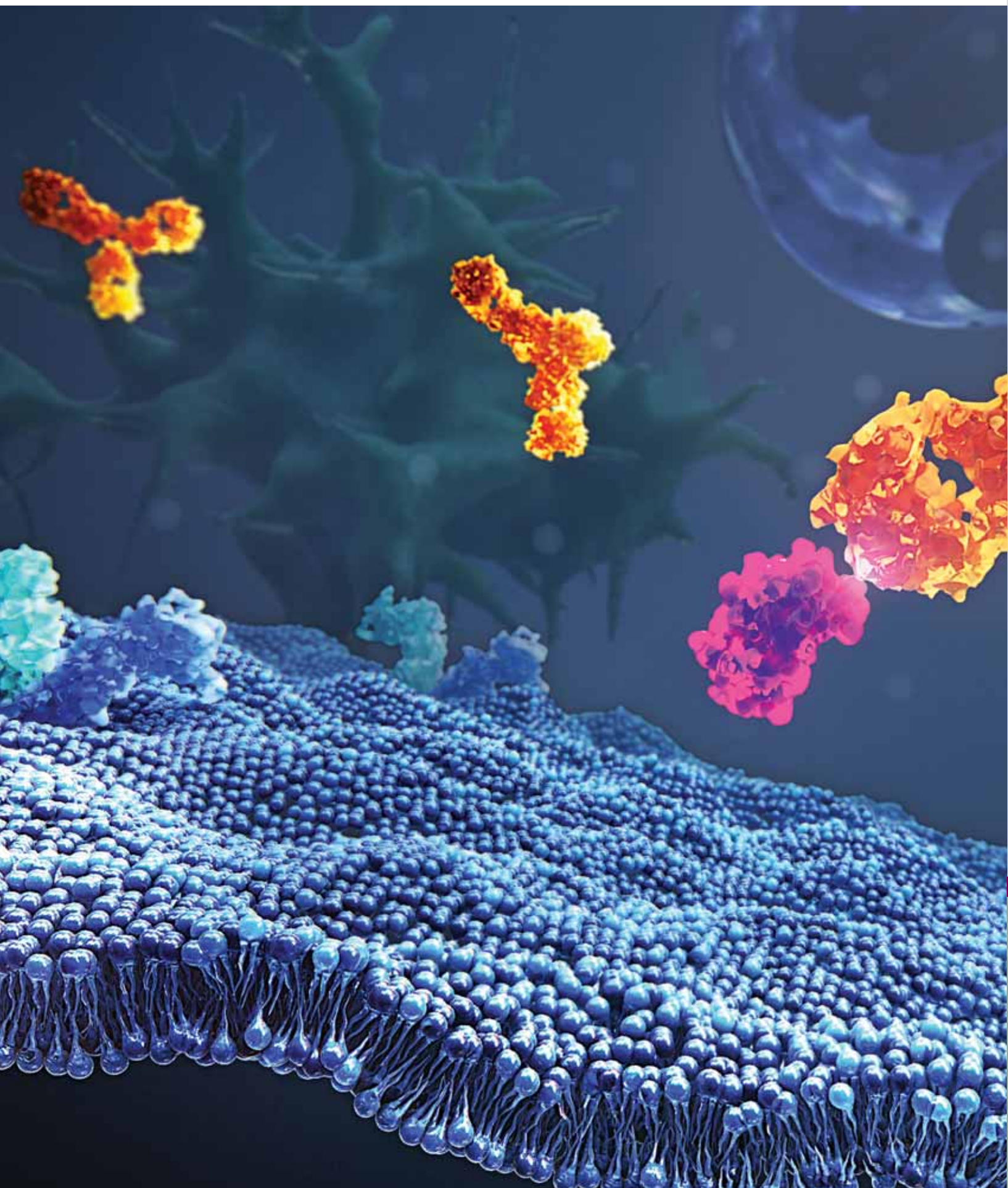


What science can do

AstraZeneca Pharma India Limited

Annual Report 2017-18







Welcome to
AstraZeneca Pharma India Limited
Annual Report 2017-18.

We are a global, science-led biopharmaceutical business and in this Annual Report we report on the progress we made in 2017-18 in pushing the boundaries of science to deliver life-changing medicines.

AstraZeneca.
What science can do.

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AstraZeneca India – at a glance

Focus therapy areas

Respiratory, Inflammation and Autoimmunity

We have an unprecedented potential to deliver scientific breakthroughs and transform the lives of people through our 40-year heritage in respiratory science.

Cardiovascular, Renal and Metabolic diseases

We are dedicated to finding distinctive, new approaches that jointly addresses cardiorenal metabolic risks.

Oncology

We are redefining the treatment paradigm to eliminate cancer as a cause of death.

Purpose

At AstraZeneca, our purpose is to push the boundaries of science to deliver life-changing medicines.

Values

Our values are the building blocks of a strong AstraZeneca culture. We are committed to operating with integrity and high ethical standards across all our activities.



Key strategic priorities

Our strategic priorities reflect how we are working to achieve our purpose of pushing the boundaries of science to deliver life-changing medicines.



Safety, Health & Environment

At AstraZeneca, we are committed to promoting a safe, healthy and energising work environment for our people.

In line with AstraZeneca's sustainability strategy for protection of natural resources and reduction of dependence on fossil fuels, AstraZeneca's manufacturing operations entered into an arrangement for long-term renewable power purchasing contract. This arrangement is expected to reduce carbon dioxide emission and the site energy consumption cost.

During the year, new initiatives were introduced on building a safe working environment for our women employees and many health awareness activities were undertaken.



Safe rider workshop in Bengaluru

Social Responsibility

We are aware of the critical role that we must play to help communities pursue sustainable health.



Our employees remain at the forefront of community services, helping us pursue community care goals. Over 900 community members were screened for non-communicable diseases at four health camps at Bengaluru in 2017-18.

Achievements

Inspiring accomplishments



The Government of Karnataka conferred the 'Unnatha Suraksha Puraskara Award 2017' to our manufacturing operations in Bengaluru for 'Best Safety Performance and Management Systems'.

Improving patient lives

AstraZeneca launched 2 new innovative medicines for patients in India in 2017-18:

- Tagrisso™ (Osimertinib), AstraZeneca's novel therapy for advanced or metastatic EGFR T790M non-small cell lung cancer
- Once-daily Xigduo® XR (Dapagliflozin + Metformin Hydrochloride) tablets for comprehensive management of type 2 diabetes



“Over 74 million patients are affected by diabetes today and a significant number do not reach their treatment goals. We believe this novel once-daily combination therapy of Dapagliflozin and Metformin can address an unmet medical need by offering a comprehensive and convenient treatment option for the Indian phenotype patient predisposed to comorbidities such as blood pressure and weight gain. Xigduo® XR is an exciting new addition to our diabetes portfolio and signifies our commitment to improve diabetes care through innovative treatment solutions”.

Gagan Singh Bedi – Country President & Managing Director, AstraZeneca Pharma India Limited



Tagrisso launch team

AstraZeneca Pharma India Limited

Board of Directors

Independent Directors

Mr. Narayan K Seshadri, Chairman
Ms. Revathy Ashok
Ms. Kimsuka Narsimhan

Non-Executive Directors

Mr. Gregory David Emil Mueller
Mr. Ian John Parish

Executive Directors

Mr. Gagan Singh Bedi, Managing Director
Mr. Rajesh Marwaha

Committees of Board

Audit Committee

Ms. Revathy Ashok, Chairman
Mr. Narayan K Seshadri
Mr. Gregory David Emil Mueller

Nomination and Remuneration Committee

Ms. Kimsuka Narsimhan, Chairman
Mr. Narayan K Seshadri
Mr. Gregory David Emil Mueller
Mr. Ian John Parish

Stakeholders' Relationship Committee

Ms. Revathy Ashok, Chairman
Mr. Gagan Singh Bedi
Mr. Rajesh Marwaha

Corporate Social Responsibility Committee

Mr. Ian John Parish, Chairman
Ms. Revathy Ashok
Mr. Gagan Singh Bedi

Other Corporate Information

Corporate and Registered Office

Block N1, 12th Floor, Manyata Embassy Business Park,
Rachenahalli, Outer Ring Road, Bengaluru - 560 045

Factory

12th Mile on Bellary Road
Kattigenahalli Village, Yelahanka
Bengaluru - 560 063

Sales Outlets

Ahmedabad, Bengaluru*, Chandigarh, Chennai, Cuttak, Delhi*,
Guwahati, Hyderabad, Indore, Jaipur, Kochi, Kolkata, Lucknow,
Mumbai, Patna, Ranchi
* Company outlets (Bengaluru and Delhi)

Auditors

Price Waterhouse & Co Chartered Accountants LLP

Bankers

The Hongkong and Shanghai Banking Corporation Limited

Chief Financial Officer

Mr. Rajesh Marwaha

Company Secretary & Legal Counsel

Mr. Pratap Rudra

Annual General Meeting
at 3:00 p.m. on Monday, September 10, 2018
at 'The Mysore Hall', ITC Gardenia, No.1,
Residency Road, Bengaluru - 560 025

AstraZeneca Pharma India Limited

Registered Office: Block N1, 12th Floor, Manyata Embassy Business Park,
Rachenahalli, Outer Ring Road, Bengaluru - 560 045
CIN: L24231KA1979PLC003563, Web: www.astrazeneca.com/india
E-mail: comp.secy@astrazeneca.com, Tel: +91 80 67748000, Fax: +91 80 67748557

Notice

NOTICE is hereby given that the 39th Annual General Meeting of the Members of AstraZeneca Pharma India Limited will be held on Monday, September 10, 2018 at 3.00 p.m. at 'The Mysore Hall', ITC Gardenia, No.1, Residency Road, Bengaluru – 560 025, to transact the following business:

ORDINARY BUSINESS

Item No. 1

To receive, consider and adopt the financial statements viz. the Audited Balance Sheet as at March 31, 2018, the Audited Profit and Loss Account and the Cash Flow Statement of the Company and Explanatory note annexed thereto or forming part of the above documents, for the financial year ended on that date and the Reports of the Board of Directors and Auditors thereon.

Item No. 2

To appoint a Director in place of Mr. Rajesh Marwaha (DIN: 01458768) who retires by rotation, and being eligible, offers himself for reappointment.

SPECIAL BUSINESS

Item No. 3

To consider and if thought fit, to convey assent or dissent to the following Ordinary Resolution:

RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 ('the Act') read with the Companies (Audit and Auditors) Rules, 2014, as amended to date, payment of remuneration of ₹ 1,50,000/- (Rupees one lakh fifty thousand only) plus applicable taxes and reimbursement of out-of-pocket expenses, at actuals, to M/s. Rao, Murthy & Associates, Cost Accountants, Bengaluru, (Firm Registration No. 000065), appointed by the Board as Cost Auditors of the Company for conducting the cost audit of the cost records for the financial year ending March 31, 2019, be and is hereby confirmed, approved and ratified.

Item No. 4

To consider and if thought fit, to convey assent or dissent to the following Ordinary Resolution:

RESOLVED THAT subject to the provisions of Regulation 23 (4) of Securities and Exchange Board of India (Disclosure Obligations and Listing Requirements) Regulations, 2015 ('the Listing Regulations'), as amended to date, approval of the Members be and is hereby granted to the following Material Related Party Transactions entered into by the Company with AstraZeneca UK Limited ('AZ UK'), a Related Party as defined in Section 2(76) of the Act and in the Listing Regulations, during the financial year 2017-18:

Sl. No.	Nature of Material Related Party Transactions	Transaction Value ₹ in crore (2017-18)
1	Purchase of raw materials and traded goods by the Company from AZ UK	188.27
2	Reimbursement by AZ UK to the Company of the cost of employees deputed by the Company outside India	1.04
Total		189.31

RESOLVED FURTHER THAT the Managing Director and the Company Secretary, be and are hereby severally authorised to do or cause to be done all such acts, deeds, matters and things as may be necessary/desirable to give effect to the above resolution.

By Order of the Board of Directors
For **AstraZeneca Pharma India Limited**

Place: Bengaluru
Date: May 21, 2018

Pratap Rudra
Company Secretary and Legal Counsel

NOTES:

1. A member entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend and vote instead of himself/herself and the proxy or proxies so appointed need not be a member or members, as the case may be, of the Company.

The instrument appointing the proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power of attorney or authority shall be deposited at the registered office of the Company not later than 48 hours before the time fixed for holding the meeting.

A person can act as proxy on behalf of members not exceeding 50 and holding in the aggregate not more than 10% of the total share capital of the Company. However, a single person may act as a Proxy for a member holding more than 10% of the total voting share capital of the Company provided that such person shall not act as a Proxy for any other person.

2. The Register of Members and Share Transfer Books of the Company will remain closed for 8 days i.e. from **September 3, 2018 to September 10, 2018** (both days inclusive) in connection with the Annual General Meeting.
3. The Statement pursuant to Section 102 of the Companies Act, 2013, setting out the material facts concerning Item Nos. 3 and 4 of the Notice, being Special Business, is annexed hereto.
4. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address or demise of any member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified.
5. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company.
6. Members are requested to note that dividends not encashed or remaining unclaimed for a period of 7 years from the date of transfer to the Company's Unpaid Dividend Account, shall be transferred under Section 124 of the Companies Act, 2013, to the Investor Education and Protection Fund, established under Section 125 of the Companies Act, 2013. Further, as required under the said Act, the Shares pertaining to the aforesaid unclaimed dividends will also be transferred to the Investor Education Protection Fund Authority.
7. Details as required under the Listing Regulations and Secretarial Standards in respect of the Director seeking appointment/ reappointment at the Annual General Meeting form an integral part of the Notice. The required declarations for such appointment has been received from the director(s).
8. Electronic copy of the Annual Report for 2017-18 is being sent to all the members whose e-mail IDs are registered with the Company/Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their e-mail address, physical copies of the Annual Report for 2017-18 is being sent in the permitted mode.

9. Electronic copy of the Notice of the 39th Annual General Meeting of the Company *inter alia* indicating the process and manner of e-Voting along with Attendance Slip and Proxy Form is being sent to all the members whose e-mail IDs are registered with the Company/Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their e-mail address, physical copy of the Notice of the 39th Annual General Meeting of the Company *inter alia* indicating the process and manner of e-Voting along with Attendance Slip and Proxy Form is being sent in the permitted mode.

10. Members may also note that the Notice of the 39th Annual General Meeting and the Annual Report for 2017-18 will also be available on the Company's website www.astrazeneca.com/india for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office in Bengaluru for inspection during normal business hours on working days. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post, free of cost. For any communication, the Members may also send requests to the Company's investor e-mail ID: comp.sec@astrazeneca.com.

11. Voting through Electronic means

In compliance with the provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the Listing Regulations, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ('remote e-voting') will be provided by National Securities Depository Limited (NSDL).

The facility for voting through polling paper will be made available at the AGM and the members attending the meeting who have not cast their vote through remote e-voting shall be able to exercise their right at the meeting through polling paper.

The instructions for e-voting are as under:

A. In case of Members receiving e-mail from NSDL:

- (i) Open e-mail and the attached PDF file titled 'AZPIL remote e-Voting.PDF' with your Client ID (in case you are holding shares in demat mode) or Folio No. (in case you are holding shares in physical mode) as default password. The said PDF file contains your 'User ID' and 'Password/PIN' for remote e-voting. Please note that the password is an initial password.
- (ii) Open internet browser by typing the URL: <https://www.evoting.nsdl.com>
- (iii) Click on 'Shareholder/Member' – 'Login'.
- (iv) Type in your User ID and password as initial password/PIN as mentioned in step (i) above and click Login.
- (v) Password Change Menu appears. Change the password/ PIN with the new password of your choice with minimum 8 digits/characters or combination thereof.
- (vi) Please note your new password. It is strongly recommended that you do not share your new password and take utmost care to keep your password confidential.

