reserves.
- v. The operations of the Company's subsidiaries are considered as non-integral operations for the purpose of consolidation.
- vi. The consolidated financial statements are presented, to the extent possible, in the same format as that adopted by the parent company for its separate financial statements.
- vii. Minority Interest in the net assets of Subsidiaries consists of:
 - i. the amount of equity attributable to the minorities at the date on which investment in Subsidiary is made, and
 - ii. the minorities' share of movements in equity since the date the parent-subsidiary relationship came into existence.
- viii. Convenience translation

The accompanying financial statements have been prepared in Indian rupees, the national currency of India. Solely for the convenience of the reader, the financial statements as of and for the 12 months ended March 31, 2016 and March 31, 2015 have been translated into United States dollars at the closing rate USD 1 = ₹ 66.26 (Previous Year - USD 1 = ₹ 62.5). No representation is made that the Indian rupee amounts have been, could have been or could be converted into United States dollars at such a rate or any other rate.

(d) Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period. During the year, the Company has changed the estimation criteria used for provision for doubtful debts and provision for slow moving and non-moving inventory. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

2. Summary of Group's Significant Accounting Policies

The financial statements have been prepared to comply in all material respects with the prescribed accounting standards under Section 133 of the Companies Act, 2013 ('the Act') read with Rule 7 of the Companies (Accounts) Rules, 2014 and other relevant provisions of the Act to the extent notified. The financial statements have been prepared under the historical cost convention on an accrual basis except in case of assets for which provision for impairment is made and revaluation is carried out. The accounting policies have been consistently applied by the Group and are consistent with those used in the previous year. The significant accounting policies of the Group are as follows:

(a) Fixed assets and depreciation/amortization**Tangible assets:**

Fixed assets are stated at cost less accumulated depreciation/amortization and impairment loss if any. The Group capitalizes all costs relating to the acquisition and installation of fixed assets.

**Depreciation/amortization:**

Depreciation is provided, using the straight line method, *pro-rata* to the period of use of assets, in accordance with the requirements of Schedule II of the Companies Act, 2013, based on the useful lives of the assets determined through technical assessment by the management.

Components having useful lives different from the life of the parent assets as stated above are depreciated over the useful life of the components. Fixed assets whose aggregate cost is ₹ 5,000 or less are depreciated fully in the year of acquisition.

Intangible assets:

Intangible assets except goodwill are amortised on a straight line basis up to the period of ten years, which is based on their estimated useful life.

Goodwill is tested for impairment.

(b) Foreign currency translations

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of transaction.

Foreign currency monetary items are reported using closing foreign exchange rate. Non-monetary items, which are carried in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of transaction.

Exchange differences arising on the settlement of monetary items or on reporting company's monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or as expenses in the year in which they arise.

Premium or discount on forward exchange contracts arising at the inception of forward exchange contracts is amortized as expense or income over the life of the contract. Exchange differences on such contracts are recognized in the statement of profit and loss in the year in which the exchange rates change. Any profit or loss arising on cancellation or renewal of forward exchange contract is recognized as income or as expense for the year.

Translation of Non-integral foreign operation:

In translating the financial statements of a non-integral foreign operation for incorporation in financial statements, the assets and liabilities, both monetary and non-monetary, of the non integral foreign operation are translated at the closing rate; income and expenses item of the non-integral operation are translated at exchange rates at the date of the transaction; and all resulting exchange differences are accumulated in a foreign currency translation reserve until the disposal of the net investment.

On the disposal of the non-integral foreign operation, the cumulative amount of the exchange differences which have been deferred and which relate to that operation are recognised as income or as expense in the same period in which the gain or loss on disposal is recognised.

Translation of Integral foreign operations:

In respect of representative offices and branches, monetary items are translated using the closing rate; non-monetary items are translated using the monthly average rate which is expected to approximate the actual rate on the date of transaction; items of income and expenses are translated at the respective monthly average rates; and the net exchange difference resulting from the translation of items in the financial statements of foreign integral operations is recognised as income or as expense for the year.

(c) Investments

Investments that are readily realizable and intended to be held for not more than a year are classified as current investments. Current investments are carried at lower of cost and fair value determined on category basis. Long-term investments are stated at cost. Provision is made to recognise a diminution, other than temporary, in the value of investments.

Investments in associates, accounted under the equity method of accounting, are initially recorded at cost, identifying any goodwill/capital reserve at the time of acquisition. The carrying amount of such investments is adjusted thereafter for the post acquisition change in the Group's share of net assets of the investee unless there is an agreement to the contrary. The carrying amount of investment in an associate is reduced to recognise a decline, other than temporary, in the value of the investment, such reduction being determined and made for each investment individually.

(d) Inventories

All inventories are valued at moving weighted average price other than finished goods, which are valued on quarterly moving average price. Finished goods and Work in progress is computed based on respective moving weighted average price of procured materials and appropriate share of labour and other manufacturing overheads.

Inventories are valued at cost or net realizable value, whichever is lower. Cost also includes all charges incurred for bringing the inventories to their present location and condition. Excise and customs duty accrued on production or import of goods, as applicable, is included in the valuation of finished goods.

Inventories of stores and spare parts are valued at cost.

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

(e) Employee benefits

Employee benefits in the form of Provident Fund, Family Pension Fund, Super annuation Schemes and non-contributory money purchase scheme, which are defined contribution schemes, are charged to the Statement of Profit and Loss of the year when the contributions to the respective funds accrue. There are no other obligations other than the contribution payable to the respective trusts.

Gratuity liability, which is a defined benefit scheme, is provided for on the basis of an actuarial valuation made using Projected Unit Credit Method at the end of each financial year.

Short term compensated absences are provided for based on estimates. Long term compensated absences are provided for based on actuarial valuation made using Projected Unit Credit Method at the end of each financial year.

Actuarial gains and losses are immediately taken to the Statement of Profit and Loss and are not deferred.

WUK operates defined contribution pension scheme. Till February 2004, WUK operated defined benefit pension scheme. The assets of schemes are held separately from those of the WUK in an independently administered fund.

Pinewood Laboratories Limited operates defined contribution pension schemes. Pension rights are secured by contributions to independent insurance schemes. The pension cost charge represents contributions by the company to the insurance schemes.

Wockhardt USA LLC. (WUSA) and Morton Grove Pharmaceuticals Inc., maintain 401(k) retirement contribution plans that cover all regular employees on their payroll. The companies make a matching contribution on the first 6% and employee participation is allowable as per US Government laws. The assets of the plan are held separately from those of the company in an independently administered fund.

Employee stock option schemes

In accordance with the Securities and Exchange Board of India guidelines, the excess of the market price of shares, at the date of grant of options under the Employee stock option schemes, over the exercise price is treated as employee compensation and amortised over the vesting period.

(f) Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

Sale of Goods

Revenue is recognized when the significant risks and rewards of ownership of the goods have passed to the buyer, which coincides with dispatch of goods to customers. Revenues are recorded at invoice value, net of sales tax, Value Added Tax (VAT), returns and trade discounts. Also, revenue from sales are net of chargebacks and rebates.

Sale of Services

Revenues from services are recognised on completion of rendering of services.

Export Incentive

Duty drawback, Merchandise Exports from India Scheme (MEIS) and Focus Marketing Scheme (FMS) benefits are recognized at the time of exports and the benefits in respect of advance license received by the Company against export made by it are recognized as and when goods are imported against them.

Royalties

Revenue is recognized on an accrual basis in accordance with the terms of the relevant agreement.

Dividend and Interest

Dividend income is recognized when the right to receive the payment is established. Interest income is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

Insurance claims

Insurance claims are accounted on acceptance of the claim and when it can be measured reasonably, and it is reasonable to expect ultimate collection.

(g) Research and development (R&D)

Research costs are expensed as incurred. Development expenditure incurred on an individual project is carried forward when its future recoverability can reasonably be regarded as assured. Any expenditure carried forward is amortized over the period of expected future sales from the related project, not exceeding ten years.

The carrying value of development costs is reviewed for impairment when the asset is not yet in use, and otherwise when events or changes in circumstances indicate that the carrying value may not be recoverable.

(h) Impairment of Assets

The carrying values of assets/cash generating units at each Balance Sheet date, are reviewed for impairment. If any indication of impairment exists, the recoverable amount of such assets is estimated and impairment is recognised, if the carrying amount of these assets exceeds their recoverable amount.

The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor. When there is indication that an impairment loss recognised for an asset in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Consolidated Statement of Profit and Loss, except in case of revalued assets.

(i) Income tax

Tax expense comprises of current and deferred tax.

Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the provisions of local Income Tax rules as applicable to the financial year. A deferred income tax reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years. Deferred tax is

measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognised only to the extent it has timing differences, the reversal of which will result in sufficient income. In situations where the company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that they can be realised against future taxable profits.

Minimum Alternate Tax (MAT) credit is recognized, as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. MAT credit becomes eligible to be recognized as an asset in accordance with the recommendations contained in the Guidance Note issued by the Institute of Chartered Accountants of India, the said asset is created by way of credit to the Statement of Profit and Loss and shown as MAT credit entitlement. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT credit entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal income tax during the specified year.

Income tax charge is the simple aggregation of the tax charge appearing in the group companies.

(j) Leases

Operating leases

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the lease term are classified as operating lease. Operating lease payments are recognized as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term.

Finance Lease

The assets are included in fixed assets and the capital elements of the leasing commitments are shown as obligations under finance leases and hire purchase contracts. The capital element is applied to reduce the outstanding obligations and the interest element is charged against profit in proportion to the reducing capital element outstanding. Assets held under finance leases are depreciated over the shorter of the lease terms and the useful lives of equivalent owned assets.

(k) Financing/Borrowing cost

Financing/Borrowing costs attributable to acquisition and/or construction of qualifying asset are capitalised as a part of the cost of such assets, up to the date such assets are ready for their intended use. Other financing/borrowing costs are charged to the Statement of Profit and Loss. Initial direct costs are recognised immediately as an expense.

(l) Provisions, Contingent Liabilities and Contingent Assets

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

Contingent liabilities are disclosed in the Notes. Contingent liabilities are disclosed for (1) possible obligations which will be confirmed only by future events not wholly within the control of the Company or (2) present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent assets are not recognised in the financial statements as this may result in the recognition of income that may never be realised.

(m) Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the year. The weighted average numbers of equity shares outstanding during the year are adjusted for events of bonus issue to existing shareholders and share split.

For the purpose of calculating diluted earnings per share, the net profit attributable to equity shareholders and the weighted average number of shares outstanding are adjusted for the effects of all dilutive potential equity shares from the exercise of options on unissued share capital. The number of equity shares is the aggregate of the weighted average number of equity shares and the weighted average number of equity shares, which would be issued on the conversion of all the dilutive potential equity shares into equity shares. Options on unissued equity share capital are deemed to have been converted into equity shares.

(n) Government grants

Government grants in respect of capital expenditure are credited to a deferred income account and are released to the Statement of Profit and Loss over the expected useful life of the relevant assets. Grants of revenue nature are credited to income in the year to which they relate.

(o) Derivative Financial Instruments

As per the Institute of Chartered Accountants of India (ICAI) Announcement, accounting for derivative contracts, if any, other than those covered under AS-11, are marked to market on a portfolio basis, and the loss is charged to the income statement. Net gains are ignored.

(p) Operating Cycle

All assets and liabilities have been classified as current or non-current as per each Company's normal operating cycle and other criteria set out in the Schedule III to the Act.

	As at March 31, 2016			As at March 31, 2015		
	Number of shares	Amount ₹ in crore	USD in million	Number of shares	Amount ₹ in crore	USD in million
3. SHARE CAPITAL						
AUTHORISED						
Equity shares of ₹ 5/- each	250,000,000	125.00	18.87	250,000,000	125.00	20.00
Preference shares of ₹ 5/- each	2,000,000,000	1,000.00	150.92	2,000,000,000	1,000.00	160.00
		1,125.00	169.79		1,125.00	180.00
ISSUED, SUBSCRIBED & PAID UP						
Equity shares of ₹ 5/- each fully paid up						
Shares outstanding as at the beginning of the Year	110,072,903	55.04	8.31	109,751,153	54.88	8.78
Add: Shares Issued during the Year	436,000	0.21	0.03	321,750	0.16	0.03
Shares outstanding as at the end of the Year	110,508,903	55.25	8.34	110,072,903	55.04	8.81
Optionally Convertible Cumulative Redeemable Preference shares of ₹ 5/- each fully paid up:						
Shares outstanding as at the beginning of the Year	121,454,927	60.72	9.16	121,454,927	60.72	9.72
Less: Shares redeemed during the year	-	-	-	-	-	-
Shares outstanding as at the end of the Year	121,454,927	60.72	9.16	121,454,927	60.72	9.72
Non-Convertible Cumulative Redeemable Preference shares of ₹ 5/- each fully paid up:						
Shares outstanding as at the beginning of the Year	475,659,941	237.83	35.89	475,659,941	237.83	38.05
Less: Shares redeemed during the year	-	-	-	-	-	-
Shares outstanding as at the end of the Year	475,659,941	237.83	35.89	475,659,941	237.83	38.05
TOTAL	707,623,771	353.80	53.39	707,187,771	353.59	56.58

Notes:

- (a) The Company has only one class of equity shares having a par value of ₹ 5/- per share. Each holder of equity shares is entitled to one vote per share held and is entitled to dividend, if declared at the Annual General Meeting. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Subject to the approval of shareholders at the Annual General Meeting, Board of Directors have recommended dividend of 0.01% (at the rate of Rs. 0.0005 per share of ₹ 5/- each) on 475,659,941 Non-Convertible Cumulative Redeemable Preference shares of ₹ 5/- each and 121,454,927 Optionally Convertible Cumulative Redeemable Preference shares of ₹5/- each.

- (b) **Shares reserved for issue under options**

698,750 (Previous Year – 1,243,500) Equity shares of face value ₹ 5/- each have been reserved for issue under Wockhardt Stock Option Scheme – 2011.



(c) **Issue of Preference Shares as per Corporate Debt Restructuring (CDR) Scheme:**

Pursuant to approved CDR package against various liabilities, the Company has issued preference shares of ₹ 5/- each to Banks/ Financial Institutions on the following terms and conditions:

- (i) 121,454,927 (Previous Year – 121,454,927) 0.01% Optionally Convertible Cumulative Redeemable Preference shares (OCCRPS Series 2) issued bilaterally to various Banks, on the following terms and conditions:

The Preference Share holders shall have the right to convert OCCRP Series 2 along with accumulated dividend, into fully paid equity shares of the Company, in one or more tranches, commencing July 4, 2016 till December 31, 2018, at conversion price as per the then applicable SEBI formula on the date of conversion. The said shares, in case not converted, shall get redeemed along with accumulated dividend on December 31, 2018 without any redemption premium.

- (ii) 32,265,110 (Previous Year – 32,265,110) 0.01% Non-Convertible Cumulative Redeemable Preference shares (NCRPS Series 2), redeemable at a premium of 20% of the face value along with cumulative dividend on December 31, 2018.
- (iii) 283,394,831 (Previous Year – 283,394,831) 0.01% Non-Convertible Cumulative Redeemable Preference shares (NCRPS Series 3) issued bilaterally to various Banks, redeemable at a redemption premium calculated at 4% p.a. on simple basis along with cumulative dividend on December 31, 2018.
- (iv) 160,000,000 (Previous Year – 160,000,000) 0.01% Non-Convertible Cumulative Redeemable Preference shares (NCRPS Series 5), redeemable at a premium of 20% of the face value along with cumulative dividend on March 31, 2019.

(d) **Details of equity shares held by each shareholders holding more than 5% of total equity shares:**

Name of the Shareholder	As at March 31, 2016		As at March 31, 2015	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Themisto Trustee Company Private Limited which holds these shares in its capacity as the trustee of Habil Khorakiwala Trust which in turn holds these shares in its capacity as the partner of the partnership firm Humuza Consultants.	65,897,757	59.63	65,897,757	59.87

(e) **Details of Non Convertible Cumulative Redeemable Preference Shares (NCRPS) held by each shareholders holding more than 5% of total Non Convertible Cumulative Redeemable preference shares:**

Name of the Shareholder	As at March 31, 2016		As at March 31, 2015	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Khorakiwala Holdings and Investments Private Limited	203,233,260	42.73	160,000,000	33.64
Indian Overseas Bank	104,563,437	21.98	104,563,437	21.98
Union Bank of India	74,397,151	15.64	74,397,151	15.64
Corporation Bank	50,929,498	10.71	50,929,498	10.71
HDFC Bank Limited	–	–	43,233,260	9.09
Punjab National Bank	29,778,521	6.26	29,778,521	6.26

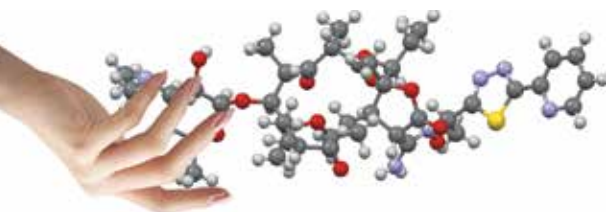
(f) **Details of Optionally Convertible Cumulative Redeemable Preference Shares (OCCRPS) held by each shareholders holding more than 5% of total OCCRPS:**

	As at March 31, 2016		As at March 31, 2015	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Indian Overseas Bank	39,888,348	32.84	39,888,348	32.84
Union Bank of India	31,884,492	26.25	31,884,492	26.25
Corporation Bank	21,826,928	17.97	21,826,928	17.97
HDFC Bank Limited	–	–	18,528,540	15.26
Khorakiwala Holdings and Investments Private Limited	18,528,540	15.26	–	–
Punjab National Bank	9,326,619	7.68	9,326,619	7.68

	As at March 31, 2016 ₹ in crore	As at March 31, 2016 USD in million	As at March 31, 2015 ₹ in crore	As at March 31, 2015 USD in million
4. RESERVES AND SURPLUS				
Capital Reserve				
Opening Balance	172.78	26.08	145.67	23.31
Add: Addition on amalgamation [Refer note 38]	–	–	27.11	4.34
Closing Balance	172.78	26.08	172.78	27.65
Capital Redemption Reserve				
Opening Balance	489.35	73.85	489.35	78.30
Add: Addition during the year	–	–	–	–
Closing Balance	489.35	73.85	489.35	78.30
Securities Premium Account				
Opening Balance	89.54	13.51	73.42	11.75
Add: Securities premium credited				
– On share issue pursuant to ESOS	18.33	2.77	16.12	2.58
– On issue of shares to minority by subsidiary	33.37	5.04	–	–
Closing Balance	141.24	21.32	89.54	14.33
Capital Reserve on Consolidation				
Opening Balance	–	–	18.11	2.90
Less: Transferred to Capital Reserve (Refer note 38)	–	–	(18.11)	(2.90)
Closing Balance	–	–	–	–
General Reserve				
Opening Balance	253.69	38.29	269.91	43.19
Add: Transfer on account of ESOS options lapsed	6.26	0.94	–	–
Less: Depreciation adjustment (Refer note 12.c)	–	–	(24.82)	(3.97)
Add: Deferred tax impact on the above adjustment (Refer note 12.c)	–	–	8.60	1.38
Closing Balance	259.95	39.23	253.69	40.60
Foreign Currency Monetary items Translation Difference Account (Refer note below)	(21.82)	(3.29)	–	–
Share Options Outstanding Account (Refer note 35)				
Opening Balance	68.18	10.29	72.57	11.61
Add: Addition during the year (net)	(27.21)	(4.11)	(4.39)	(0.70)
	40.97	6.18	68.18	10.91
Less: Deferred Employee Compensation expense	(11.70)	(1.77)	(22.07)	(3.53)
Closing Balance	29.27	4.41	46.11	7.38
Foreign Currency Translation Reserve				
Opening Balance	145.22	21.91	197.01	31.53
Add/(Less): Effect of Foreign exchange rate variation during the year	156.16	23.56	(51.79)	(8.29)
Closing Balance	301.38	45.47	145.22	23.24
Surplus				
Opening balance	2,165.07	326.75	1,989.26	318.28
Add: Net Profit for the current year	325.66	49.16	404.91	64.80
Less: Share of Minority Interest in opening surplus	(344.23)	(51.95)	–	–
Less: Proposed Dividend on Preference Shares	(0.03)	–	(0.03)	–
Less: Tax (charge)/credit on proposed preference shares dividend	(0.01)	–	0.01	–
Less: Interim Dividend on Equity Share	–	–	(220.08)	(35.22)
Less: Transferred to Capital Reserve (Refer note 38)	–	–	(9.00)	(1.44)
Closing Balance	2,146.46	323.96	2,165.07	346.42
TOTAL	3,518.61	531.03	3,361.76	537.92

Note:

Effective April 1, 2015, the Company has exercised option given under paragraph 46A of Accounting Standard for 'The Effects of Changes in Foreign Exchange Rates' (AS 11) prescribed under Section 133 of the Companies Act, 2013 whereby exchange differences arising on long term foreign currency monetary items relating to depreciable asset are adjusted in fixed assets and depreciated over the remaining life of such assets and in other cases are accumulated in Foreign Currency Monetary Items Translation Difference Account (FCMTDA) to be amortised over balance period of long term asset/liability.



	As at March 31, 2016 ₹ in crore	As at March 31, 2016 USD in million	As at March 31, 2015 ₹ in crore	As at March 31, 2015 USD in million
5. LONG TERM BORROWINGS				
SECURED				
Term Loans:				
from banks/financial institutions (Refer note I to V below)	1,650.48	249.09	1,179.61	188.74
from others (Refer note VI below)	0.32	0.05	0.64	0.10
	1,650.80	249.14	1,180.25	188.84
UNSECURED				
Deferred payment liabilities				
Sales tax deferral loan (Refer note VII below)	0.67	0.10	1.29	0.21
Loans from Others (Refer note VIII below)	2.69	0.41	3.30	0.53
	3.36	0.51	4.59	0.74
TOTAL	1,654.16	249.65	1,184.84	189.58

Notes:

- (I) The term loan of USD 100 million (₹ 662.60 crore) [Previous year – USD 90 million (₹ 562.50 crore)] is secured by first charge on pari passu basis on fixed assets, present and future, located at all locations other than Units at Baddi in Himachal Pradesh and Kadaiya in Daman. This term loan carrying interest rate of 6 months USD LIBOR plus 325 BPS p.a. is repayable in 20 equal quarterly instalments commencing from April 01, 2017.
- The term loan of ₹ 250 Crore (Previous Year – ₹ Nil) from IDBI Bank is secured by first charge on pari passu basis on fixed assets, present and future, located at all locations other than Units at Baddi in Himachal Pradesh and Kadaiya in Daman. This term loan carrying interest rate at Bank Base Rate plus 75 BPS p.a. is repayable in 10 equal half yearly instalments commencing from December 31, 2017. Further, the term loan of ₹ 250 Crore (Previous Year – ₹ Nil) from Bank of Maharashtra ('BOM') is secured by first charge on pari passu basis on fixed assets, present and future, located at all locations other than Units at Baddi in Himachal Pradesh and Kadaiya in Daman. This term loan carrying interest rate at Bank Base Rate plus 25 BPS p.a. is repayable in 20 equal quarterly instalments commencing from March 31, 2018. Security creation in favour of BOM is under process.
- (II) Term loan of Euro 68.2 million (₹ 514.79 crore) [Previous Year – Euro 80.94 million (₹ 543.34 crore)] availed by Wockhardt France (Holdings) S.A.S. is secured by pledge of shares of Negma Group of companies. The loan carries interest of 6 months EURO LIBOR plus 175 BPS p.a. and is repayable in 10 half yearly instalments by November 2020.
- (III) Term loan of Euro 15 million (₹ 113.22 crore) [Previous Year – Euro 15 million (₹ 100.69 crore)] availed by Wockpharma Ireland Limited is secured by pledge of shares of Pinewood Laboratories Limited, all movable and immovable properties of Wockpharma Ireland Limited and Pinewood Laboratories Limited situated at Unit at M50, Business Park, Ballymount, Dublin 12 and Deerpark, Ballymacarbry, Co. Waterford by way of first fixed charge and floating charge.
- Further this term loan is also secured by fixed and floating charges on all other assets of Wockpharma Ireland Limited and Pinewood Laboratories Limited.
- The loan carries an interest of 3 months EURIBOR plus 325 BPS p.a. and is repayable in 6 half yearly instalments commencing from July 2016.
- (IV) Loan availed by Wockhardt Bio AG of USD 9.38 million (₹ 62.12 crore) [Previous Year – USD 71.88 million (₹ 449.22 crore)] is secured as under:
- (i) first ranking pari passu charge on immovable properties of Wockhardt Limited situated at Kadaiya in Daman and Baddi in Himachal Pradesh.
- (ii) second ranking pari passu charge by way of hypothecation on all the current assets, movables, inventories and book debts of Wockhardt Limited.
- Further, out of loan of ₹ 62.12 crore (Previous Year – ₹ 449.22 crore), security has been created in respect of term loan of USD 3.79 million (Previous Year – USD 29.04 million) amounting to ₹ 25.10 crore (Previous Year – ₹ 181.48 crore), in addition to aforesaid security, as follows:
- (i) subservient charge on movable properties of Wockhardt Limited situated at Bhimpore in Daman, Ankleshwar, L-1, D-4, Chikhalthana and Biotech Park, Waluj in Aurangabad (except book debts and current assets)
- (ii) subservient charge on movable properties of Wockhardt Infrastructure Development Limited situated at Shendra in Aurangabad (WIDL).
- Also, an application has been made to Reserve Bank of India for obtaining its approval to create a subservient charge on fixed assets of WIDL and of the Company situated at all locations except Baddi in Himachal Pradesh and Kadaiya in Daman.
- The loan carries an interest of 3 months USD LIBOR plus 215 BPS p.a. and repayable by May 2016.
- (V) During the year Morton Grove Pharmaceuticals Inc., indirect subsidiary of the Company, acquired some equipment through Capital lease ₹ 2.15 crore (Previous Year – ₹ Nil) and will be repayable by 17 monthly instalments by August 2017.
- (VI) The term loan from others is secured by first charge on pari passu basis by hypothecation of movable properties of the Company (except book debts) at all locations. This term loan from others with interest rate of 2% p.a. is repayable in 10 equal half yearly instalments having commenced from September 2013.
- (VII) Interest free sales tax deferral loan is repayable in the month of May every year. This loan is repayable by May 2019.
- (VIII) Loans from others with interest rate of 3% p.a. is repayable in 10 equal annual instalments. Loan amounting ₹ 0.76 crore (Previous Year – ₹ 0.95 crore) is repayable by June 2019 and the balance ₹ 2.54 crore (Previous Year – ₹ 2.97 crore) by October 2021.
- (IX) Except as mentioned above, the Company has repaid all its term loans and the release of the securities is in process.

	As at March 31, 2016 ₹ in crore	As at March 31, 2016 USD in million	As at March 31, 2015 ₹ in crore	As at March 31, 2015 USD in million
6. DEFERRED TAX (ASSET)/LIABILITIES (Net)				
Deferred tax liabilities				
Difference between depreciation on block of assets	209.31	31.59	180.09	28.80
TOTAL (A)	209.31	31.59	180.09	28.80
Deferred tax assets				
Provision for Gratuity/Pension Liability	10.77	1.63	11.25	1.80
Provision for Leave Encashment	10.71	1.62	9.02	1.44
Deferred expenses	49.54	7.48	84.51	13.52
Unabsorbed losses and depreciation	72.71	10.95	3.54	0.57
Provision for Bonus	0.88	0.13	0.36	0.06
Lease rent equalisation	0.15	0.02	0.34	0.05
Provision for Doubtful Debts	16.96	2.56	18.50	2.96
TOTAL (B)	161.72	24.39	127.52	20.40
Net deferred tax (asset)/liability as of the year end (A-B)	47.59	7.20	52.57	8.40

Note: (a) The Company has recognised deferred tax assets on unabsorbed losses and depreciation based on virtual certainty that it has timing differences the reversal of which will result in sufficient income and other convincing evidence that sufficient taxable income will be available against which such deferred tax assets can be realised.

(b) The balance as at March 31, 2015 is after adjusting reversal of deferred tax liability of ₹ 8.60 crore being tax impact on depreciation referred to in note 12 (c) against Opening reserves as at April 01, 2014.

	As at March 31, 2016 ₹ in crore	As at March 31, 2016 USD in million	As at March 31, 2015 ₹ in crore	As at March 31, 2015 USD in million
7. LONG TERM PROVISIONS				
(1) Provision for employee benefits (Refer note 33)				
Leave encashment (unfunded)	19.81	2.99	16.61	2.66
Gratuity (unfunded)	18.77	2.83	16.87	2.70
Provision for pension/other benefits	26.72	4.03	35.10	5.62
	65.30	9.85	68.58	10.98
(2) Other provisions				
Provision for other expenses	-	-	0.62	0.10
	-	-	0.62	0.10
TOTAL	65.30	9.85	69.20	11.08

	As at March 31, 2016 ₹ in crore	As at March 31, 2016 USD in million	As at March 31, 2015 ₹ in crore	As at March 31, 2015 USD in million
8. SHORT TERM BORROWINGS				
SECURED				
Loans repayable on demand				
Working capital facilities from banks (Refer Note I below)	414.32	62.53	181.08	28.97
Other Loans				
(I) Buyers' credit (Refer Note II below)	135.71	20.48	89.09	14.25
(II) From other parties (Refer Note III below)	-	-	78.11	12.50
TOTAL	550.03	83.01	348.28	55.72

Notes:

- (I) The working capital facilities amounting to ₹ 414.32 crore (Previous Year – ₹ 181.08 crore) availed by Wockhardt Limited are secured by way of:
- First charge on pari passu basis on present and future stock of raw materials, consumables, spares, semi-finished goods, finished goods, book debts and other current assets.
 - Second charge on pari passu basis by way of mortgage of immovable properties and hypothecation of movable assets, both present and future, located at all locations (other than Units at Baddi in Himachal Pradesh and Kadaiya in Daman). Security creation in respect of immovable properties by way of mortgage in favour of Banks is under process.
- (II) Buyers' credit availed from Yes Bank, ICICI Bank and IDBI Bank are secured by way of first pari passu charge on the entire current assets and second pari passu charge on all fixed assets located at all locations other than Units at Baddi in Himachal Pradesh and Kadaiya in Daman. Buyers' credit availed during previous year from State Bank of India (SBI) has been fully repaid during the year and were secured by way of first charge on the specific assets and by way of second charge on the entire current assets and second subservient charges on all fixed assets, present and future, located at all locations other than Units at Baddi in Himachal Pradesh and Kadaiya in Daman.

(III) Short term loan from other parties includes loan of CHF Nil [Previous Year – CHF 12 million (₹ 78.11 crore)] availed by Wockhardt Bio AG was secured against the investment portfolio of Wockhardt Bio AG. The loan has been repaid in full in the current year.

	As at March 31, 2016 ₹ in crore	As at March 31, 2016 USD in million	As at March 31, 2015 ₹ in crore	As at March 31, 2015 USD in million
9. TRADE PAYABLES				
Trade Payables (Refer Note Below)	637.69	96.24	552.56	88.41
TOTAL	637.69	96.24	552.56	88.41
DETAILS OF DUES TO MICRO, SMALL AND MEDIUM ENTERPRISES AS PER MSMED ACT, 2006:				
a) Principal amount due to suppliers under MSMED Act, 2006	18.28	2.76	23.90	3.82
b) Interest accrued, due to suppliers under MSMED Act on the above amount, and unpaid	0.50	0.08	0.46	0.07
c) Payment made to suppliers (other than interest) beyond the appointed day during the year	84.56	12.76	50.72	8.12
d) Interest paid to suppliers under MSMED Act (Section 16)	–	–	–	–
e) Interest due and payable towards suppliers under MSMED Act for payments already made	4.13	0.62	2.45	0.39
f) Interest accrued and remaining unpaid at the end of the year to suppliers under MSMED Act (including interest mentioned in (e) above)	4.63	0.70	2.91	0.47
The above information is given to the extent available with the Company and relied upon by the auditor.				
10. OTHER CURRENT LIABILITIES				
Current maturities of long-term debt (Refer note 5)	205.97	31.09	476.95	76.31
Interest accrued but not due on borrowings	13.29	2.01	1.19	0.19
Unclaimed dividends	1.66	0.25	1.83	0.29
Security Deposit	17.26	2.60	16.57	2.65
Employee liabilities	54.10	8.16	57.12	9.14
Creditors for Statutory dues	23.81	3.59	14.59	2.33
Creditors for Capital goods	35.51	5.36	33.04	5.29
Others	270.07	40.76	243.15	38.90
TOTAL	621.67	93.82	844.44	135.10
11. SHORT TERM PROVISIONS				
Provision for employee benefits (Refer note 33)				
Gratuity (unfunded) / Pension Liability	10.03	1.51	6.71	1.07
Leave Encashment (unfunded)	11.15	1.68	9.01	1.44
	21.18	3.19	15.72	2.51
Other provisions				
Provision for Sales Return on Date Expiry [Refer note below]	11.72	1.77	10.94	1.75
Proposed dividend on preference shares	0.03	–	0.03	–
Tax on preference shares dividend	0.01	–	–	–
Provision for others	–	–	1.00	0.16
	11.76	1.77	11.97	1.91
TOTAL	32.94	4.96	27.69	4.42

Note:

Provision for Sales Return on Date Expiry – opening balance ₹ 10.94 crore (Previous Year – ₹ 10.15 crore), additions during the year ₹ 11.04 crore (Previous Year – ₹ 11.12 crore), utilised during the year ₹ 10.26 crore (Previous Year – ₹ 10.33 crore), closing balance ₹ 11.72 crore (Previous Year – ₹ 10.94 crore).

Provision has been recognised for expected sales return on date expiry of products sold during last two years.

12. FIXED ASSETS

PARTICULARS	GROSS BLOCK					ACCUMULATED DEPRECIATION					NET BLOCK				
	As at April 1, 2015	Additions	Deduction/Transfer	Exchange Gain/(Loss)	As at March 31, 2016	As at April 1, 2015	Depreciation charge for the year	Impairment Losses	Deduction/Transfer	Exchange Gain/(Loss)	As at March 31, 2016	As at March 31, 2016		As at March 31, 2015	
	₹ in crore	₹ in crore	₹ in crore	₹ in crore	₹ in crore	₹ in crore	₹ in crore	₹ in crore	₹ in crore	₹ in crore	₹ in crore	₹ in crore	USD in million	₹ in crore	USD in million
Tangible Assets															
Freehold Land	111.63	-	(0.06)	2.92	114.49	-	-	-	-	-	-	114.49	17.28	111.63	17.86
Leasehold land	20.04	28.33	(1.16)	-	47.21	2.35	0.23	-	(0.24)	-	2.34	44.87	6.77	17.69	2.83
Buildings	415.72	35.43	-	14.14	465.29	122.97	12.43	-	-	4.84	140.24	325.05	49.06	292.75	46.84
Plant and Equipment	1,635.62	365.19	(11.48)	24.21	2,013.54	792.23	97.74	-	(7.34)	17.98	900.61	1,112.93	167.96	843.39	134.95
Furniture and Fixtures	51.21	3.16	(0.10)	1.45	55.72	30.06	4.19	-	(0.07)	0.87	35.05	20.67	3.12	21.15	3.38
Vehicles	6.72	0.52	(0.40)	0.04	6.88	4.79	0.82	-	(0.40)	0.04	5.25	1.63	0.25	1.93	0.31
Office equipment	37.03	7.19	(0.08)	1.30	45.44	18.78	2.77	-	(0.08)	1.14	22.61	22.83	3.45	18.25	2.92
Information Technology Equipments	64.73	12.60	(0.76)	2.29	78.86	56.44	8.00	-	(0.76)	1.93	65.61	13.25	2.00	8.29	1.33
TOTAL	2,342.70	452.42	(14.04)	46.35	2,827.43	1,027.62	126.18	-	(8.89)	26.80	1,171.71	1,655.72	249.89	1,315.08	210.42
Previous Year	2,302.47	139.03	(41.93)	(56.87)	2,342.70	962.98	115.38	-	(11.13)	(39.61)	1,027.62	1,315.08	210.42		
Intangible Assets															
Goodwill on Consolidation	1,762.30	-	-	79.26	1,841.56	1,047.78	-	-	-	0.78	1,048.56	793.00	119.68	714.52	114.32
Brands/Trademarks/ Technical know-how	368.59	3.15	-	24.77	396.51	305.32	9.58	-	-	15.19	330.09	66.42	10.02	63.27	10.12
Computer software	79.37	8.43	-	2.44	90.24	49.50	6.80	-	-	1.91	58.21	32.03	4.83	29.87	4.78
TOTAL	2,210.26	11.58	-	106.47	2,328.31	1,402.60	16.38	-	-	17.88	1,436.86	891.45	134.53	807.66	129.22
Previous Year	2,340.34	10.78	(4.56)	(136.30)	2,210.26	1,385.20	30.02	-	(4.56)	(8.06)	1,402.60	807.66	129.22		
Capital work-in-progress (Refer note (a) below)												928.18	140.08	1,007.30	161.17
Intangible assets under Development (Refer note 30)												107.87	16.28	-	-
TOTAL	4,552.96	464.00	(14.04)	152.82	5,155.74	2,430.22	142.56	-	(8.89)	44.68	2,608.57	3,583.22	540.78	3,130.04	500.81
Previous Year	4,642.81	149.81	(46.49)	(193.17)	4,552.96	2,348.18	145.40	-	(15.69)	(47.67)	2,430.22	3,130.04	500.81		

notes:

(a) Addition to Capital Work-in-Progress includes expenditure incurred during construction period pending allocation aggregating ₹ 23.47 crore (Previous Year – ₹ 9.41 crore). These expenses include Employee Cost ₹ 12.25 crore (Previous Year – ₹ 8.01 crore), Material Cost ₹ 1.77 crore (Previous Year – ₹ Nil), Depreciation ₹ 0.01 crore (Previous Year – ₹ Nil), Interest Cost ₹ 0.60 crore (Previous Year – ₹ Nil) and Other operating Cost ₹ 8.84 crore (Previous Year – ₹ 0.09 crore) [Rates and taxes ₹ 0.10 crore (Previous year – ₹ Nil), Repairs and maintenance ₹ 0.15 crore (Previous Year – ₹ Nil), Stores and spare parts consumed ₹ 0.03 crore (Previous Year – ₹ 0.03 crore), Legal and professional charges ₹ 0.66 crore (Previous Year – ₹ Nil), and Other general expenses ₹ 6.74 crore (Previous year – ₹ 0.06 crore)].

(b) Exchange differences arising on long term foreign currency monetary items relating to depreciable asset are adjusted above, amounts to ₹ 6.96 crore.

(c) During the previous year, the Company, had reviewed the useful life of its tangible assets as required under Schedule II of the Companies Act 2013, according to which useful life estimated earlier were found to be appropriate.

Also, the Company had identified significant components and its corresponding useful life of the tangible assets in accordance with the requirements under Schedule II of the Companies Act, 2013 and had depreciated significant components over its balance useful life effective April 1, 2014. As a result of same, depreciation charge for the previous year was higher by ₹ 12.20 crore.

Also, further, in respect of tangible assets whose remaining useful life as on April 1, 2014 was completed, the carrying amount of such assets amounting to ₹ 24.82 crore (net of deferred tax, ₹ 16.22 crore) had been charged to the Opening reserves as on April 01, 2014 in accordance with Schedule II of the Companies Act, 2013.



	As at March 31, 2016 ₹ in crore	As at March 31, 2016 USD in million	As at March 31, 2015 ₹ in crore	As at March 31, 2015 USD in million
13. NON CURRENT INVESTMENTS				
Other than trade (unquoted)				
443,482 (Previous Year – 443,482) Equity Shares of Narmada Clean Tech Limited (formerly known as Bharuch Eco-Aqua Infrastructure Limited) of ₹ 10 each fully paid-up	0.44	0.07	0.44	0.07
6,300 (Previous Year – 6,300) Equity Shares of Bharuch Enviro Infrastructure Limited of ₹ 10 each fully paid-up	0.01	–	0.01	–
Investment in associate				
Nil (Previous Year – 755,000) Equity Shares of Swiss Bio Sciences AG (Refer note 36)	–	–	2.17	0.35
TOTAL	0.45	0.07	2.62	0.42

	As at March 31, 2016 ₹ in crore	As at March 31, 2016 USD in million	As at March 31, 2015 ₹ in crore	As at March 31, 2015 USD in million
14. LONG-TERM LOANS AND ADVANCES				
Capital Advances				
Unsecured, considered good	38.18	5.76	18.74	3.00
	38.18	5.76	18.74	3.00
Security Deposits				
Unsecured, considered good [includes deposits with Related Parties ₹ 58.25 crore (Previous Year – ₹ 49.25 crore)] – Refer Note 32	78.73	11.88	69.02	11.04
	78.73	11.88	69.02	11.04
Advance tax, net of provision for tax (Refer Note below)	63.17	9.53	9.69	1.55
Minimum Alternate Tax (MAT) credit entitlement	128.40	19.38	126.51	20.24
Other advances	66.16	9.99	55.87	8.94
Unsecured, considered doubtful	1.46	0.22	1.46	0.23
Less: Provision for doubtful advances	(1.46)	(0.22)	(1.46)	(0.23)
TOTAL	374.64	56.54	279.83	44.77

Note: Advance tax is after netting of Provision for tax of ₹ 522.92 crore (Previous Year – ₹ 565.85 crore). Tax assets and liabilities are in accordance with respective country's Tax Legislations.

