

**IPCA PHARMA (NZ) PTY LTD.**

**DIRECTORS REPORT**

**To the Members**

Your Directors are pleased to present the Company's annual report for the year ended March 31, 2015.

**Incorporation**

Your Company is a wholly owned subsidiary of Ipca Pharma (Australia) Pty Ltd, Australia. The Company was incorporated to hold formulation dossier registrations in New Zealand and to distribute formulations manufactured by Ipca Laboratories Limited, India in the New Zealand market.

During the year under report your company has no income and the operations have resulted in a net loss of ₹ 0.02 lakhs (Previous year: net loss of ₹ 0.02 lakhs).

29 formulation dossiers of the Company are registered with MEDSAFE, New Zealand. The Company is yet to commence any business of formulation distribution activities in New Zealand.

**Dividend**

In view of the loss incurred during the financial year under report, no dividend is proposed by the directors.

**Director's Responsibility Statement**

Your Directors confirm:

that in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;

that your Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year March 31, 2015 and of the profit and loss of the Company for the year;

that your Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

that your Directors have prepared the annual accounts on a going concern basis.

that your Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.

that your Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

#### **Particulars of Employees**

During the year under review, the company had no employees.

#### **Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo and other related disclosure.**

During the year under review, the Company has not carried out any manufacturing activities nor the Company has any manufacturing unit. Therefore above information pursuant to the Companies Act, 2013 is not applicable.

**For and on behalf of the Board**



**Murali Sarma**

**Chairman**

**May 30, 2015**

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**IPCA PHARMA (NZ) PTY LTD**  
Balance Sheet as at March 31, 2015

Particulars	Note Ref.	(₹ Lakhs)	(₹ Lakhs)
		As at 31st March' 2015	As at 31st March' 2014
<b>I EQUITY &amp; LIABILITIES</b>			
<b>1 Shareholders' Funds</b>			
(a) Share Capital	1	0.04	0.04
(b) Reserves & Surplus	2	0.04	0.07
(c) Money Received Against Share Warrants		-	-
		<u>0.08</u>	<u>0.11</u>
<b>2 Share Application Money Pending Allotment</b>			
		-	-
<b>3 Non-Current Liabilities</b>			
(a) Long-Term Borrowings		-	-
(b) Deferred Tax Liabilities (net)		-	-
(c) Other Long Term Liabilities		-	-
(d) Long Term Provisions		-	-
		<u>-</u>	<u>-</u>
<b>4 Current Liabilities</b>			
(a) Short-Term Borrowings	3	1.25	1.46
(b) Trade Payables		-	-
(c) Other Current Liabilities		-	-
(d) Short-Term Provisions		-	-
		<u>1.25</u>	<u>1.46</u>
		<u>1.33</u>	<u>1.57</u>
<b>TOTAL</b>			
<b>II ASSETS</b>			
<b>Non-Current Assets</b>			
<b>1 (a) Fixed Assets</b>			
(i) Tangible Assets		-	-
(ii) Intangible Assets	4	1.19	1.39
(iii) Capital Work-in-Progress		-	-
(iv) Intangible Assets Under Development		-	-
		<u>1.19</u>	<u>1.39</u>
(b) Non-Current Investments		-	-
(c) Deferred Tax Assets (net)		-	-
(d) Long-Term Loans & Advances		-	-
(e) Other Non-Current Assets		-	-
		<u>1.19</u>	<u>1.39</u>
<b>2 Current Assets</b>			
(a) Current Investments		-	-
(b) Inventories		-	-
(c) Trade Receivables		-	-
(d) Cash and Bank Balances	5	0.14	0.18
(e) Short-term loans and advances		-	-
(f) Other current assets		-	-
		<u>0.14</u>	<u>0.18</u>
		<u>1.33</u>	<u>1.57</u>
<b>TOTAL</b>			

Statement of Significant Accounting policies and Other Explanatory Notes form part of the Balance Sheet and Statement of Profit and Loss