- (vii) Home page of 'remote e-voting' opens. Click on 'remote e-voting-Active Voting Cycles'.
- (viii) Select 'EVEN' of AstraZeneca Pharma India Limited for casting your vote.
- (ix) You are now ready for 'remote e-voting' as 'Cast Vote' page opens.
- (x) Cast your vote by selecting appropriate option and click 'Submit' and also 'Confirm' when prompted. Upon confirmation, the message, 'Vote cast successfully' will be displayed. Once voted on the resolution, you will not be allowed to modify your vote.
- (xi) Institutional Members (other than Individuals, HUF, NRI, etc.) are also required to send a scanned copy (PDF/JPG format) of the relevant Board Resolution/Authority Letter, etc. together with an attested specimen signature of the duly authorised signatory(ies) who are authorised to vote, to the Scrutiniser through e-mail on vijaykt@vjkt.in with a copy marked to evoting@nsdl.co.in.

B. In case a Member receives physical copy of the Notice of AGM (i.e. members whose e-mail IDs are not registered with the Company/Depository Participant(s) or requesting physical copy):

- (i) Initial password is provided as below/at the bottom of the Attendance Slip for the AGM:

EVEN (E Voting Event Number)	USER ID	PASSWORD/PIN

- (ii) Please follow all steps from Sl. No. (ii) to Sl. No. (xi) above, to cast vote.

C. Other instructions:

- (i) A member may participate in the meeting even after exercising his right through remote e-voting, but he/she will not be allowed to vote again at the meeting.
- (ii) In case of any queries, you may refer to the Frequently Asked Questions (FAQs) for Members and remote E-voting User Manual for Members available at the 'Downloads' Section of www.evoting.nsdl.com or contact NSDL on toll free no. 1800-222-990.
- (iii) If you are already registered with NSDL for e-voting, then you can use your existing user ID and password/PIN for casting your vote.
- (iv) You can also update your mobile number and e-mail ID in the user profile details of the folio which may be used for sending future communication(s).
- (v) The remote e-voting period commences on September 6, 2018 (9.00 a.m. IST) and ends on September 9, 2018 (5.00 p.m. IST) for 4 days. During this period, Members of the Company, holding shares either in physical form or in dematerialised form, as on the cut-off date (record date) September 3, 2018 may cast their vote through remote e-voting. The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently.

- (vi) The voting rights of Members shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date (record date) of September 3, 2018.
- (vii) Any person, who acquires shares of the Company and become member of the Company after despatch of the notice and holding shares as of the cut-off date i.e. September 3, 2018, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or giri@integratedindia.in.

However, if you are already registered with NSDL for remote e-voting, then you can use your existing user ID and password for casting your vote. If you have forgotten your password, you can reset your password by using 'Forgot User Details/Password' option available on www.evoting.nsdl.com or contact NSDL at toll free no. 1800-222-990.

- (viii) A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.
 - (ix) The Board of Directors have appointed Mr. K. T. Vijayakrishna, Practicing Company Secretary, (Membership No. FCS 1788) as the Scrutiniser to scrutinise the e-voting process in a fair and transparent manner. Mr. Vijayakrishna has conveyed to the Company his willingness to act as such.
 - (x) The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizor, by use of 'Poling Paper' for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
 - (xi) The Scrutinizer shall, immediately after the conclusion of voting at the meeting, first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and make not later than 2 days of conclusion of the meeting, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing, who shall countersign the same and declare the resolution of the voting, forthwith.
 - (xii) The Results declared alongwith the Scrutinizer's Report shall be placed on the Company's website www.astrazeneca/india.com and on the website of NSDL, immediately after the result is declared by the Chairman and communicated to the stock exchanges, where the equity shares of the Company are listed.
12. All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company during normal hours (between 10.00 a.m. to 12.00 noon) on all working days, up to and including the date of the Annual General Meeting of the Company.
13. Members are requested to bring their personal copy of the Annual Report to the Meeting.

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

Item No. 3

The Board of Directors of the Company, on the recommendation of the Audit Committee, approved the appointment and remuneration of M/s. Rao, Murthy & Associates, Cost Accountants (Firm Registration No. 000065) to conduct the audit of the cost records of the Company for the financial year ending March 31, 2019. In terms of the provisions of Section 148(3) of the Companies Act, 2013 read with Rule 14(a)(ii) of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor is required to be ratified by the Members of the Company. Accordingly, consent of the Members is sought to ratify the remuneration payable to the Cost Auditors.

None of the Directors or Key Managerial Personnel or their relatives, is concerned or interested in this Resolution.

The Board recommends the Ordinary Resolution set out at Item No. 3 for the approval of Members.

Item No. 4

The Company is a part of AstraZeneca Group, which is one of the world's leading pharmaceutical companies, with a broad range of medicines designed to fight disease in important areas of healthcare. The Company is engaged in the manufacture and marketing of pharmaceutical products in the country, with certain pharmaceutical products imported from AstraZeneca Group Companies.

AstraZeneca UK Limited ('AZ UK'), with whom the Company has entered into the material related party transaction set out in the resolution at Item No. 4 of the accompanying Notice, is a related party as defined in Section 2(76) of the Act and in the Listing Regulations.

Regulation 23 (4) of the Listing Regulations provides that all transactions with a Related Party which constitute material transactions as defined in the Listing Regulations, require the approval of the Members by a resolution passed in the general meeting.

The transactions entered into by the Company with AZ UK a related party during the financial year 2017-18 constitute material transactions as defined in the Listing Regulations. They will accordingly require to be approved by the Members at the ensuing Annual General Meeting by an ordinary resolution. Hence the resolution at Item No. 4 of the Notice. The Related Party viz. AZ UK is not a member of the Company.

The following information is placed before the members:

Sl. No.	Particulars	Information
1	Name of the Related Party	AstraZeneca UK Limited ('AZ UK')
2	Nature of relationship	AZ UK is the Parent Company of AstraZeneca Treasury Limited, United Kingdom, which is the Holding Company of AstraZeneca AB, Sweden, which in turn is the Holding Company of AstraZeneca Pharmaceuticals AB, Sweden, and which in turn is the Holding Company of AstraZeneca Pharma India Limited
3	Name of Director(s) or Key Managerial Personnel who is related, if any	Mr. Gregory David Emil Mueller Mr. Ian John Parish (being representatives of AstraZeneca Group on the Board of the Company)
4	Nature, material terms, monetary value and particulars of the transactions	<p>Nature of the Transactions: Formulation, packaging and resale by the Company of the Related Party's products as defined therein pursuant to the Formation, Packaging and Distribution Agreement dated June 20, 2005 entered into by the Company with AZ UK.</p> <p>Material Terms: Credit period: 120 days. Transactions to take place at agreed transfer pricing. Termination of Agreement by 6 months written Notice by either party. Monetary Value of the transactions during 2017-18 is ₹ 188.27 crores.</p> <p>Other Particulars</p> <p>(a) Either party can terminate the Agreement with immediate effect by giving notice to the other, in the event of breach of any of the provisions of the Agreement, not remedied within 30 days of receiving written notice from the other.</p> <p>(b) AZ UK is entitled to cancel or suspend further delivery of Products to the Company, if the payment by the Company for the invoice amount is delayed by 30 days beyond the time stipulated for payment.</p> <p>The Company had sent its personnel to the Related Party viz. AZ UK, on deputation. The Related Party has reimbursed the Company the cost of deputation of such personnel. The aggregate reimbursement made by the Related Party to the Company is ₹ 1.04 crores as indicated in the text of the resolution at Item No. 4 of the Notice.</p>

Sl. No.	Particulars	Information
		The aggregate value of all of the material transactions with AZ UK shown in the text of the resolution at Item No. 4 of the Notice during the financial year 2017-18 was ₹ 189.31 crores.
5	Any other relevant or important information for the Members	The above Formulation, Packaging and Distribution Agreement dated June 20, 2005 was approved by the Members at the 36 th Annual General Meeting held on September 2, 2015.

None of the Directors or Key Managerial Personnel of the Company and their relatives except Mr. Gregory David Emil Mueller and Mr. Ian John Parish, Non-Executive Directors, being representatives of AstraZeneca group on the Board of the Company may be deemed to be concerned or interested in the resolution.

The Board recommends the Resolution at Item No. 4 of the Notice for approval of the Members.

By Order of the Board of Directors
For **AstraZeneca Pharma India Limited**

Place: Bengaluru
Date: May 21, 2018

Pratap Rudra
Company Secretary and Legal Counsel

Annexure to Notice

Additional information on director recommended for appointment/reappointment (in relation to Agenda Item No. 2) as required under Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards on General Meetings

Name	Mr. Rajesh Marwaha
Date of Birth	March 26, 1963
Date of first appointment on the Board	December 2, 2016
Qualification(s)	Degree in Commerce and Member of the Institute of Chartered Accountants of India
Brief profile and nature of their expertise in specific functional areas	<ul style="list-style-type: none"> • Mr. Rajesh Marwaha has been the Chief Financial Officer of the Company since August 2014. • He has over twenty-five years of Indian and International working experience. His experience includes varied roles in FMCG, Home Appliances, Pharmaceutical and Retail Mall sector. During his past work tenure, his main experience has been to set up new subsidiaries in different countries which has developed a strong business enabling approach in him. • He is a member of the Institute of Chartered Accountants of India. • Prior to joining AstraZeneca, he had worked with PepsiCo for seven years. He joined Groupe SEB SA, a French company in home appliances business in 1996. There, he worked in different functions; finance in India, Global internal audit at headquarter in France, Regional Controller Sales & Commercial in Dubai. Post a successful stint, he came back to India to join MSD pharmaceuticals in India in 2008 and worked there for 6 years.
Terms and conditions of Appointment/Reappointment	As per the resolution passed by the shareholders at the Annual General Meeting held on September 13, 2017, Mr. Rajesh Marwaha was appointed as an Executive Director, liable to retire by rotation.
Remuneration last drawn	Particulars of remuneration drawn and Board meetings attended during the financial year 2017-18 are provided in the Corporate Governance Report.
Number of meetings of Board attended during the year	
Remuneration proposed to be paid	As per existing terms and conditions as approved by shareholders in the Annual General Meeting of the Company held on September 13, 2017.
Directorships held in other listed companies	None
Membership/Chairmanships of Committees of other listed companies	NIL
Shareholding in the Company (No. of shares)	NIL
Relationship between Directors, <i>inter se</i>	None

Board's Report

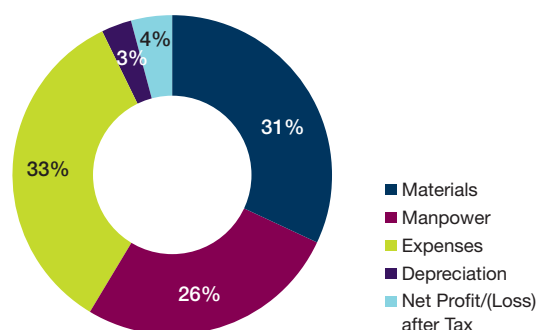
Your Directors are pleased to present the 39th Annual Report together with the Audited Financial Statements of the Company for the financial year ended March 31, 2018.

FINANCIAL RESULTS

(₹ in million)

Particulars	2017-18	2016-17
Sales and Other Income	5,842	5,631
Profit/(Loss) Before Tax	438	355
Provision for Taxation		
– Income Tax	90	88
– Adjustment for Deferred Tax	89	67
Total Tax	179	154
Profit/(Loss) after Taxation	259	201
Surplus brought forward from the previous year	918	717
Total amount available for appropriation	1,177	918
Appropriation made by Directors		
Transfer to General Reserve	-	-
Appropriation recommended by Directors		
Dividend	-	-
Tax on proposed Dividend	-	-
Surplus carried over	1,177	918

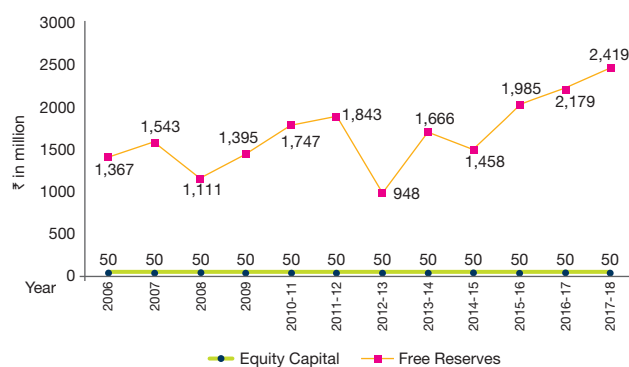
Distribution of Total Revenue (%)



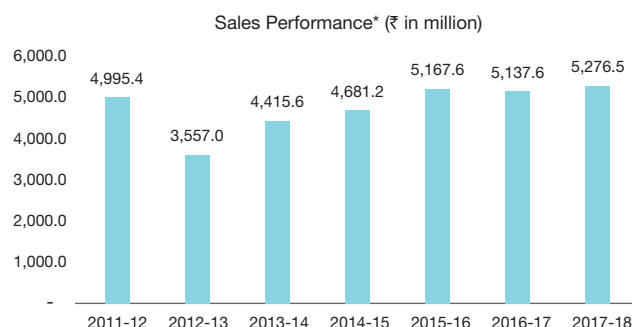
Dividend

Though the Company made significant progress during the year in terms of its business performance, considering its overall financial position, the Directors have not recommended any dividend for the year 2017-18.

Net worth



Sales and Marketing



* including Exports

Business

The Company registered sales of ₹ 5,276 million with a growth of 3% achieving a Net Profit of ₹ 259 million, during the year. The current year growth for the Company comes from the focussed therapeutic areas Cardio-Metabolism, Oncology and Respiratory.

The Company's Growth Platforms consist of the innovative drugs like Brilinta, Forxiga, Xigduo, Symbicort, Onglyza, Kombiglyze and the recently launched Tagrisso which together constitutes 64% of total sales. The Launch of Tagrisso in the Lung Cancer segment has helped the Company improve Lung cancer patient's lives and cater to the unmet need in this category.

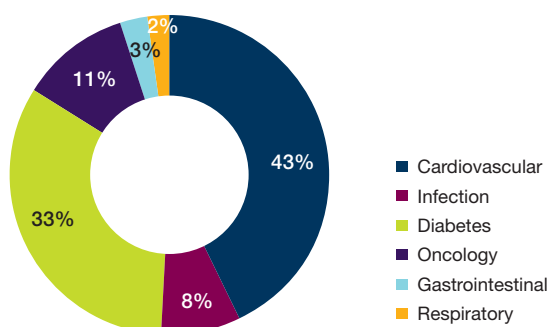
Brilinta (Ticagrelor) is approved for treatment in Acute Coronary Syndrome (ACS) disease and continued to register rapid growth. The partnership with Sun Pharma has helped boost the reach of the drug to more patients. This franchise crossed the ₹ 1,000 million milestone within 5 years of launch and as per IQVIA Health,

Ticagrelor franchise enjoyed 32% market share (MAT March 2018) while the Oral Anti-Platelets (OAP) market grew by 3.2%, proving the success of the drug.

Forxiga in the dapagliflozin franchise, as part of the SGLT2 class of drug (Sodium Glucose Cotransporter inhibitors), also experienced robust growth. As per IQVIA Health, dapagliflozin franchise is having ~33% market share within SGLT2 class (MAT March 2018), efficacy and wide acceptance among physicians and benefiting numerous diabetic patients.

Xigduo was launched in the last quarter of 2017-18. It is a fixed dose combination drug, which helps to improve glycemic control in adults with type 2 diabetes mellitus, when treatment with both dapagliflozin and metformin is appropriate.

Therapeutic Area-wise Sales contribution (%)



Manufacturing

The manufacturing operations continue to provide strong support for product deliveries in the market. The robust Technology Transfer processes have enabled us to bring local packing of new products like Forxiga and Oxra into the market much faster. It is heartening to note that Manufacturing and Supply of all the factory manufactured products achieved 99% OTIF (On Time & In Full). There has been a seamless launch of products from factory.