	As at March 31, 2016 ₹ in crore	As at March 31, 2016 USD in million	As at March 31, 2015 ₹ in crore	As at March 31, 2015 USD in million
15. OTHER NON-CURRENT ASSETS				
Margin money (under Lien)	3.28	0.50	4.83	0.77
TOTAL	3.28	0.50	4.83	0.77
16. CURRENT INVESTMENT*				
Quoted – [Other than trade]				
In Bonds	–	–	31.67	5.07
In Equities	–	–	183.05	29.29
In Bond Funds and Mutual Funds	–	–	124.00	19.84
TOTAL – Quoted	–	–	338.72	54.20

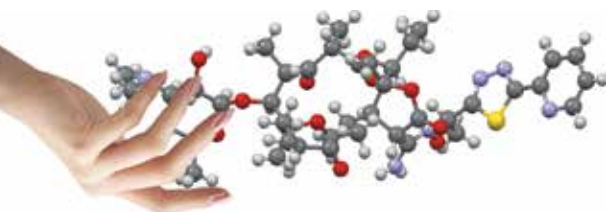
	As at March 31, 2016 ₹ in crore At Market Value	As at March 31, 2016 USD in million At Market Value	As at March 31, 2015 ₹ in crore At Market Value	As at March 31, 2015 USD in million At Market Value
Quoted – [Other than trade]				
In Bonds	-	-	31.71	5.07
In Equities	-	-	210.36	33.66
In Bond Funds and Mutual Funds	-	-	129.13	20.66
TOTAL – Quoted	-	-	371.20	59.39

* Current Investments are valued at cost or market value whichever is lower, on category basis.

	As at March 31, 2016 ₹ in crore	As at March 31, 2016 USD in million	As at March 31, 2015 ₹ in crore	As at March 31, 2015 USD in million
17. INVENTORIES				
Raw Materials and components	382.74	57.76	368.05	58.89
Goods-in transit	5.79	0.87	6.11	0.98
	388.53	58.63	374.16	59.87
Work-in-progress	89.26	13.47	69.99	11.20
Stock-in-trade	143.79	21.70	129.79	20.77
Finished goods	419.99	63.39	388.36	62.14
Stores and spares	60.29	9.10	57.92	9.27
Goods-in transit	0.30	0.05	0.56	0.09
	60.59	9.15	58.48	9.36
TOTAL	1,102.16	166.34	1,020.78	163.34

Note: Inventories are valued at cost or net realizable value, whichever is lower.

	As at March 31, 2016 ₹ in crore	As at March 31, 2016 USD in million	As at March 31, 2015 ₹ in crore	As at March 31, 2015 USD in million
18. TRADE RECEIVABLES				
Trade receivables outstanding for a period less than six months				
Unsecured, considered good	959.67	144.83	648.86	103.82
Unsecured, considered doubtful	3.38	0.51	0.78	0.12
	963.05	145.34	649.64	103.94
Trade receivables outstanding for a period exceeding six months				
Unsecured, considered good	240.80	36.34	92.57	14.81
Unsecured, considered doubtful	68.79	10.38	52.06	8.33
	309.59	46.72	144.63	23.14
Less: Provision for doubtful debts	(72.17)	(10.89)	(52.84)	(8.45)
	237.42	35.83	91.79	14.69
TOTAL	1,200.47	181.17	741.43	118.63



	As at March 31, 2016 ₹ in crore	As at March 31, 2016 USD in million	As at March 31, 2015 ₹ in crore	As at March 31, 2015 USD in million
19. CASH AND BANK BALANCES				
Cash and cash equivalents				
Balances with banks				
On current account	657.43	99.22	949.56	151.93
Deposits with maturity of less than 3 months	5.44	0.82	207.05	33.13
Unclaimed dividend accounts	1.66	0.25	1.83	0.29
Cash on hand	0.11	0.02	0.25	0.04
	664.64	100.31	1,158.69	185.39
Other bank balances				
Bank balances subject to restrictions (related to escrow arrangement against purchase of certain fixed assets.)	0.48	0.07	0.10	0.02
Deposits with maturity of less than 3 months (₹ 7.30 crore related to escrow arrangement against purchase of certain fixed assets in current year.)	7.30	1.10	–	–
Deposits with maturity more than 3 months but less than 12 months (₹ 10.75 crore related to escrow arrangement against purchase of certain fixed assets in previous year.)	801.89	121.02	31.44	5.03
Deposits with maturity equal to 12 months (under lien)	0.01	–	21.09	3.37
Deposits with maturity more than 12 months [₹ 0.01 crore under lien (Previous year – ₹ 0.15 crore under lien)]	0.01	–	14.27	2.28
Margin money (under lien)	3.78	0.57	8.96	1.43
	813.47	122.76	75.86	12.13
TOTAL	1,478.11	223.07	1,234.55	197.52

	As at March 31, 2016 ₹ in crore	As at March 31, 2016 USD in million	As at March 31, 2015 ₹ in crore	As at March 31, 2015 USD in million
20. SHORT-TERM LOANS AND ADVANCES				
Short term loans and advances				
Advances recoverable in cash or in kind or for value to be received				
Unsecured, considered good	63.78	9.63	51.05	8.17
Unsecured, considered doubtful	14.30	2.16	14.30	2.29
Less: Provision for doubtful advances	(14.30)	(2.16)	(14.30)	(2.29)
	63.78	9.63	51.05	8.17
Advances to suppliers	41.96	6.33	45.35	7.26
Balances with statutory/government authorities	97.14	14.66	87.18	13.95
Other short term advances	6.95	1.05	2.50	0.40
TOTAL	209.83	31.67	186.08	29.78

	For the year ended March 31, 2016 ₹ in crore	For the year ended March 31, 2016 USD in million	For the year ended March 31, 2015 ₹ in crore	For the year ended March 31, 2015 USD in million
21. REVENUE FROM OPERATIONS				
Sale of products	4,469.37	674.52	4,405.50	704.88
Less: Excise duty	(9.47)	(1.43)	(6.74)	(1.08)
	4,459.90	673.09	4,398.76	703.80
Sale of services	1.53	0.23	1.48	0.24
Other operating revenue (Refer note below)	–	–	81.30	13.01
TOTAL	4,461.43	673.32	4,481.54	717.05

Note: Other operating revenue during the previous year was compensation for litigation, received by one of the subsidiary

	For the year ended March 31, 2016 ₹ in crore	For the year ended March 31, 2016 USD in million	For the year ended March 31, 2015 ₹ in crore	For the year ended March 31, 2015 USD in million
22. OTHER INCOME				
Dividend Income*	–	–	–	–
* ₹ Nil (Previous Year – ₹ 11,025)				
Profit/(Loss) on sale of Investment	32.25	4.87	28.16	4.50
Interest Income	44.64	6.74	7.98	1.28
Miscellaneous income (Refer note below)	20.06	3.03	30.41	4.87
TOTAL	96.95	14.64	66.55	10.65

Note: Miscellaneous income includes liabilities no more payable of ₹ 6.82 crore (Previous Year – ₹ 6.24 crore).

	For the year ended March 31, 2016 ₹ in crore	For the year ended March 31, 2016 USD in million	For the year ended March 31, 2015 ₹ in crore	For the year ended March 31, 2015 USD in million
23. CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE				
Opening Inventories				
Finished goods	388.80	58.68	331.29	53.00
Stock-in-trade	129.79	19.59	132.98	21.30
Work-in-progress	69.99	10.56	72.62	11.60
Less: Excise duty on opening stock	(2.19)	(0.33)	(1.51)	(0.20)
	586.39	88.50	535.38	85.70
Less: Inventory written off	(1.59)	(0.24)	–	–
Closing Inventories				
Finished goods	(419.99)	(63.39)	(388.80)	(62.26)
Stock-in-trade	(143.79)	(21.70)	(129.79)	(20.80)
Work-in-progress	(89.26)	(13.47)	(69.99)	(11.20)
Less: Excise duty on closing stock	3.83	0.58	2.19	0.40
	(649.21)	(97.98)	(586.39)	(93.86)
TOTAL	(64.41)	(9.72)	(51.01)	(8.16)
24. EMPLOYEE BENEFIT EXPENSES				
Salaries and wages (Refer note 33)	769.17	116.07	710.57	113.69
Contribution to provident and other funds (Refer note 33)	73.12	11.04	57.78	9.24
Expense on Employee Stock Option Scheme (ESOS) (Refer note 35)	7.55	1.14	16.92	2.71
Staff welfare expenses	94.46	14.26	83.60	13.38
TOTAL	944.30	142.51	868.87	139.02
25. FINANCE COSTS				
Interest expense				
on term loans	68.17	10.28	21.31	3.41
others	23.11	3.49	32.39	5.18
	91.28	13.77	53.70	8.59
Other borrowing costs	2.14	0.32	1.51	0.24
Net Loss/(gain) on foreign currency transactions and translation	8.39	1.27	–	–
	101.81	15.36	55.21	8.83
Less: Borrowing cost capitalised	(0.60)	(0.09)	–	–
TOTAL	101.21	15.27	55.21	8.83

	For the year ended March 31, 2016 ₹ in crore	For the year ended March 31, 2016 USD in million	For the year ended March 31, 2015 ₹ in crore	For the year ended March 31, 2015 USD in million
26. OTHER EXPENSES				
Travelling expenses	98.27	14.83	84.96	13.59
Freight and forwarding	95.42	14.40	95.38	15.26
Sales promotion and other selling cost	108.22	16.33	128.84	20.61
Commission on sales	55.03	8.31	37.33	5.97
Power and fuel	113.99	17.20	101.40	16.22
Rent (Refer note 28)	82.30	12.42	75.37	12.06
Rates and taxes	16.14	2.44	18.94	3.03
Repairs and maintenance				
Buildings	16.01	2.42	11.65	1.86
Plant and machinery	36.47	5.50	33.61	5.38
Others	28.30	4.27	25.91	4.15
Stores and spare parts consumed	67.11	10.13	64.71	10.35
Insurance	24.81	3.74	25.81	4.13
Manufacturing expenses	34.18	5.16	39.77	6.36
Legal and Professional charges	181.28	27.36	114.15	18.26
Product development expenses	13.89	2.10	19.42	3.11
Directors' sitting fees	0.71	0.11	0.63	0.10
Material for test batches	24.07	3.63	11.64	1.86
Chemicals	32.11	4.85	40.96	6.55
Miscellaneous expenses	366.36	55.28	367.61	58.84
TOTAL	1,394.67	210.48	1,298.09	207.69
27. EXPENDITURE ON RESEARCH AND DEVELOPMENT				
Capital*	170.77	25.77	26.22	4.20
Revenue	497.76	75.12	488.70	78.19
	668.53	100.89	514.92	82.39
* Including Intangible Assets under Development				
28. The Company has taken certain office premises, motor vehicles and plant and machinery on operating lease. There are no restrictions imposed by lease arrangements. There are no subleases.				
(a) Annual commitments for lease payments under non-cancellable operating leases for certain office premises, motor vehicles and plant and machinery:				
Less than 1 year	8.42	1.27	4.36	0.70
More than 1 year but less than 5 years	13.95	2.11	17.01	2.72
More than 5 years	–	–	1.14	0.18
	22.37	3.38	22.51	3.60
(b) Annual commitments for property given under non-cancellable operating leases are:				
Less than 1 year	–	–	2.17	0.35
More than 1 year but less than 5 years	–	–	–	–
More than 5 years	–	–	–	–
	–	–	2.17	0.35

	For the year ended March 31, 2016 ₹ in crore	For the year ended March 31, 2016 USD in million	For the year ended March 31, 2015 ₹ in crore	For the year ended March 31, 2015 USD in million
29. EARNINGS PER SHARE				
The calculations of Earnings Per Share (EPS) (basic and diluted) are based on the earnings and number of shares as computed below:				
Reconciliation of earnings				
Profit after tax	325.66	49.16	404.91	64.80
Less: Dividend (including tax on dividend) payable on preference shares	(0.04)	(0.006)	(0.03)	(0.003)
Net Profit for calculation of basic/diluted EPS	325.62	49.15	404.88	64.80
Reconciliation of number of shares				
	No. of Shares		No. of Shares	
Weighted average number of shares in calculating Basic EPS	110,388,022		109,988,414	
Add:				
Weighted average number of shares under ESOS	798,365		1,267,526	
Weighted average number of equity shares in calculating diluted EPS	111,186,387		111,255,940	
Earnings per share (face value ₹ 5/- each)				
Earnings per share – Basic ₹/USD	29.50	0.45	36.81	0.59
Earnings per share – Diluted ₹/USD	29.29	0.44	36.39	0.58

Optionally Convertible Cumulative Redeemable Preference Shares (OCCRPS) are not considered for calculating diluted earnings per share since conversion of shares is contingent in nature and number of shares cannot be currently ascertained, being dependant on price of equity shares as per SEBI formula prevailing on the date on which the holders of OCCRPS are entitled to convert.

30. During the year, the company has undergone inspections at its L1-Chikalhana, Aurangabad manufacturing facility by UK MHRA and have received communication confirming the closure of the inspection and issuance of an unrestricted GMP certificate. Accordingly, supplies have been resumed from L1 facility to UK Market. US FDA has also recently completed inspections of our manufacturing unit at Ankleshwar, Gujrat and Shendra, Aurangabad and made some observations for which appropriate reply has been submitted. Shendra manufacturing unit is a new facility supplying to India, UK & Irish market. Presently there are no supplies of products from the said facility to the US market. Waluj Facility received the Establishment Inspection Report (EIR) from US FDA. The company's on-going efforts towards remediation and compliance measures for its manufacturing facilities continue to be in place.

During the previous year, the company had received Qualified Infectious Disease Product (QIDP) status by US Food and Drug Administration (US FDA) for two of its Breakthrough drug discovery programme in anti-infective. Further during the current year, the company has received QIDP status for three more drugs. The Development Expenses for the year amounting to ₹ 77.21 crores pertaining to company's five new Breakthrough drug discovery programme in the anti-infective space duly approved under QIDP by US FDA has been capitalised during the year and included under 'Intangible Assets under Development' as at March 31, 2016.

31. SEGMENT INFORMATION

(i) Information about Primary Segments

The Group is primarily engaged in pharmaceutical business which is considered as the only reportable business segment as per Accounting Standard – AS 17 'Segment Reporting' prescribed under Section 133 of the Companies Act, 2013 ('the Act') read with Rule 7 of the Companies (Accounts) Rules, 2014.

(ii) Information about Secondary Segments

Sales by market – The following is the distribution of the Group's sale by geographical market regardless of where the goods were produced:

Geographical segment	For the year ended March 31, 2016 ₹ in crore	For the year ended March 31, 2016 USD in million	For the year ended March 31, 2015 ₹ in crore	For the year ended March 31, 2015 USD in million
India	1,431.85	216.10	1,235.01	197.60
USA*	1,274.65	192.37	1,570.78	251.32
Europe	1,331.51	200.95	1,363.92	218.23
Rest of the World and CIS	423.42	63.90	311.83	49.90
TOTAL	4,461.43	673.32	4,481.54	717.05

* Includes contract manufacturing business of one of the subsidiary in UK.



The following table shows the carrying amount of segment assets and addition to fixed assets by geographical area in which the assets are located:

	For the year ended March 31, 2016 ₹ in crore	For the year ended March 31, 2016 USD in million	For the year ended March 31, 2015 ₹ in crore	For the year ended March 31, 2015 USD in million
Carrying amount of segment assets				
India	4,122.84	622.22	3,324.58	531.93
USA *	1,247.26	188.24	1,011.28	161.81
Europe	2,351.36	354.86	2,432.81	389.28
Rest of the World and CIS	230.70	34.82	170.21	27.22
TOTAL	7,952.16	1,200.14	6,938.88	1,110.24

* Includes Debtors related to contract manufacturing business of one of the subsidiary in UK.

	For the year ended March 31, 2016 ₹ in crore	For the year ended March 31, 2016 USD in million	For the year ended March 31, 2015 ₹ in crore	For the year ended March 31, 2015 USD in million
Additions to tangible and intangible assets				
India	410.91	62.01	103.37	16.54
USA	28.13	4.25	24.55	3.93
Europe	24.96	3.77	21.89	3.50
Rest of the World and CIS	-	-	-	-
TOTAL	464.00	70.03	149.81	23.97

(iii) **Notes:**

Geographical segments:

Secondary segmental reporting is performed on the basis of the geographical location of customers. The management views the Indian market and export markets as distinct geographical segments.

Segment assets:

Segment assets include all operating assets used by a segment and consist principally of debtors, inventories, advances and fixed assets, net of allowances by geographical area in which the assets are located.

32. RELATED PARTY DISCLOSURES

As per Accounting Standard 18, the disclosures of transactions with the related parties are given below:

(a) **Parties where control exists**

Holding Company

Khorakiwala Holdings and Investments Private Limited (upto July 07, 2014)

Associate Company

Swiss Biosciences AG (Liquidated as on April 13, 2015)

Other parties exercising control

Humuza Consultants (w.e.f. July 8, 2014)*

Habil Khorakiwala Trust (w.e.f. July 8, 2014)*

*Themisto Trustee Company Private Limited holds shares in the Company in its capacity as the trustee of Habil Khorakiwala Trust which in turn holds these shares in its capacity as the partner of the partnership firm Humuza Consultants.

(b) **Other related party relationships where transactions have taken place during the year**

Enterprises over which Key Managerial Personnel exercise significant influence

Palanpur Holdings and Investments Private Limited

Dartmour Holdings Private Limited

Khorakiwala Holdings and Investments Private Limited (w.e.f. July 08, 2014)

Wockhardt Hospitals Limited

Amalthea Consultants (w.e.f. July 08, 2014)

Lysithea Consultants (w.e.f. July 08, 2014)

HNZ Consultants (w.e.f. July 08, 2014)

Merind Limited

Wockhardt Foundation

Carol Info Services Limited (w.e.f. July 08, 2014)

Fellow Subsidiary

Carol Info Services Limited (upto July 07, 2014)

Key managerial personnel

Dr. Habil Khorakiwala, Chairman

Dr. Huzaifa Khorakiwala, Executive Director

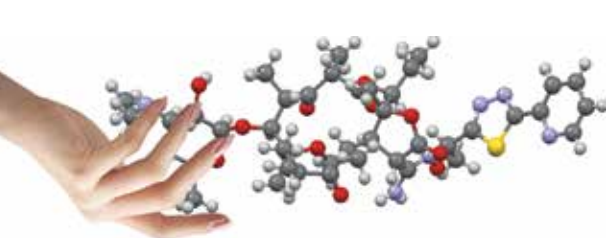
Dr. Murtaza Khorakiwala, Managing Director

Relatives of key managerial personnel

N. H. Khorakiwala

(c) Transactions with related parties during the year

	For the year ended March 31, 2016 ₹ in crore	For the year ended March 31, 2016 USD in million	For the year ended March 31, 2015 ₹ in crore	For the year ended March 31, 2015 USD in million
Fellow Subsidiary				
Rent paid	-	-	14.84	2.37
Reimbursement of expenses	-	-	0.65	0.10
Key managerial personnel				
Remuneration paid by Wockhardt Limited [Remuneration paid/payable to Chairman ₹ 1.48 crore (Previous Year – ₹ 1.41 crore), Managing Director ₹ 1.49 crore (Previous Year – ₹ 1.44 crore), Executive Director ₹ 1.49 crore (Previous Year – ₹ 1.44 crore)]	4.46	0.67	4.29	0.69
Remuneration paid by one of the Subsidiary Chairman	20.07	3.03	-	-
Subscription of shares, at prevailing market price, of one of the subsidiary in accordance with approved stock option scheme. Chairman	85.71	12.94	-	-
Dividend Paid [Dividend paid to Chairman ₹ Nil (Previous Year – ₹ 0.89 crore), Dividend paid to Managing Director ₹ Nil (Previous Year – ₹ 0.45 crore), Dividend paid to Executive Director ₹ Nil (Previous Year – ₹ 0.43 crore)]	-	-	1.77	0.28
Relative of Key managerial personnel				
Dividend paid	-	-	0.01	-
Other parties exercising control				
Dividend paid to Humuza Consultants	-	-	131.80	21.11
Enterprise over which Key Managerial Personnel exercise significant influence				
Rent paid [[Palanpur Holdings and Investments Private Limited ₹ 1.04 crore (Previous Year – ₹ 1.03 crore), Wockhardt Hospitals Limited ₹ 0.82 crore (Previous Year – ₹ 0.81 crore), Carol Info Services Limited ₹ 66.46 crore (Previous Year – ₹ 43.98 crore)]	68.32	10.31	45.82	7.33
Dividend paid [Khorakiwala Holdings and Investments Private Limited ₹ 0.01 crore (Previous Year – ₹ 0.01 crore), Amalthea Consultants ₹ Nil (Previous Year – ₹ 10 crore), Lysithea Consultants ₹ Nil. (Previous Year – ₹ 10 crore), HNZ Consultants ₹ Nil (Previous Year – ₹ 10.40 crore)]	0.01	-	30.41	4.87
Reimbursement of Expenses [Merind Limited ₹ Nil (Previous Year – ₹ 0.44 crore), Wockhardt Hospitals Limited ₹ 0.13 crore (Previous Year – ₹ 0.02 crore), Carol Info Services Limited ₹ 1.83 crore (Previous Year – ₹ 0.97 crore)]	1.96	0.29	1.43	0.23
Donation and reimbursement of expenses given to Wockhardt Foundation	8.00	1.21	1.21	0.19
Sales made to Wockhardt Hospitals Limited	-	-	0.04	0.01
Rent income from Wockhardt Hospitals Limited	0.01	-	0.01	-
Employee Liability transferred by Merind Limited	-	-	0.73	0.12
Loan given by Vinton Healthcare Limited to Carol Info Services Limited adjusted against payables of the Company after amalgamation	-	-	22.21	3.55
Security deposit to Carol Info Services Limited	9.00	1.36	-	-



	For the year ended March 31, 2016 ₹ in crore	For the year ended March 31, 2016 USD in million	For the year ended March 31, 2015 ₹ in crore	For the year ended March 31, 2015 USD in million
(d) Related party balances				
Payable to Carol Info Services Limited	21.41	3.23	13.34	2.13
Security deposit given to Carol Info Services Limited	55.50	8.38	46.50	7.44
Payable to enterprise over which key managerial personnel exercise significant influence				
Wockhardt Hospitals Limited	0.23	0.03	0.18	0.03
Receivable from Merind Limited	0.57	0.09	0.57	0.09
Enterprises over which Key Managerial Personnel exercise significant influence				
Security Deposit given to Palanpur Holdings and Investments Private Limited	2.75	0.42	2.75	0.44
Receivable from/(Payable) to Key managerial personnel				
Payable to Key managerial personnel [Managing Director ₹ Nil (Previous Year – ₹ 0.23 crore, Executive Director ₹ Nil (Previous Year – ₹ 0.23 crore)]	–	–	0.46	0.07

33. EMPLOYEE BENEFITS

(A) Disclosure in respect of Wockhardt Limited

	For the year ended March 31, 2016 ₹ in crore	For the year ended March 31, 2015 ₹ in crore
Defined Benefit Plans:		
I. Expenses recognized during the year:		
1. Current Service Cost	2.21	1.69
2. Interest cost	1.87	1.64
3. Actuarial Losses/(Gains)	0.81	3.44
Total Expenses	4.89	6.77
II. Net Asset/(Liability) recognized as at balance sheet date:		
1. Present value of defined benefit obligation	26.79	23.54
2. Net Asset/(Liability)	(26.79)	(23.54)
III. Reconciliation of Net Asset/(Liability) recognized as at balance sheet date:		
1. Net Asset/(Liability) at the beginning of year	(23.54)	(19.07)
2. Expense as per I above	(4.89)	(6.77)
3. Employer contributions	1.64	2.30
4. Net asset/(liability) at the end of the year	(26.79)	(23.54)
IV. Actuarial Assumptions:		
1. Discount rate	7.48%	7.93%
2. Expected rate of salary increase	8.00%	10.00%
3. Mortality	Indian Assured Lives Mortality (2006-08) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate
4. Attrition rate	28.00%	28.00%

Notes:

- Amount recognised as an expense in the Statement of Profit and Loss and included in Note 24 under "Salaries and wages": "Salaries and Wages" includes Gratuity ₹ 4.72 crore (Previous Year – ₹ 6.48 crore) and Leave encashment ₹ 12.55 crore (Previous Year – ₹ 6.56 crore).
- The estimates of future salary increases considered in the actuarial valuation take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

	₹ in crore				
	April 2015- March 2016	April 2014- March 2015	April 2013- March 2014	April 2012- March 2013	April 2011- March 2012
(c) Details of gratuity for the current and previous four years are as follows:					
Defined benefit obligation	26.79	23.54	19.07	16.75	15.57
Surplus/(deficit)	(26.79)	(23.54)	(19.07)	(16.75)	(15.57)
Experience adjustment on plan liabilities (gain)/loss	1.65	2.05	1.46	(0.30)	0.54

(d) **Defined contribution plan:**

Amount recognised as an expense in the Statement of Profit and Loss – included in Note 24 – “Contribution to provident and other funds” ₹ 18.87 crore (Previous Year – ₹ 16.05 crore).

(B) Defined Benefit Pension Scheme (In respect of Consolidated Wockhardt UK Holdings Limited)

The group operates a funded defined benefit pension scheme. The assets of the scheme are held separately from those of the group. Members contributed at a rate of 7% of pensionable salaries.

An actuarial valuation of the pension scheme was carried out as at balance sheet date. The amount recognized as gain by the company is ₹ 5.81 crore [Previous Year – loss (₹ 30.72 crore)]. Amount recognized as liability ₹ 26.45 crore (Previous Year – ₹ 35.08 crore).

(C) Defined Contribution Pension Scheme (In respect of Consolidated Wockhardt UK Holdings Limited, Wockhardt UK Limited and Consolidated Wockpharma Ireland Limited)

During the year, the group operated a defined contribution pension scheme. The assets of the scheme are held separately from those of the Group in an independently administered fund. The pension cost charge represents contributions payable by the group to the fund and amounted to ₹ 7.56 crore (Previous Year – ₹ 7.57 crore) and the outstanding pension liability as at March 31, 2016 was ₹ 0.88 crore (Previous Year – ₹ 0.02 crore).

34. DISCLOSURE REGARDING UNHEDGED CURRENCY EXPOSURE

The year end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are given below:

Particulars	Currency	As at March 31, 2016		As at March 31, 2015	
		Amt. in Foreign Currency (in million)	₹ in crore	Amt. in Foreign Currency (in million)	₹ in crore
		Loans Availed	EUR	10.26	77.43
	CHF	-	-	12.00	77.11
	JPY	183.00	10.80	136.00	7.10
	USD	106.98	708.82	93.98	587.37
	GBP	0.13	1.26	0.13	1.20
Interest Payable	EUR	0.02	0.18	0.03	0.18
	USD	0.94	6.20	0.02	0.10
	GBP	0.0001	0.001	0.001	0.01
	JPY	0.53	0.03	0.06	0.003
Trade Receivables	ACU	0.05	0.35	0.02	0.12
	AUD	0.01	0.07	0.01	0.07
	EUR	0.80	6.06	0.66	4.46
	GBP	5.93	56.62	4.94	45.70
	USD	19.16	126.97	15.96	99.74
	RUB	608.90	60.26	130.63	14.13
	MXN	85.50	33.03	80.54	32.91
Loans and Advances and Other receivables	EUR	3.04	22.92	0.78	5.23
	USD	1.27	8.44	3.16	19.75
	CHF	0.10	0.68	0.16	1.04
	GBP	1.52	14.49	1.11	10.27
	AED	1.38	2.48	0.14	0.24
	MXN	18.33	7.08	14.44	5.90



Particulars	Currency	As at March 31, 2016		As at March 31, 2015	
		Amt. in Foreign Currency (in million)	₹ in crore	Amt. in Foreign Currency (in million)	₹ in crore
Trade Payables and Other Liabilities	CHF	1.37	9.43	0.54	3.49
	EUR	3.73	28.14	3.41	22.92
	GBP	4.36	41.60	4.72	43.69
	JPY	1.66	0.10	48.43	2.53
	MXN	14.29	5.52	14.16	5.79
	USD	7.06	46.75	11.87	74.16
	AED	0.15	0.27	0.25	0.43
	RUB	99.91	9.89	29.09	3.15
	ACU	0.01	0.03	0.004	0.03
	AUD	0.004	0.02	-	-

35. EMPLOYEES STOCK OPTION SCHEME (ESOS)

The Compensation Committee of the Board of Directors has, under Wockhardt Stock Option Scheme-2011 ('the Scheme') granted 60,000 options @ ₹ 397/- per option (Grant 1), another 60,000 options @ ₹ 365/- per option (Grant 2), 1,420,000 options @ ₹ 5/- per option (Grant 3), 350,000 options @ ₹ 5/- per option (Grant 4), 8,500 options @ ₹ 5/- per option (Grant 5), and 200,000 options @ ₹ 5/- per option (Grant 6) in accordance with the provisions of Securities and Exchange Board of India (Share based Employee Benefits) Regulations, 2014, to the selected employees (including Independent Directors) of the Company and its subsidiaries. The method of settlement is by issue of equity shares to the selected employees (including Independent Directors) who have exercised the options. The scheme shall be administered by the compensation committee of Board of directors.

The options issued vests in periods ranging 1 year and 7 years 3 months from the date of grant, and can be exercised during such period not exceeding 7 years.

Employee stock option activity under Scheme 2011 is as follows:

	For the year ended March 31, 2016	For the year ended March 31, 2015
(a) Outstanding at beginning of the year	1,243,500	1,365,250
(b) Granted during the year	-	200,000
(c) Lapsed during the year (re-issuable)	108,750	-
(d) Exercised during the year	436,000	321,750
(e) Outstanding at the end of the year:	698,750	1,243,500
of which Options vested and exercisable at the end of the year	264,500	134,500
Range of weighted average fair value of options on the date of grant	₹ 106.47 – ₹ 1,949.76	
No option have been forfeited during the year or in the previous year.		

The Company follows the intrinsic value method to account compensation expense arising from issuance of stock options to the employees. Had compensation cost been determined under the fair value approach described in the Guidance Note issued by the Institute of Chartered Accountants of India using the Black Scholes Pricing Model, the Company's net income and basic and diluted earnings per share (as restated) would have been increased/decreased to the proforma amounts as set out below:

	For the year ended March 31, 2016	For the year ended March 31, 2015
Net profit as reported in Statement of Profit and Loss	325.66	404.91
Add: Stock-based employee compensation expense (intrinsic value method), net of tax	7.55	16.19
Less: Stock-based employee compensation expense (fair value method), net of tax	(7.58)	(16.89)
Proforma net profit	325.63	404.21
Basic earnings per share as reported (₹)	29.50	36.81
Proforma basic earnings per share (₹)	29.50	36.75
Diluted earnings per share as reported (₹)	29.29	36.39
Proforma diluted earnings per share (₹)	29.29	36.33

	For the year ended March 31, 2016	For the year ended March 31, 2015
The key assumptions used to estimate the fair value of options are:		
Range of stock price at the time of option grant (₹ Per share)	₹ 414 – ₹ 1,954.20	₹ 414 – ₹ 1,954.20
Range of expected life:	1.50 years – 7.75 years	1.50 years – 7.75 years
Range of risk free interest rate	7.86% – 8.64%	7.86% – 8.64%
Range of Volatility	36% – 88%	36% – 88%
Range of weighted average exercise price (₹ Per share)	₹ 5 – ₹ 37.65	₹ 5 – ₹ 37.65
Dividend yield has not been separately built in, as the stock prices for one year has been considered which factors for the price movement on account of the dividend		

36. INVESTMENT IN ASSOCIATE COMPANIES

Swiss Biosciences AG an associate company with holding interest of Wockhardt Bio AG @ 45% has been liquidated on April 13, 2015.

37. CONTINGENT LIABILITIES AND COMMITMENTS (to the extent not provided for)

- Demands by Central Excise authorities in respect of Classification/ Valuation/Cenvat Credit related disputes; stay orders have been obtained by the Company in case of demands which have been confirmed ₹ 28.10 crore (Previous Year – ₹ 30.45 crore).
- Demand by Income tax authorities ₹ 70.10 crore (Previous Year – ₹ 70.00 crore) disputed by the Company.
- Demand by Sales Tax authorities ₹ 20.03 crore (Previous Year – ₹ 12.60 crore) disputed by the Company (including ₹ 1.33 crore on account of amalgamation in Previous Year).
- Claims against Company not acknowledged as debt in respect of electricity expense ₹ 5.24 crore (Previous Year – ₹ 4.65 crore) and interest expense ₹ 4.68 crore (Previous Year – ₹ Nil).
- Demand from National Pharmaceutical Pricing Authority (NPPA) in respect of overcharging of certain products disputed by the Company ₹ 7.30 crore (Previous Year – ₹ 7.30 crore).
- One of the customer of a step down subsidiary of the Company, has brought a claim relating to a commercial dispute over a contract which is sub-judice. The financial impact of the claim, if any, that may result from ultimate resolutions of the proceedings is currently not ascertainable.
- The Group is involved in other disputes, lawsuits, claims, inquiries and proceedings, including commercial matters that arise from time to time in the ordinary course of business. The Group believes that there are no such pending matters that are expected to have any material adverse effect on its financial statements in any given accounting period.
- Bank guarantees issued against various liabilities/obligations ₹ 24.35 crore (Previous Year – ₹ 31.72 crore).
- Estimated amount of contracts remaining to be executed on capital account and not provided for ₹ 143.10 crore (Previous Year – ₹ 138.73 crore) after deducting advance on capital account of ₹ 38.18 crore (Previous Year – ₹ 18.74 crore).

38. AMALGAMATION OF WHOLLY OWNED SUBSIDIARY COMPANIES

During the previous year, pursuant to the scheme of amalgamation ('the scheme') of Wockhardt Biopharm Limited and Vinton Healthcare Limited, unlisted wholly owned subsidiaries of the Company, with the Company under sections 391 to 394 of the Companies Act, 1956 sanctioned by the Hon'ble High Court, Bombay vide its order dated March 20, 2015, all assets and liabilities (excluding share capital) of the aforesaid subsidiaries were transferred in the Company effective April 01, 2014 ('the Appointed Date'). Accordingly the Scheme has been given effect to in financial statements in previous year.

The main objects of Wockhardt Biopharm Limited include manufacturing, marketing, trading, packing of biotechnology products, pharmaceuticals and chemicals and, of Vinton Healthcare Limited include manufacturing, trading, packing, distribution of foods and other nutritional products. However, recently there were no operations in these companies.

The amalgamation had been accounted for in the previous year under the 'Pooling of Interest' method as prescribed by the Accounting Standard 14, 'Accounting for Amalgamations'. Accordingly the accounting treatment has been given as under:

- The assets and liabilities as at April 01, 2014 were incorporated in the financial statement of the Company at its book value.
- The above Scheme being merger of wholly owned subsidiaries with the parent Company has no impact on consolidated financial statements except that Capital Reserve has increased by ₹ 27.11 crore and Capital Reserve on Consolidation and Surplus in reserves has been reduced by ₹ 18.11 crore and ₹ 9.00 crore respectively in previous year.

39. Donations given by the Company for Political purpose made during the previous year and included in Note 26 under "Miscellaneous expenses":

- Bhartiya Janata Party ₹ Nil (Previous Year – ₹ 3.00 crore)
- Maharashtra Pradesh Congress Committee ₹ Nil (Previous Year – ₹ 2.00 crore)

40. As part of Corporate Social Responsibility (CSR), the Company had made voluntary contribution of ₹ 8.00 crore (Previous Year – ₹ 1.21 crore) during the year for spending on CSR activities to Wockhardt Foundation and included the same in Note 26 under 'Miscellaneous expenses,' being donation and other expenses (Also Refer note 32). No amount has been incurred by the Company towards construction/ acquisition of any asset.



41. Additional Information, as required under Schedule III to the Companies Act, 2013, of enterprises consolidated as Subsidiary/ Associates/Joint Ventures

Name of the Enterprise	Net Assets i.e. total assets minus total liabilities		Share in profit or loss	
	As % of consolidated net assets	Amount ₹ in crore	As % of consolidated profit or loss	Amount ₹ in crore
Parent				
Wockhardt Limited	31.98	1,388.98	9.87	32.79
Subsidiaries				
Indian				
Wockhardt Infrastructure Development Limited	0.43	18.56	2.61	8.66
Foreign				
1 Z&Z Services GmbH	(0.03)	(1.26)	(0.03)	(0.09)
2 Wockhardt Europe Limited	0.22	9.65	(0.01)	(0.04)
3 Wockhardt Nigeria Limited	0.01	0.54	0.03	0.11
4 Wockhardt UK Holdings Limited	2.27	98.50	(16.71)	(55.49)
5 CP Pharmaceuticals Limited	15.03	652.92	53.91	179.08
6 CP Pharmaceuticals (Schweiz) AG	0.03	1.35	0.05	0.18
7 Wallis Group Limited	0.63	27.39	(0.04)	(0.13)
8 The Wallis Laboratory Limited	(0.05)	(2.01)	(0.04)	(0.13)
9 Wockhardt Farmaceutica do Brazil Ltda	-	0.01	(0.01)	(0.04)
10 Wallis Licensing Limited	(0.25)	(10.78)	-	-
11 Wockhardt USA LLC	1.46	63.28	5.87	19.49
12 Wockhardt Bio AG	68.53	2,976.28	(29.57)	(98.21)
13 Wockhardt UK Limited	1.95	84.65	2.21	7.33
14 Wockpharma Ireland Limited	2.70	117.05	(6.66)	(22.13)
15 Pinewood Laboratories Limited	7.26	315.40	24.15	80.22
16 Wockhardt Holding Corp	3.83	166.26	(0.92)	(3.06)
17 Morton Grove Pharmaceuticals Inc	10.94	475.22	3.40	11.28
18 MGP Inc	0.29	12.70	1.34	4.44
19 Wockhardt France (Holdings) S.A.S	(8.51)	(369.40)	3.49	11.58
20 Laboratoires Pharma 2000 S.A.S	(0.81)	(35.02)	1.03	3.43
21 Laboratoires Negma S.A.S	5.66	245.82	1.59	5.27
22 Niverpharma S.A.S	(0.61)	(26.42)	(0.05)	(0.18)
23 Negma Beneulex S.A	0.02	0.91	(0.08)	(0.28)
24 Phytex S.A.S	0.01	0.63	-	-
25 Wockhardt Farmaceutica SA DE CV	(0.82)	(35.52)	(4.65)	(15.43)
26 Wockhardt Services SA DE CV	(0.01)	(0.54)	(0.13)	(0.42)
27 Pinewood Healthcare Limited	-	0.21	(0.01)	(0.04)
28 Wockhardt Bio (R) LLC*	0.01	0.24	(0.10)	(0.33)
Minority Interests in all subsidiaries	10.83	470.37	1.96	6.51
Associate (Investment as per Equity method)				
Foreign				
Swiss Biosciences AG #	-	-	0.19	0.64
Sub Total	153.00	6,645.97	52.69	175.01
Add/(Less): Effect of Inter Company elimination/ adjustment	(53.00)	(2,303.19)	47.31	157.16
Total	100.00	4,342.78	100.00	332.17

* During the year, Wockhardt Bio (R) LLC was incorporated in Russia on August 25, 2015.

During the year, Swiss Biosciences AG got liquidated on April 13, 2015.

