

**IPCA PHARMA (AUSTRALIA) PTY LTD, AUSTRALIA**

**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 Laboratories Limited, India and engaged in the activities of holding product registration dossiers with TGA, Australia and sale of Pharmaceutical Formulations manufactured by the parent company in Australia.

During the financial year under report, the total income of the company was ₹ 34.44 lacs [Previous year ₹ 29.46 lacs] and has earned a net profit of ₹ 0.02 lacs (Previous year operations have resulted in net loss of ₹ 1.87 lacs).

25 Formulation dossiers of the company are currently registered with TGA, Australia.

**Dividend**

In order to conserve resources of the company, no dividend has been proposed by the board for the financial year under report.

**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.

#### **Subsidiary Companies**

Your company has a wholly owned subsidiary by the name Ipca Pharma (NZ) Pty Ltd, New Zealand incorporated for holding product registration dossiers of Pharmaceutical Formulations in New Zealand.

29 formulation dossiers of this subsidiary are registered with MEDSAFE, New Zealand.

This subsidiary is yet to commence the business of distribution of pharmaceuticals in the New Zealand market.

#### **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 disclosures.**

During the year under review, the Company has not carried out any manufacturing activities nor the company has any manufacturing unit. This company incorporated outside India hence, the above information pursuant to the Companies Act, 2013 is not applicable.

**For and on behalf of the Board**



**Murali Sarma**

**Chairman**

**May 30, 2015**

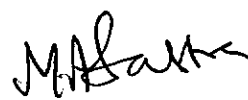
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**IPCA PHARMA (AUSTRALIA) PTY LTD**  
**[Formerly Bristol Pharma (Australia) Pty Ltd]**  
**Balance Sheet as at March 31, 2015**

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	12.98	12.98
(b) Reserves & Surplus	2	45.45	54.99
(c) Money Received Against Share Warrants		-	-
		<u>58.43</u>	<u>67.97</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		-	-
(b) Trade Payables	3	9.55	8.17
(c) Other Current Liabilities	4	0.77	-
(d) Short-Term Provisions		-	-
		<u>10.32</u>	<u>8.17</u>
<b>Total</b>		<u><u>68.75</u></u>	<u><u>76.14</u></u>
<b>II ASSETS</b>			
<b>Non-Current Assets</b>			
<b>1 (a) Fixed Assets</b>			
(i) Tangible Assets		-	-
(ii) Intangible Assets	5	36.63	42.63
(iii) Capital Work-in-Progress		-	-
(iv) Intangible Assets Under Development		-	-
		<u>36.63</u>	<u>42.63</u>
(b) Non-Current Investments	6	0.04	0.05
(c) Deferred Tax Assets (net)		-	-
(d) Long-Term Loans & Advances	7	3.36	3.34
(e) Other Non-Current Assets		-	-
		<u>40.03</u>	<u>46.02</u>
<b>2 Current Assets</b>			
(a) Current Investments		-	-
(b) Inventories		-	-
(c) Trade Receivables		-	-
(d) Cash and Bank Balances	8	26.18	25.56
(e) Short-term loans and advances	7	2.54	4.56
(f) Other current assets		-	-
		<u>28.72</u>	<u>30.12</u>
<b>Total</b>		<u><u>68.75</u></u>	<u><u>76.14</u></u>

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 (AUSTRALIA) PTY LTD**  
**[Formerly Bristol Pharma (Australia) 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	9	34.44	29.46
Other operating revenue		-	-
Less : Excise duty		-	-
II Other Income		-	-
<b>III Total Revenue (I + II )</b>		<b>34.44</b>	<b>29.46</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	10	34.97	32.39
<b>Total Expenses</b>		<b>34.97</b>	<b>32.39</b>
<b>V Profit/(Loss) Before exceptional, extraordinary items and Tax (III-IV)</b>		<b>(0.53)</b>	<b>(2.93)</b>
VI Exceptional Items		-	-
<b>VII Profit/(Loss) Before extraordinary items and Tax (V-VI)</b>		<b>(0.53)</b>	<b>(2.93)</b>
VIII Extraordinary Items		-	-
<b>IX Profit/ (Loss) Before Tax (VII-VIII)</b>		<b>(0.53)</b>	<b>(2.93)</b>
X Tax Expense			
1. Current Tax		(0.55)	(1.33)
2. Deferred Tax		-	-
3. Tax Provision for earlier years		-	0.27
<b>XI Profit/(Loss) After Tax (IX-X)</b>		<b>0.02</b>	<b>(1.87)</b>
XII Earnings per Equity Share (₹) :	12		
Basic		0.07	(6.94)
Diluted		0.07	(6.94)
Par Value		AUS \$ 1	AUS \$ 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