We are pleased to inform that the factory has received the renewed cGMP certification from our Regulatory Authorities and we continue to improve our cGMP standards. In our manufacturing operations, we ensure profitability by focusing on environmentally sustainable manufacturing practices, continuous focus on variable and fixed costs and implementation of lean supply chain practices. The manufacturing facility has entered into a Solar Power supply agreement which will result in significant power savings and contribute towards green energy and reduction in Carbon Footprint. Factory Operations has launched the lean manufacturing programme that will help reduce cost and improve efficiency. We would also like to highlight that to prepare the factory for any new growth opportunities for volume uptake, the factory management is executing a plan to upgrade the technical capability of the existing workforce and steer towards a new way of manufacturing in the years ahead. We are also working towards creating a truly diverse and inclusive organisation which reflects our desire to further cement our diversity agenda.

Material changes and commitment, if any, affecting financial position of the Company from the end of the Financial Year and till the date of this Report

There has been no material change and commitment affecting the financial performance of the Company which occurred between the end of the financial year of the Company to which the financial statements relate and the date of this Report.

Deposits

During the year under review, the Company has neither accepted nor renewed any deposits from the public within the meaning of Section 73 of the Companies Act, 2013 and The Companies (Acceptance of Deposits) Rules, 2014.

Safety, Health and Environment

Safety as well as Health and Well-being of employees is an important issue for the Company. New initiatives were introduced on building a safe working environment for our women employees. Many health awareness activities too were carried out throughout the year.

Human Resources and Employee Relations

The Company is committed to provide career opportunities for its employees and enable their growth and development. Further, there is a focus on hiring science and pharmacy graduates to strengthen the scientific orientation in the workforce. There continues to be a focus on building gender diversity in the workforce. Training programmes to strengthen scientific and technical knowledge of the employees were extensively implemented across the business.

The Company continued to provide career development and learning opportunities for its employees. During the year, the India Development Week was conducted to enable employees to develop capabilities to further their development within AstraZeneca to enable them to be ready for the focus on newer challenges and portfolio. We also continued to focus on building a diverse organisation with employees from different backgrounds and cultures.

Number of Employees

The total number of employees of the Company as on March 31, 2018 was 1,356 as against 1,141 as on March 31, 2017.

Legal Matters

In the last year's Board's Report, members were informed about the following legal matters:

- Arbitration proceedings initiated by National Highway Authority of India (NHAI) before Arbitrator at Bengaluru in relation to first acquisition of land made by NHAI in 2004 and the arbitration proceedings invoked by the Company seeking, *inter alia*, enhancement of compensation from NHAI in respect of second acquisition of land made by NHAI in 2011.
- Writ Petition filed by the Company before the Karnataka High Court challenging demand notice received from Bruhat Bangalore Mahanagar Palike dated August 7, 2014 demanding improvement charges from the Company and the interim stay granted by the High Court of Karnataka.
- Appeal filed by 2 shareholders of the Company before Securities Appellate Tribunal against part of the Order of Securities and Exchange Board of India (SEBI) dated June 24, 2014, in relation to delisting proposal of AstraZeneca Pharmaceuticals AB, Sweden.

During the year under review, there have been no reportable developments on the above matters.

Transfer to Investor Education and Protection Fund

As required under the Companies Act, 1956/2013, the unclaimed dividend amount aggregating ₹ 1,203,740 lying with the Company for a period of 7 years pertaining to the financial year ended December 2009 was transferred during July 2017 to the Investor Education and Protection Fund, established by the Central Government. Further, as required under the said Act, the shares pertaining to the aforesaid unclaimed dividends aggregating 67,300 shares held by 194 shareholders were transferred to the Investor Education and Protection Fund Authority.

Directors' Responsibility Statement

To the best of our knowledge and belief and according to the information and explanations obtained by us, your Directors state in terms of Section 134 (5) of the Companies Act, 2013 (the Act):

- (a) that in the preparation of the annual financial statements for the year ended March 31, 2018, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any.
- (b) that they had selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2018 and of the profit of the Company for the year ended on that date.
- (c) that they 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.
- (d) that they had prepared the annual financial statements on a going concern basis.
- (e) that they had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.
- (f) that they had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

The details in respect of internal financial controls and their adequacy are included in the Management Discussion and Analysis Report, which forms part of this Report.

Disclosure as required under Section 22 of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Company is committed to provide a healthy environment to all its employees. There is zero tolerance of discrimination and/or harassment in any form. The Company has in place a Prevention of Sexual Harassment Policy and an Internal Complaints Committee as per the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

During the year under review, there were no complaints received by the Internal Complaints Committee.

Board Meetings

During the year, 6 meetings of the Board were held. For details of the meetings of the Board, please refer to the Corporate Governance Report, which forms part of this Report.

Board Evaluation

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), performance evaluation exercise was carried out for evaluation of the performance of the Board as a Whole, the Chairman, Independent Directors and the Non-Independent Directors. The Company had formulated a questionnaire to carry out the evaluation exercise. The questionnaire has been structured to embed various parameters based on identified criteria and framework to carry out the evaluation effectively.

Nomination and Remuneration Policy of the Company

The Company has adopted a Nomination and Remuneration Policy relating to the appointment and payment of remuneration to the Directors, Key Managerial Personnel and Senior Executives of the Company which is annexed herewith as Annexure – I, which forms part of this Report.

Vigil Mechanism/Whistle Blower Policy

The Company has a vigil mechanism for Directors and Employees to report their concerns about unethical behaviour, actual or suspected fraud or violation of the Company's code of conduct. The mechanism provides for adequate safeguards for victimisation of Director(s)/Employee(s) who avail of the mechanism. In exceptional cases, Directors and Employees have direct access to the Chairman of the Audit Committee. The Whistle Blowing Policy is available on the Company's website www.astrazeneca.com/india.

Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outflow

The information on 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 annexed herewith as Annexure – II.

Related Party Transactions

There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel and Senior Management which may have a potential conflict with the interest of the Company at large.

All related party transactions are placed before the Audit Committee for its prior approval. Omnibus approval of the Audit Committee is obtained for transactions which are repetitive in nature or when the need for them cannot be foreseen in advance.

The Company has adopted a Policy for dealing with Related Party Transactions. The Policy as approved by the Board is available on the Company's website at www.astrazeneca.com/india.

The related party transactions which are of material nature, as defined in the Listing Regulations, are required to be approved by the Members by way of an Ordinary Resolution. In this connection, the material related party transactions requiring Members' approval are dealt with at Item No. 4 of the Notice, read with the Explanatory Statement.

Details of the related party transactions as required under Section 134(3)(h) read with Rule 8 of the Companies (Accounts) Rules, 2014, are attached as Annexure – III.

Risk Management

The Company has in place a mechanism to inform the Board about the risk assessment and minimisation procedures and periodical review is carried out to ensure that executive management controls are appreciated by means of a properly defined framework.

Corporate Social Responsibility

The Company in partnership with Plan International (India chapter), a reputed non-governmental organisation and global implementation partners for AstraZeneca's global community initiative – the Young Health Programme, organised free Non-Communicable Diseases (NCDs) health camps for prevention and detection of common lifestyle diseases such as diabetes, hypertension and respiratory disorders in 4 urban slum areas in K.R. Puram, Mahadevpura, Jayanagar and C.V. Raman Nagar, Bengaluru.

The health camps included community mobilisation, as awareness campaign for early prevention, screening, counselling and post screening follow ups to ensure that high risk/diagnosed patients are seeking further medical advice. The screening tests included Glucose-serum, Plasma, Blood Pressure, Haemoglobin, Body Mass Index and Pulmonary Function Test. More than 900 community members participated in the 4 health camps including women and young boys and girls from the communities. The Company's employees also volunteered in this community service programme.

AstraZeneca continues its commitment towards prevention of NCDs among adolescents in its global community investment initiative – The Young Health Programme, now in its 8th year of successful implementation in marginalised communities in Delhi. So far, the programme has benefitted 255,397 adolescents and reached out to 140,339 members of the wider community including parents, teachers, health workers and policy makers. Over 3,600 peer educators have been trained so far as part of the programme. This programme is funded by AstraZeneca Global.

The Annual Report on CSR activities in terms of the requirements of Companies (Corporate Social Responsibility Policy) Rules, 2014 is annexed herewith as Annexure – IV, which forms part of this Report.

Extract of Annual Return

In terms of the requirements of Section 92(3) of the Act and Rule 12 of the Companies (Management and Administration) Rules, 2014, the extract of the Annual Return in the prescribed form i.e. MGT-9 is annexed herewith as Annexure – V, which forms part of this Report.

Details of remuneration of Directors/Key Managerial Personnel

The information relating to remuneration of Directors/Key Managerial Personnel as required under Section 197(12) read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is given in Annexure – VI, which forms part of this Report.

Particulars of Employees

The statement under Rule 5(2) and 5(3) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are set out in Annexure – VII which forms part of this Report.

However, the said Annexure shall be provided to Members on a specific request made in writing to the Company. The said information is available for inspection by the Members at the Registered Office of the Company on any working day of the Company up to the date of the 39th Annual General Meeting.

Management Discussion and Analysis Report

Management Discussion and Analysis Report as required under the Listing Regulations is annexed as Annexure – VIII, which forms part of this Report.

Corporate Governance

A detailed report on corporate governance as required under the Listing Regulations is annexed as Annexure – IX. Certificate of the Practicing Company Secretary regarding compliance with the conditions stipulated in the Listing Regulations forms part of the Report on Corporate Governance, which forms part of this Report.

Reporting of Frauds

There was no instance of fraud during the year under review, which required the Statutory Auditors to report to the Audit Committee and/or the Board, as required under Section 143(12) of the Act and Rules framed thereunder.

Particulars of Loans, Guarantees or Investments

During the year under review, the Company has not granted any Loan, Guarantees or made Investments within the meaning of Section 186 of the Companies Act, 2013.

Significant and material orders passed by the Regulators or Courts or Tribunals

During the year under review, there was no significant and material orders passed by the Regulators or Courts or Tribunals impacting the going concern status of the Company.

Committees

Pursuant to Section 178 of the Companies Act, 2013 and the rules made thereunder, the Board of Directors at its meeting held on May 30, 2014, had constituted the Nomination and Remuneration Committee and the Stakeholders' Relationship Committee. Further, pursuant to Section 135 of the Companies Act, 2013 and the rules made thereunder, the Board of Directors at its meeting held on August 12, 2014 had constituted the Corporate Social Responsibility Committee. Details of these Committees including the Audit Committee are given in the Corporate Governance Report.

Directors and Key Managerial Personnel

The Companies Act, 2013 provides for appointment of Independent Directors, who shall hold office for a term of up to five consecutive years on the Board of the Company and shall be eligible for reappointment on passing of a special resolution by the Company. Further, the provisions of retirement by rotation as envisaged under Section 152 of the Companies Act, 2013, shall not apply to such Independent Directors. The Independent Directors of the Company Mr. Narayan K Seshadri, Ms. Revathy Ashok and Ms. Kimsuka Narsimhan, have furnished the required declaration under Section 149 of the Companies Act, 2013, affirming that they meet the criteria of independence.

Changes to the Board of Directors

During the year under review:

- (a) Mr. Ian Brimicombe (Non-Executive Director) resigned w.e.f. May 31, 2017.
- (b) Mr. Sanjay Murdeshwar (Managing Director) resigned w.e.f. June 30, 2017.
- (c) Mr. Gagan Singh Bedi (Managing Director) was appointed as Additional Director of the Company w.e.f. July 1, 2017 at the meeting of the Board held on June 29, 2017 and was appointed as the Director of the Company in the Annual General Meeting held on September 13, 2017.
- (d) Mr. Ian John Parish (Non-Executive Director) was appointed as Additional Director of the Company at the meeting of the Board held on August 8, 2017 and was appointed as the Director of the Company in the Annual General Meeting held on September 13, 2017.

Pursuant to Section 152 of the Companies Act, 2013, Mr. Rajesh Marwaha, will retire by rotation at the ensuing Annual General Meeting and being eligible, offers himself for reappointment. A resolution in this behalf is set out at Item No. 2 of the Notice of the Annual General Meeting.

The details of familiarisation programme and annual board evaluation process for Directors have been provided in the Corporate Governance Report.

As on date, Mr. Gagan Singh Bedi, Managing Director, Mr. Rajesh Marwaha, Chief Financial Officer and Director and Mr. Pratap Rudra, Company Secretary and Legal Counsel, are the Key Managerial Personnel of the Company.

Auditors

Statutory Auditor:

At the Annual General Meeting held on August 11, 2016, M/s. Price Waterhouse & Co. Chartered Accountants LLP (Firm Registration No. 304026E/E-300009), were appointed as statutory auditors of the Company for a period of 5 years viz. till the conclusion of 42nd Annual General Meeting, subject to ratification of their appointment by the shareholders.

The Ministry of Corporate Affairs vide its Notification dated May 7, 2018, has dispensed with the requirement of ratification of Auditor's appointment by the shareholders, every year. Hence, the resolution relating to ratification of Auditor's appointment is not included in the Notice of the ensuing Annual General Meeting.

Secretarial Auditor:

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and amendments made thereto, the Company engaged the services of Mr. Vijayakrishna KT, Practicing Company Secretary to conduct the Secretarial Audit of the Company for the financial year ended March 31, 2018. The Secretarial Audit Report in Form MR-3 is annexed as Annexure – X, which forms part of this Report.

Cost Auditor:

The Board of Directors of the Company, based on recommendation of the Audit Committee, has appointed M/s. Rao, Murthy & Associates, Cost Accountants, Bengaluru, (holding Registration No. 000065), as Cost Auditor of the Company, for conducting the Cost Audit for the financial year 2018-19, on a remuneration as mentioned in the Notice convening the 39th Annual General Meeting.

A Certificate from M/s. Rao, Murthy & Associates, Cost Accountants, has been received to the effect that their appointment as Cost Auditor of the Company, if made, would be in accordance with the

limits specified under Section 141 of the Act and Rules framed thereunder.

Cost Audit Report for the year 2016-17 was filed with the Ministry of Corporate Affairs on October 10, 2017.

Acknowledgements

Your Directors take this opportunity to thank AstraZeneca Pharmaceuticals AB, Sweden and AstraZeneca PLC, UK for their valuable guidance and strong support to the Company's operations during the year.

Your Directors would also like to thank the Central and the State Governments, other Statutory and Regulatory Authorities, the Company's Bankers, the Medical Profession and Trade, Vendors and Business Associates and the Members for their continued and valuable support to the Company's operations.

Your Directors place on record their sincere appreciation of the significant contribution and continued support of the employees at all levels to the Company's operations during the year.

On behalf of the Board of Directors

Place: Bengaluru
Date: May 21, 2018

Narayan K Seshadri
Chairman

Annexure I to Board's Report

Nomination and Remuneration Policy

The Remuneration Committee of AstraZeneca Pharma Limited ('the Company') was constituted on February 6, 2013. In order to align with the provisions of the Companies Act, 2013 and the Listing Agreement, the Board at its meeting held on May 30, 2014, renamed the 'Remuneration Committee' as 'Nomination and Remuneration Committee' and approved the Terms of Reference.

1. Objective:

The Nomination and Remuneration Committee was constituted pursuant to Section 178 of the Companies Act, 2013 ('the Act') read along with the applicable rules thereto and Clause 49 of the Listing Agreement and this Policy is in compliance therewith.

2. Definitions:

- (a) Act means the Companies Act, 2013 and the Rules framed thereunder, as amended from time to time.
- (b) Board means the Board of Directors of the Company
- (c) Directors means Directors of the Company
- (d) Key Managerial Personnel: Key Managerial Personnel means –
 - (i) Chief Executive Officer or the Managing Director or the Manager;
 - (ii) Company Secretary,
 - (iii) Whole-time director;
 - (iv) Chief Financial Officer; and
 - (v) such other officer as may be prescribed by the Act or rules made thereunder.
- (e) Senior Management Personnel: Senior Management means personnel of the Company who are members of its core management team excluding the Board of Directors. This would also include all members of management one level below the executive directors including all functional heads.