42. Premium on redemption of preference shares will be provided for before redemption of the preference shares.

43. Previous year figures have been regrouped where necessary to conform to current year's classification.

As per our attached report of even date

For Haribhakti & Co. LLP

Chartered Accountants
ICAI Firm Registration No. 103523W

Bhavik L. Shah

Partner
Membership No. 122071

Place : Mumbai
Date : May 06, 2016

Narendra Singh
Company Secretary

Manas Datta
Chief Financial Officer

For and on behalf of the Board of Directors

H. F. Khorakiwala
Chairman
DIN: 00045608

Murtaza Khorakiwala
Managing Director
DIN: 00102650

Shekhar Datta
DIN: 00045591
Aman Mehta
DIN: 00009364

D. S. Brar
DIN: 00068502
Sanjaya Baru
DIN: 05344208

Tasneem Mehta
DIN: 05009664
Baldev Raj Arora
DIN: 00194168

Directors

INDEPENDENT AUDITOR'S REPORT

To the Members of Wockhardt Limited

Report on the Standalone Financial Statements

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

Management's Responsibility for the Standalone Financial Statements

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

Auditors' Responsibility

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

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the standalone financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the standalone 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 standalone financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2016, its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

- (1) As required by the Companies (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in "Annexure 1", 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 purposes of our audit;
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c. The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;



- d. In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014;
- e. On the basis of written representations received from the directors as on March 31, 2016, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016 from being appointed as a director in terms of Section 164 (2) of the Act;
- f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, we give our separate Report in "Annexure 2".
- g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - (i) The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 48 to the standalone financial statements;
 - (ii) The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts – Refer Note 7 and 11 to the standalone financial statements;
 - (iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For **Haribhakti & Co. LLP**

Chartered Accountants

ICAI Firm Registration No. 103523W

Bhavik L. Shah

Partner

Membership No. 122071

Place : Mumbai

Date : May 6, 2016

ANNEXURE 1 TO INDEPENDENT AUDITOR'S REPORT

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report of even date to the members of **Wockhardt Limited** on the standalone financial statements for the year ended March 31, 2016]

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of its fixed assets.
- (b) During the year, fixed assets have been physically verified by the management as per the regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. As informed, no material discrepancies were noticed on such verification.
- (c) According to the information and explanation given to us, the title deeds of immovable properties other than self-constructed properties recorded as fixed assets in the books of account of the Company as on March 31, 2016 are held in the name of the Company, except for the details given below:
- In respect of Freehold land with gross block and net block of ₹ 0.28 Crore and Building comprising of certain flats with gross block of ₹ 0.91 Crore and net block of ₹ 0.60 Crore, relevant transfer in the name of the Company is pending.
- (ii) The inventory (excluding stocks lying with third parties) has been physically verified by the management during the year. In respect of inventory lying with third parties, these have substantially been confirmed by them. In our opinion, the frequency of verification is reasonable. As informed, no material discrepancies were noticed on physical verification carried out during the year.
- (iii) As informed, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act. Accordingly, paragraph 3 (iii)(a), 3 (iii)(b) and 3 (iii)(c) of the Order are not applicable to the Company.
- (iv) Based on information and explanation given to us in respect of loans, investments, guarantees and securities, the Company has complied with the provisions of Section 185 and 186 of the Act.
- (v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the provisions of Sections 73 to 76 of the Act and the rules framed there under.
- (vi) We have broadly reviewed the books of account maintained by the Company in respect of products where the maintenance of cost records has been specified by the Central Government under sub-section (1) of Section 148 of the Act and the rules framed there under and we are of the opinion that prima facie, the prescribed accounts and records have been made and maintained.
- (vii) (a) According to the information and explanation given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing with appropriate authorities, undisputed statutory dues including provident fund, income tax, sales tax, service tax, value added tax, customs duty, excise duty, cess and any other material statutory dues applicable to it.
- According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, sales tax, service tax, value added tax, customs duty, excise duty, cess and any other material statutory dues applicable to it, were outstanding, at the year end, for a period of more than six months from the date they became payable.
- (b) According to the information and explanation given to us, the dues outstanding with respect to income tax, sales tax, service tax, value added tax, customs duty, excise duty on account of any dispute, are as follows:

Name of the statute	Nature of dues	Amount (₹ in crore)	Period to which the amount relates	Forum where the dispute is pending
Central Excise Act, 1944	Penalty for Classification	0.37	February 2001 to February 2003	CESTAT
	Demand and Penalty for Classification	1.96	September 1991 to July 1993	CESTAT
	Demand and Penalty for Classification	4.44	April 2005 to March 2009	CESTAT
	Demand and Penalty for Classification	21.23	May 2004 to March 2007	CESTAT
	Classification of EPO formulation manufactured at Loan Licensee	0.10	2006 - 07	CESTAT
UP VAT Act	Demand under Section 28 & Section 9(2)	0.27	April 2008 to March 2011	Addl. Commissioner Grade 2 (Appeals) First
	Sales Tax due to under invoicing and late deposit of Tax	0.08	2003 - 04 2005 - 06	Joint Commissioner (Appeals)
Patna VAT Act	VAT on free goods supplied as bonus offer and deposited	0.55	2009-10 to 2012-13	Joint Commissioner Commercial Taxes (Appeals)
Central Sales Tax/VAT Act	Demand under Section 9(2)	0.30	April 2005 to March 2006	Deputy Commissioner of Sales Tax Appeals - 3, Mumbai

Name of the statute	Nature of dues	Amount (₹ in crore)	Period to which the amount relates	Forum where the dispute is pending
	Demand under CST and Goa VAT Act.	1.25	2006-2007	Addl. Commissioner of Commercial tax, Panaji
	Demand under MVAT act.	3.04	April 2009 to March 2010	Joint Commissioner Appeal V
	Demand under CST act	0.41	April 2009 to March 2010	Joint Commissioner Appeal V
	Demand under CST act	6.28	April 2011 to March 2012	Appeal to be filed with Joint Commissioner
	Demand under MVAT act.	7.85	April 2011 to March 2012	Appeal to be filed with Joint Commissioner
Income Tax Act, 1961	Demand under Section 143(3)	4.05	FY 2003-04	High Court
	Demand under Section 143(3)	12.80	FY 2006-07	Income Tax Appellate Tribunal
	Demand under Section 143(3)	0.46	FY 2007-08	Income Tax Appellate Tribunal
	Demand under Section 143(3)	1.23	FY 2009-10	Commissioner of Income Tax (Appeals)
	TDS Assessment order u/s 201/201(A)	0.13	January 2007 to March 2011	Commissioner of Income Tax (Appeals)/TDS Officers

Note: Out of the above, amount paid under protest by the Company of UP & Patna VAT and Income-tax is ₹ 0.68 Crore, and ₹ 16.13 Crore respectively.

- (viii) According to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings to financial institutions, banks, or dues to debenture holders.
- (ix) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. In our opinion and according to the information and explanations given to us, the Company has utilized the money raised by way of the term loans during the year for the purposes for which they were raised.
- (x) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such instance by the management.
- (xi) According to the information and explanations given to us, managerial remuneration has been paid in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Therefore, paragraph 3(xii) of the Order is not applicable to the Company.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions entered into by the Company with the related parties are in compliance with Sections 177 and 188 of the Act, where applicable. The details of such related party transactions have been disclosed in the financial statements as required under Accounting Standard (AS) 18, Related Party Disclosures specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (xiv) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Therefore, paragraph 3(xiv) of the Order is not applicable to the Company.
- (xv) According to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with him during the year.
- (xvi) According to the information and explanation given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934

For **Haribhakti & Co. LLP**
Chartered Accountants
ICAI Firm Registration No. 103523W

Bhavik L. Shah
Partner
Membership No. 122071
Place : Mumbai
Date : May 6, 2016

ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT

[Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report of even date to the members of Wockhardt Limited on the standalone financial statements for the year ended March 31, 2016]

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.

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

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

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

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

For **Haribhakti & Co. LLP**

Chartered Accountants

ICAI Firm Registration No. 103523W

Bhavik L. Shah

Partner

Membership No. 122071

Place : Mumbai

Date : May 6, 2016



BALANCE SHEET

As at March 31, 2016

(All amounts in crore of Indian ₹)

	Notes	As at March 31, 2016	As at March 31, 2015
EQUITY AND LIABILITIES			
SHAREHOLDERS' FUNDS			
Share capital	2	353.80	353.59
Reserves and surplus	3	1,035.18	1,016.50
		1,388.98	1,370.09
NON-CURRENT LIABILITIES			
Long-term borrowings	4	1,166.28	567.73
Deferred tax liabilities (net)	5	102.02	131.60
Other long-term liabilities	6	651.32	-
Long-term provisions	7	38.58	33.48
		1,958.20	732.81
CURRENT LIABILITIES			
Short-term borrowings	8	550.03	270.17
Trade payables	9	332.50	344.40
Due to Micro and Small Enterprises ₹ 18.28 Crore (Previous Year – ₹ 23.90 Crore)			
Due to others ₹ 314.22 Crore (Previous Year – ₹ 320.50 Crore)			
Other current liabilities	10	380.39	1,404.81
Short-term provisions	11	30.93	26.65
		1,293.85	2,046.03
TOTAL		4,641.03	4,148.93
ASSETS			
NON-CURRENT ASSETS			
Fixed assets	12		
Tangible assets		1,285.59	979.60
Intangible assets		23.87	25.89
Capital work-in-progress		663.60	792.16
Non-current investments	13	297.22	297.22
Long-term loans and advances	14	408.08	377.77
Other non-current assets	15	1.73	103.71
		2,680.09	2,576.35
CURRENT ASSETS			
Inventories	16	534.81	524.43
Trade receivables	17	291.98	209.70
Cash and bank balances	18	835.39	678.49
Short-term loans and advances	19	191.78	159.96
Other Current assets	20	106.98	-
		1,960.94	1,572.58
TOTAL		4,641.03	4,148.93
Significant accounting policies	1		
The notes from 1 to 51 form an integral part of the Financial statements.			

As per our attached report of even date

For Haribhakti & Co. LLP

Chartered Accountants

ICAI Firm Registration No. 103523W

Bhavik L. Shah

Partner

Membership No. 122071

Place : Mumbai

Date : May 06, 2016

Narendra Singh

Company Secretary

Manas Datta

Chief Financial Officer

For and on behalf of the Board of Directors

H. F. Khorakiwala

Chairman

DIN: 00045608

Murtaza Khorakiwala

Managing Director

DIN: 00102650

Shekhar Datta

DIN: 00045591

Aman Mehta

DIN: 00009364

D. S. Brar

DIN: 00068502

Sanjaya Baru

DIN: 05344208

Tasneem Mehta

DIN: 05009664

Baldev Raj Arora

DIN: 00194168

Directors

STATEMENT OF PROFIT AND LOSS

For the Year Ended March 31, 2016

(All amounts in crore of Indian ₹)

	Notes	For the year ended March 31, 2016	For the year ended March 31, 2015
REVENUE			
Revenue from operations (gross)	21	2,234.21	1,893.29
Less: Excise duty		(9.47)	(6.74)
Revenue from operations (net)		2,224.74	1,886.55
Other income	22	56.31	465.11
TOTAL		2,281.05	2,351.66
EXPENSES			
Cost of materials consumed		473.33	452.01
Purchases of stock-in-trade	34	436.40	402.14
Changes in inventories of finished goods, work-in-progress and stock-in-trade	23	(13.57)	(57.27)
Employee benefits expense	24	474.89	409.62
Finance costs	25	79.95	19.18
Depreciation and amortisation expense	12	101.75	102.93
Exchange fluctuation loss (net)		6.35	17.08
Other expenses	26	718.74	655.54
TOTAL		2,277.84	2,001.23
PROFIT BEFORE TAX			
		3.21	350.43
Tax expense:			
Current tax (MAT payable)		-	(74.03)
Less: Minimum Alternate Tax credit		-	58.92
		-	(15.11)
Deferred tax credit/(charge)		29.58	(3.50)
PROFIT AFTER TAX		32.79	331.82
Earnings per equity share of face value of ₹ 5/- each			
Basic ₹	37	2.97	30.17
Diluted ₹	37	2.95	29.82
Significant accounting policies	1		
The notes from 1 to 51 form an integral part of the Financial statements.			

As per our attached report of even date

For Haribhakti & Co. LLP

Chartered Accountants

ICAI Firm Registration No. 103523W

Bhavik L. Shah

Partner

Membership No. 122071

Place : Mumbai

Date : May 06, 2016

Narendra Singh

Company Secretary

Manas Datta

Chief Financial Officer

For and on behalf of the Board of Directors

H. F. Khorakiwala

Chairman

DIN: 00045608

Murtaza Khorakiwala

Managing Director

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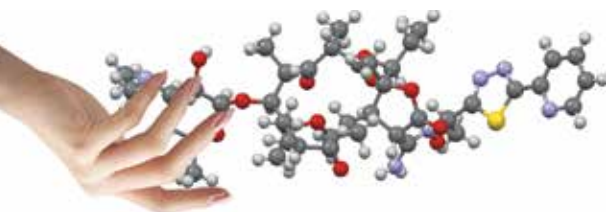
Tasneem Mehta

DIN: 05009664

Baldev Raj Arora

DIN: 00194168

Directors



CASH FLOW STATEMENT

For the Year Ended March 31, 2016
(All amounts in crore of Indian ₹)

	For the year ended March 31, 2016	For the year ended March 31, 2015
CASH FLOWS FROM/(USED IN) OPERATING ACTIVITIES:		
Net profit before taxation	3.21	350.43
Adjustments for:		
Depreciation and amortisation expense	101.75	102.93
Liabilities no more payable	(6.82)	(6.24)
Advances no more recoverable	0.05	2.17
Provision for doubtful debts	(3.73)	2.71
Bad Debts written off	-	0.16
Exchange fluctuation loss (net)	6.35	17.08
Loss on assets sold/write off of fixed assets (net)	4.03	4.39
Finance costs	79.95	19.18
Interest Income	(44.93)	(7.47)
Dividend Income (Refer note 22)	-	(433.81)
Guarantee fees	(2.11)	(5.09)
Insurance claim receipt against fixed assets	-	(8.18)
Expense on Employee Stock Option Scheme (ESOS)	7.55	16.92
Operating profit before Working Capital changes	145.30	55.18
Movement in working capital:		
(Increase)/Decrease in Inventories	(11.98)	(39.97)
(Increase)/Decrease in Trade receivables	(77.25)	10.33
(Increase)/Decrease in Loans and Advances and other assets	(25.72)	11.55
Increase/(Decrease) in Liabilities and provisions	(380.10)	(49.51)
Increase/(Decrease) in Trade payables	(9.48)	49.54
Cash from/(used in) Operations	(359.23)	37.12
Income taxes paid	(3.95)	(90.52)
Net cash used in Operating Activities	(A) (363.18)	(53.40)
CASH FLOWS FROM/(USED IN) INVESTING ACTIVITIES:		
Purchase of Fixed Assets and Additions to Capital work-in-progress	(280.74)	(305.04)
Proceeds relating to fixed assets	0.11	9.05
Repayment by/(Loans to) companies/subsidiaries	(3.86)	64.02
Margin money under lien and Fixed deposits (other than cash and cash equivalents)	(768.19)	(5.44)
Interest Received	37.35	8.32
Dividend Received (Refer note 22)	-	433.81
Net cash from/(used in) Investing Activities	(B) (1,015.33)	204.72

		For the year ended March 31, 2016	For the year ended March 31, 2015
CASH FLOWS FROM/(USED IN) FINANCING ACTIVITIES:			
Proceeds from issuance of share capital		0.21	0.16
Premium on issue of shares		0.20	–
Proceeds from long-term borrowings		567.87	561.78
Repayment of long-term borrowings		(1.76)	(2.07)
Short-term borrowings (net)		267.92	103.58
Finance costs		(70.35)	(18.63)
Dividend paid (including dividend distribution tax)		(0.20)	(219.91)
Net cash from Financing Activities	(C)	763.89	424.91
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	(A+B+C)	(614.62)	576.23
CASH AND CASH EQUIVALENTS, at beginning of year		636.38	61.63
Cash and cash equivalents acquired on account of amalgamation		–	0.36
Unrealised gain/(loss) on Foreign Currency Cash and Cash equivalents		0.23	(1.84)
CASH AND CASH EQUIVALENTS, at end of year		21.99	636.38
Component of cash and cash equivalents, as at March 31, 2016			
Cash		0.10	0.25
Balance with banks:			
– on current account (excluding unclaimed dividend accounts)		20.23	434.30
– on unclaimed dividend account (Refer note 3 below)		1.66	1.83
Deposits with maturity of less than 3 months		–	200.00
		21.99	636.38

1. All figures in bracket are outflow.
2. Income taxes paid are treated as arising from operating activities and are not bifurcated between investing and financing activities.
3. These balances are not available for use by the Company as they represent corresponding unpaid dividend liabilities.
4. Amalgamation of Vinton Healthcare Limited and Wockhardt Biopharm Limited into Wockhardt Limited during previous year does not have any cash flow impact (Refer note 42).

As per our attached report of even date

For Haribhakti & Co. LLP
Chartered Accountants
ICAI Firm Registration No. 103523W

Bhavik L. Shah
Partner
Membership No. 122071
Place : Mumbai
Date : May 06, 2016

Narendra Singh **Manas Datta**
Company Secretary Chief Financial Officer

For and on behalf of the Board of Directors

H. F. Khorakiwala
Chairman
DIN: 00045608

Murtaza Khorakiwala
Managing Director
DIN: 00102650

Shekhar Datta
DIN: 00045591

Aman Mehta
DIN: 00009364

D. S. Brar
DIN: 00068502

Sanjaya Baru
DIN: 05344208

Tasneem Mehta
DIN: 05009664

Baldev Raj Arora
DIN: 00194168

Directors

NOTES TO FINANCIAL STATEMENTS

For the Year Ended March 31, 2016

(All amounts in crore of Indian ₹, unless otherwise stated)

1. SIGNIFICANT ACCOUNTING POLICIES

(i) *Basis of preparation*

The financial statements have been prepared to comply in all material respects with the prescribed accounting standards under Section 133 of the Companies Act, 2013 ('the Act') read with Rule 7 of the Companies (Accounts) Rules, 2014 and other relevant provisions of the Act to the extent notified. The financial statements have been prepared under the historical cost convention on an accrual basis except in case of assets for which provision for impairment is made and revaluation is carried out. The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year.

(ii) *Use of estimates*

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period. During the year the Company has changed the estimation criteria used for provision for doubtful debts, provision for slow moving and non-moving inventory. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

(a) **Fixed assets and depreciation/amortisation**

Tangible assets:

Fixed assets are stated at cost less accumulated depreciation and impairment losses, if any. The Company capitalises all costs relating to the acquisition and installation of fixed assets.

Depreciation/amortisation:

Depreciation is provided, using the straight line method, pro-rata to the period of use of assets, in accordance with the requirements of Schedule II of the Companies Act, 2013, based on the useful lives of the assets determined through technical assessment by the management. The estimated useful lives followed by the Company are as follows:

Assets	Estimated useful life
Leasehold land	Over the period of lease
Buildings	30 – 61 years
Plant and Machinery	15 – 21 years
Furniture and Fixtures	16 years
Office Equipments	4 years
Information Technology Equipments	3 – 5 years
Vehicles	3 – 5 years

Components having useful lives different from the life of parent assets as stated above are depreciated over the useful life of the components. Fixed assets whose aggregate cost is Rs 5,000 or less are depreciated fully in the year of acquisition.

Intangible assets:

Intangible assets are stated at cost less accumulated amortisation and impairment losses, if any.

The cost relating to Intangible assets, which are acquired, are capitalized and amortised on a straight line basis upto the period of ten years, which is based on their estimated useful life.

(b) **Foreign currency translations**

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount, the exchange rate between the reporting currency and the foreign currency at the date of transaction.

Foreign currency monetary items are reported using closing foreign exchange rate. Non-monetary items, which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of transaction.

Exchange differences arising on the settlement of monetary items or on reporting company's monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or as expenses in the year in which they arise.

Premium or discount arising at the inception of forward exchange contracts is amortized as expense or income over the life of the contract. Exchange differences on such contracts are recognized in the Statement of Profit and Loss in the year in which the exchange rates change. Any profit or loss arising on cancellation or renewal of forward exchange contract is recognized as income or as expense for the year.

(c) **Investments**

Investments that are readily realisable and intended to be held for not more than a year are classified as current investments. Current investments are carried at lower of cost and market value determined on category basis. Long-term investments are stated at cost. Provision is made to recognise a diminution, other than temporary, in the value of investments.

(d) Inventories

All inventories are valued at moving weighted average price other than finished goods, which are valued on quarterly moving average price. Finished goods and Work in Progress is computed based on respective moving weighted average price of procured materials and appropriate share of labour and other manufacturing overheads.

Inventories are valued at cost or net realizable value, whichever is lower. Cost also includes all charges incurred for bringing the inventories to their present location and condition. Excise and customs duty accrued on production or import of goods, as applicable, is included in the valuation of finished goods.

Inventories of stores and spare parts are valued at cost.

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

(e) Employee benefits

Employee benefits in the form of Provident Fund, Family Pension Fund and Superannuation Schemes, which are defined contribution schemes, are charged to the Statement of Profit and Loss of the period when the contributions to the respective funds accrue. There are no other obligations other than the contribution payable to the respective trusts.

Gratuity liability, which is a defined benefit scheme is provided for on the basis of an actuarial valuation made using Projected Unit Credit Method at the end of each financial year.

Short term compensated absences are provided for based on estimates. Long term compensated absences are provided for based on actuarial valuation made using Projected Unit Credit Method at the end of each financial year.

Actuarial gains and losses are immediately taken to Statement of Profit and Loss and are not deferred.

(f) Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

Sale of Goods

Revenue is recognized when the significant risks and rewards of ownership of the goods have passed to the buyer, which coincides with dispatch of goods to customers. Revenues are recorded at invoice value net of sales tax, returns and trade discounts.

Sale of Services

Revenues from services are recognised on completion of rendering of services.

Outlicensing fees and Assignment of New Chemical Entity

Outlicensing fees and Assignment of New Chemical Entity is recognized in accordance with the terms of the relevant agreement(s) as generally accepted and agreed with the customers.

Export Incentive

Duty drawback, Merchandise Exports from India Scheme (MEIS) and Focus marketing scheme (FMS) benefits are recognized at the time of exports and the benefits in respect of advance license received by the Company against export made by it are recognized as and when goods are imported against them.

Royalties

Revenue is recognized on an accrual basis in accordance with the terms of the relevant agreement.

Dividend and Interest

Dividend income is recognized when the right to receive the payment is established. Interest income is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

Insurance claims

Insurance claims are accounted on acceptance of the claim and when it can be measured reasonably, and it is reasonable to expect ultimate collection.

(g) Research and development

Research costs are expensed as incurred. Development expenditure incurred on an individual project is carried forward when its future recoverability can reasonably be regarded as assured. Any expenditure carried forward is amortised over the period of expected future sales from the related project, not exceeding ten years.

The carrying value of development costs is reviewed for impairment when the asset is not yet in use, and otherwise when events or changes in circumstances indicate that the carrying value may not be recoverable.

(h) Impairment of Assets

The carrying values of assets / cash generating units at each Balance Sheet date, are reviewed for impairment. If any indication of impairment exists, the recoverable amount of such assets is estimated and impairment is recognized, if the carrying amount of these assets exceeds their recoverable amount.



The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor. When there is indication that an impairment loss recognised for an asset in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss, except in case of revalued assets.

(i) Taxation

Tax expense comprises of current and deferred tax.

Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the provisions of Income Tax Act, 1961 as applicable to the financial year. Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred tax charge is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognised only to the extent it has timing differences the reversal of which will result in sufficient income. In situations where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that they can be realised against future taxable profits.

Minimum Alternate Tax (MAT) credit is recognized as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. MAT credit becomes eligible to be recognized as an asset in accordance with the recommendations contained in the Guidance Note issued by the Institute of Chartered Accountants of India. The said asset is created by way of credit to the Statement of Profit and Loss and shown as MAT credit entitlement. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT credit entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal income tax during the specified period.

(j) Leases

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased term are classified as operating lease. Operating lease payments are recognized as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term.

(k) Financing/Borrowing cost

Financing / Borrowing costs attributable to acquisition and/or construction of qualifying assets are capitalised as a part of the cost of such assets, up to the date such assets are ready for their intended use. Other financing/borrowing costs are charged to Statement of Profit and Loss. Initial direct costs are recognised immediately as an expense.

(l) Employees Stock Option Cost

The Company measures compensation cost relating to employee stock options using the intrinsic value method. In accordance with the Securities and Exchange Board of India guidelines, the excess of the market price of shares, at the date of grant of options under the Employee stock option schemes, over the exercise price is treated as employee compensation and amortised over the vesting period.

(m) Provisions, Contingent Liabilities and Contingent Assets

A provision is recognised when an enterprise has a present obligation as a result of past event, it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the Notes. Contingent liabilities are disclosed for (1) possible obligations which will be confirmed only by future events not wholly within the control of the Company or (2) present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made. Contingent assets are not recognised in the financial statements as this may result in the recognition of income that may never be realised.

(n) Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for events of bonus issue to existing shareholders and share split.

For the purpose of calculating diluted earnings per share, the net profit for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares from the exercise of options on unissued share capital. The number of equity shares is the aggregate of the weighted average number of equity shares and the weighted average number of equity shares, which would be issued on the conversion of all the dilutive potential equity shares into equity shares. Options on unissued equity share capital are deemed to have been converted into equity shares.

(o) Derivative Financial Instruments

As per the Institute of Chartered Accountants of India (ICAI) Announcement, accounting for derivative contracts, if any, other than those covered under AS-11, are marked to market on a portfolio basis, and the net loss is charged to the income statement. Net gains are ignored.

(p) Operating Cycle

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 Act.

	As at March 31, 2016		As at March 31, 2015	
	Number of shares	Amount	Number of shares	Amount
2. SHARE CAPITAL				
AUTHORISED				
Equity shares of ₹ 5/- each	250,000,000	125.00	250,000,000	125.00
Preference shares of ₹ 5/- each	2,000,000,000	1,000.00	2,000,000,000	1,000.00
		1,125.00		1,125.00
ISSUED, SUBSCRIBED AND PAID UP				
Equity shares of ₹ 5/- each fully paid-up:				
Shares outstanding as at the beginning of the Year	110,072,903	55.04	109,751,153	54.88
Add: Shares Issued during the Year pursuant to ESOS	436,000	0.21	321,750	0.16
Shares outstanding as at the end of the Year	110,508,903	55.25	110,072,903	55.04
Optionally Convertible Cumulative Redeemable Preference shares of ₹ 5/- each fully paid-up:				
Shares outstanding as at the beginning of the Year	121,454,927	60.72	121,454,927	60.72
Less: Shares redeemed during the Year	-	-	-	-
Shares outstanding as at the end of the Year	121,454,927	60.72	121,454,927	60.72
Non-Convertible Cumulative Redeemable Preference shares of ₹ 5/- each fully paid-up:				
Shares outstanding as at the beginning of the Year	475,659,941	237.83	475,659,941	237.83
Less: Shares redeemed during the Year	-	-	-	-
Shares outstanding as at the end of the Year	475,659,941	237.83	475,659,941	237.83
TOTAL	707,623,771	353.80	707,187,771	353.59

Notes:

- (a) The Company has only one class of equity shares having a par value of ₹ 5/- per share. Each holder of equity shares is entitled to one vote per share held and is entitled to dividend, if declared at the Annual General Meeting. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Subject to the approval of shareholders at the Annual General Meeting, Board of Directors have recommended dividend of 0.01% (at the rate of ₹ 0.0005 per share of ₹ 5/- each) on 475,659,941 Non-convertible Cumulative Redeemable Preference shares of ₹ 5/- each and 121,454,927 Optionally Convertible Cumulative Redeemable Preference shares of ₹ 5/- each.

- (b) **Shares reserved for issue under options:**

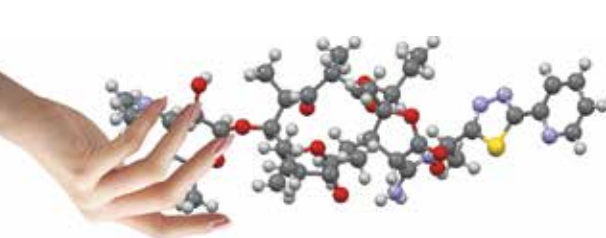
698,750 (Previous Year – 1,243,500) equity shares of face value ₹ 5/- each have been reserved for issue under Wockhardt Stock Option Scheme -2011.

- (c) **Issue of Preference Shares as per Corporate Debt Restructuring (CDR) Scheme:**

Pursuant to approved CDR package against various liabilities, the Company has issued Preference shares of ₹ 5/- each to Banks/ Financial Institutions on the following terms and conditions:

- (i) 121,454,927 (Previous Year – 121,454,927) 0.01% Optionally Convertible Cumulative Redeemable Preference shares (OCCRPS Series 2) issued bilaterally to various Banks, on the following terms and conditions:

The Preference Share holders shall have the right to convert OCCRPS Series 2 along with accumulated dividend, into fully paid equity shares of the Company, in one or more tranches, commencing July 4, 2016 till December 31, 2018, at conversion price as per the then applicable SEBI formula on the date of conversion. The said shares, in case not converted, shall get redeemed along with accumulated dividend on December 31, 2018 without any redemption premium.



- (ii) 32,265,110 (Previous Year – 32,265,110) 0.01% Non-Convertible Cumulative Redeemable Preference shares (NCRPS Series 2), redeemable at a premium of 20% of the face value along with cumulative dividend on December 31, 2018.
- (iii) 283,394,831 (Previous Year – 283,394,831) 0.01% Non-Convertible Cumulative Redeemable Preference shares (NCRPS Series 3) issued bilaterally to various Banks, redeemable at a redemption premium calculated at 4% p.a. on simple basis along with cumulative dividend on December 31, 2018.
- (iv) 160,000,000 (Previous Year – 160,000,000) 0.01% Non-Convertible Cumulative Redeemable Preference shares (NCRPS Series 5), redeemable at a premium of 20% of the face value along with cumulative dividend on March 31, 2019.

(d) **Details of equity shares held by each shareholders holding more than 5% of total equity shares:**

	As at March 31, 2016		As at March 31, 2015	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Themisto Trustee Company Private Limited which holds these shares in its capacity as the trustee of Habil Khorakiwala Trust which in turn holds these shares in its capacity as the partner of the partnership firm Humuza Consultants.	65,897,757	59.63	65,897,757	59.87

(e) **Details of Non-Convertible Cumulative Redeemable Preference Shares (NCRPS) held by each shareholders holding more than 5% of total NCRPS:**

	As at March 31, 2016		As at March 31, 2015	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Khorakiwala Holdings and Investments Private Limited	203,233,260	42.73	160,000,000	33.64
Indian Overseas Bank	104,563,437	21.98	104,563,437	21.98
Union Bank of India	74,397,151	15.64	74,397,151	15.64
Corporation Bank	50,929,498	10.71	50,929,498	10.71
HDFC Bank Limited	–	–	43,233,260	9.09
Punjab National Bank	29,778,521	6.26	29,778,521	6.26


(f) **Details of Optionally Convertible Cumulative Redeemable Preference Shares (OCCRPS) held by each shareholders holding more than 5% of total OCCRPS:**

	As at March 31, 2016		As at March 31, 2015	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Indian Overseas Bank	39,888,348	32.84	39,888,348	32.84
Union Bank of India	31,884,492	26.25	31,884,492	26.25
Corporation Bank	21,826,928	17.97	21,826,928	17.97
HDFC Bank Limited	–	–	18,528,540	15.26
Khorakiwala Holdings and Investments Private Limited	18,528,540	15.26	–	–
Punjab National Bank	9,326,619	7.68	9,326,619	7.68

	As at March 31, 2016	As at March 31, 2015
3. RESERVES AND SURPLUS		
Capital Reserves		
Opening Balance	172.78	145.67
Add: Addition on amalgamation (Refer note 42)	-	27.11
Closing Balance	172.78	172.78
Capital Redemption Reserve		
Opening Balance	489.35	489.35
Add: Addition during the year	-	-
Closing Balance	489.35	489.35
Securities Premium Account		
Opening Balance	29.01	12.89
Add: Securities premium credited on Share issue pursuant to ESOS	18.33	16.12
Closing Balance	47.34	29.01
Share Options Outstanding Account (Refer note 41)		
Opening Balance	68.18	72.57
Add: Reduction during the year (net)	(27.21)	(4.39)
Closing Balance	40.97	68.18
Less: Deferred Employee Compensation expense	(11.70)	(22.07)
	29.27	46.11
Foreign Currency Monetary Items Translation Difference Account (Refer Note below)	(21.82)	-
General Reserve		
Opening Balance	253.69	269.91
Add: Transfer on account of ESOS options lapsed	6.26	-
Less: Depreciation adjustment (Refer note 12.c)	-	(24.82)
Add: Deferred tax impact on the above adjustment (Refer note 12.c)	-	8.60
Closing Balance	259.95	253.69
Surplus/(Deficit) in Statement of Profit and Loss		
Opening balance	25.56	(81.00)
Add: Net Profit for the current year	32.79	331.82
Less: Adjustment pursuant to amalgamation (Refer note 42)	-	(5.16)
Less: Proposed Dividend on Preference shares	(0.03)	(0.03)
Less: Tax (charge)/credit on Proposed Preference shares dividend	(0.01)	0.01
Less: Interim Dividend on Equity shares (amount paid per share ₹ Nil (Previous Year – ₹ 20))	-	(220.08)
Closing Balance	58.31	25.56
TOTAL	1,035.18	1,016.50

Note:

Effective April 1, 2015, the Company has exercised option given under paragraph 46A of Accounting Standard for 'The Effects of Changes in Foreign Exchange Rates' (AS 11) prescribed under Section 133 of the Companies Act, 2013 whereby exchange differences arising on long term foreign currency monetary items relating to depreciable asset are adjusted in fixed assets and depreciated over the remaining life of such assets and in other cases are accumulated in Foreign Currency Monetary item Translation Difference Account (FCMTDA) to be amortised over balance period of long term asset/liability.



	As at March 31, 2016	As at March 31, 2015
4. LONG-TERM BORROWINGS		
SECURED		
Term Loans		
Financial institutions (Refer note (1) below)	662.60	562.50
Banks (Refer note (2) below)	500.00	–
From others (Refer note (3) below)	0.32	0.64
	1,162.92	563.14
UNSECURED		
Deferred payment liabilities		
Sales tax deferral loan (Refer note (4) below)	0.67	1.29
Loans from Others (Refer note (5) below)	2.69	3.30
	3.36	4.59
TOTAL	1,166.28	567.73

Notes:

- (1) The term loan of USD 100 million (Previous Year – USD 90 million) amounting to ₹ 662.60 crore (Previous Year – ₹ 562.50 crore) is secured by first charge on pari passu basis on fixed assets, present and future, located at all locations other than Units at Baddi in Himachal Pradesh and Kadaiya in Daman. This term loan carrying interest rate of 6 months USD LIBOR plus 325 BPS p.a. is repayable in 20 equal quarterly installments commencing from April 01, 2017.
- (2) The term loan of ₹ 250 crore (Previous Year – ₹ Nil) from IDBI Bank is secured by first charge on pari passu basis on fixed assets, present and future, located at all locations other than Units at Baddi in Himachal Pradesh and Kadaiya in Daman. This term loan carrying interest rate at Bank Base Rate plus 75 BPS p.a. is repayable in 10 equal half yearly installments commencing from December 31, 2017.

Further, the term loan of ₹ 250 crore (Previous Year – ₹ Nil) from Bank of Maharashtra ('BOM') is secured by first charge on pari passu basis on fixed assets, present and future, located at all locations other than Units at Baddi in Himachal Pradesh and Kadaiya in Daman. This term loan carrying interest rate at Bank Base Rate plus 25 BPS p.a. is repayable in 20 equal quarterly installments commencing from March 31, 2018. Security creation in favour of BOM is under process.
- (3) The term loan from others is secured by first charge on pari passu basis by hypothecation of movable properties of the company (except book debts) at all locations. This term loan from others with interest rate of 2% p.a. is repayable in 10 equal half yearly installments having commenced from September 2013.
- (4) Interest free sales tax deferral loan is repayable in the month of May every year. This loan is repayable by May 2019.
- (5) Loans from others with interest rate of 3% p.a. is repayable in 10 equal annual installments. Loan amounting ₹ 0.76 crore (Previous Year – ₹ 0.95 crore) is repayable by June 2019 and the balance ₹ 2.54 crore (Previous Year – ₹ 2.97 crore) by October 2021.
- (6) Except as mentioned above, the Company has repaid all its term loans and the release of the securities is in process.

	As at March 31, 2016	As at March 31, 2015
5. DEFERRED TAX LIABILITIES (net)		
Deferred tax liabilities		
Difference between depreciation on block of assets	192.60	165.22
Gross deferred tax liabilities	192.60	165.22
Deferred tax assets		
Provision for Gratuity	9.27	8.15
Provision for Leave Encashment	10.71	8.87
Provision for Bonus	0.88	0.36
Lease rent equalisation	0.15	0.15
Provision for Doubtful Debts	14.81	16.09
Unabsorbed losses and depreciation	54.76	–
Gross deferred tax assets	90.58	33.62
TOTAL	102.02	131.60

Notes :

- (a) Company has recognised deferred tax assets on unabsorbed losses and depreciation based on virtual certainty that it has timing differences the reversal of which will result in sufficient income and other convincing evidence that sufficient taxable income will be available against which such deferred tax assets can be realised.
- (b) The balance as at March 31, 2015 is after adjusting reversal of deferred tax liability of ₹ 8.60 crore being tax impact on depreciation referred to in note 12 (c) against Opening reserves as at April 01, 2014.

	As at March 31, 2016	As at March 31, 2015
6. OTHER LONG-TERM LIABILITIES		
Advance from Subsidiary against supplies (Refer note 45)	651.32	–
TOTAL	651.32	–

	As at March 31, 2016	As at March 31, 2015
7. LONG-TERM PROVISIONS		
Provision for employee benefits (Refer note 40)		
Gratuity (unfunded)	18.77	16.87
Leave Encashment (unfunded)	19.81	16.61
TOTAL	38.58	33.48



	As at March 31, 2016	As at March 31, 2015
8. SHORT-TERM BORROWINGS		
SECURED		
Loans repayable on demand		
Working capital facilities from banks (Refer note (1) below)	414.32	181.08
	414.32	181.08
Other Loans		
Buyers' credit (Refer note (2) below)	135.71	89.09
	135.71	89.09
TOTAL	550.03	270.17

Notes:

- (1) Working capital facilities from Banks are secured by way of :
 - (i) First charge on pari passu basis on present and future stock of raw materials, consumables, spares, semi-finished goods, finished goods, book debts and other current assets.
 - (ii) Second charge on pari passu basis by way of mortgage of immovable properties and hypothecation of movable assets, both present and future, located at all locations (other than Units at Baddi in Himachal Pradesh and Kadaiya in Daman). Security creation in respect of immovable properties by way of mortgage in favour of Banks is under process.
- (2) Buyers' credit availed from Yes Bank, ICICI Bank and IDBI Bank are secured by way of first pari passu charge on the entire current assets and second pari passu charge on all fixed assets located at all locations other than Units at Baddi in Himachal Pradesh and Kadaiya in Daman. Buyers' credit availed during previous year from State Bank of India (SBI) has been fully repaid during the year and were secured by way of first charge on the specific assets and by way of second charge on the entire current assets and second subservient charges on all fixed assets, present and future, located at all locations other than Units at Baddi in Himachal Pradesh and Kadaiya in Daman.

	As at March 31, 2016	As at March 31, 2015
9. TRADE PAYABLES		
Trade Payables		
Total outstanding dues of micro enterprises and small enterprises; (Also refer note 36)	18.28	23.90
Others	314.22	320.50
TOTAL	332.50	344.40
10. OTHER CURRENT LIABILITIES		
Current maturities of long-term debt (Refer note 4)	1.55	1.76
Interest accrued but not due on borrowings	9.26	0.46
Unclaimed dividends	1.66	1.83
Other payables		
Security deposits	17.26	16.57
Employee liabilities	42.15	43.45
Creditors for Statutory dues	14.16	10.73
Creditors for capital goods	35.62	30.02
Advance received from Customers/Subsidiary against supplies (Refer note 45)	218.40	1,271.99
Other liabilities	40.33	28.00
TOTAL	380.39	1,404.81

	As at March 31, 2016	As at March 31, 2015
11. SHORT-TERM PROVISIONS		
Provision for employee benefits (Refer note 40)		
Gratuity (unfunded)	8.02	6.67
Leave Encashment (unfunded)	11.15	9.01
	19.17	15.68
Other provisions:		
Provision for sales return on date expiry (Refer note below)	11.72	10.94
Proposed dividend on preference shares	0.03	0.03
Tax on proposed preference shares dividend	0.01	-
	11.76	10.97
TOTAL	30.93	26.65

Note:

Provision for Sales Return on Date Expiry - opening balance ₹ 10.94 crore (Previous Year - ₹ 10.15 crore), additions during the year ₹ 11.04 crore (Previous Year - ₹ 11.12 crore), utilised during the year ₹ 10.26 crore (Previous Year - ₹ 10.33 crore), closing balance ₹ 11.72 crore (Previous Year - ₹ 10.94 crore).

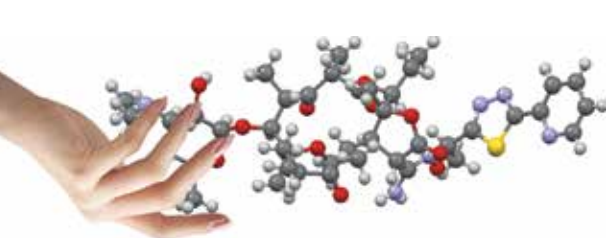
Provision has been recognised for expected sales return on date expiry of products sold during last two years.