**IPCA PHARMA (AUSTRALIA) PTY LTD**  
**[Formerly Bristol Pharma (Australia) 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	(0.53)	(2.93)
2. Operating profit/(loss) before working capital changes	<u>(0.53)</u>	<u>(2.93)</u>
Decrease/(Increase) in Receivables	1.81	2.14
Increase/(Decrease) in Sundry creditors & provisions	<u>2.15</u>	<u>(1.86)</u>
3. Cash generated from operation	<u>3.43</u>	<u>(2.65)</u>
Movement in Foreign currency translation reserve	(2.81)	(0.51)
Income Tax paid	<u>-</u>	<u>(1.61)</u>
<b>Net cash from operating activities ( A )</b>	<u>0.62</u>	<u>(4.77)</u>
<b>Net increase/(decrease) in cash and cash equivalents ( A + B )</b>	<u>0.62</u>	<u>(4.77)</u>
<b>Cash and cash equivalents at beginning of period</b>	<u>25.56</u>	<u>30.33</u>
<b>Cash and cash equivalents at end of period</b>	<u>26.18</u>	<u>25.56</u>
<b>Components of Cash &amp; Cash equivalents:</b>		
Cash and Cheques on hand	0.05	0.06
Balance with Banks	<u>26.13</u>	<u>25.50</u>
	<u>26.18</u>	<u>25.56</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 twelvemonths 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 Revised 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) Investments:

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

##### d) Revenue Recognition:

Revenue in respect of insurance/other claims, interest, commission, etc., are recognized only when it is reasonably certain that the ultimate collection will be made.

Revenue from sale of service is recognized when the services are rendered.

##### e) 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.

##### f) Current Tax:

Current Tax is calculated as per the provisions of Income tax Rules of Australia.

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		AUS \$ 1		AUS \$ 1
Class of Shares	Equity Shares fully paid		Equity Shares fully paid	
Authorized Capital*				
Issued, Subscribed And Paid up Capital	26,944	12.98	26,944	12.98
PER BALANCE SHEET		<u>12.98</u>		<u>12.98</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	26,944	12.98	26,944	12.98
Shares Issued during the year	-	-	-	-
Shares outstanding at the end of the year	<u>26,944</u>	<u>12.98</u>	<u>26,944</u>	<u>12.98</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 Laboratories Ltd	26,944	100	26,944	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	14.39	15.97
Add : Addition during the year	<u>(9.56)</u>	<u>(1.58)</u>
Balance as at year end	<u>4.83</u>	<u>14.39</u>
( Net exchange differences are accumulated in foreign currency translation reserve account )		

b) Surplus

Balance as per last Balance Sheet	40.60	42.47
Add : Profit/(Loss) for the year	<u>0.02</u>	<u>(1.87)</u>
Balance as at year end	<u>40.62</u>	<u>40.60</u>
PER BALANCE SHEET	<u>45.45</u>	<u>54.99</u>

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

3 TRADE PAYABLE

Trade Payables		
- Micro Small and Medium Enterprises		
- Others	<u>9.55</u>	<u>8.17</u>
PER BALANCE SHEET	<u>9.55</u>	<u>8.17</u>

The Company represents that in the country of its operation there is no requirement of classification of business enterprises as Micro, Small and Medium enterprises.

4 OTHER CURRENT LIABILITIES

Duties & taxes payables	<u>0.77</u>	
PER BALANCE SHEET	<u>0.77</u>	

## 5. 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	42.63	-	-	(6.00)	36.63	-	-	-	-	-	36.63	42.63
	42.63	-	-	(6.00)	36.63	-	-	-	-	-	36.63	42.63
Previous Year	43.61	-	-	(0.98)	42.63	-	-	-	-	-	42.63	



## 6. Non Current Investments

(₹ Lakhs)