3. Applicability:

The Policy is applicable to

- (a) Directors (Executive and Non-Executive)
- (b) Key Managerial Personnel
- (c) Senior Management Personnel

4. Constitution, Composition, Quorum:

- (a) The Committee shall consist of a minimum Three (3) Directors and all the directors shall be non-executive directors, out of which not less than one half shall be Independent Directors.
- (b) Two (2) members present out of whom one shall be an Independent Director shall constitute a quorum for a Committee meeting.
- (c) The Chairman of the Committee shall be an Independent Director. In the absence of the Chairman of the Committee, the members present at the meeting shall elect one of the members of the Committee, to act as Chairman of that meeting.

- (d) The Chairman of the Company can be a member of the Committee but shall not chair the Committee.
- (e) The Chairman of the Committee or in his absence any member of the Committee nominated by the Chairman shall be present at the AGM to answer shareholders queries.
- (f) Membership of the Committee shall be disclosed in the Annual Report.

5. Meetings and invitees to meetings:

- (a) The Committee will meet as and when required or mandated by the Board or the Chairman of the Committee.
- (b) The Committee may invite such executives, as it considers appropriate to be present at any meeting of the Committee.
- (c) The Company Secretary shall act as Secretary of the Committee.

6. Role and Functions of the Committee relating to Nomination:

- (a) To review the Board structure, size and composition and make recommendations to the Board in this regard;
- (b) To identify persons who are qualified to become directors (including appointments to committees) and who may be appointed in Senior Management in accordance with the criteria laid-down, recommend to the Board their appointment and removal and to carry out evaluation of every director's performance;
- (c) To formulate the criteria for determining qualifications, positive attributes and independence of a director;
- (d) To recommend to the Board plans for succession, in particular, of the Managing Director, the Executive Directors, Key Managerial Personnel and Senior Management Personnel;
- (e) To evaluate the performance of the Board on certain pre-determined parameters as may be laid down by the Board as part of the self-evaluation process.

7. Functions and Responsibilities of the Committee relating to Remuneration:

The functions and responsibilities of the Committee in relation to remuneration will be as under:

7.1 Relating to the Company:

- The Committee to formulate and recommend to the Board a policy relating to the remuneration for the Directors, Key Managerial Personnel and other employees.
- The Committee while formulating the above policy shall ensure that –
 - (a) the level and composition of remuneration be reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully;
 - (b) relationship of remuneration to performance be clear and meets appropriate performance benchmarks; and
 - (c) remuneration to Directors, Key Managerial Personnel and senior Management involves a balance between fixed and

incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

7.2 Relating to the Performance and Remuneration of the Managing Director/Whole-time Director:

- Establish key performance metrics to measure the performance of the Managing Director/Whole-time Director, including the use of financial, non-financial and qualitative measures.
- Review and recommend to the Board the remuneration and performance bonus or commission to the Managing/ Whole-time Directors.

7.3 Relating to the Performance and Remuneration of the Non-Executive Directors:

- Define the principles, guidelines and process for determining the payment of commission to non-executive directors of the Company.

8. Other Functions:

Perform such other activities within the scope of this Policy as may be directed by the Board of Directors or under any regulatory requirements.

9. Disclosure:

This Policy as amended from time to time shall be disclosed in the Board's Report.

10. Nomination Duties:

Evaluating the performance of the Board members in the context of the Company's performance from business and compliance perspective.

11. Remuneration Duties:

The duties of the Committee in relation to remuneration matters include:

- (a) to consider and determine the Remuneration Policy, based on the performance and also bearing in mind that the remuneration is reasonable and sufficient to attract, retain and motivate members of the Board and such other factors as the Committee shall deem appropriate, all elements of the remuneration of the members of the Board.
- (b) to review periodically the terms of appointment and the remuneration of the Senior Management including Key Managerial Personnel of the Company maintaining a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company.
- (c) to delegate any of its powers to one or more of its members.
- (d) to consider any other matters as may be requested by the Board;
- (e) professional indemnity and liability insurance for Directors and senior management.

Criteria for payment of remuneration to Directors, KMP and Senior Management Personnel is provided under Annexure – A attached to this Policy.

12. Minutes of Committee Meetings:

Proceedings of all meetings shall be minuted and signed by the Chairman of the Committee at the subsequent meeting. Minutes of the Committee meetings will be tabled at the subsequent Board and Committee meetings.

Criteria for payment of remuneration to Directors, KMP and Senior Management Personnel

(A) (i) Remuneration to Managing/Whole-time Directors

- (a) The remuneration and commission to be paid to the Managing and Whole-time Director shall be in accordance with the percentage/slabs/conditions laid down in the Articles of Association of the Company and as per the provisions of the Companies Act, 2013, and the rules made thereunder.
- (b) The remuneration and commission etc. to be paid to the Managing Director/Whole-time Director will be determined by the Committee and recommended to the Board for approval. The same shall be subject to the prior/post approval of the shareholders of the Company and Central Government, wherever required.
- (c) Subject to Para (B) below, the increments to the existing remuneration/compensation structure may be recommended by the Committee to the Board which should be within the slabs approved by the Shareholders in the case of Managing and Whole-time Director.
- (d) Where any insurance is taken by the Company on behalf of its Directors for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such Directors. Provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.

Minimum Remuneration:

If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Directors including Managing Director and Whole-time Director in accordance with the provisions of Schedule V to the Companies Act, 2013 and if it is not able to comply with such provisions, with the previous approval of the shareholders and/or Central Government, as the case may be.

Provision for excess remuneration:

If Managing Director, Whole-time Director draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Companies Act, 2013 or without the prior sanction of the Central Government, where required, he/she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive recovery of such sum refundable to it unless permitted by the Central Government.

(ii) Remuneration to Non-Executive Independent Directors in India:

(a) Sitting Fees:

The Independent Directors in India may receive remuneration by way of fees for attending meetings of Board or Committee thereof. Provided that the amount of such fees shall not exceed the amount as may be prescribed under the Companies Act, 2013 and the Rules made thereunder.

(b) Commission:

Commission may be paid within the monetary limit approved by shareholders, subject to the limit not exceeding 1% of the profits of the Company computed as per the applicable provisions of the Companies Act, 2013.

(B) Remuneration to KMP and Senior Management Personnel:

KMP and Senior Management Personnel shall be eligible for remuneration by way of both fixed and variable pay comprising of monthly salary and perquisites and performance based incentive/commission.

Appraisals of KMP and Senior Management Personnel, annual and/or otherwise, shall be done by the Managing Director and Head of HR function. The Managing Director shall approve the remuneration including the annual increase in remuneration payable to the KMP thereof.

Annexure II to Board's Report

Details on Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo

A. Conservation of Energy

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

Our Tablet Facility was the first pharma facility in India to be accredited with Gold Standard Rating under LEED (Leadership in Energy and Environmental Design) certification. The facility uses vapour absorption chiller, efficient water fixtures and an extensive energy modelling done with 33.67% reduction in power consumption. All the HVAC operations is controlled by the building management system which enables the facility to be energy efficient.

Our Company has entered into an agreement for sourcing solar power vide open access which will meet more than 70% of our site's energy requirement resulting in cost savings and reducing carbon footprint.

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

The Company is using renewable energy concepts like:

- Sourcing Solar power for site power requirements

- Usage of Agro husk Boilers for steam generation
- Rainwater Harvesting
- Condensate water recovery system
- Recycled Materials for Construction
- Usage of transparent roofing in engineering stores and other areas to conserve lighting load.

(iii) The capital investment on energy conservation equipment:

- The Company's investment into the existing Tablet Facility includes investments made on energy conservation equipment and systems.
- Usage of power saving LED fixtures for lighting production, Central warehouse facility and street lighting.
- Usage of motion sensors for office and some production areas to conserve lighting load.

B. Technology Absorption

1. The efforts made towards technology absorption	N.A.
2. The benefits derived like product improvement, cost reduction, product development or import substitution	N.A.
3. In case of imported technology (imported during the last 3 years reckoned from the beginning of the financial year)	N.A.
(a) The details of technology imported	
(b) The year of import	
(c) Whether the technology has been fully absorbed	
(d) If not fully absorbed, areas where absorption has not taken place and reasons thereof	
4. The expenditure incurred on Research and Development	N.A.

C. Foreign exchange earnings and outgo

- (a) Foreign exchange earned in terms of actual inflows – ₹ 299,547,952
- (b) Foreign exchange outgo in terms of actual outflows – ₹ 2,014,908,209

On behalf of the Board of Directors

Place: Bengaluru
Date: May 21, 2018

Narayan K Seshadri
Chairman

Annexure III to 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)

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

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

During the financial year 2017-18, there was no contract or arrangement or transaction with the related parties, which was not at arm's length and in the ordinary course of business.

2. Details of material contracts or arrangement or transactions at arm's length basis

- A) Name of the related party: AstraZeneca UK Limited ('AZ UK')
- B) Nature of relationship: AstraZeneca UK Limited, is the Parent Company of AstraZeneca Treasury Limited, United Kingdom which is the Holding Company of AstraZeneca AB, Sweden, which in turn is the Holding Company of AstraZeneca Pharmaceuticals AB, Sweden and which in turn is the Holding Company of AstraZeneca Pharma India Limited
- C) Nature of contracts/arrangements/transactions: Purchase of raw materials and traded goods by the Company from AZ UK and Reimbursement by AZ UK, the cost of employees deputed by the Company outside India.
- D) Duration of the contracts/arrangements/transactions: Agreement dated June 20, 2005 entered into by the Company with AZ UK, is ongoing.

E) Salient terms of the contract including value if any:

- (i) Formulation, Packaging and Distribution Agreement dated June 20, 2005:

Nature: Formulation, packaging and resale of the products by the Company

Credit Period: 120 days

Transactions to take place at agreed transfer pricing

Termination of Agreement by 6 months written notice by either party

Monetary value of transaction(s) during 2017-18 is ₹ 188.27 crores

- (ii) The Company had sent its personnel to the Related Party viz. AZ UK, on deputation. The Related Party has reimbursed the Company, cost of deputation of such personnel. The aggregate reimbursement made by the Related Party to the Company is ₹ 1.04 crores.

The aggregate value of transactions with AZ UK, a Related Party during the financial year 2017-18 was ₹ 189.31 crores.

- F) Date of approval by the Board: Not applicable, as the transactions referred to above are in the ordinary course of business and on arm's length basis.
- G) Amount paid as advances, if any: Nil

On behalf of the Board of Directors

Place: Bengaluru
Date: May 21, 2018

Narayan K Seshadri
Chairman

Annexure IV to Board's Report

Annual Report on CSR Activities

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

AstraZeneca Pharma India Limited in partnership with Plan International (India chapter), a reputed non-governmental organisation and global implementation partners for AstraZeneca's global community initiative – the Young Health Programme, organised free Non-Communicable Diseases (NCDs) health camps for prevention and detection of common lifestyle diseases such as diabetes, hypertension and respiratory disorders in 2 urban slum areas in K.R. Puram and Mahadevapura, Bengaluru during the financial year 2017-18.

AstraZeneca continues its commitment towards prevention of NCDs among adolescents in its global community investment Initiative – The Young Health Programme, now in 8th Year of successful implementation in marginalised communities in Delhi. So far, the programme has benefitted 255,397 adolescents and reached out to 140,339 members of the wider community including parents, teachers, health workers and policy makers. Over 3,600 peer educators have been trained so far as part of the programme. This programme is funded by AstraZeneca Global.

2. The Composition of the CSR Committee:

Mr. Ian John Parish – Chairman

Ms. Revathy Ashok

Mr. Gagan Singh Bedi

3. Average net profit of the Company for last 3 financial years: ₹ 34.40 million
4. Prescribed CSR expenditure: ₹ 0.68 million
5. Details of CSR spent during the financial year:

CSR Project or activity identified	Sector in which the project is covered	Projects or programmes (1) Local area or other (2) Specify the state and district where project or programmes was undertaken	Amount outlay (budget) project or programme wise	Amount spent on the projects or programmes Sub-heads: (1) Direct expenditure on projects or programmes (2) Overheads	Cumulative expenditure upto the reporting period	Amount spent: Direct or through implementing agency
Non-Communicable Disease Awareness and Screening Health Camps	Healthcare	K.R. Puram and Mahadevapura, Bengaluru	₹ 0.69 million	₹ 0.7 million	₹ 0.7 million	Implementation agency – Plan International (India Chapter)

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, the Company shall provide the reasons for not spending the amount in its Board report – Not Applicable
7. The implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company.

Gagan Singh Bedi
Managing Director

Place: Bengaluru
Date: May 21, 2018

Ian John Parish
Chairman of CSR Committee

Annexure V to Board's Report

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

As on the financial year ended on March 31, 2018

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

1. Registration and Other Details

CIN	L24231KA1979PLC003563
Registration Details	July 11, 1979
Name of the Company	AstraZeneca Pharma India Limited
Category/Sub-Category	Public Company
Address of registered office and contact details	Block N1, 12 th Floor, Manyata Embassy Business Park, Rachenahalli, Outer Ring Road, Bengaluru Tel : 080-67748000 Fax : 080-67748557 E-mail : comp.secy@astrazeneca.com
Whether listed or not	Listed
Name, Address and Contact details of Registrar and Transfer Agent if any	Integrated Registry Management Services Private Limited 30, Ramana Residency, 4 th cross, Sampige Road, Malleswaram, Bengaluru – 560 003 Tel : 080-23460815-8 Fax : 080-23460819 E-mail : giri@integratedindia.in

2. Principal Business Activities of the Company

Sl. No.	Name and Description of main Products/Services	NIC Code of the Product/Service	% of total turnover of the Company
1.	Brilinta/Axcer	21001	26.86%
2.	Forxiga/Oxra	21001	22.04%

3. Particulars of Holding, Subsidiary and Associate Companies

Sl. No.	Name and Address of Holding Company	CIN	Holding/Subsidiary	% of shares held	Applicable section
1.	AstraZeneca Pharmaceuticals AB, Sweden SE- 151 85 Södertälje, Sweden	Not applicable	Holding Company	75%	2(46)