12. FIXED ASSETS (At cost)

PARTICULARS	GROSS BLOCK					ACCUMULATED DEPRECIATION/AMORTISATION					NET BLOCK		
	As at 1.4.2015	Additions on Amal- gamation	Additions	Deduction/ Other Adjust- ments	As at 31.3.2016	As at 1.4.2015	Additions on Amal- gamation	Adjusted against opening reserves- Refer note (c) below	For the Year	Deduction/ Other Adjust- ments	As at 31.3.2016	As at 31.3.2016	As at 31.3.2015
Tangible Assets													
Freehold land	63.06	-	-	0.06	63.00	-	-	-	-	-	-	63.00	63.06
Leasehold land	8.34	-	28.33	1.16	35.51	1.33	-	-	0.10	0.24	1.19	34.32	7.01
Buildings	207.13	-	32.50	-	239.63	45.61	-	-	7.33	-	52.94	186.69	161.52
Plant and Equipment	1,195.10	-	329.11	11.46	1,512.75	470.43	-	-	76.58	7.34	539.67	973.08	724.67
Furniture and Fixtures	22.72	-	2.48	0.10	25.10	11.92	-	-	1.49	0.07	13.34	11.76	10.80
Vehicles	6.23	-	0.52	0.15	6.60	4.35	-	-	0.80	0.15	5.00	1.60	1.88
Office equipment	8.78	-	1.46	0.07	10.17	7.19	-	-	0.91	0.07	8.03	2.14	1.59
Information Technology Equipments	43.31	-	10.73	0.76	53.28	34.24	-	-	6.80	0.76	40.28	13.00	9.07
TOTAL	1,554.67	-	405.13	13.76	1,946.04	575.07	-	-	94.01	8.63	660.45	1,285.59	979.60
Previous Year	1,472.48	3.05	98.32	19.18	1,554.67	478.12	3.03	24.82	83.02	13.92	575.07	979.60	
Intangible Assets													
Trademarks/Technical know-how	121.58	-	-	-	121.58	117.25	-	-	4.33	-	121.58	-	4.33
Computer software	32.86	-	5.72	-	38.58	11.30	-	-	3.41	-	14.71	23.87	21.56
TOTAL	154.44	-	5.72	-	160.16	128.55	-	-	7.74	-	136.29	23.87	25.89
Previous Year	147.09	0.07	7.28	-	154.44	108.57	0.07	-	19.91	-	128.55	25.89	
TOTAL	1,709.11	-	410.85	13.76	2,106.20	703.62	-	-	101.75	8.63	796.74	1,309.46	1,005.49
Previous Year	1,619.57	3.12	105.60	19.18	1,709.11	586.69	3.10	24.82	102.93	13.92	703.62	1,005.49	
Capital work-in-progress (Refer note (a) below)	-	-	-	-	-	-	-	-	-	-	-	663.60	792.16
TOTAL	-	-	-	-	-	-	-	-	-	-	-	1,973.06	1,797.65

Notes:

- Addition to Capital Work-In-Progress includes expenditure incurred during construction period pending allocation aggregating ₹ 22.70 crore (Previous Year - ₹ 7.99 crore). These expenses include Employee Cost ₹ 4.17 crore (Previous Year - ₹ 1.13 crore), material cost ₹ 1.77 crore (Previous Year - ₹ Nil), depreciation ₹ 0.01 crore (Previous Year - ₹ Nil), Interest Cost ₹ 0.60 crore (Previous Year - ₹ Nil) and Other operating cost ₹ 16.15 crore (Previous Year - ₹ 6.86 crore) [Rent ₹ 6.85 crore (Previous Year - ₹ 5.46 crore), Rates and taxes ₹ 0.13 crore (Previous Year - ₹ 0.03 crore), Repairs and maintenance ₹ 0.17 crore (Previous Year - ₹ 0.02 crore), Stores and spare parts consumed ₹ 1.19 crore (Previous Year - ₹ 0.04 crore), legal and professional charges ₹ 0.66 crore (Previous Year - ₹ Nil), Utility charges ₹ 3.52 crore (Previous Year - ₹ 1.26 crore) and Other general expenses ₹ 3.63 crore (Previous Year - ₹ 0.05 crore)].
- Exchange differences arising on long term foreign currency monetary items relating to depreciable asset adjusted above, amounts to ₹ 6.96 crore.
- During the previous year, the Company, had reviewed the useful life of its tangible assets as required under Schedule II of the Companies Act 2013, according to which useful life estimated earlier were found to be appropriate. Also, the Company had identified significant components and its corresponding useful life of the tangible assets in accordance with the requirements under Schedule II of the Companies Act, 2013 and had depreciated significant components over its balance useful life effective April 1, 2014. As a result of same, depreciation charge for the previous year was higher by ₹ 12.20 crore. Also, further, in respect of tangible assets whose remaining useful life as on April 1, 2014 was completed, the carrying amount of such assets amounting to ₹ 24.82 crore (net of deferred tax, ₹ 16.22 crore) had been charged to the Opening reserves as on April 01, 2014 in accordance with Schedule II of the Companies Act, 2013.



	As at March 31, 2016	As at March 31, 2015
13. NON-CURRENT INVESTMENTS – at cost		
A. In Wholly owned subsidiary companies (unquoted-trade)		
1,307,368 (Previous Year – 1,307,368) Equity Shares of Wockhardt Europe Limited of par value £1 each fully paid-up (including two fully paid-up shares held in the name of nominees of the Company)	8.38	8.38
27,504,823 (Previous Year – 27,504,823) Equity Shares of Wockhardt UK Holdings Limited [formerly Wockhardt UK Limited] of 1p each fully paid-up	75.27	75.27
2,000,000 (Previous Year – 2,000,000) Equity Shares of ₹ 10 each fully paid-up in Wockhardt Infrastructure Development Limited (including six fully paid-up share of par value held in the name of the nominees of the Company)	3.50	3.50
	87.15	87.15
B. In Subsidiary Companies (unquoted-trade)		
44,600,000 (Previous Year – 44,600,000) Shares of Wockhardt Bio AG (formerly Wockhardt EU Operations (Swiss) AG) of CHF 1 each fully paid-up.	209.62	209.62
	209.62	209.62
C. Other than trade (unquoted)		
443,482 (Previous Year – 443,482) Equity Shares of Narmada Clean Tech Limited (formerly known as Bharuch Eco-Aqua Infrastructure Limited) of ₹ 10 each fully paid-up	0.44	0.44
6,300 (Previous Year – 6,300) Equity Shares of Bharuch Enviro Infrastructure Limited of ₹ 10 each fully paid-up	0.01	0.01
	0.45	0.45
TOTAL	297.22	297.22

	As at March 31, 2016	As at March 31, 2015
14. LONG-TERM LOANS AND ADVANCES		
Capital Advances		
Unsecured, considered good	28.98	17.37
	28.98	17.37
Security Deposits		
Unsecured, considered good (includes deposits with Related parties ₹ 75.10 crore (Previous Year – ₹ 66.10 crore) – (Refer note 45))	91.39	81.74
	91.39	81.74
Advance tax (net of provision for tax ₹ 486.48 crore (Previous Year – ₹ 486.48 crore))	87.71	83.76
Minimum Alternate Tax (MAT) credit entitlement	124.12	124.12
Other advances		
Unsecured, considered good (includes advance rent with related party ₹ 9.45 crore (Previous Year – ₹ 14.91 crore))	75.88	70.78
Unsecured, considered doubtful	1.46	1.46
Less: Provision for doubtful advances	(1.46)	(1.46)
	75.88	70.78
TOTAL	408.08	377.77

	As at March 31, 2016	As at March 31, 2015
15. OTHER NON-CURRENT ASSETS		
Margin money (under Lien)	1.73	4.83
Guarantee fees receivable	-	98.88
	1.73	103.71

	As at March 31, 2016	As at March 31, 2015
16. INVENTORIES		
Raw Materials, Packing materials and components	176.50	180.99
Goods-in-transit	5.79	6.11
	182.29	187.10
Work-in-progress	75.03	54.88
Finished goods	144.18	171.22
Stock-in-trade	84.64	64.13
Stores and spares	48.37	46.54
Goods-in transit	0.30	0.56
	48.67	47.10
TOTAL	534.81	524.43

Note: Inventories are valued at cost or net realizable value, whichever is lower.

	As at March 31, 2016	As at March 31, 2015
17. TRADE RECEIVABLES		
Trade receivables outstanding for a period less than six months		
Unsecured, considered good	214.43	191.98
Trade receivables outstanding for a period exceeding six months		
Unsecured, considered good	77.55	17.72
Unsecured, considered doubtful	42.78	46.51
	120.33	64.23
Less: Provision for doubtful debts	(42.78)	(46.51)
	77.55	17.72
TOTAL	291.98	209.70

	As at March 31, 2016	As at March 31, 2015
18. CASH AND BANK BALANCES		
Cash and cash equivalents		
Balances with banks		
On current account	20.23	434.30
Deposit with maturity of less than 3 months	–	200.00
Unclaimed dividend accounts	1.66	1.83
	21.89	636.13
Cash on hand	0.10	0.25
	21.99	636.38
Other bank balances		
Bank balances subject to restrictions (related to escrow arrangement against purchase of certain fixed assets.)	0.48	0.10
Deposits with maturity less than 3 months (₹ 7.30 crore related to escrow arrangement against purchase of certain fixed assets in current year.)	7.30	–
Deposits with maturity more than 12 months (₹ 0.01 crore under lien (Previous year – ₹ 0.15 crore under lien))	0.01	1.02
Deposits with maturity more than 3 months but less than 12 months (₹ 10.75 crore related to escrow arrangement against purchase of certain fixed assets in previous year)	801.89	10.94
Deposits with maturity equal to 12 months (under lien)	0.01	21.09
Margin money (under lien)	3.71	8.96
	813.40	42.11
TOTAL	835.39	678.49

	As at March 31, 2016	As at March 31, 2015
19. SHORT-TERM LOANS AND ADVANCES		
Loans to related parties (given to subsidiary – Refer note 32)		
Unsecured, considered good	18.27	14.41
	18.27	14.41
Other short-term loans and advances		
Advances recoverable in cash or in kind or for value to be received		
Unsecured, considered good	59.54	30.13
Unsecured, considered doubtful	14.30	14.30
Less: Provision for doubtful advances	(14.30)	(14.30)
	59.54	30.13
Advances to suppliers	11.33	23.28
Balances with statutory/government authorities	94.64	84.87
Other short-term advances (Refer note below)	8.00	7.27
	173.51	145.55
TOTAL	191.78	159.96

Note:

Other short-term advances includes advance rent with related party ₹ 5.46 crore (Previous Year – ₹ 5.46 crore).

	As at March 31, 2016	As at March 31, 2015
20. OTHER CURRENT ASSETS		
Guarantee fees receivables	106.98	–
TOTAL	106.98	–

	For the year ended March 31, 2016	For the year ended March 31, 2015
21. REVENUE FROM OPERATIONS		
Revenue from operations (Refer note 33)		
Sale of products	1,993.52	1,704.58
Less: Excise duty	(9.47)	(6.74)
	1,984.05	1,697.84
Sale of services	107.44	10.22
Outlicensing fees	133.25	178.49
TOTAL	2,224.74	1,886.55

	For the year ended March 31, 2016	For the year ended March 31, 2015
22. OTHER INCOME		
Interest Income	44.93	7.47
Dividend Income from subsidiaries (Refer note 45)	-	433.81
Other dividend*	-	-
* ₹ Nil (Previous Year – ₹ 11,025)		
Miscellaneous income (Refer note below)	11.38	23.83
TOTAL	56.31	465.11

Note:

Miscellaneous income includes :

- (a) Liabilities no more payable of ₹ 6.82 crore (Previous Year – ₹ 6.24 crore); and
- (b) Guarantee fees ₹ 2.11 crore (Previous Year – ₹ 5.09 crore) (Refer note 45).

	For the year ended March 31, 2016	For the year ended March 31, 2015
23. CHANGE IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE (Refer note 35)		
Opening Inventories		
Finished goods	171.22	123.57
Work-in-progress	54.88	62.78
Stock-in-trade	64.13	45.93
Less: Excise duty on opening stock	(2.19)	(1.51)
	288.04	230.77
Less: Inventory write off	(1.59)	-
Closing Inventories		
Finished goods	(144.18)	(171.22)
Work-in-progress	(75.03)	(54.88)
Stock-in-trade	(84.64)	(64.13)
Less: Excise duty on closing stock	3.83	2.19
	(300.02)	(288.04)
(Increase)/Decrease in Inventories	(13.57)	(57.27)

	For the year ended March 31, 2016	For the year ended March 31, 2015
24. EMPLOYEE BENEFITS EXPENSE		
Salaries and wages (Refer note 40)	367.24	311.75
Contribution to provident and other funds (Refer note 40)	18.87	16.05
Expense on Employee Stock Option Scheme (ESOS) – (Refer note 41)	7.55	16.92
Staff welfare expenses	81.23	64.90
TOTAL	474.89	409.62



	For the year ended March 31, 2016	For the year ended March 31, 2015
25. FINANCE COSTS		
Interest expense		
on term loans	48.35	0.06
others	21.67	17.61
Other borrowing costs	2.14	1.51
Net Loss on foreign currency transactions and translation	8.39	–
	80.55	19.18
Less: Borrowing cost capitalised	(0.60)	–
TOTAL	79.95	19.18

	For the year ended March 31, 2016	For the year ended March 31, 2015
26. OTHER EXPENSES		
Travelling and conveyance	84.03	71.42
Freight and forwarding charges	44.33	42.72
Sales promotion and other selling cost	46.50	35.42
Commission on sales	40.64	27.12
Power and fuel	86.97	75.74
Rent (Refer note 46)	77.72	69.07
Rates and taxes	6.03	8.12
Repairs and maintenance		
– to Building	5.24	5.43
– to Plant and machinery	19.74	22.37
– to Others	16.30	15.46
Stores and spare parts consumed	40.00	36.54
Insurance	7.88	5.61
Legal and Professional Charges	28.06	16.94
Directors' sitting fees	0.71	0.63
Material for test batches	24.07	11.64
Chemicals	32.11	40.96
Product development expenses	13.89	19.42
Equipment/Utility hire charges	22.51	21.09
Miscellaneous expenses (Refer note 28, 43 and 44)	122.01	129.84
TOTAL	718.74	655.54

	For the year ended March 31, 2016		For the year ended March 31, 2015	
	Value	%	Value	%
27. BREAK-UP OF RAW MATERIAL, PACKING MATERIAL AND STORES AND SPARE PARTS CONSUMED				
(i) Materials				
Imported	92.02	19.44	84.84	18.77
Indigenously Procured	381.31	80.56	367.17	81.23
	473.33	100.00	452.01	100.00
(ii) Stores and Spare Parts				
Imported	1.97	4.93	4.68	12.81
Indigenously Procured	38.03	95.07	31.86	87.19
	40.00	100.00	36.54	100.00

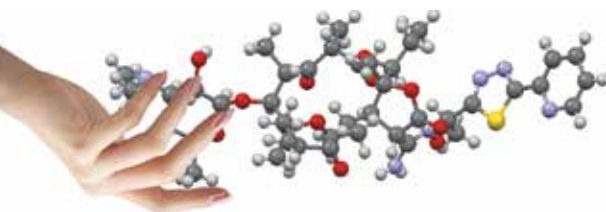
	For the year ended March 31, 2016	For the year ended March 31, 2015
28. AUDITOR'S REMUNERATION (INCLUDING SERVICE TAX)		
Audit Fees*	0.59	0.51
Tax Audit Fees	0.19	0.18
Other services	0.34	0.35
Out of pocket expenses	0.03	0.02
	1.15	1.06

* includes audit fees pertaining to FY 2014-15 ₹ 0.05 crore (Previous Year – ₹ Nil)

	For the year ended March 31, 2016	For the year ended March 31, 2015
29. VALUE OF IMPORTS ON C.I.F. BASIS		
Raw Materials and Packing Materials	128.21	109.96
Components, spares and chemicals	9.81	21.81
Capital Goods	60.99	145.57
	199.01	277.34

	For the year ended March 31, 2016	For the year ended March 31, 2015
30. EXPENDITURE IN FOREIGN CURRENCY (ACCRUAL BASIS)		
Professional fees	15.56	4.34
Interest	24.01	0.41
Others	49.26	53.53
	88.83	58.28

	For the year ended March 31, 2016	For the year ended March 31, 2015
31. EARNING IN FOREIGN EXCHANGE (ACCRUAL BASIS)		
Exports of goods on F.O.B. basis	517.67	447.07
Management and Technical fees	4.48	3.74
Outlicensing fees	133.25	178.49
Dividend Income	–	433.81
Guarantee fees	2.11	5.09
Consultancy fees	–	0.39
Interest	–	0.56
Research and Development Services	101.38	4.81
	758.89	1,073.96



32. INFORMATION PERTAINING TO LOANS AND GUARANTEES GIVEN TO SUBSIDIARIES (INFORMATION PURSUANT TO REGULATION 34(3) OF SEBI (LISTING OBLIGATION AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AND SECTION 186(4) OF THE COMPANIES ACT, 2013):

(A) Loans and advances in the nature of loans to subsidiaries :

	Outstanding as at the beginning of the year	Given during the year	other adjustments	Adjusted/ repaid during the year	Closing at the end of the year	Maximum amount outstanding during the year	Purpose
Wockhardt Infrastructure Development Limited	14.41	31.22	-	(27.36)	18.27	22.16	General Corporate purpose
(Previous Year)	9.88	27.56	-	(23.03)	14.41	18.18	
Wockhardt Bio AG	-	-	-	-	-	-	General Corporate purpose
(Previous Year)	0.25	-	-	(0.25)	-	0.25	
Wockhardt Holding Corp	-	-	-	-	-	-	General Corporate purpose
(Previous Year)	68.95	-	0.41	(69.36)	-	69.36	

(B) Guarantees given to subsidiaries :

	As at March 31, 2016		As at March 31, 2015		Purpose
	USD in Million	₹ in Crore	USD in Million	₹ in Crore	
Wockhardt Bio AG	9.38	62.12	71.88	449.22	For providing security against the loan taken by the subsidiary. [Also Refer note 48(f)]

	For the year ended March 31, 2016	For the year ended March 31, 2015
33. REVENUE FROM OPERATIONS CONSISTS OF:		
Sale of products		
Injections	443.76	351.12
Liquids and Solutions	235.50	215.72
Tablets and Capsules	1,042.99	868.58
Ointments	54.42	48.21
Powder	5.26	4.75
Bulk Drugs	149.60	163.12
Other goods	41.82	45.46
Export Incentive	20.17	7.62
	1,993.52	1,704.58
Sale of services		
Research and Development services (Refer note 45)	101.38	5.10
Distribution Income	1.58	1.38
Management and technical fees (Refer note 45)	4.48	3.74
	107.44	10.22
Outlicensing fees (Refer note 45)	133.25	178.49
TOTAL	2,234.21	1,893.29

	For the year ended March 31, 2016	For the year ended March 31, 2015
34. PURCHASE OF STOCK-IN-TRADE CONSISTS OF:		
Injections	186.58	152.41
Liquids and Solutions	54.26	54.50
Tablets and Capsules	177.48	180.23
Ointments	7.44	6.71
Powder	2.69	2.79
Other goods	7.95	5.50
TOTAL	436.40	402.14

	For the year ended March 31, 2016	For the year ended March 31, 2015
35. CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE CONSISTS OF:		
Opening inventories:		
Finished goods		
Injections	16.97	7.80
Liquids and Solutions	9.48	5.43
Tablets and Capsules	25.96	22.22
Ointments	2.79	2.31
Powder	0.17	0.07
Bulk Drugs	115.56	85.66
Other goods	0.29	0.08
Work-in-progress	54.88	62.78
Stock-in-trade		
Injections	27.06	15.84
Liquids and Solutions	8.12	6.71
Tablets and Capsules	24.35	18.26
Ointments	1.52	1.50
Powder	0.81	0.20
Bulk Drugs	0.03	0.06
Other goods	2.24	3.36
<i>Less: Excise Duty on opening stock</i>	(2.19)	(1.51)
	288.04	230.77
<i>Less: Inventory write off</i>	(1.59)	-
Closing inventories:		
Finished goods		
Injections	(23.68)	(16.97)
Liquids and Solutions	(7.73)	(9.48)
Tablets and Capsules	(31.96)	(25.96)
Ointments	(2.23)	(2.79)
Powder	(0.23)	(0.17)
Bulk Drugs	(77.84)	(115.56)
Other goods	(0.51)	(0.29)
Work-in-progress	(75.03)	(54.88)
Stock-in-trade		
Injections	(38.35)	(27.06)
Liquids and Solutions	(10.11)	(8.12)
Tablets and Capsules	(31.07)	(24.35)
Ointments	(2.69)	(1.52)
Powder	(0.62)	(0.81)
Bulk Drugs	(0.03)	(0.03)
Other goods	(1.77)	(2.24)
<i>Less: Excise Duty on closing stock</i>	3.83	2.19
	(300.02)	(288.04)
(INCREASE)/DECREASE IN INVENTORIES	(13.57)	(57.27)



	As at March 31, 2016	As at March 31, 2015
36. DETAILS OF DUES TO MICRO, SMALL AND MEDIUM ENTERPRISES AS PER MSMED ACT, 2006:		
(a) Principal amount due to suppliers under MSMED Act, 2006	18.28	23.90
(b) Interest accrued, due to suppliers under MSMED Act on the above amount, and unpaid	0.50	0.46
(c) Payment made to suppliers (other than interest) beyond the appointed day during the year	84.56	50.72
(d) Interest paid to suppliers under MSMED Act (Section 16)	–	–
(e) Interest due and payable towards suppliers under MSMED Act for payments already made	4.13	2.45
(f) Interest accrued and remaining unpaid at the end of the year to suppliers under MSMED Act (including interest mentioned in (e) above)	4.63	2.91
The above information is given to the extent available with the Company and relied upon by the auditor.		

	For the year ended March 31, 2016	For the year ended March 31, 2015
37. EARNINGS PER SHARE		
The calculations of Earnings per share (EPS) (basic and diluted) are based on the earnings and number of shares as computed below:		
Reconciliation of earnings		
Profit after tax	32.79	331.82
Less: Dividend (including taxes on dividend, if any) payable on preference shares	(0.04)	(0.03)
Net profit for calculation of basic/diluted EPS	32.75	331.79
Reconciliation of number of shares		
Weighted average number of shares in calculating Basic EPS	No. of Shares 110,388,022	No. of Shares 109,988,414
Add: Weighted average number of shares under ESOS	798,365	1,267,526
Weighted average number of equity shares in calculating Diluted EPS	111,186,387	111,255,940
Earnings per share (face value ₹ 5/- each)		
Earnings per share – Basic in ₹	2.97	30.17
Earnings per share – Diluted in ₹	2.95	29.82

Optionally Convertible Cumulative Redeemable Preference Shares (OCCRPS) are not considered for calculating diluted earnings per share since conversion of shares is contingent in nature and number of shares cannot be currently ascertained, being dependant on price of equity shares as per SEBI formula prevailing on the date on which the holders of OCCRPS are entitled to convert.

38. SEGMENTAL REPORTING

As the Company's annual report contains both Consolidated and Standalone Financial Statements, segmental information is presented only on the basis of Consolidated Financial Statement. (Refer note 31 of Consolidated Financial Statements).

	For the year ended March 31, 2016	For the year ended March 31, 2015
39(a). Capital expenditure on Research and Development	51.18	21.41

39(b). The aggregate amount of revenue expenditure incurred on Research and Development and charged to Statement of Profit and Loss is as under:

	For the year ended March 31, 2016	For the year ended March 31, 2015
Chemicals and consumables	40.95	49.90
Employee cost	110.74	98.04
Travelling expenses	10.31	8.56
Power and fuel	19.14	20.25
Repair and maintenance	7.82	9.36
Printing and stationery	1.09	1.17
Communication expenses	1.07	0.95
Clinical trial expenses	2.80	2.77
Analysis expenses	1.36	2.03
Legal and professional expenses	2.21	5.11
Other Research and Development expenses	52.50	43.29
TOTAL	249.99	241.43

	For the year ended March 31, 2016 Gratuity (Non-funded)	For the year ended March 31, 2015 Gratuity (Non-funded)
40. EMPLOYEE BENEFITS		
(A) Defined benefit plans:		
I. Expenses recognised during the year		
1. Current Service Cost	2.21	1.69
2. Interest cost	1.87	1.64
3. Actuarial Losses/(Gains)	0.81	3.44
Total Expenses	4.89	6.77
II. Net Asset/(Liability) recognised as at balance sheet date		
1. Present value of defined benefit obligation	26.79	23.54
2. Net Asset/(Liability)	(26.79)	(23.54)
III. Reconciliation of Net Asset/(Liability) recognised as at balance sheet date		
1. Net Asset/(Liability) at the beginning of year	(23.54)	(19.07)
2. Expense as per (I) above	(4.89)	(6.77)
3. Employer contributions	1.64	2.30
4. Net Asset/(Liability) at the end of the year	(26.79)	(23.54)
IV. Actuarial Assumptions		
1. Discount rate	7.48%	7.93%
2. Expected rate of salary increase	8.00%	10.00%
3. Attrition rate	28.00%	28.00%
4. Mortality	Indian Assured Lives Mortality (2006-08) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate

Notes:

- Amount recognised as an expense in the Statement of Profit and Loss and included in Note 24 under "Salaries and wages": Gratuity ₹ 4.72 crore (Previous Year – ₹ 6.48 crore) and Leave encashment ₹ 12.55 crore (Previous Year – ₹ 6.56 crore).
- The estimates of future salary increases considered in the actuarial valuation take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.



	April 2015- March 2016	April 2014- March 2015	April 2013- March 2014	April 2012- March 2013	April 2011- March 2012
(B) Details of gratuity for the current and previous four years are as follows:					
Defined benefit obligation	26.79	23.54	19.07	16.75	15.57
Surplus/(deficit)	(26.79)	(23.54)	(19.07)	(16.75)	(15.57)
Experience adjustment on plan liabilities (gain)/loss	1.65	2.05	1.46	(0.30)	0.54

(C) Defined contribution plan:

Amount recognised as an expense in the Statement of Profit and Loss - included in Note 24 - "Contribution to provident and other funds" ₹ 18.87 crore (Previous Year – ₹ 16.05 crore).

41. EMPLOYEES STOCK OPTION SCHEME [ESOS]

The Compensation Committee of the Board of Directors has, under Wockhardt Stock Option Scheme -2011 ('the Scheme') granted 60,000 options @ ₹ 397/- per option (Grant 1), another 60,000 options @ ₹ 365/- per option (Grant 2), 1,420,000 options @ ₹ 5/- per option (Grant 3), 350,000 options @ ₹ 5/- per option (Grant 4), 8,500 options @ ₹ 5/- per option (Grant 5), and 200,000 options @ ₹ 5/- per option (Grant 6) in accordance with the provisions of Securities and Exchange Board of India (Share based Employee Benefits) Regulations, 2014, to the selected employees (including Independent Directors) of the Company and its subsidiaries. The method of settlement is by issue of equity shares to the selected employees (including Independent Directors) who have exercised the options. The scheme shall be administered by the compensation committee of Board of Directors.

The options issued vests in periods ranging 1 year and 7 years 3 months from the date of grant, and can be exercised during such period not exceeding 7 years.

Employee stock option activity under Scheme 2011 is as follows:

	For the year ended March 31, 2016	For the year ended March 31, 2015
(a) Outstanding at beginning of the year	1,243,500	1,365,250
(b) Granted during the year	-	200,000
(c) Lapsed during the year (re-issueable)	108,750	-
(d) Exercised during the year	436,000	321,750
(e) Outstanding at the end of the year:	698,750	1,243,500
of which Options vested and exercisable at the end of the year	264,500	134,500
Range of weighted average fair value of options on the date of grant	₹ 106.47 – ₹ 1,949.76	
No option have been forfeited during the year or in the previous year.		

The Company follows the intrinsic value method to account compensation expense arising from issuance of stock options to the employees. Had compensation cost been determined under the fair value approach described in the Guidance Note issued by the Institute of Chartered Accountants of India using the Black Scholes Pricing Model, the Company's net income and basic and diluted earnings per share (as restated) would have been increased/decreased to the proforma amounts as set out below:

	For the year ended March 31, 2016	For the year ended March 31, 2015
Net profit as reported in Statement of Profit and Loss	32.79	331.82
Add: Stock-based employee compensation expense (intrinsic value method), net of tax	7.55	16.19
Less: Stock-based employee compensation expense (fair value method), net of tax	(7.58)	(16.89)
Proforma net profit	32.76	331.12
Basic earnings per share as reported (₹)	2.97	30.17
Proforma basic earnings per share (₹)	2.96	30.11
Diluted earnings per share as reported (₹)	2.95	29.82
Proforma diluted earnings per share (₹)	2.94	29.76
The key assumptions used to estimate the fair value of options are:		
Range of stock price at the time of option grant (₹ Per share)	₹ 414 - ₹ 1,954.20	₹ 414 - ₹ 1,954.20
Range of expected life	1.50 years - 7.75 years	1.50 years - 7.75 years
Range of risk free interest rate	7.86% - 8.64%	7.86% - 8.64%
Range of Volatility	36% - 88%	36% - 88%
Range of weighted average exercise price (₹ Per share)	₹ 5 - ₹ 37.65	₹ 5 - ₹ 37.65

Dividend yield has not been separately built in, as the stock prices for one year has been considered which factors for the price movement on account of the dividend.

42. AMALGAMATION OF WHOLLY OWNED SUBSIDIARY COMPANIES

During the previous year, pursuant to the scheme of amalgamation ('the scheme') of Wockhardt Biopharm Limited and Vinton Healthcare Limited, the unlisted wholly owned subsidiaries of the Company, with the Company under sections 391 to 394 of the Companies Act, 1956 sanctioned by the Hon'ble High Court, Bombay vide its order dated March 20, 2015, all assets and liabilities (excluding share capital) of the aforesaid subsidiaries were transferred in the Company effective April 01, 2014 ('the Appointed Date'). Accordingly the Scheme had been given effect to in the financial statements for the year ended March 31, 2015.

The main objects of Wockhardt Biopharm Limited include manufacturing, marketing, trading, packing of biotechnology products, pharmaceuticals and chemicals and, of Vinton Healthcare Limited include manufacturing, trading, packing, distribution of foods and other nutritional products. However, recently there were no operations in these subsidiaries.

The amalgamation had been accounted for in the previous year under the 'Pooling of Interest' method as prescribed by the Accounting Standard 14, 'Accounting for Amalgamations'. Accordingly the accounting treatment had been given as under:

- a) The assets and liabilities as at April 01, 2014 amounting to ₹ 26.51 crore and ₹ 3.24 crore respectively were incorporated in the financial statement of the Company at its book value.
- b) 10,000,000 equity shares and 982,819 7% Non-cumulative Redeemable Preference shares of Vinton Healthcare Limited, and 18,000,000 equity shares of Wockhardt Biopharm Limited, held as investment by the Company stands cancelled and the difference between the book value and face value of such shares amounting ₹ 27.11 crore had been credited to Capital Reserve in previous year.
- c) Outstanding inter corporate balance as on April 01, 2014 amounting ₹ 9.40 crore had been cancelled.
- d) Debit balances in the Statement of Profit and Loss as on April 01, 2014 amounting ₹ 5.16 crore of the above subsidiaries had been incorporated under 'Surplus/(Deficit) in Statement of Profit and Loss' in Note 3 'Reserves and Surplus'.

43. Donations for Political purpose made during the previous year and included in Note 26 under "Miscellaneous expenses":

- a) Bhartiya Janata Party ₹ Nil (Previous year – ₹ 3.00 crore)
- b) Maharashtra Pradesh Congress Committee ₹ Nil (Previous year – ₹ 2.00 crore)

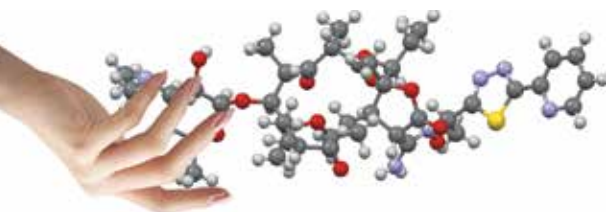
44. As part of Corporate Social Responsibility (CSR), the Company had made voluntary contribution of ₹ 8.00 crore (Previous year – ₹ 1.21 crore) during the year for spending on CSR activities to Wockhardt Foundation and included the same in Note 26 under 'Miscellaneous expenses,' being contribution and other expenses (Also Refer note 45). No amount has been incurred by the Company towards construction/acquisition of any assets.

45. RELATED PARTY DISCLOSURES

As per Accounting Standard 18, the disclosure of transactions with the related parties are given below:

(a) Parties where control exists

Subsidiary Companies (including step down subsidiaries)	17	Pinewood Laboratories Limited
1 Wockhardt UK Holdings Limited (formerly, Wockhardt UK Limited)	18	Pinewood Healthcare Limited (w.e.f. November 23, 2012)
2 CP Pharmaceuticals Limited	19	Nonash Limited
3 CP Pharma (Schweiz) AG	20	Laboratoires Negma S.A.S. (formerly, Negma Lerads S.A.S.)
4 Wallis Group Limited	21	Wockhardt France (Holdings) S.A.S.
5 The Wallis Laboratory Limited	22	Wockhardt Holding Corp.
6 Wockhardt Farmaceutica Do Brasil Ltda	23	Morton Grove Pharmaceuticals, Inc.
7 Wallis Licensing Limited	24	MGP Inc.
8 Wockhardt Biopharm Limited (amalgamated with the Company effective April 01, 2014)	25	Laboratoires Pharma 2000 S.A.S. (formerly, Pharma 2000 S.A.S.)
9 Vinton Healthcare Limited (amalgamated with the Company effective April 01, 2014)	26	Niverpharma S.A.S.
	27	Negma Beneulex S.A.
10 Wockhardt Infrastructure Development Limited	28	Phytex S.A.S.
11 Z&Z Services GmbH (formerly, esparma GmbH)	29	Wockhardt Farmaceutica SA DE CV. (w.e.f. November 9, 2012)
12 Wockhardt Europe Limited	30	Wockhardt Services SA DE CV. (w.e.f. June 21, 2012)
13 Wockhardt Nigeria Limited	31	Wockhardt Bio AG (formerly Wockhardt EU Operations (Swiss) AG)
14 Wockhardt USA LLC w.e.f. October 3, 2008 (formerly, Wockhardt USA Inc.)	32.	Wockhardt Bio (R) LLC (w.e.f. August 25, 2015)
15 Wockhardt UK Limited	33.	Wockhardt Bio Pty Limited (w.e.f. August 19, 2015)
16 Wockpharma Ireland Limited	34.	Wockhardt Bio Limited (w.e.f. November 11, 2015)



Holding Company

Khorakiwala Holdings and Investments Private Limited (upto July 07, 2014)

Associate Company

Swiss Biosciences AG (liquidation on April 13, 2015)

Other parties exercising control

Humuza Consultants (w.e.f. July 08, 2014)*

Habil Khorakiwala Trust (w.e.f. July 08, 2014)*

* Themisto Trustee Company Private Limited holds shares in the Company in its capacity as the trustee of Habil Khorakiwala Trust which in turn holds these shares in its capacity as the partner of the partnership firm Humuza Consultants.

(b) Other related party relationships where transactions have taken place during the year

Enterprises over which Key Managerial Personnel exercise significant influence

- Palanpur Holdings and Investments Private Limited
- Dartmour Holdings Private Limited
- Khorakiwala Holdings and Investments Private Limited (w.e.f. July 08, 2014)
- Wockhardt Hospitals Limited
- Amalthea Consultants (w.e.f. July 08, 2014)
- Lysithea Consultants (w.e.f. July 08, 2014)
- HNZ Consultants (w.e.f. July 08, 2014)
- Merind Limited
- Wockhardt Foundation
- Carol Info Services Limited (w.e.f. July 08, 2014)

Fellow Subsidiary

Carol Info Services Limited (upto July 07, 2014)

Key managerial personnel

- Dr. H. F. Khorakiwala, Chairman
- Dr. Huzaifa Khorakiwala, Executive Director
- Dr. Murtaza Khorakiwala, Managing Director

Relatives of Key managerial personnel

N. H. Khorakiwala

	For the year ended March 31, 2016	For the year ended March 31, 2015
(c) Transactions with related parties during the year		
Subsidiary Companies		
Purchase of Raw material from Pinewood Laboratories Limited	-	0.03
Management and Technical fees [CP Pharmaceuticals Limited ₹ 0.47 crore (Previous Year – ₹ 0.30 crore), Wockhardt USA LLC ₹ 0.28 crore (Previous Year – ₹ 0.23 crore), Wockhardt Bio AG ₹ 2.71 crore (Previous Year – ₹ 2.45 crore), Pinewood Laboratories Limited ₹ 0.67 crore (Previous Year – ₹ 0.58 crore), Wockhardt Farmaceutica SA DE CV. ₹ 0.01 crore (Previous Year – ₹ Nil), Morton Grove Pharmaceuticals, Inc. ₹ 0.34 crore (Previous Year – ₹ 0.18 crore)]	4.48	3.74
Sales [CP Pharmaceuticals Limited ₹ 0.68 crore (Previous Year – ₹ 0.15 crore), Wockhardt Bio AG ₹ 232.23 crore (Previous Year – ₹ 196.16 crore), Pinewood Laboratories Limited ₹ 34.36 crore (Previous Year – ₹ 32.92 crore), Laboratoires Negma S.A.S. ₹ Nil (Previous Year – ₹ 9.43 crore), Morton Grove Pharmaceuticals, Inc. ₹ 1.60 crore (Previous Year – ₹ 0.36 crore)]	268.87	239.02

	For the year ended March 31, 2016	For the year ended March 31, 2015
Interest Income [Wockhardt Holding Corp ₹ Nil (Previous Year – ₹ 0.56 crore), Wockhardt Infrastructure Development Limited ₹ 1.41 crore (Previous Year – ₹ 1.18 crore)]	1.41	1.74
Rent and utility fees to Wockhardt Infrastructure Development Limited	35.31	30.60
Outlicensing fees income from Wockhardt Bio AG	133.25	178.49
Research and Development service from Wockhardt Bio AG	99.98	–
Guarantee fees income from Wockhardt Bio AG	2.11	5.09
Dividend income from Wockhardt Bio AG	–	433.81
Land Premium to Wockhardt Infrastructure Development Limited	0.16	0.16
Purchase of fixed assets [Wockhardt Bio AG ₹ Nil (Previous Year – ₹ 0.01), Pinewood Laboratories Limited ₹ 0.64 crore (Previous year: ₹ Nil)]	0.64	0.01
Expenses recovered [Morton Grove Pharmaceuticals, Inc. ₹ 0.002 crore (Previous Year – ₹ 0.03 crore), Wockhardt USA LLC ₹ Nil (Previous Year – ₹ 0.03 crore), Wockhardt Bio AG ₹ 14.97 crore (Previous Year – ₹ 10.33 crore), Wockhardt Farmaceutica SA DE CV. ₹ 0.65 crore (Previous Year – ₹ 0.68 crore), CP Pharmaceuticals Limited ₹ 0.01 crore (Previous Year – ₹ 0.03 crore)]	15.63	11.10
Reimbursement of expenses [Wockhardt Bio AG ₹ 0.43 crore (Previous Year – ₹ 0.40 crore), CP Pharmaceuticals Limited ₹ 0.35 crore (Previous Year – ₹ 0.55 crore), Wockhardt USA LLC ₹ 13.28 crore (Previous Year – ₹ 3.34 crore), Pinewood Laboratories Limited ₹ 1.48 crore (Previous Year – ₹ Nil), Wockhardt Nigeria Limited ₹ 0.47 crore (Previous Year – ₹ Nil)]	16.01	4.29
Loans/Advances given to Wockhardt Infrastructure Development Limited	31.22	27.56
Loans/Advances recovered [Wockhardt Infrastructure Development Limited ₹ 27.36 crore (Previous year – ₹ 23.03 crore), Wockhardt Bio AG ₹ Nil (Previous Year – ₹ 0.23 crore), Wockhardt Holding Corp ₹ Nil (Previous Year – ₹ 68.30 crore)]	27.36	91.56
Advances Received against Export of Goods and Services from Wockhardt Bio AG	44.60	681.72
Advances adjusted against export of Goods and Services/repaid to Wockhardt Bio AG	455.55	735.71
Transactions pertaining to amalgamation of Vinton Healthcare Limited and Wockhardt Biopharm Limited with the Company – Refer note 42		
Corporate guarantees/comfort for financial assistance given on behalf of subsidiaries/step down subsidiaries - Refer note 48 (f) and (g)		
Fellow Subsidiary		
Rent paid	–	14.84
Re-imburement of expenses	–	0.65
Key managerial personnel		
Remuneration paid/payable [Chairman ₹ 1.48 crore (Previous Year – ₹ 1.41 crore), Managing Director ₹ 1.49 crore (Previous Year – ₹ 1.44 crore), Executive Director ₹ 1.49 crore (Previous Year – ₹ 1.44 crore)]	4.46	4.29
Dividend paid [Chairman ₹ Nil (Previous Year – ₹ 0.89 crore), Managing Director ₹ Nil (Previous Year – ₹ 0.45 crore), Executive Director ₹ Nil (Previous Year – ₹ 0.43 crore)]	–	1.77
Relatives of Key managerial personnel		
Dividend paid	–	0.01
Other Parties exercising control		
Dividend paid to Humuza Consultants	–	131.80

	For the year ended March 31, 2016	For the year ended March 31, 2015
Enterprise over which Key Managerial Personnel exercise significant influence		
Rent paid [Palanpur Holdings and Investments Private Limited ₹ 1.04 crore (Previous Year – ₹ 1.03 crore), Wockhardt Hospitals Limited ₹ 0.82 crore (Previous Year – ₹ 0.81 crore), Carol Info Services Limited ₹ 66.46 crore (Previous Year – ₹ 43.98 crore)]	68.32	45.82
Contribution and reimbursement of expenses given to Wockhardt Foundation	8.00	1.21
Reimbursement of Expenses [Merind Limited ₹ Nil (Previous Year – ₹ 0.44 crore), Wockhardt Hospitals Limited ₹ 0.13 crore (Previous Year – ₹ 0.02 crore), Carol Info Services Limited ₹ 1.83 crore (Previous Year – ₹ 0.97 crore)]	1.96	1.43
Sales to Wockhardt Hospitals Limited	–	0.04
Security deposit to Carol Info Services Limited	9.00	–
Rent income from Wockhardt Hospitals Limited	0.01	0.01
Loan given by Vinton Healthcare Limited to Carol Info Services Limited adjusted against payables of the Company after amalgamation	–	22.21
Dividend paid [Khorakiwala Holdings and Investments Private Limited ₹ 0.01 crore (Previous Year – ₹ 0.01 crore), Amalthea Consultants ₹ Nil (Previous Year – ₹ 10 crore), Lysithea Consultants ₹ Nil (Previous Year – ₹ 10 crore), HNZ Consultants ₹ Nil (Previous Year – ₹ 10.40 crore)]	0.01	30.41
Employee Liability transferred by Merind Limited	–	0.73
(d) Related party balances		
Receivable from subsidiary companies [Z&Z Services GmbH ₹ 0.08 crore (Previous Year – ₹ 0.07 crore), Wockhardt Infrastructure Development Limited ₹ 33.18 crore (Previous Year – ₹ 34.78 crore), Pinewood Laboratories Limited ₹ 26.48 crore (Previous Year – ₹ 10.74 crore), Laboratories Negma S.A.S. ₹ 0.48 crore (Previous Year – ₹ 2.24 crore), Wockhardt Farmaceutica SA DE CV. ₹ 3.09 crore (Previous Year – ₹ 2.29 crore)]	63.31	50.12
Payable to subsidiary companies [CP Pharmaceuticals Limited ₹ 14.34 crore (Previous Year – ₹ 16.89 crore), Wockhardt Bio AG ₹ 723.40 crore (Previous Year – ₹ 1,181.71 crore), Wockhardt UK Limited ₹ 4.81 crore (Previous Year – ₹ 4.66 crore), Wockhardt France (Holdings) S.A.S ₹ 1.36 crore (Previous Year – ₹ 1.21 crore), Wockhardt USA LLC ₹ 12.90 crore (Previous Year – ₹ 15.58 crore), Morton Grove Pharmaceuticals, Inc. ₹ 1.20 crore (Previous Year – ₹ 1.86 crore)]	758.01	1,221.91
Security deposit given to Wockhardt Infrastructure Development Limited	16.85	16.85
Payable to Carol Info Services Limited	21.41	13.34
Security deposit given to Carol Info Services Limited	55.50	46.50
Payable to Wockhardt Hospitals Limited	0.23	0.18
Receivable from Merind Limited	0.57	0.57
Security deposit given to Palanpur Holdings and Investments Private Limited	2.75	2.75
Payable to Key managerial personnel [Managing Director ₹ Nil (Previous Year – ₹ 0.23 crore), Executive Director ₹ Nil (Previous Year – ₹ 0.23 crore)]	–	0.46

46. The Company has taken office premises on operating lease. These lease and license agreements are generally for a period not exceeding five years and are in most cases renewable by mutual consent, on mutually agreeable terms. There are no restrictions imposed by lease arrangements. There are no subleases.