For and on behalf of the Board



Murali Sarma  
Chairman/Director

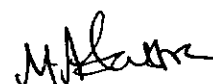
Place: Mumbai  
Date: May 30, 2015

**IPCA PHARMA (NZ) PTY LTD**  
**Statement of Profit and Loss for the year ended March 31, 2015**

Particulars	Note Ref.	(₹ Lakhs) 2014-15	(₹ Lakhs) 2013-14
<b>Revenue</b>			
I Revenue from Operations ( Gross):			
Sale of products		-	-
Sale of Services		-	-
Other operating revenue		-	-
Less : Excise duty		-	-
II Other Income		-	-
<b>III Total Revenue (I + II)</b>		<b>-</b>	<b>-</b>
<b>IV Expenses</b>			
Cost of Materials Consumed		-	-
Purchase of Stock-in-Trade		-	-
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade		-	-
Employee Benefit Expenses		-	-
Finance Cost		-	-
Depreciation & Amortization		-	-
Other Expenses	6	0.02	0.02
<b>Total Expenses</b>		<b>0.02</b>	<b>0.02</b>
<b>V Profit/(Loss) Before exceptional, extraordinary items and Tax (III-IV)</b>		<b>(0.02)</b>	<b>(0.02)</b>
VI Exceptional Items		-	-
VII Profit/(Loss) Before extraordinary items and Tax (V-VI)		(0.02)	(0.02)
VIII Extraordinary Items		-	-
<b>IX Profit/ (Loss) Before Tax (VII-VIII)</b>		<b>(0.02)</b>	<b>(0.02)</b>
X Tax Expense		-	-
1. Current Tax		-	-
2. Deferred Tax		-	-
3. Tax Provision for earlier years		-	-
<b>XI Profit/(Loss) After Tax (IX-X)</b>		<b>(0.02)</b>	<b>(0.02)</b>
<b>XII Earnings per Equity Share (₹) :</b>	8		
Basic		(20.00)	(20.00)
Diluted		(20.00)	(20.00)
Par Value		NZD \$ 1	NZD \$ 1

Statement of Significant Accounting policies and Other Explanatory Notes form part of the Balance Sheet and Statement of Profit and Loss

For and on behalf of the Board



Murali Sarma  
Chairman/Director

Place: Mumbai  
Date: May 30, 2015

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IPCA PHARMA (NZ) PTY LTD

Cashflow statement for the year ended 31st March 2015

Particulars	2014-15 (₹ Lakhs)	2013-14 (₹ Lakhs)
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
1. Net profit/(loss) before taxation	(0.02)	(0.02)
2. Operating profit/(loss) before working capital changes	(0.02)	(0.02)
3. Cash generated from operation	(0.02)	(0.02)
Movement in foreign Currency Translation reserve	(0.02)	(0.01)
<b>Net cash from operating activities ( A )</b>	<u>(0.04)</u>	<u>(0.03)</u>
<b>Net increase/(decrease) in cash and cash equivalents ( A )</b>	<u>(0.04)</u>	<u>(0.03)</u>
Cash and cash equivalents at beginning of period	0.18	0.21
Cash and cash equivalents at end of period	<u>0.14</u>	<u>0.18</u>
<b>Components of Cash &amp; Cash equivalents:</b>		
Cash and Cheques on hand	0.04	0.05
Balance with Banks	<u>0.10</u>	<u>0.13</u>
	<u>0.14</u>	<u>0.18</u>

For and on behalf of the Board



Murali Sarma  
Chairman/Director

Place: Mumbai  
Date: May 30, 2015

## Statement of Significant Accounting policies and Other Explanatory Notes

### Background

#### ACCOUNTING POLICIES

##### a) Accounting convention

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

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

##### b) Conversion into Indian rupees

The translation of financial statements into Indian Rupees is done in accordance with AS 11 (Revised) the Effects of Changes in Foreign Exchange Rates notified by the Companies (Accounting Standards) Rules 2006. The resultant Foreign Currency Translation Reserve is shown separately under Reserves and Surplus forming part of shareholders funds.

The Assets and Liabilities are translated at closing rate except share capital which is translated at the rate as on transaction date. The income and expenditure are translated at a rate nearing the average rate during the year.

##### c) Cash and Cash Equivalents

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

Statement of Significant Accounting policies and Other Explanatory Notes (contd)

OTHER EXPLANATORY NOTES

1 SHARE CAPITAL

	31st March' 2015		31st March' 2014	
	No. of Shares	(₹ Lakhs)	No. of Shares	(₹ Lakhs)
Face Value		NZD \$ 1		NZD \$ 1
Class of Shares	Equity Shares fully paid		Equity Shares fully paid	
Authorized Capital*				
Issued, Subscribed And Paid up Capital	100	0.04	100	0.04
PER BALANCE SHEET		<u>0.04</u>		<u>0.04</u>

\*In accordance with the governing law of the country where the company is incorporated there is no provision for authorized capital. The same are therefore not disclosed.