4. Shareholding Pattern (Equity Share Capital break-up as percentage of total equity)

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year i.e. April 1, 2017				No. of Shares held at the end of the year i.e. March 31, 2018				% change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
(A) Promoters									
1. Indian	-	-	-	-	-	-	-	-	-
(a) Individual/HUF	-	-	-	-	-	-	-	-	-
(b) Central Government	-	-	-	-	-	-	-	-	-
(c) State Government(s)	-	-	-	-	-	-	-	-	-
(d) Bodies Corporate	-	-	-	-	-	-	-	-	-
(e) Banks/FI	-	-	-	-	-	-	-	-	-
(f) Any other	-	-	-	-	-	-	-	-	-
Sub-Total (A)(1)	-	-	-	-	-	-	-	-	-
2. Foreign									
(a) NRI – Individuals	-	-	-	-	-	-	-	-	-
(b) Other – Individuals	-	-	-	-	-	-	-	-	-
(c) Bodies Corporate	18,750,000	-	18,750,000	75.00	18,750,000	-	18,750,000	75.00	-
(d) Banks/FI	-	-	-	-	-	-	-	-	-
(e) Any other	-	-	-	-	-	-	-	-	-
Sub-Total (A)(2)	18,750,000	-	18,750,000	75.00	18,750,000	-	18,750,000	75.00	-
Total Shareholding of Promoters (A)=(A)(1)+(A)(2)	18,750,000	-	18,750,000	75.00	18,750,000	-	18,750,000	75.00	-
(B) Public Shareholding									
1. Institutions									
(a) Mutual Funds/UTI	1,747,500	-	1,747,500	6.99	1,928,461	-	1,928,461	7.71	0.72
(b) Banks/FI	11,943	125	12,068	0.05	18,818	125	18,943	0.08	0.03
(c) Central Government	-	-	-	-	-	-	-	-	-
(d) State Government(s)	-	-	-	-	-	-	-	-	-
(e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
(f) Insurance Companies	-	-	-	-	-	-	-	-	-
(g) FIs	1,033,537	-	1,033,537	4.13	31,747	-	31,747	0.13	-4.00
(h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
(i) Others(specify) – Alternative Investment Funds	-	-	-	-	-	-	-	-	-
Sub-Total (B)(1)	2,792,980	125	2,793,105	11.17	1,979,026	125	1,979,151	7.92	-3.25
2. Non-Institutions									
(a) Bodies Corporate									
(i) Indian	333,141	625	333,766	1.34	612,146	625	612,771	2.45	1.11
(ii) Overseas	-	-	-	-	-	-	-	-	-
(b) Individuals									
(i) Individual Shareholders holding nominal share capital up to ₹ 1 lakh	2,139,176	332,320	2,471,496	9.89	1,950,353	299,822	2,250,175	9.00	-0.89
(ii) Individual Shareholders holding nominal share capital in excess of ₹ 1 lakh	405,369	-	405,369	1.62	1,205,283	-	1,205,283	4.82	3.20
(c) Others (specify)									
(i) Foreign Bodies	-	-	-	-	-	-	-	-	-
(ii) NRI/OCBs	69,546	500	70,046	0.28	54,642	500	55,142	0.22	-0.06
(iii) Clearing Members/Clearing House	95,448	-	95,448	0.38	47,713	-	47,713	0.19	-0.19
(iv) Trusts	25	-	25	-	25	-	25	-	-
(v) Unclaimed Suspense Account	-	80,745	80,745	0.32	-	32,440	32,440	0.13	-0.19
(vi) Limited Liability Partnerships	-	-	-	-	67,300	-	67,300	0.27	0.27
(vii) Foreign Portfolio Investor (Corporate)	-	-	-	-	-	-	-	-	-
(viii) Qualified Foreign Investor	-	-	-	-	-	-	-	-	-
Sub-Total (B)(2)	3,042,705	414,190	3,456,895	13.83	3,937,462	333,387	4,270,849	17.08	3.25
Total Public Shareholding (B)=(B)(1)+(B)(2)	5,835,685	414,315	6,250,000	25.00	5,916,488	333,512	6,250,000	25.00	0.00
(C) Shares held by Custodian for GDRs and ADRs	-	-	-	-	-	-	-	-	-
GRAND TOTAL (A+B+C)	24,585,685	414,315	25,000,000	100.00	24,666,488	333,512	25,000,000	100.00	0.00

ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year i.e. April 1, 2017			Shareholding at the end of the year i.e. March 31, 2018			% 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	AstraZeneca Pharmaceuticals AB	18,750,000	75.00	Nil	18,750,000	75.00	Nil	Nil
	Total	18,750,000	75.00	Nil	18,750,000	75.00	Nil	Nil

iii) Change in Promoters' Shareholding

Sl. No.	Particulars	Shareholding at the beginning of the year i.e. April 1, 2017		Cumulative Shareholding at the end of the year i.e. March 31, 2018	
		No. of shares	% of total shares of	No. of Shares	% of total Shares of the Company
	At the beginning of the year	There is no change in Promoters' Shareholding between			
	Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc.):	April 1, 2017 to March 31, 2018			
	At the end of the year				

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

Sl. No.	Top 10 Shareholders (*)	Shareholding at the beginning of the year i.e. April 1, 2017		Cumulative Shareholding at the end of the year i.e. March 31, 2018	
		No. of shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
1.	ICICI Prudential Mutual Fund (Various Schemes)	1,747,500	6.99	1,645,657	6.58
2.	Suffolk (Mauritius) Limited	630,287	2.52	630,287	2.52
3.	Minaxi Bhalchandra Trivedi	7,000	0.03	428,959	1.72
4.	Shivani Tejas Trivedi	343,829	1.38	427,176	1.71
5.	Reliance Capital Trustee Co. Ltd.	-	-	282,804	1.13
6.	Gagandeep Credit Capital Pvt. Ltd.	-	-	213,088	0.85
7.	Tejas Bhalchandra Trivedi	-	-	170,656	0.68
8.	Satish Bhatt	61,550	0.25	64,660	0.26
9.	Sahaj Securities LLP	-	-	60,000	0.24
10.	Bharati Vinod Shah	-	-	58,000	0.23

* The shares of the Company are traded on a daily basis and hence the date-wise increase/decrease in shareholding is not indicated. Shareholding is consolidated based on Permanent Account Number (PAN) of the shareholder.

v) Shareholding of Directors and Key Managerial Personnel

Sl. No.	Particulars	Shareholding at the beginning of the year i.e. April 1, 2017		Shareholding at the end of the year i.e. March 31, 2018	
		No. of shares	% of total shares of the Company	No. of Shares	% of total Shares of the Company
	At the beginning of the year	None of the Directors and Key Managerial Personnel hold shares in the equity share capital of the Company			
	Date wise Increase/ Decrease in Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc.):				
	At the end of the year				

5. Indebtedness

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year	Nil	Nil	Nil	Nil
(i) Principal Amount				
(ii) Interest due but not paid				
(iii) Interest accrued but not due				
Total (i+ii+iii)	Nil	Nil	Nil	Nil
Change in Indebtedness during the financial year	Nil	Nil	Nil	Nil
– Addition				
– Reduction				
Net Change	Nil	Nil	Nil	Nil
Indebtedness at the end of the financial year	Nil	Nil	Nil	Nil
(i) Principal Amount				
(ii) Interest due but not paid				
(iii) Interest accrued but not due				
Total (i+ii+iii)	Nil	Nil	Nil	Nil

6. Remuneration of Directors and Key Managerial Personnel

(A) Remuneration to Managing Director, Whole-time Director and/or Manager

Sl. No.	Particulars of Remuneration	Names of MD/WTD/Manager			Total Amount
		Gagan Singh Bedi (Managing Director) ⁽¹⁾	Rajesh Marwaha (Chief Financial Officer and Director)	Sanjay Murdeshwar (Managing Director) ⁽²⁾	
1.	Gross Salary (as per Section 17(1) of Income Tax Act, 1961)	15,766,503	15,972,615	3,386,184	35,125,302
	Value of perquisites as per Section 17(2) of Income Tax Act, 1961	2,243,074	842,867	807,968	3,893,909
	Profits in lieu of salary as per 17(3) of Income Tax Act, 1961	-	-	-	-
2.	Stock option	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission as a % of others	-	-	-	-
5.	Others if any (PF/Retiral Fund)	2,006,302	883,519	-	2,889,821
	Total	20,015,879	17,699,001	4,194,152	41,909,032
	Ceiling as per the Act	The remuneration paid to executive directors during the year is within the limits approved by the Nomination and Remuneration Committee, the Board of Directors and the shareholders of the Company.			

⁽¹⁾ Mr. Gagan Singh Bedi was appointed as the Managing Director of the Company w.e.f. July 1, 2017

⁽²⁾ Mr. Sanjay Murdeshwar ceased to be Managing Director of the Company w.e.f. June 30, 2017

(B) Remuneration to other directors

Sl. No.	Particulars of Remuneration	Name of Directors			Total Amount (₹)
		Narayan K Seshadri	Revathy Ashok	Kimsuka Narsimhan	
1.	Independent Directors				
	• Fee for attending Board and Committee meetings	1,300,000	1,200,000	800,000	3,300,000
	• Commission	-	-	-	-
	• Others	-	-	-	-
	Total(1)	1,300,000	1,200,000	800,000	3,300,000
2.	Other Non-Executive Directors				
	• Fee for attending Board and Committee meetings	-	-	-	-
	• Commission	-	-	-	-
	• Others	-	-	-	-
	Total(2)	-	-	-	-
	Total (B) = (1+2)	1,300,000	1,200,000	800,000	3,300,000
	Total Managerial Remuneration (A+B)				45,209,032
	Overall Ceiling as per the Act	The remuneration paid to executive directors during the year is within the limits approved by the Nomination and Remuneration Committee, the Board of Directors and the shareholders of the Company.			
		Further, the sitting fees paid to the Non-Executive Independent Directors is within the limits prescribed under the Companies Act, 2013.			

(C) Remuneration to Key Managerial Personnel other than Managing Director, Whole-time Director and/or Manager

(in ₹)

Sl. No.	Particulars of Remuneration	Name of Key Managerial Personnel
		Pratap Rudra (Company Secretary and Legal Counsel)
1.	Gross Salary (as per Section 17(1) of income tax Act, 1961)	2,444,357
	Value of perquisites as per Section 17(2) of Income Tax Act, 1961	-
	Profits in lieu of salary as per 17(3) of Income Tax Act, 1961	-
2.	Stock option	-
3.	Sweat Equity	-
4.	Commission as a % of others	-
5.	Others if any (PF/Retiral Fund)	164,602
	Total	2,608,959

7. Penalties/Punishment/Compounding of Offences:

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

On behalf of the Board of Directors

Place: Bengaluru
Date: May 21, 2018

Narayan K Seshadri
Chairman

Annexure VI to Board's Report

The information relating to remuneration of Directors/KMP as required under Section 197(12) read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

	Ratio
1. The ratio of remuneration of each director to the median remuneration of the employees of the Company for the financial year	
(a) Mr. Gagan Singh Bedi, Managing Director*	28:1
(b) Mr. Rajesh Marwaha, Whole-time Director	25:1

The Independent Directors of the Company were entitled to sitting fee as per the statutory provisions. The ratio of remuneration and percentage increase for Independent Directors' remuneration is therefore not considered for the above purpose. Non-Executive Directors who are employees of the AstraZeneca group do not receive any sitting fee.

2. The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year	
(a) Mr. Gagan Singh Bedi, Managing Director	10%
(b) Mr. Rajesh Marwaha, Chief Financial Officer and Director	11%
(c) Mr. Pratap Rudra, Company Secretary and Legal Counsel	12%
3. Percentage increase in the median remuneration of employees in the financial year	10%
4. Number of permanent employees on rolls of the Company as on March 31, 2018	1,356
5. Average percentile increase already made in the salaries of employees other than managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and to point out if there are any exceptional circumstances for increase in the managerial remuneration	The average increase is 10% for all. No exceptional circumstances in increase of remuneration. The increase is as per company increment guidelines
6. Affirmation that the remuneration is as per remuneration policy of the Company	It is affirmed that the remuneration is as per remuneration policy of the Company.

* Mr. Gagan Singh Bedi was appointed as the Managing Director of the Company w.e.f. July 1, 2017

On behalf of the Board of Directors

Place: Bengaluru
Date: May 21, 2018

Narayan K Seshadri
Chairman

Management Discussion and Analysis Report

Indian Economy

The Indian economy ranks 6th in the Gross Domestic Product (GDP) global rankings, with a GDP of USD 2.6 trillion and 3rd in terms of the Purchasing Power Parity (PPP) only behind China and United States⁽¹⁾. As per the second advanced estimates of the Central Statistics Office (CSO), the economy is expected to grow at 6.6% in the current fiscal ending March 31, 2018, compared to 7.1% in 2016-17⁽²⁾.

The past 18 months were marked by certain fundamental structural changes to the Indian economy, such as Goods and Services Tax (GST) implementation, conclusion of Twin Balance Sheet (TBS) issue, demonetisation etc.⁽³⁾. GST has helped most sectors by making the taxation process simpler by replacing earlier regime of multiple taxes and duties⁽⁴⁾. The TBS issue was addressed by sending the major stressed companies for resolution under the new Indian Bankruptcy Code and by implementing a recapitalisation package to strengthen the public-sector banks⁽⁵⁾.

With the effective implementation of these major reforms, the Indian economy is expected to continue its growth on a high trajectory, with real GDP averaging at 7.7% a year in fiscal years 2018/19 - 2022/23⁽⁶⁾.

India Healthcare Environment

Healthcare has become one of India's largest sectors both in terms of revenue and employment. It comprises of hospital services, pharmaceuticals, diagnostic services and products, medical devices, telemedicine, e-Health services, clinical trials, medical tourism and health insurance segments. The industry is growing at a tremendous pace owing to conducive policies for encouraging FDI, tax benefits and favourable government policies⁽⁶⁾.

Healthcare is provided by a mix of public and private facilities, but majority of the healthcare services in India are served by the private sector. India's public healthcare expenditure is low at 1.4% of GDP against the world average of 6%. Nonetheless, National Health Policy (NHP) 2017 envisages raising it to 2.5% by 2025⁽⁴⁾.

Notable trends contributing to increasing healthcare expenditure include the rise of Non-Communicable Diseases (NCDs), increase in diagnostic requirements and hospitalisation due to NCDs, expansion of healthcare services to Tier II and Tier III cities, emergence of telemedicine, investment in home healthcare, increasing penetration of health insurance, mobile based health delivery, technological initiatives and luxury offerings and services by hospitals⁽⁶⁾.

The emergence of digital health is noteworthy as it attempts to bridge gaps in India's healthcare infrastructure. Growing penetration of smartphones as well as 4G networks are providing a significant boost to the use of mobile platforms for providing healthcare services. Recognising the importance and impact of the same on healthcare, Government of India has adopted digital technology in telemedicine, supply chain management of generic medicines, public awareness applications and management of health records⁽⁷⁾.

Although progress has been made, India's healthcare system still fails to deliver adequate coverage to its 1.3 billion population, especially in rural areas. According to a recent market prognosis report, majority of the healthcare facilities are accessible only to urban population, who comprise 28% of the overall population

of the country. Gaps in public healthcare infrastructure have led to a rise in the out of pocket (OOP) expenditure and consequent impoverishment⁽⁴⁾.

To address increasing OOP expenses, revitalise the public healthcare system, improve healthcare quality and access, the government has introduced 2 major healthcare related initiatives under the 'Ayushman Bharat' programme: NHP 2017 and National Health Protection Scheme (NHPS)⁽⁴⁾. The NHP 2017, also recognised the role of private sector in upgrading the healthcare sector of the nation. Industry experts opine that by combining the advantages of less expense to the government and better service, knowledge and funding from a private partner, the goal of universal healthcare may be achieved faster and more comprehensively through public private partnerships^(8,9).

However, as stated in a recent market prognosis report, implementation is the key and the success of these programmes will depend on the streamlined investments in human resources and technology as well as on the seamless interaction between the central and the state governments for allocation of funds and logistics⁽⁴⁾.

Indian Pharmaceutical Market (IPM)

The USD 19.03 billion (₹1,218 billion) Indian Pharmaceutical industry experienced a value growth of 6.3% in FY 2017-18 over FY 2016-17 as per a March 2018 IPM sales database. Domestic Indian companies dominate the market with a 79.3% share of IPM and a value growth of 6.9%. The value growth for MNCs is at 4.3% in FY 2017-18, which is below previous financial year value growth of 6.8% of MNCs as well as the current year's overall market growth rate. While the Indian companies registered a volume growth of 3.7% in FY 2017-18 as against 3.4% in FY 2016-17, the MNCs experienced a 3.4% decline in volumes⁽¹⁰⁾.

Therapy Areas

Majority of the therapy areas in which AstraZeneca is operating recorded growth similar to or above the market growth during the Financial Year 2017-18. The major contributors to the IPM growth includes Alimentary and Metabolism therapy, Cardio Vascular therapy and Respiratory therapy which grew at 7.7%, 5.9% and 7.5% respectively⁽¹⁰⁾. Amongst all new pharmaceutical brand launches from April 2017 to March 2018, more than 36% value contribution to IPM were from these therapy areas⁽¹⁰⁾.