47. DISCLOSURE REGARDING UNHEDGED CURRENCY EXPOSURE

The year end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are given below:

Particulars	Currency	As at March 31, 2016		As at March 31, 2015	
		Amount in Foreign Currency (in million)	₹ in crore	Amount in Foreign Currency (in million)	₹ in crore
Loan Availed	EUR	10.26	77.43	8.33	55.90
	JPY	183.00	10.80	136.00	7.10
	USD	106.98	708.82	93.98	587.36
	GBP	0.13	1.26	0.13	1.23
Interest Payable	EUR	0.02	0.18	0.03	0.18
	USD	0.94	6.20	0.02	0.10
	GBP	0.0001	0.001	0.001	0.01
	JPY	0.53	0.03	0.06	0.003
Trade Receivables	ACU	0.05	0.35	0.02	0.12
	AUD	0.01	0.07	0.01	0.07
	CHF	0.03	0.21	0.03	0.20
	EUR	4.63	34.98	2.71	18.22
	GBP	1.26	12.03	0.004	0.04
	USD	22.66	150.17	15.47	96.72
	RUB	608.90	60.26	130.63	14.13
Loans and Advances and Other Receivables	EUR	2.04	15.44	0.75	5.04
	USD	17.25	114.32	18.53	115.81
	CHF	0.10	0.68	0.08	0.54
	GBP	0.09	0.82	0.09	0.84
Trade payables and Other Liabilities	ACU	0.01	0.03	0.004	0.03
	CHF	0.35	2.42	2.81	18.09
	EUR	5.00	37.74	4.84	32.51
	GBP	2.26	21.58	18.26	165.35
	JPY	1.39	0.08	48.43	2.53
	USD	157.67	900.98	204.60	1,186.55
	RUB	99.91	9.89	29.09	3.15
	AED	-	-	0.003	0.01

48. CONTINGENT LIABILITIES AND COMMITMENTS (to the extent not provided for)

- Demands by Central Excise authorities in respect of Classification/Valuation/Cenvat Credit related disputes; stay orders have been obtained by the Company in case of demands which have been confirmed ₹ 28.10 crore (Previous Year – ₹ 30.45 crore).
- Demand by Income tax authorities ₹ 70.10 crore (Previous Year – ₹ 70.00 crore) disputed by the Company.
- Demand by Sales Tax authorities ₹ 20.03 crore (Previous Year – ₹ 12.60 crore) disputed by the Company (including ₹ 1.33 Crore on account of amalgamation in Previous year).
- Claims against Company not acknowledged as debt in respect of electricity expense ₹ 5.24 crore (Previous Year – ₹ 4.65 crore) and interest expense ₹ 4.68 crore (Previous Year – ₹ Nil).
- Demand from National Pharmaceutical Pricing Authority (NPPA) in respect of overcharging of certain products disputed by the Company ₹ 7.30 crore (Previous Year – ₹ 7.30 crore).
- Corporate Guarantee given on behalf of a subsidiary in respect of credit facilities amounts to ₹ 62.12 crore (Previous Year – ₹ 449.22 crore).

This comprises corporate guarantee given by the Company and Wockhardt UK Holdings Limited against loan of USD 9.38 million (Previous Year – USD 71.88 million) amounting to ₹ 62.12 crore (Previous Year – ₹ 449.22 crore) taken by Wockhardt Bio AG in earlier years. The said loan has been fully rescheduled and all lenders have acceded to the reschedulement. The last installment of the above loan is repayable on May 16, 2016.



This loan availed by the subsidiary is secured by:

- (i) first ranking pari passu charge on immovable properties of Wockhardt Limited situated at Kadaiya in Daman and Baddi in Himachal Pradesh.
- (ii) second ranking pari passu charge by way of hypothecation on all the current assets, movables, inventories and book debts of Wockhardt Limited.

Further, out of loan of ₹ 62.12 crore (Previous Year – ₹ 449.22 crore), security has been created in respect of term loan of USD 3.79 million (Previous Year – USD 29.04 million) amounting to ₹ 25.10 crore (Previous Year – ₹ 181.48 crore), in addition to aforesaid security, as follows :

- (i) subservient charge on movable properties of Wockhardt Limited situated at Bhimpore in Daman, Ankleshwar, L-1, D-4, Chikhalthana and Biotech Park, Waluj in Aurangabad (except book debts and current assets)
- (ii) subservient charge on movable properties of Wockhardt Infrastructure Development Limited situated at Shendra in Aurangabad (WIDL).

Also, an application has been made to Reserve Bank of India for obtaining its approval to create a subservient charge on fixed assets of WIDL and of the Company situated at all locations except Baddi in Himachal Pradesh and Kadaiya in Daman.

- (g) Comfort to extend financial support, subject to certain approvals, to one of its subsidiaries towards credit facilities availed by the subsidiary, the impact of which is currently not ascertainable
 - (h) The Company is involved in other disputes, lawsuits, claims, inquires and proceedings, including commercial matters that arise from time to time in the ordinary course of business. The Company believes that there are no such pending matters that are expected to have any material adverse effect on its financial statements in any given accounting period.
 - (i) One of the customer of a step down subsidiary of the Company, has brought a claim relating to a commercial dispute over a contract which is sub-judice. The financial impact of the claim, if any, that may result from ultimate resolutions of the proceedings is currently not ascertainable.
 - (j) Bank guarantees issued against various liabilities/obligations ₹ 24.35 crore (Previous year – ₹ 31.72 crore).
 - (k) Estimated amount of contracts remaining to be executed on capital account and not provided for ₹ 127.64 crore (Previous Year – ₹ 113.47 crore) after deducting advance on capital account of ₹ 28.98 crore (Previous Year – ₹ 17.37 crore).
49. During the year, Company has undergone inspections at its L1-Chikhalthana, Aurangabad manufacturing facility by UK MHRA and have received communication confirming the closure of the inspection and issuance of an unrestricted GMP certificate. Accordingly, supplies have been resumed from L1 facility to UK Market. US FDA has also recently completed inspections of our manufacturing unit at Ankleshwar, Gujarat and Shendra, Aurangabad and made some observations for which appropriate reply has been submitted. Shendra manufacturing unit is a new facility supplying to India, UK & Irish market. Presently there are no supplies of products from the said facility to the US market. Waluj Facility received the Establishment Inspection Report (EIR) from US FDA. The company's on-going efforts towards remediation and compliance measures for its manufacturing facilities continue to be in place.
50. Premium on redemption of preference shares will be provided for before redemption of the preference shares.
51. Previous year figures have been regrouped where necessary to conform to current year's classification.

As per our attached report of even date

For Haribhakti & Co. LLP
Chartered Accountants
ICAI Firm Registration No. 103523W

Bhavik L. Shah
Partner
Membership No. 122071
Place : Mumbai
Date : May 06, 2016

Narendra Singh **Manas Datta**
Company Secretary Chief Financial Officer

For and on behalf of the Board of Directors

H. F. Khorakiwala
Chairman
DIN: 00045608

Murtaza Khorakiwala
Managing Director
DIN: 00102650

Shekhar Datta
DIN: 00045591

Aman Mehta
DIN: 00009364

D. S. Brar
DIN: 00068502

Sanjaya Baru
DIN: 05344208

Tasneem Mehta
DIN: 05009664

Baldev Raj Arora
DIN: 00194168

Directors

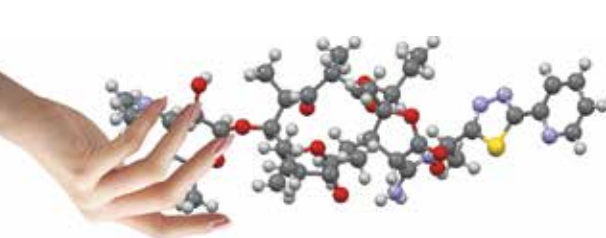
CONSOLIDATED FINANCIAL HIGHLIGHTS

(₹ in crore)

YEAR-END FINANCIAL POSITION	2015-16	2014-15	2013-14	2012-13	2011-12	2010-11	2009-10	2008	2007	2006
Net Fixed Assets (incl. CWIP)	3,621	3,149	3,024	2,523	3,506	3,468	3,237	3,630	3,071	1,707
Deferred Tax Assets/(Liabilities)	(48)	(53)	(7)	24	(101)	73	47	41	(92)	(92)
Investments	-	3	3	3	91	90	95	93	71	-
TOTAL	3,573	3,099	3,020	2,550	3,496	3,631	3,379	3,764	3,050	1,615
Current Assets	4,331	3,788	3,597	3,490	2,656	2,073	2,172	2,964	2,011	2,002
Current Liabilities	1,151	1,017	994	1,265	1,189	912	862	1,475	887	581
Net Current Assets	3,180	2,771	2,603	2,225	1,467	1,161	1,310	1,489	1,124	1,421
Sub-Total	6,753	5,870	5,623	4,775	4,963	4,792	4,689	5,253	4,174	3,036
Foreign Currency Translation Reserve	(301)	(145)	(197)	(2)	24	183	158	144	26	(7)
Profit & Loss Account	-	-	-	-	-	-	6	-	-	-
TOTAL CAPITAL EMPLOYED	6,452	5,725	5,426	4,773	4,987	4,975	4,853	5,397	4,200	3,029
Capital										
- Equity	55	55	55	55	55	55	55	55	55	55
- Preference	299	299	298	298	761	745	668	-	-	-
TOTAL	354	354	353	353	816	800	723	55	55	55
Reserves	3,218	3,217	3,031	2,349	679	326	112	1,107	1,245	1,004
NET WORTH	3,572	3,571	3,384	2,702	1,495	1,126	835	1,162	1,300	1,059
Minority Interest	470	144	136	-	-	-	-	-	-	-
Borrowings										
- Secured	2,406	2,004	1,900	2,054	3,271	3,379	3,552	3,161	2,344	1,475
- Unsecured	4	6	6	17	221	470	466	1,074	556	495
TOTAL	2,410	2,010	1,906	2,071	3,492	3,849	4,018	4,235	2,900	1,970
TOTAL SOURCES	6,452	5,725	5,426	4,773	4,987	4,975	4,853	5,397	4,200	3,029
Summary of Operations (including discontinued operations)										
Sales (Excluding Excise)	4,461	4,481	4,830	5,721	4,614	3,751	4,501	3,590	2,491	1,729
Other Income	97	67	39	51	23	16	30	35	208	19
TOTAL INCOME	4,558	4,548	4,869	5,772	4,637	3,767	4,531	3,625	2,699	1,748
Material Consumed	1,604	1,488	1,806	1,814	1,682	1,516	1,973	1,360	993	668
Personnel Cost	944	869	769	663	589	550	735	632	458	269
Other expenses	1,395	1,298	1,276	1,128	903	776	970	812	563	392
EBIDTA	615	893	1,018	2,167	1,463	925	853	821	685	419
Interest Expense/(Income)	116	173	37	243	290	130	395	378	132	3
Depreciation	142	145	140	125	122	117	149	113	79	61
Profit Before Tax & Exceptional Items	357	575	841	1,799	1,051	678	309	330	474	355
Exceptional Items - loss/(gain)	-	-	(50)	(62)	474	574	1,295	581	-	61
PBT	357	575	891	1,861	577	104	(986)	(251)	474	294
Tax (Expense)/Credit	(26)	(162)	(48)	(266)	(235)	(8)	(16)	92	(91)	(53)
PROFIT AFTER TAX BEFORE SHARE OF PROFIT/(LOSS) OF ASSOCIATES AND MINORITY INTEREST	331	413	843	1,595	342	96	(1,002)	(159)	383	241
Share in Profit/(Loss) of Associate Companies	1	-	-	(1)	1	(5)	2	21	3	-
Minority Interest - Profit/(Loss)	6	8	2	-	-	-	-	-	-	-
PROFIT AFTER TAX AFTER SHARE OF PROFIT/(LOSS) OF ASSOCIATES AND MINORITY INTEREST	326	405	841	1,594	343	91	(1,000)	(138)	386	241
IMPORTANT RATIOS										
Current Assets : Liabilities	3.76	3.72	3.62	2.76	2.23	2.27	2.50	2.01	2.27	3.45
Debt : Equity	0.67	0.56	0.56	0.77	2.34	3.42	4.81	3.65	2.23	1.86
PBT/Turnover %	8.0%	12.8%	18.4%	32.5%	12.5%	2.8%	(21.9%)	(7.0%)	19.0%	17.0%
Return (PBIT) on Capital Employed %	7.0%	12.7%	16.5%	44.1%	17.5%	4.9%	(12.6%)	2.4%	14.5%	9.8%
No. of Equity Shares (in crore)	11.05	11.01	10.97	10.96	10.94	10.94	10.94	10.94	10.94	10.94
Dividend (per share)	-	20.00	10.00	5.00	-	-	-	-	11.25	5.00
Basic Earnings (per share)	29.50	36.81	76.6	145.6	31.3	8.3	(91.4)	(12.7)	35.3	22.0
Net Worth (per share)	29.29	36.39	308.5	246.6	136.6	102.9	76.3	106.1	118.8	96.8

Notes: (1) In the year 2004 each equity share of ₹ 10/- each was sub-divided into 2 equity shares of ₹ 5/- each and bonus shares in the ratio of 1 share for every two shares held were issued.

(2) The Figures for 2009-10 are for 15 month period ended March 31, 2010.



ANNEXURES TO BOARD'S REPORT

ANNEXURE I TO THE BOARD'S REPORT

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2016

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

To,

The Members,

Wockhardt Limited

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Wockhardt Limited (hereinafter called 'the Company'). Secretarial Audit was conducted in a manner that provides me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Wockhardt Limited's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company, during the audit period covering the financial year ended on March 31, 2016, has prima facie complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by Wockhardt Limited 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 there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 – Not Applicable during the audit period;
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
 - (e) The Securities and Exchange Board of India (Issue and listing of Debt Securities) Regulations, 2008 – Not Applicable during the audit period;
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client – Not Applicable during the audit period;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 – Not Applicable during the audit period; and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 – Not Applicable during the audit period;
- (vi) I further report that, based on the Compliance Report of various Laws submitted by Departmental Heads of the Company, the Company has *inter-alia* complied with the following laws :
 - (a) The Drug and Cosmetic Act, 1945 and Rules
 - (b) The Drug and Magic Remedies Act, 1954
 - (c) Narcotic Drugs and Psychotropic Substances Act, 1985
 - (d) Factories Act, 1948 and rules framed there under
 - (e) The Hazardous Waste (Management & Handling) Rules 1989 under the Environment Protection Act, 1986
 - (f) The Pharmacy Act, 1948
 - (g) Bio-Medical Waste (Management and Handling) Rules, 1998
 - (h) Food Standard and Security authority of India, 2006 and rules
 - (i) Applicable Labour Laws

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

- (i) The Listing agreements entered into by the Company with the BSE Limited & National Stock Exchange of India Limited.
- (ii) The Company has complied with the Secretarial Standards Issued by The Institute of Company Secretaries of India (At present SS-1 & SS-2 are applicable to the Company with effect from 1st July, 2015)

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

I further report that I rely on statutory auditor's reports in relation to the financial statements and accuracy of financial figures for, Sales Tax, Wealth Tax, Value Added Tax, Related Party Transactions, Provident Fund, ESIC, etc. as disclosed under financial statements, Accounting Standard 18 and note on foreign currency transactions during our audit period.

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

I further report that as per the information provided, the company has given adequate notice to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on agenda items before the meeting and for meaningful participation at the meeting.

I further report that as per the minutes of the meetings, majority decision of the Board were unanimous and no dissenting views were found as part of the minutes.

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

I further report that during the audit period, there were no instances of:

- (i) Public/Rights/Preferential issue of shares/debentures/sweat equity, except allotment of shares under Employee Stock Option scheme.
- (ii) Redemption/buy-back of securities.
- (iii) Major decisions taken by the Members in pursuance to Section 180 of the Companies Act, 2013 which would have major bearing on the Company's affairs.
- (iv) Merger/reconstruction etc.
- (v) Foreign Technical Collaborations.

Virendra Bhatt
ACS No – 1157
COP No – 124

Mumbai, 6th May, 2016

**ANNEXURE II TO THE BOARD'S REPORT
Form No. MGT-9**

EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31st March, 2016

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

I. REGISTRATION AND OTHER DETAILS

(i)	CIN	L24230MH1999PLC120720
(ii)	Registration Date	8 th July, 1999
(iii)	Name of the Company	Wockhardt Limited
(iv)	Category/Sub-Category of the Company	Public Company limited by shares
(v)	Address of the Registered office and Contact details	D-4 MIDC, Chikalthana, Aurangabad – 431006. Tel: 91-240-6632222; Fax: 91-240-2489219
(vi)	Whether listed company (Yes/No)	Yes
(vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	Link Intime India Private Limited C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (West), Mumbai – 400 078 Tel No : (022) 25946970-78 Fax No : (022) 25946969 Email id : wockhardt@linkintime.co.in

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

Sl. No.	Name and Description of main products/services	NIC Code of the Product/service	% to total turnover of the Company
1.	Pharmaceuticals	210	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held [Refer Note 1 & 2]	Applicable Section of Companies Act, 2013
1.	Wockhardt Infrastructure Development Limited Wockhardt Towers, Bandra-Kurla Complex, Bandra (East), Mumbai – 400 051	U24230MH1991PLC060162	Subsidiary (Direct)	100%	2(87)
2.	Wockhardt UK Holdings Limited Ash Road North, Wrexham Industrial Estate, Wrexham LL13 9UF, Wales, UK	N.A.	Subsidiary (Direct)	100%	2(87)
3.	CP Pharmaceuticals Limited @ Ash Road North, Wrexham Industrial Estate, Wrexham LL13 9UF, Wales, UK	N.A.	Subsidiary (Indirect)	85.85%	2(87)

Sl. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held [Refer Note 1 & 2]	Applicable Section of Companies Act, 2013
4.	CP Pharma (Schweiz) AG @ Grafenauweg 6 6300 ZUG, Switzerland	N.A.	Subsidiary (Indirect)	85.85%	2(87)
5.	Wallis Group Limited Ash Road North, Wrexham Industrial Estate, Wrexham LL13 9UF, Wales, United Kingdom	N.A.	Subsidiary (Indirect)	100%	2(87)
6.	The Wallis Laboratory Limited Ash Road North, Wrexham Industrial Estate, Wrexham LL13 9UF, Wales, United Kingdom	N.A.	Subsidiary (Indirect)	100%	2(87)
7.	Pinewood Healthcare Limited @ Ash Road North, Wrexham Industrial Estate, Wrexham LL13 9UF, Wales, United Kingdom	N.A.	Subsidiary (Indirect)	85.85%	2(87)
8.	Wockhardt Farmaceutica Do Brasil Ltda Rua Antonio Loureiro, No. 346 - Room 18, Neighborhood - Vila Santa Catarina, São Paulo, Brazil, CEP - 04376-110	N.A.	Subsidiary (Indirect)	100%	2(87)
9.	Wallis Licensing Limited, Ash Road North, Wrexham Industrial Estate, Wrexham LL13 9UF, Wales, United Kingdom	N.A.	Subsidiary (Indirect)	100%	2(87)
10.	Z&Z Services GmbH @ Seepark 7, D-39116 Magdeburg, Germany	N.A.	Subsidiary (Indirect)	85.85%	2(87)
11.	Wockhardt Europe Limited Trident Chambers, P O Box 146, Wickham's Cay 1, Road Town, Tortola, British Virgin Islands	N.A.	Subsidiary (Direct)	100%	2(87)
12.	Wockhardt Nigeria Limited 38, Fatai Irawo Street, Ajao Estate, Lagos, Nigeria	N.A.	Subsidiary (Indirect)	100%	2(87)
13.	Wockhardt USA LLC @ 20 Waterview Boulevard, Parsippany NJ 07054 – U.S.A.	N.A.	Subsidiary (Indirect)	85.85%	2(87)

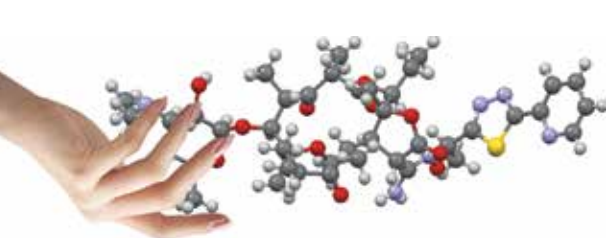


Sl. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held [Refer Note 1 & 2]	Applicable Section of Companies Act, 2013
14.	Wockhardt Bio AG Grafenauweg 6 6300 ZUG, Switzerland	N.A.	Subsidiary (Direct)	85.85%	2(87)
15.	Wockhardt UK Limited @ Ash Road North, Wrexham Industrial Estate, Wrexham LL13 9UF, Wales, United Kingdom	N.A.	Subsidiary (Indirect)	85.85%	2(87)
16.	Wockpharma Ireland Limited @ Ballymacarbry Clonmel Co. Tipperary, Ireland	N.A.	Subsidiary (Indirect)	85.85%	2(87)
17.	Pinewood Laboratories Limited @ Ballymacarbry Clonmel Co. Tipperary, Ireland	N.A.	Subsidiary (Indirect)	85.85%	2(87)
18.	Laboratoires Negma S.A.S. @ Buroplus 3 – Zac De La Clef St Pierre 1Bis Avenue Jean D’alembert – CS 80563 78996 Elancourt Cedex, France	N.A.	Subsidiary (Indirect)	85.85%	2(87)
19.	Wockhardt France (Holdings) S.A.S. @ Buroplus 3 – Zac De La Clef St Pierre 1Bis Avenue Jean D’alembert – CS 80563 78996 Elancourt Cedex, France	N.A.	Subsidiary (Indirect)	85.85%	2(87)
20.	Wockhardt Holding Corp. @ 6451 West Main St, Morton Grove, IL 60053	N.A.	Subsidiary (Indirect)	85.85%	2(87)
21.	Morton Grove Pharmaceuticals Inc. @ 6451, West Main Street, Morton Grove Illinois 60053 U.S.A.	N.A.	Subsidiary (Indirect)	85.85%	2(87)
22.	MGP Inc., U.S.A. @ 6451 West Main St, Morton Grove, IL 60053	N.A.	Subsidiary (Indirect)	85.85%	2(87)
23.	Laboratoires Pharma 2000 S.A.S. @ Buroplus 3 – Zac De La Clef St Pierre 1Bis Avenue Jean D’alembert – CS 80563 78996 Elancourt Cedex, France	N.A.	Subsidiary (Indirect)	85.85%	2(87)

Sl. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held [Refer Note 1 & 2]	Applicable Section of Companies Act, 2013
24.	Niverpharma S.A.S. @ Buroplus 3 – Zac De La Clef St Pierre 1Bis Avenue Jean D’alembert – CS 80563 78996 Elancourt Cedex, France	N.A.	Subsidiary (Indirect)	85.85%	2(87)
25.	Negma Beneulex S.A. @ Rue du Cours d’eau, 10 1428 Lillois Belgium	N.A.	Subsidiary (Indirect)	85.85%	2(87)
26.	Phytex S.A.S. @ Buroplus 3 – Zac De La Clef St Pierre 1Bis Avenue Jean D’alembert – CS 80563 78996 Elancourt Cedex, France	N.A.	Subsidiary (Indirect)	85.85%	2(87)
27.	Wockhardt Farmaceutica SA DE CV. @ VitoAlessio Robles 53 bis, Colonia Ex Hacienda Guadalupe Chimalistac CP, 01050, Álvaro Obregón, Distrito Federal, Mexico	N.A.	Subsidiary (Indirect)	85.85%	2(87)
28.	Wockhardt Services SA DE CV. @ VitoAlessio Robles 53 bis, Colonia Ex Hacienda Guadalupe Chimalistac CP, 01050, Álvaro Obregón, Distrito Federal, Mexico	N.A.	Subsidiary (Indirect)	85.85%	2(87)
29.	Wockhardt Bio (R) @ Russia, 121471, Moscow, Ryabinovaya ul., 43, Building 1	N.A.	Subsidiary (Indirect)	85.85%	2(87)
30.	Wockhardt Bio Pty Ltd * R Nurlendi Road, Vermont, Melbourne Victoria, 3133	N.A.	Subsidiary (Indirect)	–	2(87)
31.	Wockhardt Bio Limited * 58 Richard Pearse Drive, Airport Oaks, Mangere, Auckland 2022, New Zealand	N.A.	Subsidiary (Indirect)	–	2(87)

Notes:

1. Wockhardt Ltd., the Company holds directly or indirectly 100% shareholding in all the subsidiaries except as mentioned in Note 2 below.
2. @ The Company holds 85.85% shareholding in the Wockhardt Bio AG which in turn holds 100% shareholding in these subsidiaries.
3. During the year, Wockhardt Bio AG, has formed subsidiaries namely Wockhardt Bio (R), Wockhardt Bio Pty Ltd. and Wockhardt Bio Limited in Russia, Australia and New Zealand respectively.
4. Swiss Biosciences AG, Associate Company of Wockhardt Limited got liquidated.
5. * The immediate Holding Company (i.e. Wockhardt Bio AG) has yet to infuse the share capital.



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

(i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year (as on 1 st April, 2015)				No. of Shares held at the end of the year (as on 31 st March, 2016)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
(a) Individual/HUF	887,625	0	887,625	0.81	887,625	0	887,625	0.80	(0.01)
(b) Central Govt.	0	0	0	0	0	0	0	0	0
(c) State Govt.(s)	0	0	0	0	0	0	0	0	0
(d) Bodies Corporates	81,097,757	0	81,097,757	73.67	81,097,757	0	81,097,757	73.39	(0.28)
(e) Banks/FIs	0	0	0	0	0	0	0	0	0
(f) Any Other	0	0	0	0	0	0	0	0	0
Sub-total (A)(1)	81,985,382	0	81,985,382	74.48	81,985,382	0	81,985,382	74.19	(0.29)
(2) Foreign									
(a) NRIs - Individuals	0	0	0	0	0	0	0	0	0
(b) Other - Individuals	0	0	0	0	0	0	0	0	0
(c) Bodies Corporate	0	0	0	0	0	0	0	0	0
(d) Banks/FI	0	0	0	0	0	0	0	0	0
(e) Any Other	0	0	0	0	0	0	0	0	0
Sub-total (A)(2)	0	0	0	0	0	0	0	0	0
Total shareholding of Promoter (A)=(A)(1)+(A)(2)	81,985,382	0	81,985,382	74.48	81,985,382	0	81,985,382	74.19	(0.29)
B. Public Shareholding									
1. Institutions									
(a) Mutual Funds	625,883	900	626,783	0.57	1,945,164	900	1,946,064	1.76	1.19
(b) Banks/FIs	1,437,609	500	1,438,109	1.31	60,447	500	60,947	0.06	(1.25)
(c) Central Govt.	0	0	0	0	0	0	0	0	0
(d) State Govt.(s)	0	0	0	0	0	0	0	0	0
(e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
(f) Insurance Companies	0	1,400	1,400	0.00	1,326,946	1,400	1,328,346	1.20	1.20
(g) FIs	10,621,840	2,400	10,624,240	9.65	6,099,320	2,400	6,101,720	5.52	(4.13)
(h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
(i) Others (specify)	0	0	0	0	0	0	0	0	0
Foreign Portfolio Investor	1,377,641	0	1,377,641	1.25	2,046,200	0	2,046,200	1.85	0.60
Sub-total (B)(1)	140,62,973	5,200	140,68,173	12.78	11,478,077	5,200	11,483,277	10.39	(2.39)
2. Non-Institutions									
(a) Bodies Corporate									
(i) Indian	1,647,990	3,843	1,651,833	1.50	1,730,572	3,843	1,734,415	1.57	0.07
(ii) Overseas	0	0	0	0	0	0	0	0	0
(b) Individuals									
(i) Individual Shareholders Holding nominal share capital upto ₹ 1 lakh	8,842,388	1,013,877	9,856,265	8.95	10,039,690	941,031	10,980,721	9.94	0.99
(ii) Individual Shareholders Holding nominal Share Capital in excess of ₹ 1 lakh	1,079,096	0	1,079,096	0.98	2,121,773	0	2,121,773	1.92	0.94

Category of Shareholders	No. of Shares held at the beginning of the year (as on 1 st April, 2015)				No. of Shares held at the end of the year (as on 31 st March, 2016)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(c) Others (specify)									
(i) Non-Resident Indian (Repat)	704,956	2,700	707,656	0.64	808,854	2,700	811,554	0.73	0.09
(ii) Non-Resident Indian (Non-Repat)	164,563	2,400	166,963	0.15	169,652	2,400	172,052	0.16	0.01
(iii) Foreign Nationals	100	0	100	0.00	100	0	100	0.00	0.00
(iv) Clearing Member	349,765	0	349,765	0.32	516,689	0	516,689	0.47	0.15
(v) Directors/ Relatives of Director	57,100	0	57,100	0.05	57,600	0	57,600	0.05	0.00
(vi) Trusts	6,210	0	6,210	0.01	1,009	0	1,009	0.00	(0.01)
(vii) Hindu Undivided Family	0	0	0	0.00	504,180	0	504,180	0.46	0.46
Sub-total (B)(2)	12,852,168	1,022,820	13,874,988	12.61	15,950,119	949,974	16,900,093	15.29	2.68
Total Public Shareholding (B)=(B)(1)+(B)(2)	26,915,141	1,028,020	27,943,161	25.39	27,428,196	955,174	28,383,370	25.68	0.29
C. Shares held by Custodian for GDRs & ADRs	128,760	15,600	144,360	0.13	124,551	15,600	140,151	0.13	0.00
Grand Total (A+B+C)	109,029,283	1,043,620	110,072,903	100.00	109,538,129	970,774	110,508,903	100.00	0.00

Notes:

- The shares appearing under "Promoter - Bodies Corporates" are held by the said companies in capacity as a trustee of trusts being partner in partnership firms.
- % change during the year in the category of Promoters is due to increase in total paid up equity share capital of the Company.

(ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year (as on 1 st April, 2015)			Shareholding at the end of the year (as on 31 st March, 2016)			% change in share holding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged/ encumbered to total shares	
1.	Themisto Trustee Company Private Limited *	65,897,757	59.87	Nil	65,897,757	59.63	Nil	(0.24)
2.	Ananke Trustee Company Private Limited *	5,000,000	4.54	Nil	5,000,000	4.52	Nil	(0.02)
3.	Callirhoe Trustee Company Private Limited *	5,000,000	4.54	Nil	5,000,000	4.52	Nil	(0.02)
4.	Pasithee Trustee Company Private Limited *	5,200,000	4.72	Nil	5,200,000	4.71	Nil	(0.01)
5.	Dr. H. F. Khorakiwala	442,785	0.40	Nil	442,785	0.40	Nil	0.00
6.	Dr. Huzaifa Khorakiwala	216,000	0.20	Nil	216,000	0.20	Nil	0.00
7.	Dr. Murtaza Khorakiwala	226,200	0.21	Nil	226,200	0.21	Nil	0.00
8.	Ms. Nafisa Khorakiwala	2,640	0.00	Nil	2,640	0.00	Nil	0.00
	Total	81,985,382	74.48	Nil	81,985,382	74.19	Nil	(0.29)

Notes:

* The shares are held by the said companies in capacity as a trustee of trusts being partner in partnership firms.

(iii) Change in Promoters' Shareholding

During the financial year 2015-16, there was no change in Promoters' Shareholding other than due to increase in total paid up equity share capital of the Company.

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

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year (as on 1 st April, 2015) / Date wise Increase / (Decrease) during the year		Cumulative shareholding during the year		Shareholding at the end of the year (as on 31 st March, 2016)	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	Merrill Lynch Capital Markets ESPANA S.A. S.V.*	305,882	0.28			1,333,640	1.21
	Date wise increase / (Decrease)	Number	% age				
	06.04.2015 to 10.04.2015	126,839	0.12	432,721	0.39		
	13.04.2015 to 17.04.2015	45,901	0.04	478,622	0.43		
	20.04.2015 to 24.04.2015	(6,051)	(0.01)	472,571	0.43		
	27.04.2015 to 01.05.2015	(28,924)	(0.03)	443,647	0.40		
	04.05.2015 to 08.05.2015	(44,375)	(0.04)	399,272	0.36		
	18.05.2015 to 22.05.2015	(510)	(0.00)	398,762	0.36		
	25.05.2015 to 29.05.2015	(185,000)	(0.17)	213,762	0.19		
	08.06.2015 to 12.06.2015	115,332	0.10	329,094	0.30		
	15.06.2015 to 19.06.2015	95,348	0.09	424,442	0.39		
	22.06.2015 to 26.06.2015	22,693	0.02	447,135	0.41		
	29.06.2015 to 03.07.2015	5,412	0.00	452,547	0.41		
	06.07.2015 to 10.07.2015	(93,273)	(0.08)	359,274	0.33		
	13.07.2015 to 17.07.2015	111,333	0.10	470,607	0.43		
	20.07.2015 to 24.07.2015	43,125	0.04	513,732	0.47		
	27.07.2015 to 31.07.2015	67,609	0.06	581,341	0.53		
	03.08.2015 to 07.08.2015	27,938	0.03	609,279	0.55		
	10.08.2015 to 14.08.2015	4,129	0.00	613,408	0.56		
	17.08.2015 to 21.08.2015	(7,601)	(0.01)	605,807	0.55		
	24.08.2015 to 28.08.2015	(559,642)	(0.51)	46,165	0.04		
	31.08.2015 to 04.09.2015	(5,375)	(0.00)	40,790	0.04		
	26.10.2015 to 30.10.2015	(40,750)	(0.00)	40	0.00		
	02.11.2015 to 06.11.2015	400,000	0.36	400,040	0.36		
	09.11.2015 to 13.11.2015	154,385	0.14	554,425	0.50		
	16.11.2015 to 20.11.2015	291,145	0.26	845,570	0.77		
	30.11.2015 to 04.12.2015	(1,830)	(0.00)	843,740	0.76		
	07.12.2015 to 11.12.2015	2,400	0.00	846,140	0.77		
	04.01.2016 to 08.01.2016	103,125	0.09	949,265	0.86		
	18.01.2016 to 22.01.2016	(49,250)	(0.04)	900,015	0.81		
	01.02.2016 to 05.02.2016	(22,875)	(0.02)	877,140	0.79		
	08.02.2016 to 12.02.2016	29,250	0.03	906,390	0.82		
	15.02.2016 to 19.02.2016	(85,500)	(0.08)	820,890	0.74		
	22.02.2016 to 26.02.2016	100,000	0.09	920,890	0.83		
	29.02.2016 to 04.03.2016	100,000	0.09	1,020,890	0.92		
	07.03.2016 to 11.03.2016	300,000	0.27	1,320,890	1.20		
	21.03.2016 to 25.03.2016	12,750	0.01	1,333,640	1.21		

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year (as on 1 st April, 2015) / Date wise Increase / (Decrease) during the year		Cumulative shareholding during the year		Shareholding at the end of the year (as on 31 st March, 2016)	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
2	Life Insurance Corporation of India	1,326,946	1.21			1,326,946	1.20
	Date wise increase / (Decrease)	Number	% age				
	Nil	Nil	Nil	Nil	Nil		
3	Swiss Finance Corporation (Mauritius) Limited*	291,690	0.26			1,063,372	0.96
	Date wise increase / (Decrease)	Number	% age				
	06.04.2015 to 10.04.2015	105,515	0.10	397,205	0.36		
	13.04.2015 to 17.04.2015	(8,604)	(0.01)	388,601	0.35		
	20.04.2015 to 24.04.2015	(30,967)	(0.03)	357,634	0.32		
	27.04.2015 to 01.05.2015	(88,965)	(0.08)	268,669	0.24		
	04.05.2015 to 08.05.2015	(500)	(0.00)	268,169	0.24		
	11.05.2015 to 15.05.2015	33,750	0.03	301,919	0.27		
	18.05.2015 to 22.05.2015	(500)	(0.00)	301,419	0.27		
	25.05.2015 to 29.05.2015	(2,934)	(0.00)	298,485	0.27		
	01.06.2015 to 05.06.2015	(15,555)	(0.01)	282,930	0.26		
	08.06.2015 to 12.06.2015	(28,549)	(0.03)	254,381	0.23		
	15.06.2015 to 19.06.2015	(9,814)	(0.01)	244,567	0.22		
	22.06.2015 to 26.06.2015	23,603	0.02	268,170	0.24		
	29.06.2015 to 30.06.2015	3,375	0.00	271,545	0.25		
	01.07.2015 to 03.07.2015	20,032	0.02	291,577	0.26		
	06.07.2015 to 10.07.2015	32,500	0.03	324,077	0.29		
	13.07.2015 to 17.07.2015	(8,253)	(0.01)	315,824	0.29		
	20.07.2015 to 24.07.2015	11,175	0.01	326,999	0.30		
	27.07.2015 to 31.07.2015	4,972	0.00	331,971	0.30		
	03.08.2015 to 07.08.2015	39,573	0.04	371,544	0.34		
	10.08.2015 to 14.08.2015	3,375	0.00	374,919	0.34		
	17.08.2015 to 21.08.2015	(500)	(0.00)	374,419	0.34		
	24.08.2015 to 28.08.2015	(1,235)	(0.00)	373,184	0.34		
	31.08.2015 to 04.09.2015	(70,241)	(0.06)	302,943	0.27		
	07.09.2015 to 11.09.2015	(13,877)	(0.01)	289,066	0.26		
	14.09.2015 to 18.09.2015	15,250	0.01	304,316	0.28		
	21.09.2015 to 25.09.2015	14,625	0.01	318,941	0.29		
	28.09.2015 to 30.09.2015	10,750	0.01	329,691	0.30		
	26.10.2015 to 30.10.2015	125	0.00	329,816	0.30		
	02.11.2015 to 06.11.2015	(27,750)	(0.03)	302,066	0.27		
	09.11.2015 to 13.11.2015	(21,000)	(0.02)	281,066	0.25		
	16.11.2015 to 20.11.2015	(42,750)	(0.04)	238,316	0.22		
23.11.2015 to 27.11.2015	(467)	(0.00)	237,849	0.22			
30.11.2015 to 04.12.2015	11,141	0.01	248,990	0.23			
14.12.2015 to 18.12.2015	5,625	0.01	254,615	0.23			
21.12.2015 to 25.12.2015	55,500	0.05	310,115	0.28			
28.12.2015 to 01.01.2016	(2,625)	(0.00)	307,490	0.28			



Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year (as on 1 st April, 2015) / Date wise Increase / (Decrease) during the year		Cumulative shareholding during the year		Shareholding at the end of the year (as on 31 st March, 2016)	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
	04.01.2016 to 08.01.2016	112,125	0.10	419,615	0.38		
	11.01.2016 to 15.01.2016	55,875	0.05	475,490	0.43		
	18.01.2016 to 22.01.2016	(8,603)	(0.01)	466,887	0.42		
	25.01.2016 to 29.01.2016	126,753	0.11	593,640	0.54		
	01.02.2016 to 05.02.2016	114,974	0.10	708,614	0.64		
	08.02.2016 to 12.02.2016	37,405	0.03	746,019	0.68		
	15.02.2016 to 19.02.2016	86,944	0.08	832,963	0.75		
	22.02.2016 to 26.02.2016	200,941	0.18	1,033,904	0.94		
	29.02.2016 to 04.03.2016	(70,670)	(0.06)	963,234	0.87		
	07.03.2016 to 11.03.2016	(27,235)	(0.02)	935,999	0.85		
	14.03.2016 to 18.03.2016	36,000	0.03	971,999	0.88		
	21.03.2016 to 25.03.2016	53,125	0.05	1,025,124	0.93		
	28.03.2016 to 31.03.2016	38,248	0.03	1,063,372	0.96		
4	DSP Blackrock Small and Mid Cap Fund*	-	0.00			952,745	0.86
	Date wise increase / (Decrease)	Number	% age				
	28.09.2015 to 30.09.2015	120,093	0.11	120,093	0.11		
	05.10.2015 to 09.10.2015	353,834	0.32	473,927	0.43		
	12.10.2015 to 16.10.2015	183,506	0.17	657,433	0.59		
	19.10.2015 to 23.10.2015	117,035	0.11	774,468	0.70		
	26.10.2015 to 30.10.2015	96,511	0.09	870,979	0.79		
	28.12.2015 to 31.12.2015	(69,419)	(0.06)	801,560	0.73		
	04.01.2016 to 08.01.2016	(35,108)	(0.03)	766,452	0.69		
	11.01.2016 to 15.01.2016	100,025	0.09	866,477	0.78		
	18.01.2016 to 22.01.2016	12,977	0.01	879,454	0.80		
	25.01.2016 to 29.01.2016	78,369	0.07	957,823	0.87		
	08.02.2016 to 12.02.2016	46,611	0.04	1,004,434	0.91		
	29.02.2016 to 04.03.2016	(10,137)	(0.01)	994,297	0.90		
	28.03.2016 to 31.03.2016	(41,552)	(0.04)	952,745	0.86		
5	Laxmi Shivanand Mankekar*	25	0.00			700,025	0.63
	Date wise increase / (Decrease)	Number	% age				
	22.02.2016 to 26.02.2016	(24)	(0.00)	1	0.00		
	29.02.2016 to 04.03.2016	700,024	0.63	700,025	0.63		
6	Abu Dhabi Investment Authority - Behave*	14285	0.01			698,285	0.63
	Date wise increase / (Decrease)	Number	% age				
	05.10.2015 to 09.10.2015	211,500	0.19	225,785	0.20		
	02.11.2015 to 06.11.2015	74,400	0.07	300,185	0.27		
	28.12.2015 to 31.12.2015	116,500	0.11	416,685	0.38		
	15.02.2016 to 19.02.2016	127,600	0.12	544,285	0.49		
	22.02.2016 to 26.02.2016	154,000	0.14	698,285	0.63		

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year (as on 1 st April, 2015) / Date wise Increase / (Decrease) during the year		Cumulative shareholding during the year		Shareholding at the end of the year (as on 31 st March, 2016)	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
7	TIMF Holdings*	–	0.00			620,203	0.56
	Date wise increase / (Decrease)	Number	% age				
	16.11.2015 to 20.11.2015	200,000	0.18	200,000	0.18		
	23.11.2015 to 27.11.2015	200,000	0.18	400,000	0.36		
	18.01.2016 to 22.01.2016	120,203	0.11	520,203	0.47		
	01.02.2016 to 05.02.2016	100,000	0.09	620,203	0.56		
8	Causeway Emerging Markets Fund*	–	0.00			581,044	0.53
	Date wise increase / (Decrease)	Number	% age				
	07.03.2016 to 11.03.2016	515,911	0.47	515,911	0.47		
	14.03.2016 to 18.03.2016	16,668	0.02	532,579	0.48		
	28.03.2016 to 31.03.2016	48,465	0.04	581,044	0.53		
9	Vanguard Emerging Markets Stock Index Fund, A Series of Vanguard International Equity Index Fund	606,253	0.55			512,745	0.46
	Date wise increase / (Decrease)	Number	% age				
	27.04.2015 to 01.05.2015	352	0.00	606,605	0.55		
	04.05.2015 to 08.05.2015	400	0.00	607,005	0.55		
	16.11.2015 to 20.11.2015	(22,019)	(0.02)	584,986	0.53		
	23.11.2015 to 27.11.2015	(5,138)	(0.00)	579,848	0.52		
	30.11.2015 to 04.12.2015	(18,789)	(0.02)	561,059	0.51		
	14.12.2015 to 18.12.2015	(3,024)	(0.00)	558,035	0.50		
	21.12.2015 to 25.12.2015	(1,530)	(0.00)	556,505	0.50		
	11.01.2016 to 15.01.2016	(4,263)	(0.00)	552,242	0.50		
	18.01.2016 to 22.01.2016	(3,205)	(0.00)	549,037	0.50		
	25.01.2016 to 29.01.2016	(1,514)	(0.00)	547,523	0.50		
	01.02.2016 to 05.02.2016	(7,869)	(0.01)	539,654	0.49		
	08.02.2016 to 12.02.2016	(2,835)	(0.00)	536,819	0.49		
	22.02.2016 to 26.02.2016	(12,459)	(0.01)	524,360	0.47		
29.02.2016 to 04.03.2016	(13,435)	(0.01)	510,925	0.46			
07.03.2016 to 11.03.2016	1,820	0.00	512,745	0.46			
10	Shivanand Shankar Mankekar*	51	0.00			410,051	0.37
	Date wise increase / (Decrease)	Number	% age				
	14.09.2015 to 18.09.2015	565,000	0.51	565,051	0.51		
	21.09.2015 to 25.09.2015	337,500	0.31	902,551	0.82		
	28.09.2015 to 30.09.2015	202,500	0.18	1,105,051	1.00		
	25.01.2016 to 29.01.2016	5,000	0.00	1,110,051	1.00		
	29.02.2016 to 04.03.2016	(700,000)	(0.63)	410,051	0.37		
11	Government Pension Fund Global#	1,009,994	0.92			358,791	0.32
	Date wise increase / (Decrease)	Number	% age				
	06.04.2015 to 10.04.2015	(326,655)	(0.30)	683,339	0.62		
	07.12.2015 to 11.12.2015	(144,204)	(0.13)	539,135	0.49		
	14.12.2015 to 18.12.2015	(54,118)	(0.05)	485,017	0.44		
21.12.2015 to 25.12.2015	(126,226)	(0.11)	358,791	0.32			



Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year (as on 1 st April, 2015) / Date wise Increase / (Decrease) during the year		Cumulative shareholding during the year		Shareholding at the end of the year (as on 31 st March, 2016)	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
12	Dimensional Emerging Markets Value Fund#	509,935	0.46			276,374	0.25
	Date wise increase / (Decrease)	Number	% age				
	22.06.2015 to 26.06.2015	(39,104)	(0.04)	470,831	0.43		
	07.12.2015 to 11.12.2015	(22,650)	(0.02)	448,181	0.41		
	14.12.2015 to 18.12.2015	(30,295)	(0.03)	417,886	0.38		
	28.12.2015 to 31.12.2015	(13,416)	(0.01)	404,470	0.37		
	01.01.2016 to 01.01.2016	(9,508)	(0.01)	394,962	0.36		
	04.01.2016 to 08.01.2016	(75,485)	(0.07)	319,477	0.29		
	11.01.2016 to 15.01.2016	(40,162)	(0.04)	279,315	0.25		
	18.01.2016 to 22.01.2016	(2,941)	(0.00)	276,374	0.25		
13	Credit Suisse (Singapore) Limited#	617,286	0.56			103,417	0.09
	Date wise increase / (Decrease)	Number	% age				
	06.04.2015 to 10.04.2015	(67,611)	(0.06)	549,675	0.50		
	13.04.2015 to 17.04.2015	(16,782)	(0.02)	532,893	0.48		
	20.04.2015 to 24.04.2015	(3,872)	(0.00)	529,021	0.48		
	27.04.2015 to 01.05.2015	(3,000)	(0.00)	526,021	0.48		
	04.05.2015 to 08.05.2015	1,625	0.00	527,646	0.48		
	11.05.2015 to 15.05.2015	(20,429)	(0.02)	507,217	0.46		
	18.05.2015 to 22.05.2015	37,125	0.03	544,342	0.49		
	01.06.2015 to 05.06.2015	1,669	0.00	546,011	0.50		
	22.06.2015 to 26.06.2015	(4,050)	(0.00)	541,961	0.49		
	06.07.2015 to 10.07.2015	389	0.00	542,350	0.49		
	03.08.2015 to 07.08.2015	(8,337)	(0.01)	534,013	0.48		
	10.08.2015 to 14.08.2015	(38,558)	(0.03)	495,455	0.45		
	17.08.2015 to 21.08.2015	(267,078)	(0.24)	228,377	0.21		
	24.08.2015 to 28.08.2015	(183,876)	(0.17)	44,501	0.04		
	31.08.2015 to 04.09.2015	(9,719)	(0.01)	34,782	0.03		
	21.09.2015 to 25.09.2015	581	0.00	35,363	0.03		
	12.10.2015 to 16.10.2015	(581)	(0.00)	34,782	0.03		
	26.10.2015 to 30.10.2015	(29,384)	(0.03)	5,398	0.00		
	02.11.2015 to 06.11.2015	397	0.00	5,795	0.01		
	07.12.2015 to 11.12.2015	9,704	0.01	15,499	0.01		
	28.12.2015 to 31.12.2015	2,692	0.00	18,191	0.02		
	01.01.2016 to 01.01.2016	1,655	0.00	19,846	0.02		
	04.01.2016 to 08.01.2016	124,974	0.11	144,820	0.13		
	11.01.2016 to 15.01.2016	(1,445)	(0.00)	143,375	0.13		
	18.01.2016 to 22.01.2016	(1,445)	(0.00)	141,930	0.13		
	25.01.2016 to 29.01.2016	(1,230)	(0.00)	140,700	0.13		
	01.02.2016 to 05.02.2016	(1,118)	(0.00)	139,582	0.13		
	08.02.2016 to 12.02.2016	73,774	0.07	213,356	0.19		
15.02.2016 to 19.02.2016	151	0.00	213,507	0.19			

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year (as on 1 st April, 2015) / Date wise Increase / (Decrease) during the year		Cumulative shareholding during the year		Shareholding at the end of the year (as on 31 st March, 2016)	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
	22.02.2016 to 26.02.2016	(38,875)	(0.04)	174,632	0.16		
	29.02.2016 to 04.03.2016	(26,140)	(0.02)	148,492	0.13		
	07.03.2016 to 11.03.2016	(42,075)	(0.04)	106,417	0.10		
	14.03.2016 to 18.03.2016	(3,000)	(0.00)	103,417	0.09		
14	Wisdomtree India Investment Portfolio Inc.#	447,590	0.41			85,386	0.08
	Date wise increase / (Decrease)	Number	% age				
	06.04.2015 to 10.04.2015	1,710	0.00	449,300	0.41		
	13.04.2015 to 17.04.2015	(31,248)	(0.03)	418,052	0.38		
	27.04.2015 to 01.05.2015	1,598	0.00	419,650	0.38		
	04.05.2015 to 08.05.2015	3,995	0.00	423,645	0.38		
	11.05.2015 to 15.05.2015	7,990	0.01	431,635	0.39		
	18.05.2015 to 22.05.2015	9,588	0.01	441,223	0.40		
	25.05.2015 to 29.05.2015	11,193	0.01	452,416	0.41		
	01.06.2015 to 05.06.2015	8,800	0.01	461,216	0.42		
	08.06.2015 to 12.06.2015	2,430	0.00	463,646	0.42		
	22.06.2015 to 26.06.2015	(64,645)	(0.06)	399,001	0.36		
	06.07.2015 to 10.07.2015	(1,396)	(0.00)	397,605	0.36		
	20.07.2015 to 24.07.2015	(13,626)	(0.01)	383,979	0.35		
	27.07.2015 to 31.07.2015	(12,795)	(0.01)	371,184	0.34		
	03.08.2015 to 07.08.2015	(23,903)	(0.02)	347,281	0.31		
	10.08.2015 to 14.08.2015	(25,850)	(0.02)	321,431	0.29		
	17.08.2015 to 21.08.2015	(4,641)	(0.00)	316,790	0.29		
	24.08.2015 to 28.08.2015	(24,516)	(0.02)	292,274	0.26		
	31.08.2015 to 04.09.2015	(5,958)	(0.01)	286,316	0.26		
	07.09.2015 to 11.09.2015	(2,648)	(0.00)	283,668	0.26		
	21.09.2015 to 25.09.2015	(185,995)	(0.17)	97,673	0.09		
	12.10.2015 to 16.10.2015	708	0.00	98,381	0.09		
	19.10.2015 to 23.10.2015	708	0.00	99,089	0.09		
	09.11.2015 to 13.11.2015	(3,290)	(0.00)	95,799	0.09		
	30.11.2015 to 04.12.2015	(944)	(0.00)	94,855	0.09		
	07.12.2015 to 11.12.2015	(472)	(0.00)	94,383	0.09		
	14.12.2015 to 18.12.2015	(1,175)	(0.00)	93,208	0.08		
	21.12.2015 to 25.12.2015	(1,410)	(0.00)	91,798	0.08		
	28.12.2015 to 31.12.2015	(2,827)	(0.00)	88,971	0.08		
	04.01.2016 to 08.01.2016	(2,115)	(0.00)	86,856	0.08		
	11.01.2016 to 15.01.2016	(2,115)	(0.00)	84,741	0.08		
	25.01.2016 to 29.01.2016	(1,150)	(0.00)	83,591	0.08		
	01.02.2016 to 05.02.2016	(3,220)	(0.00)	80,371	0.07		
	14.03.2016 to 18.03.2016	3,890	0.00	84,261	0.08		
	21.03.2016 to 25.03.2016	1,125	0.00	85,386	0.08		

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year (as on 1 st April, 2015) / Date wise Increase / (Decrease) during the year		Cumulative shareholding during the year		Shareholding at the end of the year (as on 31 st March, 2016)	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
15	Macquarie Emerging Markets Asian Trading Pte. Ltd.#	367,000	0.33			19,500	0.02
	Date wise increase / (Decrease)	Number	% age				
	06.04.2015 to 10.04.2015	69,000	0.06	436,000	0.40		
	13.04.2015 to 17.04.2015	(116,000)	(0.11)	320,000	0.29		
	20.04.2015 to 24.04.2015	(114,000)	(0.10)	206,000	0.19		
	27.04.2015 to 01.05.2015	(101,000)	(0.09)	105,000	0.10		
	04.05.2015 to 08.05.2015	15,625	0.01	120,625	0.11		
	11.05.2015 to 15.05.2015	9,750	0.01	130,375	0.12		
	18.05.2015 to 22.05.2015	106,000	0.10	236,375	0.21		
	25.05.2015 to 29.05.2015	(13,375)	(0.01)	223,000	0.20		
	01.06.2015 to 05.06.2015	92,000	0.08	315,000	0.29		
	08.06.2015 to 12.06.2015	(117,750)	(0.11)	197,250	0.18		
	15.06.2015 to 19.06.2015	55,750	0.05	253,000	0.23		
	22.06.2015 to 26.06.2015	67,000	0.06	320,000	0.29		
	29.06.2015 to 30.06.2015	53,875	0.05	373,875	0.34		
	01.07.2015 to 03.07.2015	(375)	(0.00)	373,500	0.34		
	06.07.2015 to 10.07.2015	89,125	0.08	462,625	0.42		
	20.07.2015 to 24.07.2015	(62,750)	(0.06)	399,875	0.36		
	27.07.2015 to 31.07.2015	(279,250)	(0.25)	120,625	0.11		
	03.08.2015 to 07.08.2015	(26,750)	(0.02)	93,875	0.08		
	10.08.2015 to 14.08.2015	(35,875)	(0.03)	58,000	0.05		
	17.08.2015 to 21.08.2015	1,750	0.00	59,750	0.05		
	24.08.2015 to 28.08.2015	(5,875)	(0.01)	53,875	0.05		
	31.08.2015 to 04.09.2015	12,250	0.01	66,125	0.06		
	07.09.2015 to 11.09.2015	255,125	0.23	321,250	0.29		
	14.09.2015 to 18.09.2015	72,375	0.07	393,625	0.36		
	21.09.2015 to 25.09.2015	(141,250)	(0.13)	252,375	0.23		
	28.09.2015 to 30.09.2015	(142,125)	(0.13)	110,250	0.10		
	05.10.2015 to 09.10.2015	(63,875)	(0.06)	46,375	0.04		
	12.10.2015 to 16.10.2015	12,250	0.01	58,625	0.05		
	19.10.2015 to 23.10.2015	60,314	0.05	118,939	0.11		
	26.10.2015 to 30.10.2015	48,500	0.04	167,439	0.15		
	02.11.2015 to 06.11.2015	(83,500)	(0.08)	83,939	0.08		
	09.11.2015 to 13.11.2015	(375)	(0.00)	83,564	0.08		
	16.11.2015 to 20.11.2015	(4,875)	(0.00)	78,689	0.07		
	23.11.2015 to 27.11.2015	(46,875)	(0.04)	31,814	0.03		
	30.11.2015 to 04.12.2015	22,125	0.02	53,939	0.05		
	07.12.2015 to 11.12.2015	45,750	0.04	99,689	0.09		
	14.12.2015 to 18.12.2015	55,125	0.05	154,814	0.14		
	21.12.2015 to 25.12.2015	102,750	0.09	257,564	0.23		
	28.12.2015 to 31.12.2015	26,250	0.02	283,814	0.26		

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year (as on 1 st April, 2015) / Date wise Increase / (Decrease) during the year		Cumulative shareholding during the year		Shareholding at the end of the year (as on 31 st March, 2016)	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
	04.01.2016 to 08.01.2016	73,875	0.07	357,689	0.32		
	11.01.2016 to 15.01.2016	43,875	0.04	401,564	0.36		
	18.01.2016 to 22.01.2016	(383,200)	(0.35)	18,364	0.02		
	25.01.2016 to 29.01.2016	(18,000)	(0.02)	364	0.00		
	28.03.2016 to 31.03.2016	19,136	0.02	19,500	0.02		
16	Stichting Pensioenfunds ABP#	745,265	0.68			Nil	Nil
	Date wise increase / (Decrease)	Number	% age				
	06.04.2015 to 10.04.2015	(223,906)	(0.20)	521,359	0.47		
	13.04.2015 to 17.04.2015	(116,504)	(0.11)	404,855	0.37		
	27.04.2015 to 01.05.2015	120,150	0.11	525,005	0.48		
	01.06.2015 to 05.06.2015	32,992	0.03	557,997	0.51		
	27.07.2015 to 31.07.2015	12,415	0.01	570,412	0.52		
	17.08.2015 to 21.08.2015	(570,412)	(0.52)	–	–		
17	Goldman Sachs (Singapore) Pte#	411,522	0.37			Nil	Nil
	Date wise increase / (Decrease)	Number	% age				
	06.04.2015 to 10.04.2015	(80,347)	(0.07)	331,175	0.30		
	13.04.2015 to 17.04.2015	(32,756)	(0.03)	298,419	0.27		
	20.04.2015 to 24.04.2015	108,816	0.10	407,235	0.37		
	27.04.2015 to 01.05.2015	133,499	0.12	540,734	0.49		
	04.05.2015 to 08.05.2015	(11,374)	(0.01)	529,360	0.48		
	11.05.2015 to 15.05.2015	(198,763)	(0.18)	330,597	0.30		
	18.05.2015 to 22.05.2015	(6,175)	(0.01)	324,422	0.29		
	25.05.2015 to 29.05.2015	(24,868)	(0.02)	299,554	0.27		
	01.06.2015 to 05.06.2015	3,684	0.00	303,238	0.28		
	08.06.2015 to 12.06.2015	(50,471)	(0.05)	252,767	0.23		
	15.06.2015 to 19.06.2015	(68,366)	(0.06)	184,401	0.17		
	22.06.2015 to 26.06.2015	(24,980)	(0.02)	159,421	0.14		
	29.06.2015 to 30.06.2015	(35,981)	(0.03)	123,440	0.11		
	01.07.2015 to 03.07.2015	(5,508)	(0.00)	117,932	0.11		
	06.07.2015 to 10.07.2015	(106,872)	(0.10)	11,060	0.01		
	17.08.2015 to 21.08.2015	(8,384)	(0.01)	2,676	0.00		
	24.08.2015 to 28.08.2015	(2,676)	(0.00)	–	–		
18	Goldman Sachs India Fund Limited#	401,731	0.36			Nil	Nil
	Date wise increase / (Decrease)	Number	% age				
	20.04.2015 to 24.04.2015	25,922	0.02	427,653	0.39		
	01.06.2015 to 05.06.2015	18,913	0.02	446,566	0.41		
	27.07.2015 to 31.07.2015	23,505	0.02	470,071	0.43		
	04.01.2016 to 08.01.2016	(470,071)	(0.43)	–	–		

Notes:

- The above increase/decrease is due to buy/sell transaction(s) as per weekly BENPOS.
- * Represents shareholders not in the list of Top 10 shareholders as on 1st April 2015. However, the same has been reflected above since the shareholder was one of the Top 10 shareholders as on 31st March, 2016.
- # Represents shareholders that ceased to be in the list of Top 10 shareholders as on 31st March 2016. However, the same is reflected above since the shareholder was one of the Top 10 shareholders as on 1st April, 2015.



(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year (as on 1 st April, 2015)		Cumulative Shareholding during the year		Shareholding at the end of the year (as on 31 st March, 2016)	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1.	Dr. H. F. Khorakiwala, Chairman	4,42,785	0.40	4,42,785	0.40	4,42,785	0.40
2.	Mr. Shekhar Datta, Non-Executive Independent Director	4,100	0.004	4,100	0.004	4,100	0.004
3.	Mr. Aman Mehta, Non-Executive Independent Director	2,500	0.002	2,500	0.002	2,500	0.002
4.	Mr. Davinder Singh Brar, Non-Executive Independent Director	500	0.0005	500	0.0005	500	0.0005
5.	Dr. Sanjaya Baru, Non-Executive Independent Director	Nil	Nil	500	0.0005	500	0.0005
6.	Mr. Baldev Raj Arora, Non-Executive Independent Director	N.A.	N.A.	Nil	Nil	Nil	Nil
7.	Ms. Tasneem Mehta, Non-Executive Independent Director	Nil	Nil	Nil	Nil	Nil	Nil
8.	Dr. Huzaifa Khorakiwala, Executive Director	2,16,000	0.20	2,16,000	0.20	2,16,000	0.20
9.	Dr. Murtaza Khorakiwala, Managing Director	2,26,200	0.21	2,26,200	0.21	2,26,200	0.21
10.	Mr. Manas Datta, Chief Financial Officer	Nil	Nil	Nil	Nil	Nil	Nil
11.	Mr. Narendra Singh, Company Secretary	N.A.	N.A.	Nil	Nil	Nil	Nil
Date wise Increase/Decrease in Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc.):		Pursuant to exercise of Stock Options, granted on 7 th March, 2013, 500 Equity Shares were allotted to Dr. Sanjay Baru on 16 th December, 2015.					

V. INDEBTEDNESS

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year (i.e., 1 st April, 2015)				
i) Principal Amount	833.64	6.03	Nil	839.67
ii) Interest due but not paid	Nil	Nil	Nil	Nil
iii) Interest accrued but not due	0.31	0.15	Nil	0.46
Total (i+ii+iii)	833.95	6.18	Nil	840.13
Change in Indebtedness during the financial year 2015-16				
i) Addition	1,211.38*	0.11	Nil	1,211.49
ii) Reduction	(322.84)	(1.66)	Nil	(324.50)
Net Change	888.54	(1.55)	Nil	886.99
Indebtedness at the end of the financial year (i.e., 31 st March, 2016)				
i) Principal Amount	1,713.29	4.57	Nil	1,717.86
ii) Interest due but not paid	Nil	Nil	Nil	Nil
iii) Interest accrued but not due	9.20	0.06	Nil	9.26
Total (i+ii+iii)	1,722.49	4.63	Nil	1,727.12

* Includes impact of exchange fluctuation also.

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Amount in ₹ crore

Sl. No.	Particulars of Remuneration	Name of MD/WTD/Manager			Total Amount
		Dr. H. F. Khorakiwala, Chairman	Dr. Huzaifa Khorakiwala, Executive Director	Dr. Murtaza Khorakiwala, Managing Director	
1.	Gross salary				
	(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	1.32	1.328	1.328	3.976
	(b) Value of perquisites u/s 17(2) of Income-tax Act, 1961				
	(c) Profits in lieu of salary u/s 17(3) of Income-tax Act, 1961	Nil	Nil	Nil	Nil
2.	Stock Option				
3.	Sweat Equity				
4.	Commission - as % of profit - others, specify...	Nil	Nil	Nil	Nil
5.	Others, please specify				
	Total (A)	1.32	1.328	1.328	3.976
	Ceiling as per the Act	1.32	1.328*	1.328*	3.976

* The amount mentioned in ceiling is as per the approval received from the Central Government i.e. Ministry of Corporate Affairs, New Delhi

B. Remuneration to other directors:

Amount in ₹ crore

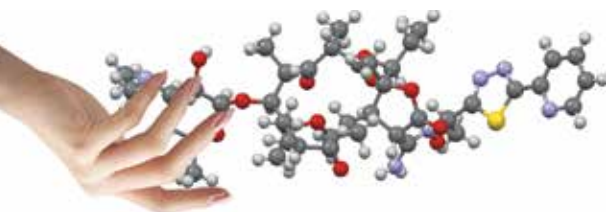
Sl. No.	Particulars of Remuneration	Name of Directors						Total Amount
		Mr. Shekhar Datta	Mr. Aman Mehta	Mr. Davinder Singh Brar	Dr. Sanjaya Baru	Mr. Baldev Raj Arora	Ms. Tasneem Mehta	
1.	Independent Directors							
	• Fee for attending board/committee meetings	0.12	0.12	0.12	0.12	0.11	0.12	0.71
	• Commission	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	• Others, please specify*	-	-	-	0.08	Nil	Nil	0.08
	Total (1)	0.12	0.12	0.12	0.20	0.11	0.12	0.79
2.	Other Non-Executive Directors							
	• Fee for attending board/committee meetings	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
	• Commission							
	• Others, please specify							
	Total (2)	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
	Total (B)=(1+2)	0.12	0.12	0.12	0.20	0.11	0.12	0.79
	Total Managerial Remuneration**							3.976
	Overall Ceiling as per the Act							3.976

Notes:

1 * Perquisite value arising out of exercise of stock options.

2 ** Total Managerial Remuneration consists of remuneration to Whole-time Directors of the Company as detailed in point VI A above.

3. The Company does not have any Non-Independent Non-Executive Director.



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

Amount in ₹ crore

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	Chief Financial Officer	Total
1.	Gross salary	N.A.			
	(a) Salary as per provisions contained in section 17(1) of Income-tax Act, 1961		0.360	0.902	1.262
	(b) Value of perquisites u/s 17(2) of Income-tax Act, 1961		0.075	0.103	0.178
	(c) Profits in lieu of salary under section 17(3) of Income-tax Act, 1961		Nil	Nil	Nil
2.	Stock Option				
3.	Sweat Equity				
4.	Commission – as % of profit – others, specify...			NIL	
5.	Others, please specify				
	Total		0.435	1.005	1.440

Note: The above remuneration is paid to CS and CFO during the financial year 2015-16.

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:

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

For and on behalf of the Board

Dr. H. F. KHORAKIWALA
Chairman
DIN: 00045608

ANNEXURE III TO THE BOARD'S REPORT

Disclosures pursuant to SEBI (Share Based Employee Benefits) Regulations, 2014 regarding stock options are as hereunder and a web link thereto: <http://www.wockhardt.com/investor-connect/other-shareholders-services.aspx>

Wockhardt Employees' Stock Option Scheme-2011 ('Wockhardt ESOS-2011') – General terms and conditions:

Date of Shareholders' approval	12 th September, 2011
Total number of options approved under ESOS	25,00,000 options
Vesting requirements	Option granted would vest after the expiry of one year from the date of grant of options and not later than the expiry of 10 years from the date of grant of options.
Exercise price or pricing formula	The exercise price shall be at such discount, if any, to the market price on the date of grant as may be decided by the ESOS Compensation Committee at the time of each grant and the price shall not be less than the face value of shares.
Maximum term of options granted	10 years from the date of grant of options
Source of shares	Primary
Variation in terms of options	Not Applicable
Method used to account for ESOS	Intrinsic Value Method

Option movement during the year ended 31st March, 2016:

Sl. No.	Description	Wockhardt ESOS-2011
1	Number of options outstanding as on 1 st April, 2015	12,43,500
2	Number of options granted during the year	Nil
3	Number of options forfeited/lapsed during the year	1,08,750
4	Number of options vested during the year	5,84,000
5	Number of options exercised during the year	4,36,000
6	Number of shares arising as a result of exercise of options	4,36,000 Equity Shares
7	Money realized by exercise of options (INR), if scheme is implemented directly by the Company	₹ 41,40,000
8	Loan repaid by the Trust during the year from exercise price received	Not Applicable
9	Number of options outstanding as on 31 st March, 2016	6,98,750
10	Number of options exercisable as on 31 st March, 2016	2,64,500
11	Details of options granted to Key Managerial Personnel	Nil
12	Any other employee who receives a grant in any one year of option amounting to 5% or more of option granted during the year.	N.A.
13	Identified employees who were granted option, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant	Nil
14	Diluted Earnings Per Share (EPS) pursuant to issue of shares on exercise of options during the year calculated in accordance with Accounting Standard (AS-20)	₹ 2.95
15	Where the Company has calculated employee compensation cost using the intrinsic value of the stock options, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used fair value of the options, shall be disclosed. The impact of this difference on profits and on EPS of the Company	The Company has calculated employee compensation cost using the intrinsic value of the stock options. In case, the employee compensation cost would had been calculated using the fair value of the options based on Black-Scholes model, it would have been higher by ₹ 0.03 crore during the year 2015-16 and accordingly the profit after tax would have been lower by ₹ 0.03 crore and Earning per share lower by ₹ 0.002.

Sl. No.	Description	ESOP PLAN - 2011
16	Weighted Average Exercise Price and weighted average fair values of options disclosed separately for options whose exercise price either equals or exceeds or is less than market price of the stock	<p>Weighted Average Exercise Price: Relating to Grant made in FY 2011-12: ₹ 37.65/- Relating to Grant made in FY 2012-13 and 2014-15: ₹ 5/-</p> <p>Weighted Average Fair value of options: Relating to FY 2011-12</p> <ul style="list-style-type: none"> • For 60,000 options having exercise price of ₹ 397/- per option is ₹ 106.47/- • For 60,000 options having exercise price of ₹ 365/- per option is ₹ 142.60/- • For 1,420,000 options having exercise price of ₹ 5/- per option is ₹ 410.14/- <p>Relating to FY 2012-13</p> <ul style="list-style-type: none"> • For 350,000 options having exercise price of ₹ 5/- per option is Rs. 894.56/- • For 8,500 options having exercise price of ₹ 5/- per option is ₹ 1,949.76/- <p>Relating to FY 2014-15</p> <ul style="list-style-type: none"> • For 200,000 options having exercise price of ₹ 5/- per option is ₹ 588.29/-

A description of the method and significant assumptions used during the year to estimate the fair value of options is given below:

- The weighted-average values of share price at the time of grant are in the range of ₹ 414/- to ₹ 1,954.20/-.
- Exercise price are in the range of ₹ 5/- to ₹ 397/-.
- Fair value is calculated by using Black-Scholes option pricing formula.
- Stock Price: The closing price on National Stock Exchange of India Limited (NSE) as on the date prior to the date of grant has been considered for valuing the options granted.
- Volatility amount: This is the amount by which stock price is fluctuated or is expected to fluctuate. The method used in the model is the annualized standard deviation of the continuously compounded rates of return on the stock over a period of 12 months.
- Risk free interest rate: The yield on government securities at the time of grant of options is the basis of this rate and has been taken as 8.64%.
- Expected Life: The exercise period given for the option granted is one year from date of vesting. For the fair value determination, it has been assumed that on an average the exercise of options will take place at the end of six months from the date of vesting.
- Expected Dividend: As the stock prices for one year have been considered, the price movement on account of the dividend is already factored in and hence not separately built in.
- The early exercise part is incorporated in the assumption of 'years to maturity' which is an assumption of average time for exercise of options.
- The market price volatility is based on share price variation for the year prior to the date of grant.
- No other feature has been considered for fair valuation of options.

For and on behalf of the Board

Dr. H. F. KHORAKIWALA
 Chairman
 DIN: 00045608

**ANNEXURE IV TO THE BOARD'S REPORT
REPORT ON CSR ACTIVITIES/INITIATIVES**

[Pursuant to Section 135 of the Companies Act, 2013 and Rules made thereunder]

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

In accordance with the Companies Act, 2013 and the Rules made thereunder, the Company has well framed CSR Policy and web link thereto: <http://www.wockhardt.com/files/csr-policy.pdf>

The Company's CSR Policy aims at excellence through service to local communities wherein the Company operates with the involvement of employees. The focus areas for CSR are Healthcare, Education, Infrastructure development and Promoting social causes. Various CSR projects that may be undertaken as part of CSR activities are as under:

- a) **Mobile 1000** – The project aims at running mobile vans and provide free primary healthcare in rural areas all over India.
- b) **SHUDHU** – To provide safe drinking water.
- c) **E-Learning** – Promoting academic excellence in rural areas through quality and innovative teaching methods.
- d) **Khel Khel Mein** – Promoting values and good habits through fun and play in urban slum localities.
- e) **Bio Toilet** – To ensure pure waste discharge from a toilet, thus playing a critical role in preventable healthcare.
- f) **Adarsh Gram Yojna** – The project aims at adoption of village for its upliftment.
- g) **Little Hearts** – To save life of children born with heart defects.

The CSR activities are implemented through Wockhardt Foundation, CSR arm of the Company under visionary leadership of its Trustee & CEO, Dr. Huzaifa Khorakiwala. A robust implementation structure, monitoring process and a team of Programme Heads and Warriors are in place for each CSR Project.

2. The Composition of the CSR Committee: The CSR Committee comprises of:

- Dr. H. F. Khorakiwala – Chairman (Executive)
- Dr. Huzaifa Khorakiwala – Member (Executive)
- Mr. Davinder Singh Brar – Member (Non-Executive Independent)
- Mr. Aman Mehta – Member (Non-Executive Independent)

3. Average Net Profit of the Company for last 3 financial years: Average Net Profit of the Company for the last three financial years as per Section 198 of the Companies Act, 2013 was ₹ (395.90) crores.

4. Prescribed CSR expenditure (2% of the amount as in item 3 above): Not applicable

5. Details of CSR spent during the financial year:

- a) **Total amount to be spent for the financial year:** During the financial year 2015-16, it was not mandatory for the Company to spend on CSR activities since the Average Net Profits for the last three years stood negative. However, as continuing corporate governance practice over the period, the Company has voluntarily contributed an amount of ₹ 8 crores to Wockhardt Foundation, CSR arm of the Company, for spending on the CSR activities. Details of spending are provided in point (c) below:
- b) **Amount un-spent, if any:** Not applicable



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

Amount in ₹ crore

1	2	3	4	5	6	7	8
Sl. No	CSR project or activity identified	Sector in which the Project is covered	Projects or Programs 1. Local area or others 2. Specify the state and district where projects or programs was undertaken	Amount outlay (budget) projects or programs-wise	Amount spent on the projects or programs Sub-heads: 1. Direct expenditure on projects or programs 2. Overheads:	Cumulative expenditure upto the reporting period	Amount spent: Direct or through implementing agency
1.	Mobile 1000	Health Awareness	Mumbai, Maharashtra	1.19	1.19	1.19	Direct
2.	Mobile 1000	Health Awareness	Ankleshwar, Gujarat	0.27	0.27	0.27	Direct
3.	SHUDHU	Health Awareness	J & K and Chennai	0.17	0.17	0.17	Direct
4.	E-Learning	Education	Maharashtra (40 locations), Jaipur (10 locations)	0.55	0.55	0.55	Direct
5.	Khel Khel Mein	Education	Mumbai (10 locations), Maharashtra	0.66	0.66	0.66	Direct
6.	Bio Toilet	Sanitation	Bio Toilets Maharashtra	3.16	3.16	3.16	Direct
7.	Adarsh Gram Yojna	Health/ Education/ Sanitation	Abdimandi Village Maharashtra	2.00	2.00	2.00	Direct

6. In case the company has failed to spend the 2% of the Average Net Profit of the last 3 financial years or any part thereof, reasons for not spending the amount in its Board's Report:

Not applicable

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

Dr. HUZAIFA KHORAKIWALA

Executive Director

DIN: 02191870

Dr. H. F. KHORAKIWALA

Chairman of CSR Committee

DIN: 00045608

ANNEXURE V TO THE BOARD'S REPORT

Form No. AOC-2

[Pursuant to clause (h) of sub-section (3) of section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014]

Disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

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

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

(a)	Name(s) of the related party and nature of relationship	Wockhardt Bio AG, subsidiary of the Company.
(b)	Nature of contracts/arrangements/ transactions	Transfer or receipt of products, goods, materials, services etc.
(c)	Duration of the contracts/arrangements/ transactions	Continuous basis
(d)	Salient terms of the contracts/arrangements/ transactions including the value, if any	During the year 2015-16, transactions relating to management fees, outlicensing fees, sale of goods, guarantee fees, export advances etc. were entered into with Wockhardt Bio AG aggregating to ₹ 985.83 crore.
(e)	Date(s) of approval by the Board, if any	Please refer Note below
(f)	Amount paid as advances, if any	N.A.

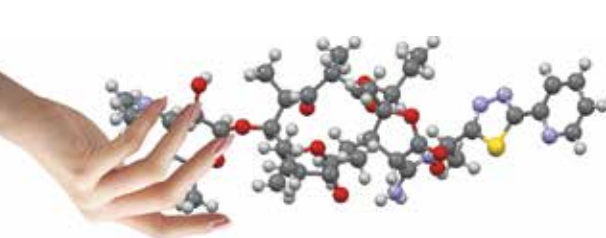
Note: As per Regulation 23 of the SEBI Listing Regulations, transactions with Wockhardt Bio AG were considered material and approval of shareholders has been obtained at the Annual General Meeting held on 15th September, 2014 for an estimated amount around USD 500 million every financial year.

For and on behalf of the Board

Dr. H. F. KHORAKIWALA

Chairman

DIN: 00045608



ANNEXURE VI TO THE BOARD'S REPORT

Disclosure pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014

(i) **Ratio of the remuneration of each director to the median remuneration of the employees of the Company for the year 2015-16:**

Name of Director	Designation	Ratio of the remuneration of director to the median remuneration of the employees for the year 2015-16
Dr. H. F. Khorakiwala	Chairman	44:1
Dr. Huzaifa Khorakiwala	Executive Director	44:1
Dr. Murtaza Khorakiwala	Managing Director	44:1
Mr. Shekhar Datta	Independent Director	4:1
Mr. Aman Mehta	Independent Director	4:1
Mr. Davinder Singh Brar	Independent Director	4:1
Dr. Sanjaya Baru	Independent Director	7:1
Mr. Baldev Raj Arora	Independent Director	4:1
Ms. Tasneem Mehta	Independent Director	4:1

Note: Remuneration of Independent Directors includes the sitting fees paid to them for attending Board/Committee Meetings.

(ii) **The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year:**

The Non-Executive Independent Directors are being paid sitting fee of ₹ 1,00,000/- per meeting for attending Board/certain Committee meetings.

The remunerations of Dr. H. F. Khorakiwala, Chairman, Dr. Huzaifa Khorakiwala, Executive Director and Dr. Murtaza Khorakiwala, Managing Director are in accordance with the requisite approvals of the shareholders and the Central Government, as the case may be.