Disclosures:

Reconciliation of number of shares

Particulars	As at 31 March 2015		As at 31 March 2014	
	No. of shares	(₹ Lakhs)	No. of shares	(₹ Lakhs)
Shares outstanding at the beginning of the year	100	0.04	100	0.04
Shares Issued during the year	-	-	-	-
Shares outstanding at the end of the year	<u>100</u>	<u>0.04</u>	<u>100</u>	<u>0.04</u>

Details of Shareholding in excess of 5%

Name of Shareholder	31st March' 2015		31st March' 2014	
	No. of shares	Percentage	No. of shares	Percentage
Ipca Pharma (Australia) Pty Ltd.	100	100	100	100

Particulars	31st March' 2015	31st March' 2014
	(₹ Lakhs)	(₹ Lakhs)

2 RESERVES & SURPLUS

a) Other Reserve

Foreign Currency Translation Reserve

Balance as per last Balance Sheet	0.04	0.05
Add : Addition during the year	<u>(0.01)</u>	<u>(0.01)</u>
Balance as at year end	<u>0.03</u>	<u>0.04</u>

( Net exchange differences are accumulated in foreign currency translation reserve account )

b) Surplus in Profit & Loss account

Balance as per last Balance Sheet	0.03	0.05
Add : Profit/(Loss) for the year	<u>(0.02)</u>	<u>(0.02)</u>
Balance as at year end	<u>0.01</u>	<u>0.03</u>

PER BALANCE SHEET

<u>0.04</u>	<u>0.07</u>
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3 SHORT-TERM BORROWINGS

Unsecured Loans:

Loan from Related party

from Ipca Pharma (Australia) Pty Ltd.(Holding co.)

	<u>1.25</u>	<u>1.46</u>
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PER BALANCE SHEET

<u>1.25</u>	<u>1.46</u>
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## 4. INTANGIBLE ASSETS

(₹ Lakhs)

Particulars	Gross Block					Amortization					Net block	
	Opening as on 01/04/14	Additions	Sales / Adjustment	Foreign Exchange fluctuation Reserve	Total as on 31/03/15	Opening as on 01/04/14	Sales / Adjustment	For the year	Foreign Exchange fluctuation Reserve	Up to 31/03/15	As on 31/03/15	As on 31/03/14
Product Development & Trademark	1.39	-	-	(0.20)	1.19	-	-	-	-	-	1.19	1.39
	1.39	-	-	(0.20)	1.19	-	-	-	-	-	1.19	1.39
Previous Year	1.42	-	-	(0.03)	1.39	-	-	-	-	-	1.39	1.42



Particulars	31st March' 2015 (₹ Lakhs)	31st March' 2014 (₹ Lakhs)
<b>5 CASH AND BANK BALANCES</b>		
Cash & Cash Equivalents		
Cash on hand	0.04	0.05
Balances with Banks	0.10	0.13
<b>PER BALANCE SHEET</b>	<b>0.14</b>	<b>0.18</b>

Particulars	2014-15 (₹ Lakhs)	2013-14 (₹ Lakhs)
<b>6 OTHER EXPENSES</b>		
Bank Charges	0.02	0.02
<b>PER STATEMENT OF PROFIT &amp; LOSS</b>	<b>0.02</b>	<b>0.02</b>

7 Related Party Disclosure as required by Accounting Standard-AS 18 notified by the Companies (Accounting Standards) Rules 2006.

**Relationship:**

**Country of Incorporation**

**A. Entities where control exists**

Ipca Pharma (Australia) Pty Ltd. – Holding Company  
Ipca Laboratories Limited - Ultimate holding company

Australia

India

**Transactions**

Description	(₹ Lakhs)	
	Entities where control exists Holding Company	Total
Balances as on 31st March 2015		
<b>Payable</b>		
Ipca Pharma (Australia) Pty Ltd.	1.25	1.25
Previous Year	1.46	1.46
<b>Total</b>	<b>1.25</b>	<b>1.25</b>
Previous Year	1.46	1.46

## 8 Earning per share

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

Particulars	2014-15	2013-14
Profit after tax (₹ Lakhs)	(0.02)	(0.02)
Equity Shares Outstanding (Nos.)		
-Opening	100	100
-Issued during the year	-	-
-Closing	100	100
Weighted Average no. of shares outstanding (Nos.) - Basic	100	100
Weighted Average no. of shares outstanding (Nos.) - Diluted	100	100
Nominal value of equity share	NZ \$ 1 each	NZ \$ 1 each
Earning per share (₹)		
- Basic	(20.00)	(20.00)
- Diluted	(20.00)	(20.00)

## 9 Prior period comparatives :

Previous year's figures have been regrouped or rearranged wherever necessary.

## 10 The annual accounts have been prepared on going concern basis.

11 The Company is 100% subsidiary of Ipca Pharma (Australia) Pty Ltd. The accounts have been prepared and restated in Indian Rupees for the purpose of attachment to the accounts of the ultimate holding company to comply with the provisions of Indian Companies Act.

12 The Balance Sheet, Statement of Profit & Loss, Cash Flow Statement, Statement of significant accounting policy and other explanatory notes form an integral part of the financial statements of the company for the year ended on 31st March, 2015.

For and on behalf of the Board



Murali Sarma  
Chairman/Director

Place: Mumbai

Date: May 30, 2015