Pharmaceutical Business Environment – Outlook

Growing disposable income, epidemiological data movement and government's effort and expenditure which are the fundamental drivers of the India Pharmaceutical market are all showing a positive trend. However, owing to pricing pressure and stricter regulation the market growth rates might not be as captivating as the numbers reported during the first half of the decade. The total pharmaceutical market is forecast to grow at a CAGR of 9.7% (±3.0%) over the period 2017-2022⁽⁴⁾.

Government had taken several initiatives to improve the reach of generic medicines, early access of biopharma and Over The Counter (OTC) medicines. The Indian government has taken measures to expand the number of Jan Aushadhi stores and Affordable Medicines and Reliable Implants for Treatment (AMRIT) stores to ensure improved access and affordability of generic medicines. Government has also approved Biopharma Mission to accelerate

biopharmaceutical development in India⁽¹¹⁾. Drugs Consultative Committee, chaired by the Drug Controller General of India (DCGI) in September 2017, decided to set up a sub-committee to recommend provisions/guidelines for classification and regulation of OTC products⁽¹²⁾.

The regulatory environment with tightened quality and promotional standards, strengthened Intellectual Property Rights, along with the strategies to waive off local clinical trials are all expected to drive up foreign investments in the pharmaceutical market.

Government has also taken initiatives to standardise the mode of operation of Pharmaceutical industry by curtailing the unethical practices and the ability of the manufacturers to influence prescribing decisions through Uniform Code of Pharmaceutical Marketing Practices (UCPMP). This code would also inspire the marketing companies to shift gears and move towards a more rounded approach of promotion with stronger focus on science led medical messages and customised approaches with sharper segmentation and targeting of customers⁽⁴⁾.

Growth and Demand Drivers

Rapid growth in Non-Communicable Diseases (NCDs)

The country is experiencing a rapid health transition with a rising burden of Non-Communicable Diseases (NCDs) which are emerging as the leading cause of death in India. WHO reports that 1 in 4 Indians are at a risk of dying from a NCD before they reach the age of 70⁽¹³⁾. The principal NCDs which impose a threat of death and disability are cardiovascular diseases, chronic respiratory diseases, cancer and diabetes⁽⁴⁾.

Increase in diagnosis rate of NCDs

With the increased burden of NCDs, government and the pharmaceutical companies have been implementing well thought measures to improve the diagnosis rate.

According to the NHP 2017, premature mortality can be reduced by 25% before 2025 by setting up screening facilities for oral, breast and cervical cancer and Chronic Obstructive Pulmonary Disease (COPD)⁽⁴⁾. During the year 2016-2017, National Programme for the Prevention and Control of Cancer, Diabetes, Cardiovascular Disease and Stroke (NPCDCS) also implemented various outreach activities at health-camps and primary healthcare facilities to screen people for common NCDs⁽¹⁴⁾.

The Organisation of Pharmaceutical Producers of India (OPPI) reports that, several Pharmaceutical companies are taking initiatives to partner with the government to contain the NCD burden through an integrated ACT approach of Awareness, Capacity Building and Treatment of these diseases which is expected to help in improvement of the effective diagnosis rate⁽¹⁵⁾.

Government Initiatives to improve access to healthcare and essential medicines

A recent market prognosis report suggests that the healthcare policy in the coming years would be shaped by the Ministry of Health and Family Welfare's (MOHFW) NHP 2017. NHP aims to upgrade 150,000 sub-centres to 'health and wellness centre' providing comprehensive healthcare and free essential drugs and diagnostic services. The NHP 2017 would increase its spending on public hospital infrastructure ensuring wider availability of specialty expertise to improve the accessibility to hospital care, both at secondary and tertiary levels⁽⁴⁾.

Pradhan Mantri Swasthya Suraksha Yojana (PMSSY) programme which also aims at bridging gaps in availability of affordable healthcare facilities through infrastructure development, has 2 components – one is setting up of 20 AIIMS centres and the other one is upgradation of 73 Medical Colleges into tertiary care facilities⁽¹⁶⁾.

The Jan Aushadhi stores for the retail market and AMRIT stores serving the hospital sector, would help in ensuring the availability of essential drugs at affordable prices. However, recent industry prognosis report suggests that the impacts of these schemes on the dispensing trends could be felt only if they are scaled up significantly and are effective in overcoming the quality concerns⁽⁴⁾.

Recent and Future Product launches

Over the next couple of years, new product launches in treatments for diabetes, cancer and plaque psoriasis are expected to contribute most to growth. Drug registration process has been simplified by waiving local trials especially when the products address unmet medical needs, or where India is included in global clinical trials. MOHFW is also considering a new rule where new drugs which have already been approved in countries with robust regulatory agencies, such as in Europe and the US might not require Phase III trials in India. Instead, the companies would be expected to conduct comprehensive Phase IV studies after launch⁽⁴⁾.

Expansion of e-pharmacy businesses and pharmacy chains

The vast majority of the 600K retail outlets are small independent businesses. However, organised retail pharmacies have now started making in-roads in the distribution system. Traditional 'Brick and Mortar' stores are also trying to provide wide-range of options to their customers through online channel and simple diagnostic solutions to subdue the challenges posed by e-pharmacies⁽⁴⁾. E-pharmacies on the other hand, are also trying to provide plethora of services to their customers through programmes for disease awareness, diagnostic facilities, HCP appointment bookings and online consultation along with drug delivery⁽¹⁷⁾. The e-pharmacies have increased their footprint across major cities and the growth is expected to rise post clarification of rules governing e-pharmacy sales and establishment of the MOHFW's proposed e-portal.

Expansion of the private hospital sector

A combination of rising income, increasing rates of private health insurance coverage, favourable government initiatives to expand health tourism, and empaneling of private hospitals services for public sector patients, will contribute to growing demand for private inpatient care. The government has acknowledged the need to harness private health resources to achieve the public health goals by provisioning generous tax breaks for the investors in the sector. Leading corporate hospitals are continuing to invest by building new facilities, adding beds and introducing specialist and feeder clinics across the geography⁽⁴⁾.

Increasing Health insurance coverage

Approximately 30% of the Indian population has access to health insurance. More than 75% of them are covered under central government sponsored insurance schemes such as Central Government Health Scheme (CGHS), Employee State Insurance Scheme (ESIS), Rashtriya Swasthya Bima Yojana (RSBY) and other state sponsored schemes⁽¹⁸⁾.

Further, the National Health Protection Scheme (NHPS) announced in the Union Budget Speech 2018, aspires to cover approximately 100 million poor and vulnerable families for secondary and tertiary care hospitalisation. Once implemented, this would be the world's largest government-funded health care programme⁽¹⁹⁾. Such health-financing policies would help in improving the financial security of people, but the success of it may depend on efficiency of its implementation and the effectiveness of synchronising this scheme with the existing schemes.

Risks/Threats

Continuing downward pressure on prices

The National Pharmaceutical Pricing Authority (NPPA) is expected to apply strong pricing pressure on drugs, as in the past. By the closure

of the year 2017, ceiling prices of 851 formulations included in NLEM 2015 had been set⁽⁴⁾. While downward pressure on prices will continue, changes are also expected to be introduced to the pricing system.

Effects of ban on irrational Fixed Dose Combinations (FDCs)

In December 2017, Supreme Court lifted the MOHFW's March 2016 ban on irrational combination of FDCs. An industry report suggests that the ban has caused significant confusion among the players along the distribution system and the pharmaceutical companies have started evaluating their product line by replacing the banned FDCs with approved combinations⁽⁴⁾.

Policies and programmes to encourage the use of generics

Government has been trying to establish generic prescribing regulations, but it has not seen widespread success although some of the states have made in-roads. Government officials have also been hinting at the possibility of prospective legal interventions to ensure patients are prescribed low-priced generics. The plan is expected to provide thrust to Jan Aushadi stores which mostly sell generic products marketed by a generic name. Differential prescription pattern in private and public sector is also a possibility since generic prescribing in private sector could be held back by concerns on product quality⁽⁴⁾.

Business model

The Company is engaged in the business of manufacture, distribution and marketing of pharmaceutical products and co-ordinates clinical trial services with an overseas group company.

During the year under review, total revenue from operations is amounting to ₹ 5,719.9 million out of which sales of pharmaceutical products is ₹ 5,276.5 million (92.2%), income from sale of products on behalf of third parties is ₹ 80.9 million (1.4%), income from sale of distribution rights is ₹ 63 million (1.1%) and sale of services from clinical trials is ₹ 299.5 million (5.2%).

Since all the Company's activities fall within a single business segment, separate segment-wise disclosures are not provided in the financials.

Outlook

In FY 2018-19, AstraZeneca will continue to prioritise investments in its focus areas in-line with its global growth platforms. Accelerating new products is a key priority and the Company is committed to maintaining timelines of key regulatory milestones to align with the global pipeline, subject to conduct of clinical trials, regulatory approvals and reasonable commercial viability.

According to a March 2018 IPM sales database, Antidiabetic Therapy valued at ₹ 112.5 billion is the second largest contributor to IPM, and at 11.8% value growth, is amongst the fastest growing therapy segment in the IPM. The Oral Antidiabetic segment at ₹ 82.8 billion constitutes 73.7% of this market and is growing at 11.3%⁽¹⁰⁾. With the introduction of new brands to the Dapaglifozin and Saxagliptin franchise, the Company would continue to provide additional options for the betterment of diabetic patients. The products are differentiated and enjoy a good acceptance by the medical community. The Company's innovator brand in Oral Anti Platelet (OAP) market, Brilinta® (Ticagrelor), continues to improve its value market share. The Company along with its Ticagrelor partner molecules will strive to deliver the brand's potential to reduce cardiovascular deaths through ongoing clinical studies and sustained focus on plans for market leadership.

With a growth rate of 7.5% in MAT March 2018, the domestic market for respiratory diseases is one amongst the top 5 fastest growing therapies in India. Anti-asthmatics segment in which AstraZeneca

is primarily operating is particularly growing at a rate of 10.8%⁽¹⁰⁾. Increasing air pollution in our cities and rural areas is contributing to a high burden of respiratory diseases. This may present an opportunity to AstraZeneca with Symbicort®, which is an ICS/LABA combination with an innovative delivery mechanism. The Company is building its expertise in this disease area and will need sustained efforts to build a good portfolio of offerings to patients.

Finally, cancer is becoming a major cause of mortality in India. Every year, nearly 1 million new patients are diagnosed with cancer. The Company has in its current Oncology Portfolio, products to provide treatment in the areas of women's cancer and lung cancer. These cancers have a relatively high prevalence in India and the Company hopes to expand its access to more patients subject to scientific and clinical appropriateness.

The Company will continue to emphasise on high standards of sales and marketing practices, maintaining a strong focus on patient needs and safety. The Company will remain committed to high product quality, which underpins the safety and efficacy of its medicines.

The Company will maintain a strong focus on cost optimisation and controls. The Company is undertaking measures to reduce unproductive discretionary and non-customer facing spends. It also continues to develop simple and more efficient processes to encourage accountability and improve decision-making and communication.

The Company would also continue to support AstraZeneca global outreach initiatives like Healthy Lung, Young Health Programme and Early action in Diabetes programmes.

Internal control systems and their adequacy

The Company has internal control systems comprising of authority levels and powers, supervision, checks and balances, policies, procedures and internal audit. During the last year, Company's Internal Finance Control was independently tested and validated by external auditors through the AstraZeneca Financial Control Framework (FCF). The Company ensures that the internal control system is reviewed and updated on an on-going basis through FCF and use of external management assurance services. The Company monitors and manages risks in its interactions with third parties (Vendors and Distributors) through its Third-Party Risk Management (3PRM) framework. This framework provides methodology, guidance and tools for managing third party risks related to Anti-Bribery and Anti-Corruption, Data Privacy, Confidentiality, Trade Control and Competition, Product Communication and Product Security. Internal audits for the Financial Year 2017-18 were carried out by independent auditors, based on an audit plan approved by the Audit Committee. The plan included audit of the depots of the Company, key processes within Operations and Marketing units including enabling functions. The Audit Committee and the Management have reviewed the recommendations of the Internal Auditors and appropriate remediation steps are being taken to implement their recommendations.

Discussion on financial performance with respect to operational performance

During the year ended March 31, 2018, the Company's total sales were ₹ **5,276.5 million** as against ₹ **5,137.6 million** reported in the corresponding previous year.

The total cost was at ₹ **5,404.4 million** during the year as compared to ₹ **5,275.5 million** in the previous year. The profit after tax was ₹ **259.1 million** during the year compared to ₹ **200.5 million** in the previous year.

Development in Human Resources/Industrial Relations

We continue to provide career development and learning opportunities for our employees (1,356 as on March 31, 2018). During the year, the India Development Week was conducted to enable employees to understand how to build careers and gain experiences across functions and businesses. Training programmes to strengthen scientific and technical knowledge of the employees were extensively implemented across the businesses. There continues to be a focus on building gender diversity in the workforce, and building a supportive eco-system for women employees. Additionally, women safety initiatives were also rolled out in the last year. Also, our focus on developing simple and more efficient processes to encourage accountability and improve decision-making/communication process continues across the organisation.

Cautionary Statement

Statements made in the Management Discussion and Analysis Report describing the Company's objectives, projections, estimates and expectations may be forward-looking statements within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include amongst others, economic conditions affecting demand/supply and price conditions in the domestic and overseas markets in which it operates, changes in government regulations, tax laws and other statutes and incidental factors.

References:

1. IMF World economic outlook database April 2018
2. Second Advanced Estimates of National Income, 2017-18
3. Economic Survey 2017-18 – By Ministry of Finance, Government of India
4. IQVIA (previously known as IMS) prognosis Report Q1, 2018
5. Economic Intelligence Unit India factsheet accessed on April 2018
6. India Brand Equity Foundation Healthcare sector report April 2018
7. CII-Quintiles IMS whitepaper – Digital Health: Transforming Healthcare August 2017
8. National Health Policy 2017
9. PwC report: Funding Indian Healthcare – March 2017
10. IQVIA Health March 2018 Database
11. Press Information Bureau Government of India Ministry of Science and Technology, Launch of National Biopharma Mission, June 2017
12. Report of the 52nd Meeting of the Drugs Consultative Committee held on September 2017
13. WHO – Non-communicable Diseases Progress Monitor 2017
14. Press Information Bureau, Government of India. Achievements of Ministry of Health & Family Welfare during the year 2017
15. OPPI Publication – Healthcare in India, Annual Report 2016-17
16. Pradhan Mantri Swasthya Suraksha Yojana website, Ministry of Health and Family Welfare Government of India
17. Websites of several e-pharmacy sites
18. IRDA Annual Report 2017-18
19. Union Budget Speech 2018

Annexure IX to Board's Report

Report on Corporate Governance

1. Company's Philosophy on Code of Governance

AstraZeneca Pharma India Limited ('the Company') is a subsidiary of AstraZeneca Pharmaceuticals AB, Sweden, which is an indirect subsidiary of AstraZeneca PLC, United Kingdom. The Company's philosophy on Corporate Governance is sustained growth, increase in stakeholder value, transparency, disclosure, internal controls and risk management, internal and external communications and high standards of safety, health, environment management, accounting fidelity, product and service quality. The Company also complies with the listing requirements mandated by Securities and Exchange Board of India. The Senior Management Team headed by the Managing Director is responsible for implementing board policies and guidelines and has set up adequate review processes.

The Company believes in, and has been practising, high standards of Corporate Governance since its inception. The risk management and internal control functions are being geared up to meet progressive governance standards.

The following is a Report on the status and progress on major aspects of Corporate Governance that marks the operations and management of the Company.

2. Board of Directors

- (i) The Board presently consists of 7 Directors of which 5 are Non-Executive Directors, 3 of whom are Independent. 2 of the 5 Non-Executive

Directors represent the parent Company – AstraZeneca Pharmaceuticals AB, Sweden. The Chairman of the Board is a Non-Executive Independent Director. The Non-Executive Directors bring strong objective, business judgement in the Board deliberations and decisions. The composition of the Board is in conformity with the requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the Listing Regulations'). There is no relationship between the Directors *inter se*.