The percentage increase in remuneration of Mr. Manas Datta, Chief Financial Officer (CFO) of the Company is 8%.

Mr. Narendra Singh was appointed as a Company Secretary (CS) on 28th May, 2015. Accordingly, the detail of increase in his remuneration is not determinable as comparative numbers are not available.

(iii) **The percentage increase in the median remuneration of employees in the financial year:** 13.5%

(iv) **The number of permanent employees on the rolls of Company:** 7,376 as on 31st March, 2016

(v) **The explanation on the relationship between average increase in remuneration and Company performance:**

The increase in remuneration is based on the Company's market competitiveness in the comparator group as well as overall business performance of the Company. The performance pay is also linked to the organization performance and team performance apart from an individual performance.

(vi) **Comparison of the remuneration of the Key Managerial Personnel against the performance of the Company:**

Revenue from operations and profit of the Company for the financial year 2015-16 stood at ₹ 2,225 crore and ₹ 33 crore respectively. The remuneration of the KMPs is also linked to the Company's overall business, financial and operational performance. Remuneration paid to Whole-Time Directors is as per the approval accorded by the Central Government. Remuneration of CFO and CS has been recommended by the Nomination & Remuneration Committee keeping in view the individual experience and profile.

(vii) **Variations in the market capitalisation of the Company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase over decrease in the market quotations of the shares of the Company in comparison to the rate at which the Company came out with the last public offer:**

Market Capitalisation and Price Earnings Ratio

Particulars	31 st March, 2016	31 st March, 2015
Market Capitalisation	₹ 10,763 crore	₹ 20,548 crore
Price Earnings Ratio	327.93	61.88

Market quotation

Closing price at	On 31 st March, 2016 (₹/share) [face value of ₹ 5/- each]	Listed price at*	Date of Listing	Listing Price (₹/share) [face value of ₹ 10/- each]
BSE	973.15	BSE	21 st February, 2000	800.00
NSE	973.95	NSE	23 rd February, 2000	850.00

* The Company has not come out with public offer and hence given initial listing price at BSE & NSE.

- (viii) **Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.**

The remunerations of Dr. H. F. Khorakiwala, Chairman, Dr. Huzaifa Khorakiwala, Executive Director and Dr. Murtaza Khorakiwala, Managing Director is in accordance with the approval received from the shareholders and the Central Government, as the case may be, details of which are provided elsewhere in this report.

However, median salary of the employees other than managerial personnel has been increased by 13.5%.

- (ix) **Comparison of the each remuneration of the Key Managerial Personnel against the performance of the Company:**
The details are provided in point (vi) above.
- (x) **The key parameters for any variable component of remuneration availed by the directors:**
The remuneration drawn by the Directors does not comprise of any variable component.
- (xi) **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: 1:8**

It is hereby affirmed that the remuneration paid during the year 2015-16 is as per the Remuneration Policy of the Company.

For and on behalf of the Board

Dr. H. F. KHORAKIWALA
Chairman
DIN: 00045608

ANNEXURE VII TO THE BOARD'S REPORT

Your Company operates in a safe and environmentally responsible manner for the long-term benefit of all stakeholders. The Company is committed to take effective measures to conserve energy and drive energy efficiency in its operations.

Particulars of Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo required under Rule 8 of the Companies (Accounts) Rules, 2014 are provided below:

(A) CONSERVATION OF ENERGY:

(1) Steps Taken or impact on Conservation of Energy

- Booster pump was installed to boost the return chilled water pressure.
- Natural ventilators installed at PRC panel room & New DG room.
- PRE/PRD-Fabricated and connected water plant drain lines to water storage tank. A water saving of approximately 30KL/day achieved.
- Cooling water header of chillier & process header has been interconnected catering both process and HVAC requirements.
- QC1-Power saving done by reducing VFD freq. from 50 Hz to 35 Hz.
- Street light - Mercury lamp replaced with CFL.
- Temperature Controller installed on cooling tower fan.
- Increasing the sacitization frequency and upkeep of steam generation and distribution.
- Solar Water Heating System installed in Waluj and Shendra Canteen.
- Power factor maintained up to unity.
- Common cooling tower utilized for Chilled water plant and manufacturing block to save energy.
- CFL Lamps replaced by LED lamps in phased manner.
- Installation/commissioning of BMS System.
- Condensate of Dehumidifier and Injection area transferred to boiler feed water tank through condensate recovery pump.
- HVAC system designed with energy efficient blower, motor and maximum air recovery form packing hall HVAC system.
- Chiller Temperature optimized from 4 deg to 6 deg by replacing chilled water coil and old MS piping with new one.
- Installations of Wind ventilator fan at Scrap yard and service floor entrance.
- Timer and controller installed to Cooling tower for operation of Fan as per environmental condition.
- Recycling of RO Reject water in cooling towers and recycling of Ultra Filtration reject water in cooling towers.

The Company had earlier formulated Energy Task force under the leadership of Managing Director to assess and implement various measures for conservation of energy as well as non-polluting energy resources.

(2) Steps taken by the Company for utilizing alternate sources of energy

- Screw type efficient chilled brine plant installed in place of reciprocating type chilled brine plant.
- Use of Briquette Boiler in place of Furnace oil boiler.

(3) The capital investment on energy conservation equipments

The investment on energy conservation equipments is ₹ 15.69 crore during the financial year 2015-16.

(B) TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION:

1. The efforts made towards technology absorption:

The Company sets target for technology improvement based on global competition criteria. Wockhardt scientists undertake specific time-bound programmes to improve technology, which has upscaled gradually until desired results are achieved at the manufacturing level. The Research scientists work in close relation with the manufacturing team to ensure smooth transfer of technology. Appropriate documents are created for quality control and this is monitored both by Wockhardt Quality Control Department and the Corporate Quality Assurance team.

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

- Cost reduction in an inflationary environment.
- The development of several new products and line developments.
- Substitution of imported raw materials.
- Product quality improvement and better stability.
- Export of APIs and finished formulations.

The details of Research & Development have been provided in Management Discussion & Analysis forming part of this Annual Report.

3. **Imported Technology (imported during the last 3 years reckoned from the beginning of the financial year):**

The Company has not imported any technology.

4. **The expenditure incurred on Research and Development:**

Particulars	Consolidated (₹ In crore)	Standalone (₹ In crore)
Capital	170.77	51.18
Revenue	497.76	249.99
Total	668.53	301.17

(C) FOREIGN EXCHANGE EARNINGS & OUTGO

During the year, the Foreign Exchange earnings was ₹ 758.89 crore and Foreign Exchange Outgo was ₹ 287.84 crores. Details of the same have been given in Notes 29, 30 & 31 in the Notes to the Financial Statements.

For and on behalf of the Board

Dr. H. F. KHORAKIWALA
Chairman
DIN: 00045608



**ANNEXURE VIII TO THE BOARD'S REPORT
FORM AOC-1**

[Pursuant to first proviso to sub-section (3) of Section 129 read with Rule 5 of Companies (Accounts) Rules, 2014]
Statement containing salient features of financial statement of subsidiaries/associate companies/ joint ventures

Part 'A' : Subsidiaries

Amount in ₹ Crore

Sl. No.	Name of the Subsidiary	Reporting currency	Exchange rate as on the last date of relevant financial year	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Investments	Turnover	Profit/(Loss) before taxation	Provision for taxation	Profit / (Loss) after taxation	Proposed dividend	% of shareholding
1.	Wockhardt Infrastructure Development Limited	INR	–	2.00	16.56	81.02	62.46	–	35.47	9.25	0.59	8.66	–	100
2.	Z&Z Services GmbH @	EUR	75.4830	0.19	(1.45)	0.62	1.88	–	–	(0.09)	–	(0.09)	–	85.85
3.	Wockhardt Europe Limited	GBP	95.4080	12.47	(2.82)	9.27	0.05	0.43	–	(0.04)	–	(0.04)	–	100
4.	Wockhardt Nigeria Limited	USD	66.2600	0.53	0.01	0.61	0.07	–	–	0.11	–	0.11	–	100
5.	Wockhardt UK Holdings Limited	GBP	95.4080	2.62	95.88	69.89	–	28.61	–	(55.49)	–	(55.49)	–	100
6.	CP Pharmaceuticals Limited @	GBP	95.4080	23.21	629.71	795.41	142.49	–	553.52	221.01	41.93	179.08	–	85.85
7.	CP Pharma (Schweiz) AG @	CHF	68.9990	1.72	(0.37)	1.72	0.37	–	1.03	0.18	–	0.18	–	85.85
8.	Wallis Group Limited	GBP	95.4080	13.44	13.95	–	0.01	27.40	–	(0.13)	–	(0.13)	–	100
9.	The Wallis Laboratory Limited	GBP	95.4080	0.04	(2.05)	–	2.01	–	–	(0.13)	–	(0.13)	–	100
10.	Wockhardt Farmaceutica do Brasil Ltda	USD	66.2600	2.44	(2.43)	0.02	0.01	–	–	(0.04)	–	(0.04)	–	100
11.	Wallis Licensing Limited	GBP	95.4080	–	(10.78)	27.61	38.39	–	–	–	–	–	–	100
12.	Wockhardt USA LLC @	USD	66.2600	13.25	50.03	1,030.44	967.16	–	953.67	19.49	–	19.49	–	85.85
13.	Wockhardt Bio AG	USD	66.2600	372.46	2,603.82	2,566.56	640.06	1,049.78	1,675.43	(120.44)	(22.23)	(98.21)	–	85.85
14.	Wockhardt UK Limited @	GBP	95.4080	0.48	84.17	330.93	246.28	–	746.57	9.28	1.95	7.33	–	85.85
15.	Wockpharma Ireland Limited @	EUR	75.4830	75.49	41.56	0.01	707.26	824.30	–	(22.13)	–	(22.13)	–	85.85
16.	Pinewood Laboratories Limited @	EUR	75.4830	2.82	312.58	410.94	95.54	–	482.17	86.28	6.06	80.22	–	85.85
17.	Wockhardt Holding Corp @	USD	66.2600	0.01	166.25	49.90	158.41	274.77	–	(3.06)	–	(3.06)	–	85.85
18.	Morton Grove Pharmaceuticals Inc @	USD	66.2600	226.34	248.88	651.81	203.12	26.53	455.30	34.87	23.59	11.28	–	85.85
19.	MGP Inc @	USD	66.2600	–	12.70	98.62	85.92	–	56.77	4.44	–	4.44	–	85.85
20.	Wockhardt France (Holdings) S.A.S @	EUR	75.4830	453.65	(823.05)	3.81	666.55	293.33	0.50	7.96	(3.62)	11.58	–	85.85
21.	Laboratoires Pharma 2000 S.A.S @	EUR	75.4830	1.38	(36.40)	13.30	48.32	–	4.18	3.43	–	3.43	–	85.85
22.	Laboratoires Negma S.A.S @	EUR	75.4830	217.91	27.91	223.81	12.45	34.46	60.13	8.88	3.61	5.27	–	85.85
23.	Niverpharma S.A.S @	EUR	75.4830	1.21	(27.63)	4.24	30.66	–	0.76	(0.18)	–	(0.18)	–	85.85
24.	Negma Beneulex S.A @	EUR	75.4830	0.56	0.35	0.91	–	–	–	(0.28)	–	(0.28)	–	85.85
25.	Phytex S.A.S @	EUR	75.4830	8.08	(7.45)	0.65	0.02	–	–	–	–	–	–	85.85
26.	Wockhardt Farmaceutica SA DE CV @	USD	66.2600	19.12	(54.64)	30.50	66.02	–	9.39	(15.43)	–	(15.43)	–	85.85
27.	Wockhardt Services SA DE CV @	USD	66.2600	0.03	(0.57)	6.23	6.77	–	3.12	(0.42)	–	(0.42)	–	85.85
28.	Pinewood Healthcare Limited @	GBP	95.4080	0.95	(0.74)	0.24	0.03	–	–	(0.04)	–	(0.04)	–	85.85
29.	Wockhardt Bio (R) @	USD	66.2600	0.57	(0.33)	0.24	–	–	–	(0.33)	–	(0.33)	–	85.85
30.	Wockhardt Bio Pty Ltd				–	–	–	–	–	–	–	–	–	–
31.	Wockhardt Bio Ltd				–	–	–	–	–	–	–	–	–	–

Notes:

1. Reporting period of the subsidiaries is April to March.
2. Inclusive of shares held through subsidiaries.
3. Wockhardt Limited, the Company, holds directly or indirectly 100% shareholding in all the subsidiaries except as mentioned in Note 4 below.
4. @ The Company holds 85.85% shareholding in Wockhardt Bio AG which in turn holds 100% shareholding in these subsidiaries.
5. During the year, Wockhardt Bio (R), Wockhardt Bio Pty Ltd. and Wockhardt Bio Ltd. were incorporated in Russia, Australia and New Zealand respectively. Wockhardt Bio Pty Ltd. and Wockhardt Bio Ltd. are yet to commence operations.
6. The investments made by all the subsidiary companies are only in their step-down subsidiaries, no other investments are made by these companies.

Part 'B': Associate and Joint Venture

Statement pursuant to Section 129(3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Name of the Associate Company		Swiss Biosciences AG
1.	Latest audited Balance Sheet Date	13 th April, 2015
2.	Shares of Associate held by the Company on year end on 13th April, 2015	
	No.	7,55,000 shares
	Amount of Investment in Associate Company	₹ 2.17 crore
	Extent of Holding %	45%
3.	Description how there is significant influence	Swiss Biosciences AG was an Associate Company of Wockhardt Bio AG, a subsidiary of Wockhardt Limited.
4.	Reason why the associate is not consolidated	N.A.
5.	Networth attributable to Shareholding as per latest audited Balance Sheet	₹ 4.49 crore
6.	Profit/Loss for the year	
	i. Considered in Consolidation	₹ 0.64 crore
	ii. Not considered in Consolidation	N.A.

Note:

1. During the year, Swiss Biosciences AG got liquidated on 13th April, 2015.
2. Names of Associates or Joint Venture which are yet to commence operations: Nil

For and on behalf of the Board of Directors

H. F. Khorakiwala
Chairman
DIN: 00045608

Murtaza Khorakiwala
Managing Director
DIN: 00102650

Shekhar Datta
DIN: 00045591

Aman Mehta
DIN: 00009364

D. S. Brar
DIN: 00068502

Sanjaya Baru
DIN: 05344208

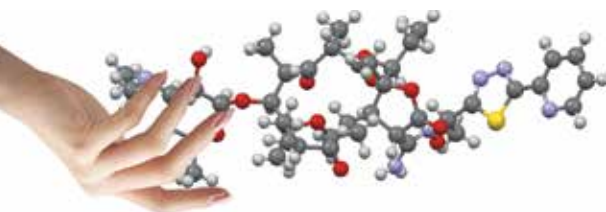
Tasneem Mehta
DIN: 05009664

Baldev Raj Arora
DIN: 00194168

Directors

Narendra Singh **Manas Datta**
Company Secretary Chief Financial Officer

Place : Mumbai
Date : 6th May, 2016



DETAILS OF SUBSIDIARIES

As on 31st March, 2016, the Company has 31 subsidiaries including indirect subsidiaries.

INDIAN SUBSIDIARY

Wockhardt Infrastructure Development Limited

Wockhardt Infrastructure Development Limited ('WIDL') is a Wholly Owned Subsidiary of the Company. The Company is in the business of developing infrastructure at SEZ, Shendra, Aurangabad. For the year ended 31st March, 2016, the turnover amounted to ₹ 35.47 crore. During the year 2015-16, WIDL registered Profit After Tax of ₹ 8.66 crore as compared to ₹ 5.37 crore in the previous year reflecting a healthy growth of approximately 61.27%.

FOREIGN SUBSIDIARIES

- Wockhardt UK Holdings Limited is a Wholly Owned Subsidiary of the Company. It is the Holding company of Wallis Group Limited. The main line of business of the Company is holding and owning securities of companies. As on 31st March, 2016, the total investments amounted to ₹ 28.61 crore.
- Wockhardt Limited holds 85.85% of the shares in Wockhardt Bio AG, a company incorporated at Switzerland. The shares of Wockhardt Bio AG are listed and traded at BX Bern exchange. Wockhardt Bio AG is active in the development, manufacturing, and marketing of Pharmaceutical and Bio-pharmaceutical formulations, and caters primarily to markets in the United States, the United Kingdom, Ireland, France, and Latine Americas. For the year ended 31st March, 2016, the turnover amounted to ₹ 1,675.43 crore. Wockhardt Bio AG's strong focus on research and development has led to the development and marketing of complex products, while sustained efforts on brand positioning have enabled it to gain presence in its primary markets.
- Wockhardt Europe Limited, a company incorporated at British Virgin Island, is a Wholly Owned Subsidiary of the company. For the year ended 31st March 2016, the total investments amounted to ₹ 0.43 crore.
- CP Pharmaceuticals Limited, incorporated in UK, is a step down Subsidiary of the Company. The principal activity of the company is Manufacturing and Sale of Pharmaceuticals. The company is also undertaking research and manufacturing activity on customer products and manufacturing technologies. Further, the Company is looking to achieve business growth via increased manufacturing capacity. The Turnover of the company amounted to ₹ 553.52 crore. Further, Profit After Tax of the company stood at ₹ 179.08 crore.
- CP Pharma (Schweiz) AG, incorporated in Switzerland, is a subsidiary of Wockhardt Bio AG. For the year under review, the company showed a Profit After Tax of ₹ 0.18 crore registering a growth of 360% as compared to previous year.
- Wallis Group Limited, incorporated in UK, ia a subsidiary of Wockhardt UK Holdings Limited. Net Loss of the company during the year stood at ₹ 0.13 crore as compared to Net Loss of ₹ 1.60 crore of previous year.
- The Wallis Laboratory Limited and Wallis Licensing Limited are the subsidiaries of Wallis Group Limited. The principal business of both the companies is manufacture of pharmaceutical products. These Companies have been incorporated in UK.
- Wockhardt UK Limited is a subsidiary of Wockhardt Bio AG. The principal activity of the company is sale and distribution of pharmaceutical products and related services. The Turnover registered a growth of 120%. Further, Profit After Tax amounted to ₹ 7.33 crore showing a growth of 186%.
- Pinewood Healthcare Limited (PHL), incorporated in UK, is a subsidiary of Wockhardt Bio AG. The principal activity of the company is sale and distribution of pharmaceutical products and related services.
- Wockhardt USA LLC is a subsidiary of Morton Grove Pharmaceuticals, Inc. It is engaged in the business of marketing, selling and distributing pharmaceutical products in the United States. It has registered a Turnover of ₹ 953.67 crore and Profit After Tax amounted to ₹ 19.49 crore for the year under review.
- Wockhardt Holding Corp., incorporated in USA, is a subsidiary of Wockhardt Bio AG. The company's Net Loss After Tax for the year under review stood at ₹ 3.06 crore.
- Morton Grove Pharmaceuticals Inc. is a subsidiary of Wockhardt Holdings Corp. It is engaged in the business of manufacturing pharmaceutical products. The company reported a Profit After Tax of ₹ 11.28 crore for the year under review.

- MGP Inc. incorporated in USA, is engaged in research and development activities for pharmaceutical products. During the year under review, the Profit After Tax of the Company stood at ₹ 4.44 crore registering a growth of approx. 136%.
- Wockhardt Farmaceutica SA DE CV, is a company formed under Mexican laws. It is a subsidiary of Wockhardt Bio AG. The object of the company is to sell, market and distribute all pharmaceuticals products. The turnover for the year ended 31st March, 2016 stood at ₹ 9.39 crore.
- Wockhardt Services SA DE CV has been incorporated in Mexico. It is in the business of providing services to pharmaceutical companies. It is a subsidiary of Wockhardt Bio AG. The turnover of the company for the year ended 31st March, 2016 stood at ₹ 3.12 crore.
- Pinewood Laboratories Limited is a subsidiary of Wockpharma Ireland Limited. During the year under review, Profit After Tax of the company stood at ₹ 80.22 crore. The principal activity includes manufacture and distribution of pharmaceutical products.
- Wockpharma Ireland Limited, incorporated at Ireland, is a subsidiary of Wockhardt Bio AG. It holds 100% issued share capital of Pinewood Laboratories Limited. Investment of the Company for the year ended 31st March, 2016 stood at ₹ 824.30 crore.
- Wockhardt Nigeria Limited, incorporated at Nigeria, is a subsidiary of Wockhardt Europe Limited. The principal business of the company is importation and distribution of Drugs and Pharmaceutical Products. For the year under review, the Company showed a Profit after Tax of ₹ 0.11 crore.
- Wockhardt Farmaceutica de Brasil Ltda, is incorporated at Brazil. The Wallis Laboratory Ltd (90%) and Wockhardt Europe Limited (10%) together hold 100% of the equity of the company. The principal business of the said company is marketing of pharmaceutical products.
- Wockhardt France (Holdings) S.A.S., incorporated in France, is a subsidiary of Wockhardt Bio AG. The said company is the Parent of Laboratoires Pharma 2000 S.A.S, Laboratoires Negma S.A.S., Niverpharma S.A.S. and Phytex S.A.S. All these Companies are also incorporated in France. Wockhardt France and its subsidiaries have operated a drastic program of fixed costs reduction following the resizing of its organization.
- Negma Beneulex S.A., incorporated at Belgium. The company's Net Loss after Tax stood at ₹ 0.28 crore.
- Z&Z Services GmbH, incorporated at Germany, is a subsidiary of Wockhardt Bio AG. For the year ended 31st March, 2016, the Net Loss After Tax stood at ₹ 0.09 crore.
- Wockhardt Bio (R), incorporated in Russia, is a subsidiary of Wockhardt Bio AG. For the year ended 31st March, 2016, the Net Loss After Tax stood at ₹ 0.33 crore.

The financials and related details of the Subsidiaries have been provided in Form AOC-1 forming part of this Annual Report.

REPORT ON CORPORATE GOVERNANCE

In compliance with the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'), the Company submits the Report on Corporate Governance for the year ended 31st March, 2016 containing the matters mentioned in the said Regulations with respect to Corporate Governance requirements.

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Wockhardt strives to adopt the highest standards of excellence in Corporate Governance to enhance its value and value of its stakeholders. The core value of Company's governance process includes independence, integrity, accountability, transparency, responsibility and fairness. The Company believes that good Corporate Governance strengthens the investors trust and ensures long term relationship with other stakeholders which help the Company to achieve its objectives.

2. BOARD OF DIRECTORS

(a) Composition and other related matters

The Board consists of an optimal combination of Executive and Non-Executive Independent Directors, representing a judicious mix of in-depth knowledge and experience.

The present strength of the Board is 9 (Nine) Directors comprising of 3 (Three) Executive Directors and 6 (Six) Non-Executive Independent Directors including one Woman Director.

The composition of the Board, details of other directorships, committee positions as on 31st March, 2016 and attendance of Directors at the Board Meetings and at the Annual General Meeting ('AGM') held during the year under review are given in the table below:

Name of the Director	Category of Directorship	Number of Directorships held in other Companies		Number of Committee positions held in other Public Companies ⁽³⁾		Attendance at	
		Total Directorships ⁽¹⁾	Directorships in other Public Companies ⁽²⁾	Chairman	Member	Board Meetings	Last Annual General Meeting (12 th September, 2015)
Dr. H. F. Khorakiwala Chairman DIN: 00045608	Executive	16	1	–	–	4	Yes
Mr. Shekhar Datta DIN: 00045591	Non-Executive Independent	6	4	–	2	4	Yes
Mr. Aman Mehta DIN: 00009364	Non-Executive Independent	5	5	3	2	4	No
Mr. Davinder Singh Brar DIN: 00068502	Non-Executive Independent	15	3	1	6	4	Yes
Dr. Sanjaya Baru DIN: 05344208	Non-Executive Independent	2	1	–	1	4	Yes
Ms. Tasneem Mehta DIN: 05009664	Non-Executive Independent	–	–	–	–	4	Yes
Mr. Baldev Raj Arora* DIN: 00194168	Non-Executive Independent	1	1	–	–	4	Yes
Dr. Huzaifa Khorakiwala Executive Director DIN: 02191870	Executive	12	2	–	1	3	Yes
Dr. Murtaza Khorakiwala Managing Director DIN: 00102650	Executive	9	2	1	1	3	Yes

⁽¹⁾ The number of total directorships is in accordance with Section 165 of the Companies Act, 2013 which excludes foreign companies but includes subsidiary of foreign companies incorporated in India.

⁽²⁾ Excludes directorships in Private Limited Companies, Foreign Companies and Section 8 Companies.

⁽³⁾ This includes only Chairmanships/Memberships of the Audit Committee and Stakeholders Relationship Committee of all listed and unlisted public limited companies as per Regulation 26 of the SEBI Listing Regulations.

* Mr. Baldev Raj Arora was appointed as a Director of the Company categorised as Non-Executive Independent Director w.e.f. 28th May, 2015.

As will be seen from the above table, none of the Directors hold directorship in more than 20 Companies (including limit of maximum directorship in 10 public companies) pursuant to the provisions of the Companies Act, 2013.

Further, in compliance with Regulation 25(1) of the SEBI Listing Regulations, none of the Independent Directors hold directorships in more than seven listed companies.

None of the Directors are members of more than ten committees of the prescribed nature or holds Chairmanship of more than five such committees across all listed or unlisted public limited companies in which they are directors, thereby complying with the provisions of Regulation 26 of the SEBI Listing Regulations.

The details of Equity Shareholding of all the Directors are provided elsewhere in this Report.

Inter-se relationships among Directors

Dr. Huzaifa Khorakiwala, Executive Director and Dr. Murtaza Khorakiwala, Managing Director of the Company are the sons of Dr. H. F. Khorakiwala, Chairman. Except for this, there are no inter-se relationships amongst the Directors.

Independent Directors

The Independent Directors ('IDs') fulfils the criteria/obligations as stated under Regulation 25 of the SEBI Listing Regulations. During the year under review, Mr. Baldev Raj Arora was appointed as an ID for a term of five years. Letter of appointment containing terms and conditions of his appointment was issued to him. The draft letter of appointment, containing the terms of reference and the duties and responsibilities of the IDs, is available on the website of the Company www.wockhardt.com.

Further, a separate meeting of IDs was conducted during the year under review. All the IDs were present at the said meeting.

Whenever any new ID is appointed, he/she is made familiar to the business and its operations and also about his role and duties through presentations/programmes by Chairman, Managing Director and Senior Management. Further, the IDs are also presented with copies of magazines "The Wockhardian" and an in-house newsletter of Wockhardt Group which provides the insights on the activities carried on by the Company.

The details of such Familiarisation Programmes for IDs are available on <http://www.wockhardt.com/files/policies/familiarisation-programme.pdf>.

(b) Board Meetings and Procedures

During the year under review, 4 (Four) Board Meetings were held viz. on 28th May, 2015, 10th August, 2015, 13th November, 2015 and 11th February, 2016. The gap between two consecutive meetings was not more than one hundred and twenty days, thereby complying with the applicable statutory requirement.

The Board is regularly apprised and informed of important business-related information. Board meeting dates are finalized in consultation with all the Directors. Further, the Agenda papers supported by comprehensive notes and relevant information, documents and presentations are circulated in advance to all the Board members which enable them to take informed decisions and discharge their functions effectively. The Agenda for the Board Meetings covers the minimum information to be placed before the Board of Directors as per Regulation 17(7) of the SEBI Listing Regulations read with Part A of Schedule II thereto to the extent these are relevant and applicable. A presentation is made by the Managing Director on operational performance of the Company at each of the board meeting. The Board periodically reviews the items in the Agenda and particularly reviews and approves the quarterly Financial Results, Annual Financial Statements, Annual Operating Plans & Budgets and CAPEX etc.

The compliance reports pertaining to all laws applicable to the Company, Minutes of Board Meeting of unlisted subsidiaries of the Company and Minutes of Committee Meetings are also placed before the Board of the Company.

Further, the directors are also provided with video-conferencing/audio visual facilities to facilitate them to participate at the Board/Committee Meetings.

The important decisions taken at the Board and Committee Meetings are communicated to the respective department heads for the implementation of the decisions. The Board takes on record an Action Taken Report for the decisions taken at the earlier Board Meeting(s).

3. BOARD COMMITTEES

The Company has constituted various Committees for the smooth functioning of the Board. The composition of all the Board Committees is in accordance with the provisions of the Companies Act, 2013 and the SEBI Listing Regulations, wherever applicable. The details of composition are also disclosed on the website of the Company www.wockhardt.com.



Details of Board Committees and other related information are provided hereunder:

(A) AUDIT COMMITTEE

(a) Composition and Meetings

As on 31st March, 2016, the Audit Committee comprises of 6 (Six) Non-Executive Independent Directors. Further, consequent to the changes in Board of Directors referred in point (2) above, the constitution of Audit Committee has also undergone a change. Mr. Baldev Raj Arora was inducted as a member of the Audit Committee w.e.f. 28th May, 2015.

During the year under review, the Audit Committee met 4 (Four) times on 28th May, 2015, 8th August, 2015, 13th November, 2015 and 11th February, 2016. The maximum gap between any two consecutive meetings was not more than one hundred and twenty days.

The details of composition of the Audit Committee and the particulars of attendance at the Committee meetings are given below:

Name of the Director/Member	Designation	Category	Profession	No. of Meetings Attended
Mr. Shekhar Datta	Chairman	Non-Executive Independent	Business Professional	4
Mr. Aman Mehta	Member	Non-Executive Independent	Business Professional	4
Mr. Davinder Singh Brar	Member	Non-Executive Independent	Business Professional	4
Dr. Sanjaya Baru	Member	Non-Executive Independent	Economist	4
Ms. Tasneem Mehta	Member	Non-Executive Independent	Business Professional	4
Mr. Baldev Raj Arora	Member	Non-Executive Independent	Business Professional	3

All the Members of the Audit Committee are financially literate and possesses accounting or related financial management expertise by virtue of their experience and background.

The Chairman of the Audit Committee, Mr. Shekhar Datta, was present at the AGM of the Company held on 12th September, 2015.

Mr. Narendra Singh, Company Secretary acts as a Secretary to the Audit Committee.

The Statutory Auditors, Head of Internal Audit, Head of Finance and Executive Directors, upon invitation, attend the meetings.

(b) Terms of reference

Pursuant to the SEBI Listing Regulations and Section 177 of the Companies Act, 2013, the role of the Audit Committee briefly covers as under:

Financial Reporting and other Financial Matters:

- oversight of Company's financial reporting process and disclosure of financial information to ensure that the financial statement is correct, sufficient and credible;
- reviewing with the management quarterly unaudited financial statements and annual audited financial statements & Auditors' Report thereon before submission to the Board for approval. Review of Annual financial statements *inter alia* includes reviewing changes in Accounting Policies, if any, major accounting entries involving estimates, significant adjustments made in financial statements, qualifications in draft Audit report, if any;
- reviewing Management Discussion and Analysis of financial condition and results of operations;
- scrutiny of inter-corporate loans & investments;
- monitoring the performance of the unlisted subsidiaries by reviewing their financial statements including the investments made by them.

Audit & Auditors, Internal Controls:

- recommending the appointment, remuneration and terms of appointment/re-appointment, if required, replacement or removal of auditors, fixation of statutory audit fees and approval of payment for any other services rendered by the Statutory Auditors, as permitted;

- recommending appointment and remuneration of Cost Auditors;
- review and monitor the Auditor's independence and performance and effectiveness of audit process;
- reviewing the adequacy of internal audit function and internal control systems including internal financial controls; and discussion with Internal Auditors any significant findings and follow-up thereon;
- reviewing significant audit findings from the statutory and internal audits.

Other Matters:

- approval of all Related Party Transactions;
- evaluation of Internal Financial Controls and Risk Management Systems;
- appointment of CFO;
- reviewing the functioning of Whistle Blower Mechanism.

The Audit Committee has all the powers as specified in Regulation 18 of the SEBI Listing Regulations to investigate any activity within its terms of reference, seek information from any employee, obtain outside legal or other professional advice and secure attendance of outsiders with relevant expertise, if it considers necessary and pursuant to Section 177 of the Companies Act, 2013.

(B) STAKEHOLDERS RELATIONSHIP COMMITTEE

(a) Composition and meetings

Stakeholder Relationship Committee looks into mechanism of redressal of grievance of the shareholders/other security holders. The Committee reviews the status of redressal of grievances of the shareholders on quarterly basis.

As on 31st March, 2016, the Committee comprises of 6 (Six) Non-Executive Independent Directors.

Terms of reference:

- review of complaints relating to transfer of shares, transmission of shares, issue of duplicate share certificates, non-receipt of annual report, non-receipt of declared dividend and other shareholder related queries/complaints;
- review of status of requests i.e. processing of complaints within statutory timelines;
- matters relating to approval of transfer and transmission of shares, issue of duplicate share certificates, etc.;
- oversee of performance of Registrar & Transfer Agents.

During the year under review, 4 (Four) meetings of the Stakeholders Relationship Committee were held viz. on 28th May, 2015, 8th August, 2015, 13th November, 2015 and 11th February, 2016.

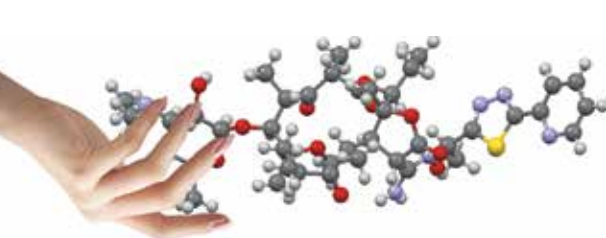
The details of composition of Stakeholders Relationship Committee and the particulars of attendance of Committee Meetings are given below:

Name of the Director/Member	Designation	Category	Profession	No. of Meetings Attended
Mr. Shekhar Datta	Chairman	Non-Executive Independent	Business Professional	4
Mr. Aman Mehta	Member	Non-Executive Independent	Business Professional	4
Mr. Davinder Singh Brar	Member	Non-Executive Independent	Business Professional	4
Dr. Sanjaya Baru	Member	Non-Executive Independent	Economist	4
Ms. Tasneem Mehta	Member	Non-Executive Independent	Business Professional	4
Mr. Baldev Raj Arora*	Member	Non-Executive Independent	Business Professional	4

* Mr. Baldev Raj Arora was inducted as member of the Committee w.e.f. 28th May, 2015.

(b) Compliance Officer

Mr. Narendra Singh, the Company Secretary & Compliance Officer is responsible for the compliance with the requirements of the Securities Laws and the SEBI Listing Regulations with the Stock Exchanges. He was appointed by the Board of Directors at their meeting held on 28th May, 2015.



(c) Shareholders Complaints and Redressal

The Registrar & Transfer Agents ('RTA') of the Company is Link Intime India Private Limited, who handles the investor grievances in coordination with the Compliance Officer of the Company.

The Company duly monitors the functioning of the RTA to ensure that the investor grievances are resolved expeditiously and to the satisfaction of the shareholders.

A statement providing the category wise details of the complaints received from the shareholders during the year ended 31st March, 2016 and the status for the same is as under:

Sl. No.	Nature of Communication	Opening Balance	Received during the period	Replied/ Resolved	Pending
1	Non Receipt of Dividend Warrant/ Interest/Redemption Warrant	Nil	7	7	Nil
2	Non receipt of Share Certificates	Nil	3	3	Nil
	TOTAL	Nil	10	10	Nil

Apart from the above, there were 308 letters/queries relating to change of address, issue of duplicate share certificates, Registration of ECS details and issue of fresh Demand drafts in lieu of unpaid dividend etc. which were replied/resolved promptly.

As on 31st March, 2016, no complaints were outstanding. All queries/requests/complaints have been resolved to the satisfaction of shareholders within the statutory time limit.

The Company maintains continuous interaction with Link Intime India Private Limited, RTA and takes proactive steps and action for resolving complaints/queries of the shareholders and takes necessary initiatives in solving critical issues.

Further, the shareholders can lodge their complaints on the SEBI Complaints Redressal System (SCORES) platform also, which is an online redressal system for investor grievances. The complaints received through the said platform have also been resolved promptly by the RTA/Company.

(C) NOMINATION AND REMUNERATION COMMITTEE

(a) Terms of reference

The terms of reference of Nomination and Remuneration Committee ('NRC'), *inter-alia*, includes the following:

- identification of persons who are qualified to become directors and who may be appointed at Senior Management position in accordance with the criteria laid down, and recommend to the Board their appointment and removal;
- recommendation for fixation and revision of remuneration packages of Managing Director and Executive Directors to the Board for approval and review;
- formulation of criteria for determining qualifications, positive attributes and independence of a director and recommending to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees;
- formulation of criteria for evaluation of every Director and carry out performance evaluation of directors;
- devising a policy on Board diversity;
- extension or continuation of term of appointment of the Independent Director, on the basis of the report of performance evaluation of the Independent Directors.

(b) Meetings & Attendance

During the year under review, 1 (one) meeting of the NRC was held on 28th May, 2015 which was attended by all the Committee Members.

As on 31st March, 2016, the composition of NRC is given below:

Name of the Director/Member	Designation	Category	Profession
Mr. Shekhar Datta	Chairman	Non-Executive Independent	Business Professional
Dr. H. F. Khorakiwala	Member	Executive (Chairman)	Business Professional
Dr. Sanjaya Baru	Member	Non-Executive Independent	Economist

(c) Remuneration Policy

The Company's Remuneration Policy is structured in line with the trend in the Indian Pharmaceutical Industry. In pursuance of the Company's policy to consider human resources as its invaluable assets and in terms of the provisions of the Companies Act, 2013 and the SEBI Listing Regulations, Policy on Nomination and Remuneration of Directors, Key Managerial Personnel ('KMP') & Senior Management Personnel and employees was formulated to pay equitable remuneration and to harmonize the aspirations of human resources consistent with the goals of the Company.

The policy ensures that:

- the level and composition of remuneration to be reasonable and sufficient to attract, retain and motivate the person to ensure the quality required to run the Company successfully.
- relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- remuneration to Directors, KMP & Senior Management Personnel involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to working of the Company and its goals.

The Remuneration Policy of the Company is divided into 3 parts:

- matters to be dealt with, perused and recommended to the Board by the NRC.
- policy for appointment and removal of Directors, KMP and Senior Management Personnel.
- policy for remuneration of Directors, KMP, Senior Management & other employees.

Brief extract from Remuneration Policy as mentioned in above 3 parts is as under:

- The NRC shall identify and ascertain the integrity, qualification, expertise, experience and independence of the person for appointment as Director and recommend to the Board his/her appointment. Similarly, for KMP and Senior Management positions, the NRC shall consider integrity, qualification, expertise and experience of the person for concerned position and would recommend to the Board about their appointment.
- The remuneration of Executive Directors comprises of Basic Salary, Perquisites and Allowances. The remuneration of Executive Directors should be recommended to the Board by NRC after considering the qualifications, experience, comparative remuneration packages of peers, Company's position etc. Pursuant to the provisions of the Companies Act, 2013, the said remuneration has to be subsequently approved by the shareholders of the Company and approval of Central Government, if any, needs to be obtained.
- The remuneration to Non-Executive Directors comprises of sitting fees and commission, if any. Apart from above, Non-Executive Directors shall also be entitled to reimbursement of expenses incurred by them in connection with attending the Board Meetings, Committee Meetings, General Meetings and any other matter in relation to the business of the Company towards hotel accommodation, travelling and other out-of-pocket expenses. The quantum of sitting fees to be paid to Non-Executive Directors and meetings for which the same needs to be paid shall be determined by the Board. The quantum of sitting fees shall be in accordance with the provisions of the Companies Act in force, from time to time. The payment of commission should be made in accordance with the provisions of the Companies Act, as amended from time to time, and shall depend upon performance of the Company and profitability.
- The remuneration structure for KMP, Senior Management and other employees comprises of fixed pay (salary & perquisites) and variable pay (performance linked incentives).

The Board ensures for orderly succession of Directors/Senior Management. The criteria for determining Qualifications, Positive Attributes and Independence of a Director are as under:

Qualifications: A nomination process is in place that encourages diversity of thought, experience, knowledge, age and gender etc. It is also ensured that the Board has an appropriate blend of functional and industry expertise.

Positive Attributes: The Directors on the Board are expected to demonstrate high standards of ethical behavior, interpersonal skills and soundness of judgment. Independent Directors are also expected to abide by the 'Code for Independent Directors' as outlined in Schedule IV to the Companies Act, 2013.

Independence: A Director is considered as an 'Independent Director' if he/she meets with the criteria for 'Independent Director' as laid down in the Companies Act, 2013 and Regulation 16(1)(b) of the SEBI Listing Regulations.

(d) Performance Evaluation Criteria

The NRC lays down the criteria for performance evaluation of directors. In accordance with the provisions of the SEBI Listing Regulations and the Companies Act, 2013, the performance evaluation of the individual Directors shall be done by the entire Board of Directors, subject to the condition that the Director who is subject to evaluation should not participate. The criteria for performance evaluation covers parameters such as decision taken in the interest of the organization objectively, assisting the Company in implementing the Corporate Governance, monitoring performance of organization based on agreed goals & financial performance and active participation in the affairs of the Company as Board/Committee Members.