Details of Trade Investments										
Sr. No.	Name of the Body Corporate	Subsidiary / Associate / JV / Controlled Entity / Others	No. of Shares / Units		Quoted / Unquoted	Partly Paid / Fully paid	Extent of Holding (%)		Amount	
			31/03/2015	31/03/2014			31/03/2015	31/03/2014	31/03/2015	31/03/2014
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
	<b>Investment in Equity Instruments (Stated at cost)</b>									
1	Ipca Pharma (NZ) Pty Ltd.	Subsidiary	100	100	Unquoted	fully paid	100	100	0.04	0.05
	<b>PER BALANCE SHEET</b>								<b>0.04</b>	<b>0.05</b>

Disclosures:

Particulars

Aggregate amount of unquoted investments (Non Current - Trade)

0.04	0.05
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7 LOANS & ADVANCES (Unsecured, considered good)

	Long Term		Short Term	
	31st March' 2015 (₹ Lakhs)	31st March' 2014 (₹ Lakhs)	31st March' 2015 (₹ Lakhs)	31st March' 2014 (₹ Lakhs)
Loan to Related party				
To IPCA Pharma(NZ) Pty Ltd.(Subsidiary Co.)	-	-	1.25	1.46
Advance to Related party:				
To IPCA Laboratories Ltd.( Holding Co.)	-	-	-	2.67
Others:				
Income Tax Recoverable	3.36	3.34	1.29	-
Indirect Taxes Recoverable	-	-	-	0.43
<b>PER BALANCE SHEET</b>	<b>3.36</b>	<b>3.34</b>	<b>2.54</b>	<b>4.56</b>

Particulars	31st March' 2015 (₹ Lakhs)	31st March' 2014 (₹ Lakhs)
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8 CASH AND BANK BALANCES

Cash & Cash Equivalents

Cash on hand	0.05	0.06
Balances with Banks	26.13	25.50
<b>PER BALANCE SHEET</b>	<b>26.18</b>	<b>25.56</b>

Particulars	2014-15 (₹ Lakhs)	2013-14 (₹ Lakhs)
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9 SALE OF SERVICES

Sale of Services	34.44	29.46
<b>PER STATEMENT OF PROFIT &amp; LOSS</b>	<b>34.44</b>	<b>29.46</b>

Disclosures:

Details of Sale of Services

Dossiers/Ciones sales	34.44	29.46
<b>PER STATEMENT OF PROFIT &amp; LOSS</b>	<b>34.44</b>	<b>29.46</b>

10 OTHER EXPENSES

Bank Charges	0.12	0.14
Professional charges	34.32	31.54
Communication expenses	0.41	0.50
Delivery expenses	0.12	0.20
Printing & Stationery	-	0.01
<b>PER STATEMENT OF PROFIT &amp; LOSS</b>	<b>34.97</b>	<b>32.39</b>

11 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

Shareholders of Ipca Pharma (Australia) Pty Limited

Ipca Laboratories Limited.

India

Subsidiary

Ipca Pharma (NZ) PTY Ltd.

New Zealand

Transactions

(₹ Lakhs)

Description	Entities where control exists		Key Management personnel	Total
	Holding Company	Subsidiary		
<b>Advance given ((payment received))</b>				
Ipca Laboratories Limited.	(2.67)			(2.67)
Previous Year	(2.57)		-	(2.57)
<b>Total</b>	<b>(2.67)</b>	<b>-</b>	<b>-</b>	<b>(2.67)</b>
Previous Year	(2.57)	-	-	(2.57)
<b>Balances as on 31st March 2015</b>				
<b>Receivable</b>				
Ipca Pharma (NZ) PTY Ltd.		1.25		1.25
Previous Year		1.46		1.46
Ipca Laboratories Limited.	-			-
Previous Year	2.67			2.67
<b>Total</b>	<b>-</b>	<b>1.25</b>	<b>-</b>	<b>1.25</b>
Previous Year	2.67	1.46	-	4.13

## 12 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	(1.87)
Equity Shares Outstanding (Nos)		
-Opening	26,944	26,944
-Issued during the year	-	-
-Closing	26,944	26,944
Weighted Average no. of shares outstanding (Nos.) - Basic	26,944	26,944
Weighted Average no. of shares outstanding (Nos.) - Diluted	26,944	26,944
Nominal value of equity share	AUS \$ 1 each	AUS \$ 1 each
Earning per share (₹)		
- Basic	0.07	(6.94)
- Diluted	0.07	(6.94)

## 13 Prior period comparatives :

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

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

15 The Company is 100% subsidiary of Ipca Laboratories Limited. The accounts have been prepared and restated in Indian Rupees for the purpose of attachment to the accounts of the holding company to comply with the provisions of Indian Companies Act.

16 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