- (ii) The Company has not had any material pecuniary relationship/transaction with any of the Non-Executive Directors.
- (iii) None of the Directors hold shares in the Equity Share Capital of the Company.
- (iv) 6 Board Meetings were held during the financial year and the gap between 2 Meetings did not exceed 120 days. The dates on which the said Meetings were held are:
May 9, 2017, June 29, 2017, August 8, 2017, September 13, 2017, November 6, 2017 and February 5, 2018.
- (v) The names and categories of Directors on the Board, their attendance at the Board Meetings held during the year and the number of Directorships and Committee Memberships/ Chairmanships held by them in other public companies as on March 31, 2018 are furnished herein below:

Name of the Director	Category	Number of Board Meetings attended during the year 2017-18	Whether attended last AGM	Number of Directorships and Committee Memberships/Chairmanships excluding AstraZeneca Pharma India Limited as at March 31, 2018			
				Other Directorships #	Committee Memberships \$	Committee Chairmanships \$	Number of shares held
Mr. Narayan K. Seshadri Chairman	Non-Executive Independent	6	Yes	8	5	4	-
Ms. Revathy Ashok	Non-Executive Independent	6	Yes	9	6	2	-
Ms. Kimsuka Narsimhan	Non-Executive Independent	5	No	1	1	0	-
Mr. Greg Mueller	Non-Executive	6	Yes	-	-	-	-
Mr. Ian John Parish ⁽¹⁾	Non-Executive	4	No	-	-	-	-
Mr. Ian Brimicombe ⁽²⁾	Non-Executive	1	NA	*	*	*	*
Mr. Gagan Singh Bedi ⁽³⁾	Managing Director	4	Yes	-	-	-	-
Mr. Rajesh Marwaha	Whole-time Director	6	Yes	-	-	-	-
Mr. Sanjay Murdeshwar ⁽⁴⁾	Managing Director	2	NA	*	*	*	*

⁽¹⁾ Mr. Ian John Parish was appointed as Director w.e.f. August 8, 2017.

⁽²⁾ Mr. Ian Brimicombe ceased to be a Director w.e.f. May 31, 2017.

⁽³⁾ Mr. Gagan Singh Bedi was appointed as Managing Director w.e.f. July 1, 2017.

⁽⁴⁾ Mr. Sanjay Murdeshwar ceased to be Managing Director w.e.f. June 30, 2017.

* Since Mr. Ian Brimicombe and Mr. Sanjay Murdeshwar were not Directors as at March 31, 2018, the details about their Directorship, Committee memberships and Chairmanships are not reflected in the above table.

Directorships in Private Limited companies, Foreign Companies and Associations are excluded.

\$ Memberships/Chairmanships of Board Committees include only Audit Committee and Stakeholders' Relationship Committee.

- (vi) The Independent Directors, who are from diverse fields of expertise have long standing experience and expert knowledge in their respective fields and are of considerable value for the Company's business. As a part of familiarisation programme as required under the Listing Regulations, the Directors have been apprised during the Board Meetings about the amendments to the various enactments viz. the Companies Act, 2013 ('the Act'), the Listing Regulations, taxation matters and other regulatory updates. Since these being information about the enactment/updates in the laws/regulation, no separate material has been uploaded on the Company's website. Further, the details of familiarisation programme for Independent Directors in respect of other matters are posted on the website of the Company and can be accessed at www.astrazeneca.com/india.
- (vii) The terms and conditions of appointment of the Independent Directors are disclosed on the website of the Company.
- (viii) During the year, a separate Meeting of the Independent Directors was held inter alia to review the performance of Non-Independent Directors and the Board as a whole.
- (ix) The Board periodically reviews compliance reports submitted by the management, in respect of all laws applicable to the Company.

3. Audit Committee

(i) Brief description of terms of reference

The Board of Directors of the Company have adopted the terms of reference of the Audit Committee, to be in conformity with the requirements of Section 177 of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as under:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the Company.
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
4. Reviewing with the Management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
 - (a) Matters required to be included in the Director's Responsibility Statement to be included in the Board's Report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013.
 - (b) Changes, if any, in accounting policies and practices and reasons for the same.
 - (c) Major accounting entries involving estimates based on the exercise of judgement by management.
 - (d) Significant adjustments made in the financial statements arising out of audit findings.
 - (e) Compliance with listing and other legal requirements relating to financial statements.
 - (f) Disclosure of any related party transactions.
 - (g) Modified opinion(s) in the draft audit report.
5. Reviewing with the Management, the quarterly financial statements before submission to the Board for approval.
6. Reviewing with the Management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilised for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
7. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process.
8. Approval or any subsequent modification of transactions of the Company with related parties.
9. Scrutiny of inter-corporate loans and investments.
10. Valuation of undertakings or assets of the Company, wherever it is necessary.
11. Evaluation of internal financial controls and risk management systems.
12. Reviewing with the Management, the performance of statutory and internal auditors, adequacy of internal control systems.
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
14. Discussion with internal auditors of any significant findings and follow up there on.
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
18. To review the functioning of the whistle blower mechanism.
19. Approval of appointment of CFO after assessing the qualifications, experience and background, etc. of the candidate.
20. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
21. To carry out such other functions as may be entrusted to by the Board of Directors, from time to time.

(ii) The Managing Director, Chief Financial Officer/representatives of Internal Auditors and Statutory Auditors are invitees to all the meetings of the Audit Committee. The Company Secretary acts as the Secretary to the Audit Committee.

(iii) Ms. Revathy Ashok is the Chairman of the Audit Committee and was present at the previous Annual General Meeting of the Company held on September 13, 2017.

(iv) 4 Meetings of the Audit Committee were held during the year and the gap between 2 meetings did not exceed 120 days. The dates on which the said meetings were held are:

May 8, 2017, August 8, 2017, November 6, 2017 and February 5, 2018.

(v) The composition of the Audit Committee and the details of meetings attended by its members are furnished below:

Name of the Member	Category	Number of meetings attended during the financial year 2017-18
Ms. Revathy Ashok, Chairman	Non-Executive Independent Director	4
Mr. Narayan K. Seshadri	Non-Executive Independent Director	4
Mr. Gregory David Emil Mueller	Non-Executive Non-Independent Director	3

4. Nomination and Remuneration Committee

(i) Terms of reference:

The terms of reference and the role of the Nomination and Remuneration Committee are as per the provisions of Section 178 of the Act and Regulation 19 of the Listing Regulations which includes the following:

- (a) Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the Directors, Key Managerial Personnel and other employees;

Policy shall ensure the following:

- (i) The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully;
- (ii) Relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- (iii) Remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive

pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals;

- (b) Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal and to carry out evaluation of every Directors' performance;
- (c) Devising a policy on Board diversity;
- (d) To carry out such other functions as may be entrusted to by the Board of Directors, from time to time.

(ii) During the year ended March 31, 2018, three meetings of the Nomination and Remuneration Committee of the Board were held i.e. on May 9, 2017, June 29, 2017 and August 8, 2017.

(iii) The composition of the Nomination and Remuneration Committee and the details of meetings attended by its members are furnished below:

Name of the Member	Category	Number of meetings attended during the financial year 2017-18
Ms. Kimsuka Narsimhan, Chairman	Non-Executive Independent Director	3
Mr. Narayan K. Seshadri	Non-Executive Independent Director	3
Mr. Gregory David Emil Mueller	Non-Executive Non-Independent Director	3
Mr. Ian John Parish ⁽¹⁾	Non-Executive Non-Independent Director	NA
Mr. Ian Brimicombe ⁽²⁾	Non-Executive Non-Independent Director	1

⁽¹⁾ Mr. Ian John Parish was appointed as the member of the Committee w.e.f. August 8, 2017

⁽²⁾ Mr. Ian Brimicombe ceased to be a member of the Committee w.e.f. May 31, 2017

(iv) Remuneration to Directors during the financial year 2017-18:

- (a) Details of remuneration paid to the Non-Executive Directors during the year ended March 31, 2018:

Name of the Director	Sitting Fees (₹)	Commission (₹)	Total (₹)
Mr. Narayan K. Seshadri	1,300,000	-	1,300,000
Ms. Revathy Ashok	1,200,000	-	1,200,000
Ms. Kimsuka Narsimhan	800,000	-	800,000
Mr. Gregory David Emil Mueller	-	-	-
Mr. Ian John Parish ⁽¹⁾	-	-	-
Mr. Ian Brimicombe ⁽²⁾	-	-	-

⁽¹⁾ Mr. Ian John Parish was appointed as Director w.e.f. August 8, 2017

⁽²⁾ Mr. Ian Brimicombe ceased to be a Director w.e.f. May 31, 2017

The Non-Executive Independent Directors are paid sitting fees of ₹ 1,00,000/- for attending each meeting of the Board and Committees of the Board.

- (b) Details of remuneration paid to the Executive Directors during the year ended March 31, 2018:

Managing Director

Name of the Director	Salary (₹)	Perquisites (₹)	P.F. and other Funds (₹)	Total (₹)
Mr. Gagan Singh Bedi ⁽¹⁾	15,766,503	2,243,074	2,006,302	20,015,879
Mr. Sanjay Murdeshwar ⁽²⁾	3,386,184	807,968	-	4,194,152

⁽¹⁾ Mr. Gagan Singh Bedi was appointed as Managing Director of the Company w.e.f. July 1, 2017

⁽²⁾ Mr. Sanjay Murdeshwar ceased to be Managing Director of the Company w.e.f. June 30, 2017

Whole-time Director

Name of the Director	Salary (₹)	Perquisites (₹)	P.F. and other Funds (₹)	Total (₹)
Mr. Rajesh Marwaha	15,972,615	842,867	883,519	17,699,001

Fixed Component/Performance Linked Incentive/Criteria

Performance related Bonus is payable to the Executive Directors, as per the terms of the agreement entered into between the Company and the Executive Directors.

Service Contract/Notice Period/Severance Fees

- (a) The Contracts of Service entered into by the Company with Mr. Gagan Singh Bedi, the Managing Director and Mr. Rajesh Marwaha, Chief Financial Officer and Director, provides that the Company and the Executive Directors shall be entitled to terminate the agreement by giving 3 months' notice and 90 days' notice respectively, in writing on either side.
- (b) No severance fee is payable by the Company to the Executive Directors on termination of the agreement.

5. Shareholders' Committees

(a) Stakeholders' Relationship Committee

The terms of reference of Stakeholders' Relationship Committee are in conformity with the requirements of Section 178 of the Companies Act, 2013 and the Listing Regulations.

Terms of Reference

- (a) Redressal of grievances of shareholders and other security holders of the Company including complaints related to transfer of shares, non-receipt of Annual Report, non-receipt of declared dividends etc.
- (b) To carry out such other functions as may be entrusted by the Board of Directors, from time to time. The Committee is chaired by Ms. Revathy Ashok – Non-Executive Independent Director. Mr. Pratap Rudra, Company Secretary and Legal Counsel is the Compliance Officer.

The composition of the Stakeholders' Relationship Committee is as under:

Name of the Member	Category
Ms. Revathy Ashok, Chairman	Non-Executive Independent
Mr. Gagan Singh Bedi	Managing Director
Mr. Rajesh Marwaha	Chief Financial Officer and Director

Mr. Sanjay Murdeshwar ceased to be the member of the Committee w.e.f. June 30, 2017

During the year, 1 meeting of the said Committee was held on May 8, 2017.

(b) Details of Shareholders'/Investors' complaints

The Committee attends inter alia to complaints from Shareholders/Investors and for their redressal. All complaints/grievances were also placed before the Board for information. Based on information provided by the Company's Registrar and Share Transfer Agents, the status of investor's grievances for the year ended March 31, 2018 is as follows:

Particulars	Non-receipt of Dividend Warrant(s)/ interest	Non receipt of refund Order/ Allotment Letter	Non-receipt of Share Certificate(s)	Non-receipt of Annual Report	Total No. of Complaints received	Complaints pending
Direct	-	-	1	-	1	-
Through Stock Exchange/SEBI	1	-	-	-	1	-

(c) Share Transfer Committee

The Board also has constituted a Share Transfer Committee comprising of Mr. Gagan Singh Bedi, Managing Director, Mr. Rajesh Marwaha, Chief Financial Officer and Director and Mr. Pratap Rudra, Company Secretary and Legal Counsel. The Chairman is elected at each meeting.

The Share Transfer Committee deals with matters relating to transfers/transmissions/transposition/consolidation/deletion of name/issue of share certificates in exchange for sub-divided/

consolidated/defaced share certificates/issue of duplicate share certificates, rematerialization of shares, etc.

During the year, 12 meetings of the said Committee were held. The Minutes of the Share Transfer Committee Meetings were tabled and noted at the Board Meetings.

An Independent Practising Company Secretary carries out the Secretarial Audit at the office of the Registrar and Share Transfer Agent, and furnishes the requisite reports/certificates which are submitted to the Stock Exchanges.

6. General Meetings

(a) Date, time and location of the last three Annual General Meetings held:

Date	Year	Venue	Time
September 13, 2017	2016-17	ITC Gardenia, Bengaluru	3.00 p.m.
August 11, 2016	2015-16	ITC Gardenia, Bengaluru	3.00 p.m.
September 2, 2015	2014-15	Vivanta by Taj Hotel, Bengaluru	11.00 a.m.

(b) Whether any Special Resolutions passed in the last 3 Annual General Meetings

The following Special Resolutions were passed in the previous Annual General Meetings:

Date of AGM	Particulars of Special Resolution(s) passed
September 13, 2017	(a) Consent of Members for the appointment of Mr. Gagan Singh Bedi as the Managing Director and payment of remuneration to him (b) Consent of Members for the appointment of Mr. Rajesh Marwaha as a Whole-time Director of the Company and payment of remuneration to him
August 11, 2016	(a) Consent of Members for the appointment of Mr. Sanjay Murdeshwar as Managing Director and payment of remuneration to him
September 2, 2015	(a) Approval of the Members for Formulation Packaging and Distribution Agreement dated June 20, 2005, being of a material nature (b) Approval of the Members for Material Related Party Transactions entered into by the Company with AstraZeneca UK Limited

(c) Whether any Special Resolution passed last year through Postal Ballot, details of the voting pattern, person who conducted the Postal Ballot exercise, whether any Special Resolution proposed to be conducted through Postal Ballot and procedure for Postal Ballot:

No Special Resolution was passed through Postal Ballot during the year under report.

Currently, no Resolution is proposed to be passed through postal ballot. However, if required, the same shall be passed in compliance of provisions of Companies Act, 2013, Listing Regulations and/or any other applicable laws.

7. Disclosures**(i) Related Party Transactions**

Transactions with related parties, as per the requirements of Ind AS 24 are disclosed in the notes to accounts annexed to the financial statements.

All the transactions with related parties were in the ordinary course of business and on arm's length basis. All Related Party Transactions are placed before the Audit Committee for its prior approval. Omnibus approval of the Audit Committee is obtained for the transactions which are repetitive in nature.

The Company has adopted a Policy for dealing with Related Party Transactions. The Policy, as approved by the Board, has been uploaded on the Company's website and can be accessed at www.astrazeneca.com/india.