(e) Remuneration of Directors

The remuneration of the Executive Directors is decided by the Board based on the recommendations of the NRC as per the Remuneration Policy of the Company, within the limits fixed and approved by the shareholders at the general meeting. The remuneration of the Non-Executive Directors comprises of sitting fees and commission, if any. The Non-Executive Independent Directors are paid sitting fees of ₹ 100,000/- for each meeting of the Board, Audit Committee and Stakeholders Relationship Committee attended by them and reimbursement of expenses towards attending the meetings.

The remuneration paid/payable to each Director for the financial year ended 31st March, 2016 is as under:

Name of the Director	Tenure upto	No. of equity shares held by Directors as on 31 st March, 2016	Remuneration for the financial year ended 31 st March, 2016 (₹ in crore)			
			Sitting Fees	Salary	Perquisites	Total
Dr. H. F. Khorakiwala	29 th February, 2020	4,42,785	N.A.	1.32	-	1.32
Mr. Shekhar Datta	31 st March, 2019	4,100	0.12	N.A.	N.A.	0.12
Mr. Aman Mehta		2,500	0.12	N.A.	N.A.	0.12
Mr. Davinder Singh Brar		500	0.12	N.A.	N.A.	0.12
Dr. Sanjaya Baru		500	0.12	N.A.	N.A.	0.12
Ms. Tasneem Mehta	29 th September, 2019	Nil	0.12	N.A.	N.A.	0.12
Mr. Baldev Raj Arora*	27 th May, 2020	Nil	0.11	N.A.	N.A.	0.11
Dr. Huzaifa Khorakiwala	30 th March, 2019	2,16,000	N.A.	1.328	-	1.328
Dr. Murtaza Khorakiwala	30 th March, 2019	2,26,200	N.A.	1.328	-	1.328

* Mr. Baldev Raj Arora was appointed as a Director of the Company categorised as Non-Executive Independent Director for a term of 5 years w.e.f. 28th May, 2015.

Notes:

- No commission is being paid to Executive and Non-Executive Directors, in view of inadequate profits during the year ended 31st March, 2016.
- There is no provision for payment of severance fees and no performance linked incentives are paid to any Director. The notice period of Executive Directors are governed by service rules of the Company.
- On 16th December, 2015, 500 Equity shares were allotted to Mr. Sanjaya Baru pursuant to exercise of stock options held by him. These options were granted to him pursuant to the Employee Stock Option Scheme of the Company during the year 2013-14.
- The Non-Executive Directors on the Company's Board, apart from receiving sitting fees do not have any other pecuniary relationship or transactions with the Company, its promoters, its management or its subsidiaries or associate companies. The details of remuneration paid to Whole-time Directors have also been disclosed under the heading 'Related Party Disclosures' of Notes to Financial Statement.
- None of the Directors hold any convertible instruments in the Company.

The other details about Independent Directors, Remuneration Policy, Performance Evaluation Criteria and Remuneration of Directors have also been provided in the Board's Report forming part of this Annual Report.

(D) CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

As on 31st March, 2016, the Corporate Social Responsibility (CSR) Committee comprises of Dr. H. F. Khorakiwala, Chairman, Dr. Huzaifa Khorakiwala, Executive Director, Mr. Davinder Singh Brar, Non-Executive Independent Director and Mr. Aman Mehta, Non-Executive Independent Director. Mr. Aman Mehta was inducted as a Member of the Committee w.e.f. 10th August, 2015.

During the year 2015-16, 2 (two) meetings of CSR Committee were held on 8th August, 2015 and 13th November, 2015 and the same were attended by all the Committee members.

The terms of reference of CSR committee, *inter alia*, includes to:

- formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company in compliance with the provisions of the Companies Act, 2013;
- recommend the amount of expenditure to be incurred on the CSR activities;
- provide guidance on various CSR activities to be undertaken by the Company;
- monitor the implementation of the CSR Policy of the Company from time to time;
- carry out any such function as mandated by the Board and/or enforced by way of any statutory amendments as may be necessary for effective performance of its duties.

The report on CSR is provided in the Board's Report which forms part of this Annual Report.

(E) OTHER COMMITTEES OF THE BOARD

Apart from the Committees being required mandatorily, the Board has also formulated certain Committees and has delegated some specific powers to such Committees. Each Committee has its distinct role, scope and powers. The Minutes of these Committee Meetings are also regularly placed before the Board for noting.

The Board has constituted three Committees:

- Credit Facilities Committee
- Share Allotment Committee
- ESOS Compensation Committee

— CREDIT FACILITIES COMMITTEE

The Board has constituted a Credit Facilities Committee and as on 31st March, 2016, the Committee comprises of three Executive Directors viz. Dr. H. F. Khorakiwala – Chairman, Dr. Huzaifa Khorakiwala – Executive Director and Dr. Murtaza Khorakiwala – Managing Director.

The terms of reference, *inter alia*, includes to:

- exercise all such powers to borrow money within the limits approved by the Board;
- avail, renew, enhance, restructure and reschedule all fund based and non-fund based credit facilities including term loans and working capital facilities availed from banks/financial institutions/bodies corporate;
- delegate authorities from time to time to the executives/authorized persons to implement the decisions of the Committee;
- carry out any such function as mandated by the Board and/or enforced by way of any statutory amendments as may be necessary for effective performance of its duties.

During the year under review, 4 (Four) meetings of the Credit Facilities Committee were held viz. on 25th August, 2015, 28th September, 2015, 21st October, 2015 and 13th November, 2015 which have been attended by all the Members.

— SHARE ALLOTMENT COMMITTEE

The Board has constituted Share Allotment Committee and as on 31st March, 2016, the Committee comprises of three Executive Directors viz. Dr. H. F. Khorakiwala – Chairman, Dr. Huzaifa Khorakiwala – Executive Director and Dr. Murtaza Khorakiwala – Managing Director.

During the year under review, 4 (Four) meetings of the Share Allotment Committee were held on 8th July, 2015, 27th July, 2015, 12th October, 2015 and 16th December, 2015. The Committee Meetings were attended by all the Members except Dr. H. F. Khorakiwala and Dr. Huzaifa Khorakiwala who could not attend meetings held on 8th July, 2015 and 27th July, 2015 respectively.



The terms of reference, *inter alia*, includes to:

- allot preference shares;
- redeem preference shares/debentures;
- allot equity shares pursuant to the exercise of stock options;
- carry out any such function as mandated by the Board and/or enforced by way of any statutory amendments as may be necessary for effective performance of its duties.

— ESOS COMPENSATION COMMITTEE

As per SEBI (Share Based Employee Benefits) Regulations, 2014, an ESOS Compensation Committee constituted by the Board is in place.

During the year under review, an ESOS Compensation Committee was re-constituted and as on 31st March, 2016, ESOS Compensation Committee comprises of Dr. Sanjaya Baru, Chairman (Non-Executive Independent), Dr. H. F. Khorakiwala (Executive) and Ms. Tasneem Mehta (Non-Executive Independent) as its Members.

The key role of an ESOS Compensation Committee consists of administration and monitoring the implementation of Wockhardt Employees' Stock Option Scheme - 2011 ('the Scheme') of the Company. Further, the Committee is also vested with such functions and powers, enumerated as under:

- determination of the employees eligibility for participation in the Scheme;
- number of options that may be issued to the employees;
- determination of vesting period, exercise period of the options issued under the Scheme;
- other incidental matters pertaining to the Scheme of the Company.

During the year under review, no meeting of an ESOS Compensation Committee took place.

4. GENERAL BODY MEETINGS

(a) Details of last three Annual General Meetings are as under:

The AGM for the year ended 31st March, 2015 was held at The Benchmark, Nakshatrawadi, Aurangabad. This was the first AGM held at Aurangabad after shifting of the Registered Office of the Company to Aurangabad.

The day, date, time and location of the Annual General Meetings held during the last three years, and the special resolution(s) passed thereat, are as follows:

Financial Year ended	Day and Date	Time	Location	Special Resolution Passed
31 st March, 2015	Saturday, 12 th September, 2015	10.00 a.m.	The Benchmark, Nakshatrawadi, Paithan Road, Aurangabad-431 005	Adoption of new set of Articles of Association of the Company pursuant to the provision of the Companies Act, 2013. The resolution was passed by E-voting and Poll.
31 st March, 2014	Monday, 15 th September, 2014	3.00 p.m.	Y. B. Chavan Auditorium, Gen. Jagannath Bhosale Marg, Next to Sachivalaya Gymkhana, Mumbai – 400 021	(1) Fixation of remuneration of Dr. H. F. Khorakiwala, Chairman. (2) Re-appointment of Dr. Huzaifa Khorakiwala as an Executive Director and Fixation of Remuneration. (3) Re-appointment of Dr. Murtaza Khorakiwala as Managing Director and Fixation of Remuneration. (4) To re-confirm authority to the Board to approve borrowings upto ₹ 3000 crore. (5) To approve creation of charge on assets of the Company in respect of borrowings. (6) Approval of material related party transactions with Wockhardt Bio AG, subsidiary of the Company. The resolutions were passed by E-voting and Poll.
31 st March, 2013	Monday, 2 nd September, 2013	3.00 p.m.		No Special Resolution was passed at the meeting.

(b) Postal Ballot

During the year ended 31st March, 2016, no resolution was passed through Postal Ballot.

None of the businesses proposed to be transacted at the ensuing AGM requires passing of resolution through Postal Ballot.

5. DISCLOSURES

(a) Related Party Transactions

All the transactions entered into by the Company with related parties during the year under review were in the ordinary course of business and on an arm's length basis under the Companies Act, 2013. During the year under review, there were no materially significant related party transactions that may have potential conflict with the interests of the Company at large. All the related party transactions were approved by the Audit Committee and the Board. The transaction(s) with Wockhardt Bio AG, subsidiary company, being a material transaction as per the threshold prescribed under the SEBI Listing Regulations have been approved by the Members of the Company at the AGM held on 15th September, 2014. In compliance with Accounting Standard 18, transactions with related parties are disclosed in the Notes to Financial Statements and details of all material transaction(s), if any, with related parties are disclosed quarterly in the Compliance Report on Corporate Governance filed with the Stock Exchanges.

The Policy on 'Materiality of and Dealing with Related Party Transactions' is uploaded on the website of the Company and a weblink thereto is:

<http://www.wockhardt.com/files/statutory-communication/policy-on-related-party-transaction.pdf>

The details about Related Party Transactions have also been provided in the Board's Report forming part of this Annual Report.

(b) Compliance

Your Company has complied with the requirements of the Stock Exchanges, SEBI and other Statutory Authority on all matters relating to capital markets during the last three years. No penalties or strictures have been imposed on the Company by the Stock Exchanges or SEBI or any other Statutory Authority relating to the above.

(c) Code of Conduct

Your Company has laid down a "Code of Business Conduct and Ethics" for the Directors and the Senior Management Personnel. The Code includes the terms of reference, role and duties of Independent Directors as laid down in Schedule IV of the Companies Act, 2013. The said Code is available on the website of the Company www.wockhardt.com.

All the Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct for the year ended 31st March, 2016. A declaration to this effect signed by Dr. Murtaza Khorakiwala, Managing Director forms part of this Report.

(d) Whistle Blower Policy/Vigil Mechanism

In line with Regulation 22 of the SEBI Listing Regulations and Section 177 of the Companies Act, 2013, Whistle Blower Policy/Vigil Mechanism has been formulated for Directors and the Employees (including their representative bodies) to communicate and report genuine concerns about unethical behavior or practices, actual or suspected fraud or violation of Company's Code of Conduct etc. The said Policy provides adequate safeguard against victimization of Directors/Employees who avail such mechanism and it also provides direct access to the Chairman of Audit Committee in exceptional cases. Further, it is affirmed that no person has been denied access to the Audit Committee. The Whistle Blower Policy has been placed on website of the Company www.wockhardt.com.

(e) Disclosure of Accounting Treatment

In the preparation of the Financial Statements, the Company has followed Accounting Standards notified by the Ministry of Corporate Affairs. The Significant Accounting Policies which are consistently applied have been set out in the Notes to the Financial Statements.

(f) CEO/CFO Certification

In terms of requirements of Regulation 17(8) of the SEBI Listing Regulations read with Part B of Schedule II thereunder, Dr. Murtaza Khorakiwala, Managing Director and Mr. Manas Datta, Chief Financial Officer have furnished certificate to the Board in the prescribed format for the year ended 31st March, 2016. The certificate has been reviewed by the Audit Committee and taken on record by the Board at the meeting held on 6th May, 2016.

(g) Risk Management

Your Company has laid down the procedure for risk assessment and their mitigation and formulated a Risk Committee, comprising of Managing Director, Chief Financial Officer, Internal Audit Head and some Key Business Heads. The specific objective of the Risk Committee is to ensure that the Company attains a status of minimal risk by means of proactive identification of internal and external risks, through identification of critical and medium risks and designing mitigating measures around them.



Accordingly, a two-pronged approach is followed. A routine risk review exercise is undertaken on a half-yearly basis by the Head of Internal Audit. This involves re-assessment of risk profile of all functions with concerned Business Heads through interactive sessions. A follow-up for status of the proposed mitigation plan for risks previously reported is also conducted. Additionally, risk review is also conducted in the interim if there are significant business events leading to process restructuring. Key risks and related de-risking plans are assessed within the Risk Committee. Members of the Board and the Audit Committee are periodically informed on the material risks faced by the Company. The Board has also adopted Forex Risk Management Policy.

The other details about Risk Management have also been provided in the Board's Report forming part of this Annual Report.

(h) Material Subsidiaries

The Company does not have any material subsidiary, which is incorporated in India, as per the criteria specified under the SEBI Listing Regulations.

The Policy for determining material subsidiaries is uploaded on website of the Company and can be accessed through weblink: <http://www.wockhardt.com/files/statutory-communication/policy-on-material-subsidiaries.pdf>

As the Company has no unlisted material subsidiary incorporated in India, there is no need to nominate an Independent Director of the Company on the Board of such subsidiary.

(i) Compliance with mandatory and non-mandatory requirements

The Company has complied with all the mandatory requirements of the SEBI Listing Regulations relating to corporate governance.

The Company has also adopted the following non-mandatory requirements under Regulation 27(1) of the SEBI Listing Regulations read with Part E of Schedule II thereto:

- Shareholder Rights – Chairman's Letter which includes details of financial performance and summary of significant events is sent to each shareholder on quarterly basis. The said letter is also available on the website of the Company www.wockhardt.com.
- Separate posts of Chairman and Managing Director – Dr. H. F. Khorakiwala is the Chairman and Dr. Murtaza Khorakiwala is the Managing Director of the Company.
- Modified Opinion in Audit Report – The Statutory Auditors of the Company have not raised any qualifications/modified opinion on the Financial Statements of 2013-14, 2014-15 and 2015-16 thereby moving towards regime of unqualified/unmodified Financial Statements.

(j) Prohibition of Insider Trading

During the year, 'Wockhardt Limited – Code of Conduct for Regulating, Monitoring and Reporting Trading by Designated Persons' was approved by the Board at its meeting held on 28th May, 2015. The code has been made applicable to cover Promoters, Directors, Functional Heads and such other designated employees of the Company ('Designated Persons') who are expected to have access to unpublished price sensitive information related to the Company. The designated persons are also restricted from entering into an opposite transaction i.e. buy or sell any number of shares during the next six months following the prior transaction ('contra trade').

(k) Other SEBI Listing Regulations

The Company has complied with all the applicable provisions of the SEBI Listing Regulations in relation to corporate governance requirements. The disclosures of all the compliances pursuant to said Regulations are made elsewhere in this Report.

(l) Policies

As required under Regulation 9 of the SEBI Listing Regulations, the Company has framed a policy for preservation of documents, approved by its Board of Directors, classifying them in at least 2 categories:

- Documents whose preservation shall be permanent in nature;
- Documents with preservation period of not less than 8 years after completion of the relevant transactions.

Further, pursuant to Regulation 30 of the SEBI Listing Regulations, policy is framed by the Board of Directors for disclosure of events or information on the basis of materiality. The Policy for determining materiality of events is uploaded on the website of the Company www.wockhardt.com. Other Policies including Archival Policy as mandated by the SEBI Listing Regulations and to be disclosed on the website are also in place.

6. MEANS OF COMMUNICATION

- **Website:** The Company's website www.wockhardt.com contains the information pertaining to the Company that it is in compliance with the SEBI Listing Regulations. Further, FAQs and Forms, Live Share price, Dividend and Spilt History, 10 years financial summary have been made available to the investors for easy access to the details. A separate section for Investors is available wherein the updated information pertaining to quarterly, half-yearly and annual financial results, official press releases, the investor/analysts presentations, shareholding pattern is available in a user friendly and downloadable form.

W.e.f. 1st December, 2015, the Company's website contains all the communications made to the Stock Exchange from time to time.

- **Financial Results:** The quarterly, half yearly and annual financial results of the Company are submitted to the BSE Limited and National Stock Exchange of India Limited immediately after being approved by the Board. The results of the Company are published in one English daily newspaper (The Free Press Journal) and one Marathi newspaper (Navshakti) within 48 hours of approval thereof and are also posted on company's website www.wockhardt.com.
- **Annual Report:** Annual Report containing, *inter-alia*, the Audited Standalone and Consolidated Financial Statements, Directors' Report, Auditors' Report, Corporate Governance Report, Management's Discussion and Analysis is circulated to the members and others entitled thereto. The same is also available on the website of the Company www.wockhardt.com.
- **Reminders to Shareholders:** During the year, the Company sent Reminders to all those shareholders who have not encashed their dividend declared by the Company in the earlier years.
- **Chairman's Communication/Letter:** The Chairman's speech is distributed to the shareholders at the AGM. The same is also placed on the website of the Company. Further, the quarterly results are sent to the members of the Company by way of Chairman's letter.
- **Exclusive designated Email ID:** The Company has designed Email Id investorrelations@wockhardt.com exclusive for shareholders/investor servicing.
- **Uploading on NSE Electronic Application Processing System (NEAPS) and BSE Corporate Compliance & Listing Centre (BSE Listing Centre):** NEAPS and BSE Listing Centre are online portals designed for corporates for e-filing to the Stock Exchanges. The quarterly results, quarterly compliances, corporate actions and all other corporate communications to the stock exchanges are filed electronically on NEAPS for NSE and on BSE Listing Centre for BSE.
- **SCORES:** SCORES is an online facility where investors can submit their complaints for redressal by the RTA/ Company.

7. CERTIFICATE ON COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

The Certificate from Mr. Virendra Bhatt, Practicing Company Secretary, regarding compliance of conditions of Corporate Governance for the financial year ended 31st March, 2016 forms part of this report.

8. GENERAL SHAREHOLDER INFORMATION

17TH ANNUAL GENERAL MEETING ('AGM')

The 17th AGM of the Company will be held on Saturday, 13th August, 2016 at 12.00 noon at The Benchmark, Nakshatrawadi, Paithan Road, Aurangabad - 431 005.

FINANCIAL YEAR AND TENTATIVE FINANCIAL CALENDAR

Financial Year – 1st April to 31st March.

Tentative Schedule for declaration of financial results during the financial year 2016-17 and holding of AGM is as under:

Results of Quarter ending 30 th June, 2016	On or before 14 th August, 2016
Results of Quarter ending 30 th September, 2016	On or before 14 th November, 2016
Results of Quarter ending 31 st December, 2016	On or before 14 th February, 2017
Results for financial year ending 31 st March, 2017	On or before 30 th May, 2017
AGM for the year ending 31 st March, 2017	On or before 30 th September, 2017

BOOK CLOSURE DATE

6th August, 2016 to 13th August, 2016 (both days inclusive).

DIVIDEND PAYMENT DATE

The dividend on preference shares, if declared at the ensuing AGM, will be paid to the preference shareholders within 15 days from the date of AGM.

LISTING ON STOCK EXCHANGES

(A) Equity Shares	BSE Limited (BSE)	Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400001
	National Stock Exchange of India Limited (NSE)	Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E), Mumbai-400 051
(B) Global Depository Receipts (GDRs)	Luxembourg Stock Exchange	35A Boulevard Joseph II, L-1840 Luxembourg

The Company has paid the annual listing fees for the year 2016-17 to the Stock Exchanges.

STOCK CODES

(a) Stock Code

BSE Limited (BSE) : 532300
National Stock Exchange of India Limited (NSE) : WOCKPHARMA

(b) Corporate Identity Number (CIN)

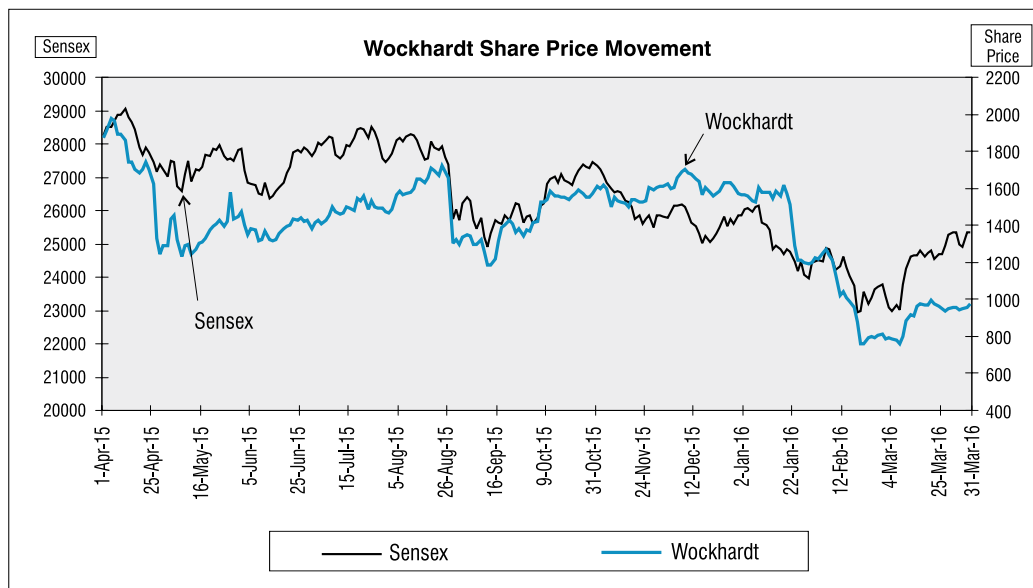
: L24230MH1999PLC120720

MARKET PRICE DATA: High/Low and number of shares traded during each month in the financial year 2015-16 on NSE and BSE

Month	NSE			BSE		
	High (₹)	Low (₹)	Monthly Volume	High (₹)	Low (₹)	Monthly Volume
April, 2015	2,000.00	1,177.05	37,495,710	2,000.00	1,181.00	6,494,701
May, 2015	1,594.00	1,194.40	44,145,817	1,594.00	1,193.05	8,431,357
June, 2015	1,499.00	1,220.05	27,843,070	1,498.75	1,232.85	5,569,688
July, 2015	1,574.00	1,390.50	21,864,232	1,574.00	1,391.00	4,056,846
August, 2015	1,744.95	1,190.00	26,597,215	1,743.80	1,194.00	5,022,762
September, 2015	1,541.05	1,125.55	35,738,903	1,538.40	1,128.00	6,541,576
October, 2015	1,640.00	1,410.00	19,419,955	1,640.00	1,413.60	3,583,510
November, 2015	1,676.50	1,430.55	17,013,548	1,675.40	1,446.50	2,917,489
December, 2015	1,745.00	1,522.00	17,236,978	1,748.20	1,515.00	2,824,150
January, 2016	1,646.85	1,110.55	33,328,638	1,647.00	1,115.00	5,856,361
February, 2016	1,289.95	705.75	54,565,494	1,295.00	706.35	10,123,355
March, 2016	1,012.70	763.80	38,862,555	1,012.50	762.00	7,042,208

Source: Website of BSE and NSE

STOCK PRICE PERFORMANCE INDEX IN COMPARISON WITH BSE SENSEX FOR THE FINANCIAL YEAR 2015-16



9. REGISTRAR & TRANSFER AGENTS

Link Intime India Private Limited

C-13, Pannalal Silk Mills Compound,
L.B.S. Marg, Bhandup (West),
Mumbai 400 078

Tel : (022) 25946970-78

Fax : (022) 25946969

Email : wockhardt@linkintime.co.in

Website : www.linkintime.co.in

10. SHARE TRANSFER SYSTEM

In order to expedite the process of share transfers, the Board has delegated the powers severally to the Chairman, Managing Director, Company Secretary and Registrar & Transfer Agents ('RTA'). Share transfers in physical form are processed by RTA and the share certificates are generally returned to the transferees within a period of fifteen days from the date of receipt of transfer documents provided that the transfer documents are complete in all respects. Requests for dematerialization of shares are processed and the confirmation is given to depositories within 15 days from the date of receipt if the documents are in order.

The Company has complied with the requirements of Regulation 40 read with Schedule VII of the SEBI Listing Regulations with respect to all formalities of transfer or transmission of shares.

Your Company obtains a half-yearly Compliance Certificate from a Company Secretary in Practice as required under Regulation 40(9) of the SEBI Listing Regulations and file a copy of the said Certificate with the Stock Exchanges.

Pursuant to Regulation 7(3) of the SEBI Listing Regulations, Compliance Certificate, duly signed by the Compliance Officer and the authorized representative of the Company's RTA viz. Link Intime India Private Limited confirming that all activities in relation to both physical and electronic share transfer facility are being maintained by the RTA for the period 1st October, 2015 to 31st March, 2016 (both days inclusive), has been duly submitted to the Stock Exchanges.

11. DEMATERIALISATION OF SHARES AND LIQUIDITY

The Company's equity shares are compulsorily traded in electronic form and are available for trading with both the Depositories in India viz. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). As on 31st March, 2016, 109,538,129 Equity Shares representing 99.12% of the Company's total paid-up Equity Share Capital were held in dematerialized mode. Out of Public Shareholding of 28,383,370 Equity Shares, 27,428,196 Equity Shares representing 96.63% of the Public Shareholding is in dematerialized mode.

The International Securities Identification Number (ISIN) assigned to Company's Equity Shares is INE049B01025.

12. DISTRIBUTION OF SHAREHOLDING AS ON 31ST MARCH, 2016

Number of Equity Shares	No. of Shareholders	% of total Shareholders	Amount in ₹	% of total amount
1 – 500	81,181	93.11	27,647,430	5.00
501 – 1000	4,178	4.79	14,044,295	2.54
1001 – 2000	938	1.08	6,782,465	1.23
2001 – 3000	304	0.35	3,899,975	0.70
3001 – 4000	132	0.15	2,360,210	0.43
4001 – 5000	93	0.11	2,156,575	0.39
5001 – 10000	166	0.19	5,891,720	1.07
Above 10000	194	0.22	489,761,845	88.64
TOTAL	87,186	100.00	552,544,515	100.00



13. SHAREHOLDING PATTERN AS ON 31ST MARCH, 2016

Categories	Number of equity shares	Amount in ₹	% to total paid-up equity capital
A. Promoters & Promoter Group	81,985,382	409,926,910	74.19
B. Public shareholding	28,383,370	141,916,850	25.68
C. Non-Promoter – Non Public			
C1. Shares Underlying DRs	140,151	700,755	0.13
C2. Shares Held By Employee Trust	–	–	–
TOTAL (A+B+C)	110,508,903	552,544,515	100.00

Note: The Company has issued 121,454,927 Optionally Convertible Cumulative Redeemable Preference Shares (OCCRPS) of ₹ 5/- each; and 475,659,941 Non-Convertible Cumulative Redeemable Preference Shares (NCCRPS) of ₹ 5/- each. These OCCRPS and NCCRPS are not listed on the Stock Exchange.

Further, during the year, paid up Equity Share Capital of the Company has been increased by 436,000 equity shares due to allotment of equity shares pursuant to exercise of stock options.

14. UNCLAIMED DIVIDEND

The Company is required to transfer dividend which have remained unpaid/unclaimed for a period of seven years to the Investor Education and Protection Fund ('IEPF') established by the Government. Dividend declared during the year ended 31st December, 2008 have been transferred to IEPF Account.

The details of Unpaid Dividend and their due dates for transfer to the IEPF are given below:

Financial Year	Type of Dividend	Date of Declaration	Due date of transfer to IEPF
2012-13	Final	2 nd September, 2013	7 th October, 2020
2013-14	1 st Interim	25 th October, 2013	29 th November, 2020
2013-14	2 nd Interim	9 th February, 2014	16 th March, 2021
2014-15	Interim	3 rd November, 2014	8 th December, 2021

Members who have not encashed dividend, as detailed above, are requested to have them revalidated and encashed to avoid transfer to IEPF.

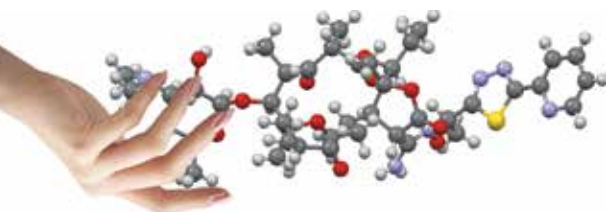
15. OUTSTANDING GDRs/ADRs/WARRANTS OR ANY CONVERTIBLE INSTRUMENTS, CONVERSION DATE AND LIKELY IMPACT ON EQUITY

Number of outstanding Global Depository Receipts (GDRs) as on 31st March, 2016 are 140,151 representing 140,151 equity shares of ₹ 5/- each constituting 0.13% of paid-up Equity Capital of the Company. There will be no impact of conversion of GDRs as the Company has allotted the underlying GDRs.

As on 31st March, 2016, 121,454,927 Optionally Convertible Cumulative Redeemable Preference Shares ('OCCRPS Series-2') allotted earlier pursuant to the approved CDR package are outstanding. The OCCRPS Series -2 Preference Shareholders shall have the right to convert the OCCRPS Series-2, along with accumulated dividend, into fully paid Equity Shares of the Company, in one or more tranches, commencing 4th July, 2016 till 31st December, 2018, at a price to be calculated as per the SEBI pricing formula prevalent at the time when the Preference Shareholders are entitled for conversion. The OCCRPS Series-2, in case not converted, shall get redeemed along with accumulated dividend on 31st December, 2018 without any redemption premium. As regards to OCCRPS Series-2, it is not possible to ascertain the likely impact on Equity Shareholding, as the conversion will take place on the price and SEBI pricing formula prevalent at the time when the Preference Shareholders are entitled for conversion, which is a future date.

16. EQUITY SHARE CAPITAL HISTORY OF THE COMPANY SINCE INCORPORATION UPTO 31ST MARCH, 2016

Date of allotment	No. of equity shares	Cumulative No. of equity shares	Face value (in ₹)	Consideration	Nature of allotment	Cumulative share capital (in ₹)
11.02.2000	35,061,652	35,061,652	10	Allotted to the shareholders of Wockhardt Life Sciences Ltd. in the ratio of 1:1 i.e. one equity share of the Company for every one equity share of Wockhardt Life Sciences Ltd. held by them	Pursuant to scheme of demerger of Wockhardt Life Sciences Limited and acquisition of pharmaceuticals division by the Company	350,616,520
22.04.2000	1,200,000	36,261,652	10	Allotted to the shareholders of Wockhardt Veterinary Limited in the ratio of 1:4 i.e. one equity share of the Company for every four equity shares of Wockhardt Veterinary Limited	Pursuant to amalgamation of Wockhardt Veterinary Limited with the Company	362,616,520
14.08.2002	3,600	36,265,252	10	Cash	Allotment of shares pursuant to exercise of stock options	362,652,520
07.01.2003	2,700	36,267,952	10	Cash		362,679,520
16.09.2003	16,700	36,284,652	10	Cash		362,846,520
14.10.2003	5,550	36,290,202	10	Cash		362,902,020
25.11.2003	1,700	36,291,902	10	Cash		362,919,020
31.12.2003	3,950	36,295,852	10	Cash		362,958,520
15.01.2004	15,350	36,311,202	10	Cash		363,112,020
23.02.2004	9,700	36,320,902	10	Cash		363,209,020
05.04.2004	9,450	36,330,352	10	Cash		363,303,520
24.04.2004	1,650	36,332,002	10	Cash		363,320,020
07.05.2004	-	72,664,004	5	Sub-division of 36,332,002 shares of Face Value ₹ 10/- each to Face Value ₹ 5/- each.	Sub-division of shares of Face Value ₹ 10/- each to Face Value ₹ 5/- each.	363,320,020
08.05.2004	36,332,002	108,996,006	5	Bonus shares	Allotment of bonus shares in the ratio of 1:2	544,980,030
21.01.2005	70,350	109,066,356	5	Cash	Allotment of shares pursuant to exercise of stock options	545,331,780
21.02.2005	29,550	109,095,906	5	Cash		545,479,530
14.03.2005	25,350	109,121,256	5	Cash		545,606,280
06.04.2005	17,250	109,138,506	5	Cash		545,692,530
09.06.2005	4,149	109,142,655	5	Cash		545,713,275
12.09.2005	13,299	109,155,954	5	Cash		545,779,770
13.10.2005	141,397	109,297,351	5	Cash	FCCB Conversion	546,486,755
09.11.2005	2,250	109,299,601	5	Cash	Allotment of shares pursuant to exercise of stock options	546,498,005
11.01.2006	81,000	109,380,601	5	Cash		546,903,005
28.02.2006	39,450	109,420,051	5	Cash		547,100,255
28.04.2006	5,850	109,425,901	5	Cash		547,129,505
16.08.2006	10,002	109,435,903	5	Cash		547,179,515
19.12.2012	122,200	109,558,103	5	Cash		547,790,515
21.01.2013	25,300	109,583,403	5	Cash		547,917,015
29.08.2013	167,750	109,751,153	5	Cash		548,755,765
07.04.2014	8,000	109,759,153	5	Cash		548,795,765
29.05.2014	248,750	110,007,903	5	Cash		550,039,515



Date of allotment	No. of equity shares	Cumulative No. of equity shares	Face value (in ₹)	Consideration	Nature of allotment	Cumulative share capital (in ₹)
20.10.2014	32,500	110,040,403	5	Cash	Allotment of shares pursuant to exercise of stock options	550,202,015
20.01.2015	25,750	110,066,153	5	Cash		550,330,765
25.02.2015	6,750	110,072,903	5	Cash		550,364,515
24.06.2015	132,500	110,205,403	5	Cash		551,027,015
08.07.2015	214,000	110,419,403	5	Cash		552,097,015
27.07.2015	75,000	110,494,403	5	Cash		552,472,015
12.10.2015	6,000	110,500,403	5	Cash		552,502,015
16.12.2015	8,500	110,508,903	5	Cash		552,544,515

17. ADDRESS FOR CORRESPONDENCE

Shareholders should address their correspondence to the Company's Registrar & Transfer Agents, Link Intime India Private Limited at C-13, Pannalal Silk Mills Compound, Bhandup (West), Mumbai 400 078; Tel Nos. 022 25946970-78; Fax No. 022 25946969; Email: wockhardt@linkintime.co.in

Shareholders can also address their correspondence to the Secretarial Department at the Global Headquarters of the Company at Wockhardt Towers, Bandra-Kurla Complex, Bandra (East), Mumbai 400 051. Tel No. 022 26534444; Fax: 022 26527860; Email: investorrelations@wockhardt.com

Further, if the shareholders are not satisfied with the response, they can also lodge their complaints online on SCORES.

Shareholders holding shares in dematerialized form are requested to intimate their correspondence relating to their Bank details, ECS mandates, nominations, power of attorney, change of address, etc. to their respective Depository Participant.

18. PLANT LOCATIONS

Formulation Plants		Bulk Drugs
L-1, MIDC Area, Chikalthana, Aurangabad-431 210 Maharashtra	Plot No. 87-A, Silver Industrial Estate, Bhimpore, Nani Daman, Daman-396 210	Plot No. 138, GIDC Industrial Estate, Ankleshwar-393002, Gujarat
E-1/1, MIDC, Shendra Aurangabad-431 201 Maharashtra	Survey No. 106-4/5/7 Daman Industrial Estate, Kadaiya, Nani Daman Daman-396 210	
H-14/2, MIDC, Waluj, Aurangabad-431 136 Maharashtra	57, Kunjhal, Barotiwala, Nalagarh, District Solan-174 103 Himachal Pradesh	
B-15/2, MIDC, Waluj, Aurangabad-431 136 Maharashtra		

For and on behalf of Board of Directors

Dr. H. F. KHORAKIWALA
Chairman
DIN: 00045608

Place: Mumbai
Date: 6th May, 2016

AFFIRMATION OF COMPLIANCE WITH CODE OF BUSINESS CONDUCT AND ETHICS

Pursuant to the requirements of Regulation 34(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I hereby confirm that the Company has received affirmations on compliance with "Code of Business Conduct and Ethics" of the Company for the financial year ended 31st March, 2016 from all the Board Members and the Senior Management Personnel.

For **WOCKHARDT LIMITED**

Dr. MURTAZA KHORAKIWALA

Managing Director

DIN: 00102650

Place: Mumbai

Date: 6th May, 2016

CERTIFICATE OF CORPORATE GOVERNANCE

To,

The Members of **Wockhardt Limited**

I have examined the compliance of Corporate Governance by Wockhardt Limited ('the Company') for the year ended 31st March, 2016, as stipulated in Clause 49 of the Listing Agreement ('Listing Agreement') of the Company with the Stock Exchanges for the period 1st April 2015 to 30th November 2015 and as per the relevant provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations') as referred to in Regulation 15(2) of the Listing Regulations for the period 1st December 2015 to 31st March 2016.

The compliance of conditions of Corporate Governance is the responsibility of the Company's Management. My examination has been limited to a review of the procedures and implementations thereof, adopted by the Company for ensuring the Compliance with the conditions of Corporate Governance as stipulated in the said Regulations. It is neither an audit nor an expression of Corporate Governance as stipulated in the above-mentioned Listing Agreement/SEBI Listing Regulations, as applicable.

In my opinion and to the best of our information and according to the explanation given to me and based on the representations made by the Management, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Agreement/SEBI Listing Regulations, as applicable.

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

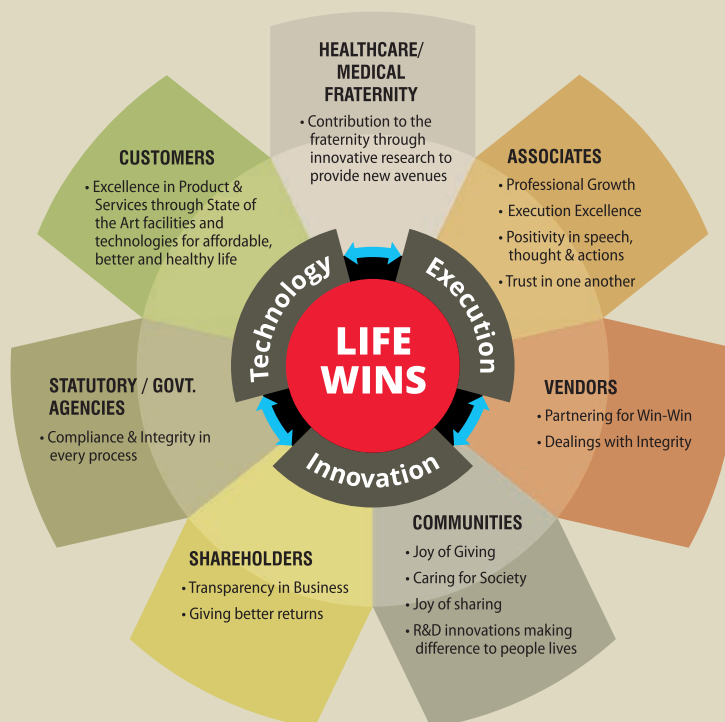
VIRENDRA BHATT

Practicing Company Secretary

ACS No.: 1157; CP No.: 124

Place: Mumbai

Date: 6th May, 2016



WOCKHARDT HOUSE

Winning	Openness	Courage	Knowledge	Humanity	Ambition	Reputation	Depth	Trust
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Observable Behaviors

<ul style="list-style-type: none"> • At the market place and competition • Deliver results • Fire-in-the-belly attitude 	<ul style="list-style-type: none"> • To be open to newness • To be dynamic and flexible • To be adaptable 	<ul style="list-style-type: none"> • To lead • To have entrepreneurial drive • To be driven by Values • To be bold • To have conviction in your beliefs 	<ul style="list-style-type: none"> • Domain knowledge • Discipline • To constantly learn • To share knowledge 	<ul style="list-style-type: none"> • Empathy • Positive mindset • To live by the human values 	<ul style="list-style-type: none"> • To aim high • To aspire for excellence • To make a difference • To be the best • To be the first 	<ul style="list-style-type: none"> • Uphold the Wockhardt image and brand • To abide by the codes, principles and values of the company 	<ul style="list-style-type: none"> • Detailed • Perfection • Superficial approach • Ensure quality, first time right 	<ul style="list-style-type: none"> • To maintain trust and integrity • Keep your commitments • Trust your colleagues
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Associates, Customers, Vendors, Medical Fraternity, Shareholders, Statutory Govt. Agencies, Communities

WOCKHARDT WORLDWIDE

GLOBAL HEADQUARTERS

Wockhardt Limited
Wockhardt Towers
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REGISTERED OFFICE

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RESEARCH CENTRES

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MANUFACTURING PLANTS

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