Materially significant related party transactions during the financial year ended March 31, 2018:

Name of the Entity	Relationship	Nature of transaction	Amount (₹ in crores)
AstraZeneca UK Limited	AstraZeneca UK Limited (AZ UK) is the Parent Company of AstraZeneca Treasury Limited, United Kingdom, which is the Holding Company of AstraZeneca AB, Sweden, which in turn is the Holding Company of AstraZeneca Pharmaceuticals AB, Sweden and which in turn is the Holding Company of AstraZeneca Pharma India Limited	i) Purchase of raw materials and traded goods by the Company from AZ UK	188.27
		ii) Reimbursement by AZ UK, the cost of employees deputed by the Company outside India.	1.04
Total			189.31

(ii) Details of non-compliance by the Company, penalties and strictures imposed on the Company by the Stock Exchanges or SEBI or any authority on any matter related to capital markets during the last three years: NIL

(iii) The Company has a vigil mechanism for Directors and Employees to report their concerns about unethical behaviour, actual or suspected fraud or violation of the Company's code of conduct. The mechanism provides for adequate safeguards for victimisation of Director(s)/Employee(s) who avail of the mechanism. In exceptional cases, Directors and Employees have direct access to the Chairman of the Audit Committee. No personnel of the Company have been denied access to the Chairman of the Audit Committee, for making complaint on any integrity issue. The Whistle Blowing Policy is available on the Company's website www.astrazeneca.com/india.

(iv) Details of compliance with mandatory requirements and adoption of non-mandatory requirements

The Company has complied with all the mandatory

requirements of the Listing Regulations. The Company has also fulfilled the following discretionary requirements:

- (a) The Auditor's opinion on the financial statements is unmodified.
- (b) The positions of Chairman and Managing Director are separate.
- (c) The Internal Auditor reports directly to the Audit Committee.

(v) Code of Conduct – The Company has adopted a Code of Conduct for its employees including the Managing Director. In addition, the Company has adopted a Code of Conduct for its Board Members. Both these Codes are available on the Company's website. All the Members of the Board and Senior Management Personnel of the Company have affirmed compliance with the Code applicable to them, for the financial year ended March 31, 2018. A declaration to this effect, duly signed by the Managing Director is annexed to this report.

- (vi) As the Company has no subsidiary as on date, the requirement of formulating a specific policy on dealing with material subsidiaries does not arise.
- (vii) The Company follows Accounting Standards specified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013/the Companies Act, 1956. The Company has not adopted a treatment different from that prescribed in any Accounting Standard.
- (viii) Commodity Price Risk and Commodity hedging activities: The Company is not exposed to material foreign exchange risk on account of import and export transactions entered, as import of goods is happening in Indian Rupees. Also, it is not a sizable user of various commodities, hence not exposed to the price risk on account of procurement of commodities.

8. Means of Communication

- (i) The quarterly, half yearly and annual financial results of the Company are sent to the Stock Exchanges immediately after the Board's approval, by uploading the same on NEAPS portal and BSE Listing Centre portal, from time to time. The same are published in 'The Business Standard' (English) and 'Udayavani' (Kannada) newspapers.
- (ii) The financial results and such other information that are required to be displayed on the Company's website pursuant to Listing Regulations/Companies Act are displayed on the website of the Company at www.astrazenecaindia.com/india.
- (iii) The website also displays official news releases and presentation made by the Company to the institutional investors.

9. Shareholder Information

(i) Annual General Meeting

Date and Time of AGM	September 10, 2018 (3.00 p.m.)
Venue	ITC Gardenia – Residency Road, Bengaluru
Financial Year	2017-18
Dividend Payment Date	Not Applicable

(ii) Financial Calendar and announcement of financial results

The financial accounts and annual report are drawn out from April to March next.

The announcement of financial results during 2018-19 shall be as follows:

1 st Quarter Results	On or before August 14, 2018
2 nd Quarter Results	On or before November 14, 2018
3 rd Quarter Results	On or before February 14, 2019
4 th Quarter and Annual Results	On or before May 30, 2019

(iii) Listing on Stock Exchanges

The Company's Equity Shares are listed on:

BSE Limited (BSE)

25th Floor, P. J. Towers, Dalal Street, Fort, Mumbai 400 001

National Stock Exchange of India Limited (NSE)

Exchange Plaza, C-1, Block G, Bandra-Kurla Complex, Bandra (East), Mumbai 400 051

The Company has paid till date, appropriate listing fee to both the stock exchanges.

(iv) Unclaimed Suspense Account

As on March 31, 2018, there are 84 shareholders in respect of whom the outstanding shares aggregating 32,440 shares are lying in the AstraZeneca Pharma India Limited- Unclaimed Suspense Account. In June 2017 there was a claim in respect of 750 shares in the said account. Further, 47,555 shares were transferred to the Investor Education and Protection Fund Authority as these shares pertain to the dividend which remained unclaimed for 7 years. The voting rights in respect of such 32,440 shares remain frozen till the shares are claimed by the rightful owners.

(v) Stock Code

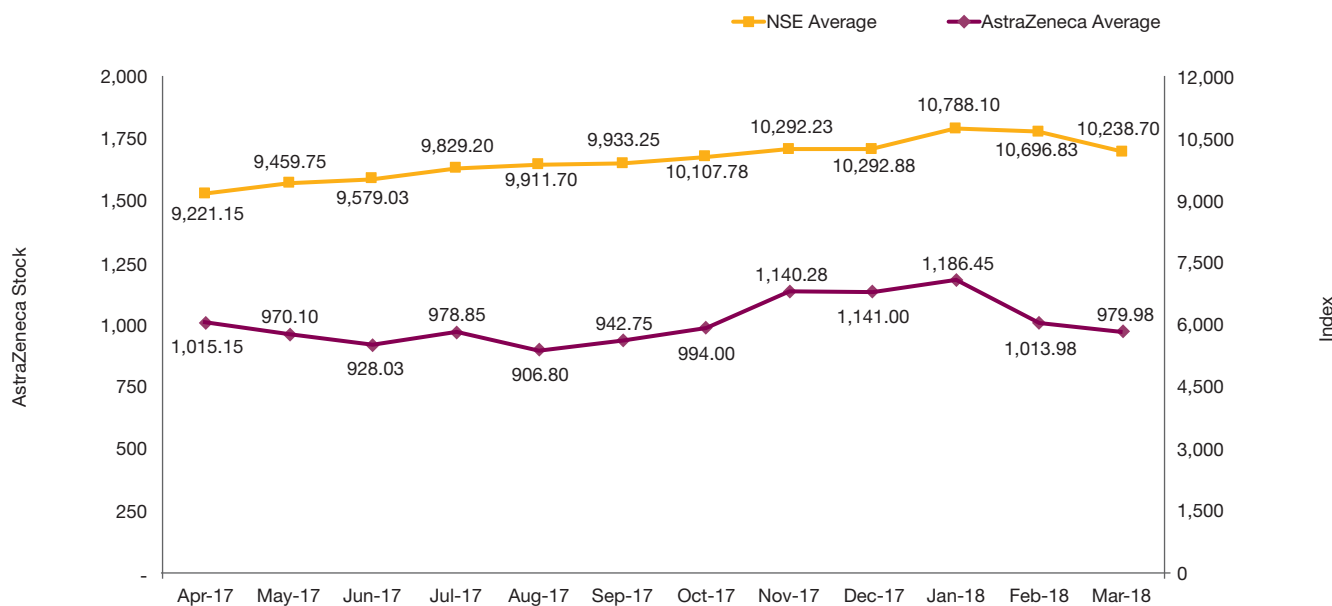
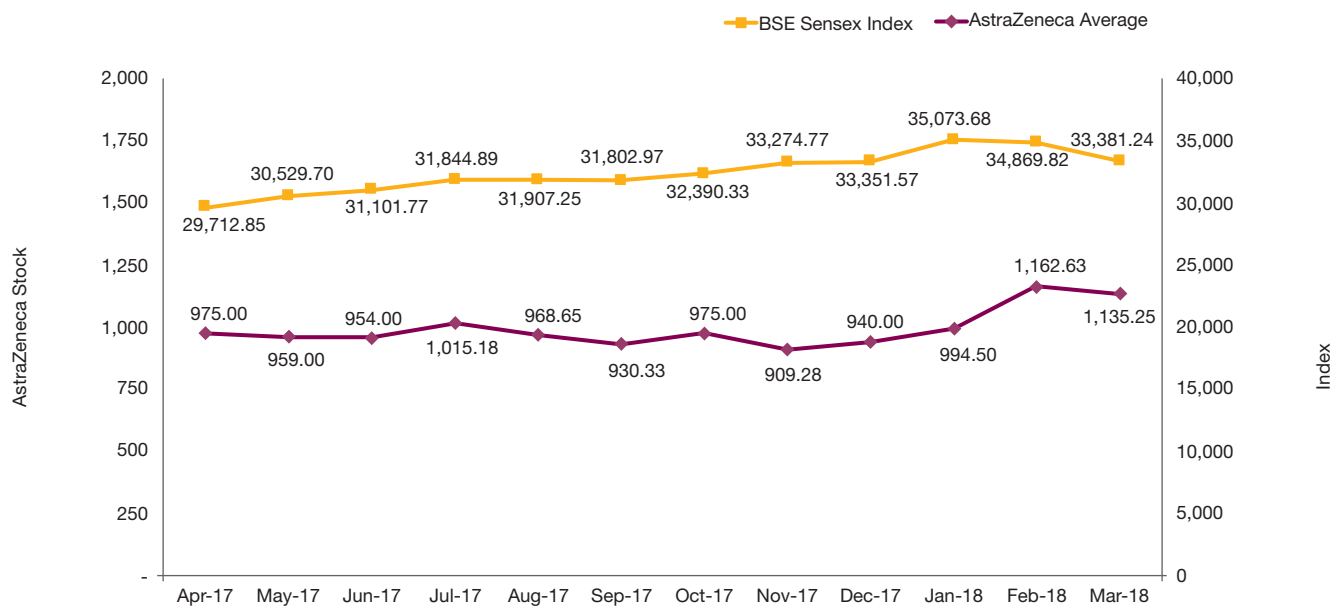
BSE Limited	506820
National Stock Exchange of India Limited	ASTRAZEN
ISIN for NSDL and CDSL	INE203A01020

(vi) Monthly High/Low of market price of the Company's shares traded on BSE and NSE for financial year ended March 31, 2018:

Period	BSE		BSE Sensex Index		NSE		NSE Nifty Index	
	High (₹)	Low (₹)	High (₹)	Low (₹)	High (₹)	Low (₹)	High (₹)	Low (₹)
Apr-17	1,025.00	925.00	30,184.22	29,241.48	1,090.30	940.0	9,367.15	9,075.15
May-17	1,009.00	909.00	31,255.28	29,804.12	1,024.10	916.10	9,649.60	9,269.90
Jun-17	999.00	909.00	31,522.87	30,680.66	954.00	902.05	9,709.30	9,448.75
Jul-17	1,092.35	938.00	32,672.66	31,017.11	1,046.70	911.00	10,114.85	9,543.55
Aug-17	1,022.30	915.00	32,686.48	31,128.02	933.40	880.20	10,137.85	9,685.55
Sep-17	955.65	905.00	32,524.11	31,081.83	999.00	886.50	10,178.95	9,687.55
Oct-17	1,045.00	905.00	33,340.17	31,440.48	1,085.00	903.00	10,384.50	9,831.05
Nov-17	936.00	882.55	33,865.95	32,683.59	1,278.00	1,002.55	10,490.45	10,094.00
Dec-17	990.00	890.00	34,137.97	32,565.16	1,191.95	1,090.05	10,552.40	10,033.35
Jan-18	1,085.00	904.00	36,443.98	33,703.37	1,270.30	1,102.60	11,171.55	10,404.65
Feb-18	1,278.00	1,047.25	36,256.83	33,482.81	1,001.00	1,026.95	11,117.35	10,276.30
Mar-18	1,190.00	1,080.50	34,278.63	32,483.84	1,040.00	919.95	10,525.50	9,951.90

Source: www.bseindia.com and www.nseindia.com

(vii) Performance of the Company's equity shares in comparison to BSE Sensex and NSE Nifty during the financial year 2017-18



(viii) Registrar and Transfer Agent

Integrated Registry Management Services Private Limited
 30, Ramana Residency, 4th Cross,
 Sampige Road, Malleshwaram,
 Bengaluru – 560 003
 Tel: (080) 23460815-8
 Fax: (080) 23460819

Registry Management Services Private Limited has adequate infrastructure to process the share transfers. The Committee meets to approve the transfers etc. as required from time to time.

(ix) Share Transfer System

All the transfers received in physical form are processed and approved by the Share Transfer Committee of the Board. The Company's Registrar and Transfer Agents – Integrated

Reconciliation of Share Capital Audit:

A qualified Practicing Company Secretary carries out Share Capital Audit to reconcile the total admitted equity share capital with the National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL) and the total issued and listed equity share capital. The audit report confirms that the total issued/paid-up capital is in agreement with the total number of shares in physical form and the total number of dematerialised shares held with NSDL and CDSL.

(x) Distribution of Shareholding as on March 31, 2018

No. of equity shares held	No. of Shares	%	No. of Shareholders	%
Upto 5,000	2,044,067	8.18	13,106	99.45
5,001 to 10,000	258,641	1.03	36	0.27
10,001 to 20,000	189,155	0.76	12	0.09
20,001 to 30,000	30,000	0.12	1	0.01
30,001 to 40,000	166,717	0.67	5	0.04
40,001 to 50,000	87,288	0.35	2	0.02
50,001 to 100,000	364,868	1.46	6	0.05
100,001 and above	21,859,264	87.44	11	0.08
Total	25,000,000	100.00	13,179	100.00

(xi) Shareholding Pattern as on March 31, 2018

Particulars	Physical Holdings	Electronic Holdings	Total Holdings	%
AstraZeneca Pharmaceuticals AB	0	18,750,000	18,750,000	75.00
Banks	125	18,818	18,943	0.08
Trusts	0	25	25	0.00
Mutual Funds	0	1,928,461	1,928,461	7.71
FIs	0	31,747	31,747	0.13
Non-Resident Indians	500	54,642	55,142	0.22
Clearing Member	0	47,713	47,713	0.19
Indian Corporate Bodies	625	612,146	612,771	2.45
Others – Public	332,262	3,155,636	3,487,898	13.95
Investor Education and Protection Fund Authority	0	67,300	67,300	0.27
Total	333,512	24,666,488	25,000,000	100.00
Percentage	1.33	98.67	100.00	100.00

(xii) Dematerialisation of shares and liquidity

The Company's equity shares are compulsorily traded in the dematerialised form. As on March 31, 2018, out of 25,000,000 equity shares of the Company, 24,666,488 equity shares representing 98.67% of the total equity share capital is held in dematerialized form with National Securities Depository Limited and Central Depository Securities (India) Limited.

(xiii) Outstanding GDRs/ADRs/Warrants or any convertible instruments, conversion date and likely impact on equity
None**(xiv) Plant location**

12th Mile on Bellary Road,
Venkatala, Kattigenahalli Village,
Yelahanka, Bengaluru - 560 063

(xv) Company's Address for correspondence

Company Secretary/Compliance Officer
AstraZeneca Pharma India Limited
Block N1, 12th Floor, Manyata Embassy Business Park,
Rachenahalli Outer Ring Road, Bengaluru – 560 045
Tel: (080) 67748000
Fax: (080) 67748557
E-mail: comp.secy@astrazeneca.com

(xvi) Dividend declared in earlier years

Dividend for Financial year	%
2012-13	Nil
2013-14	Nil
2014-15	Nil
2015-16	Nil
2016-17	Nil

(xvii) Nomination Facility

Section 72 of the Companies Act, 2013, offers the facility of nomination. Members are advised to avail of this facility, to avoid the lengthy process of transmission formalities.

The nomination form may be obtained from the Company/ Registrar and Transfer Agent. However, if the shares are held in dematerialized form, the nomination has to be conveyed by the Members to their respective Depository Participant directly, as per the format prescribed by them.

DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT

This is to confirm that the Company has adopted a Code of Conduct for its employees including the Managing Director. In addition, the Company has adopted a Code of Conduct for the Board of Directors. These Codes are available on the Company's website.

I confirm that the Company has in respect of the year ended March 31, 2018, received from the Senior Management Team of the Company and the Members of the Board a declaration of compliance with the Code of Conduct as applicable to them.

On behalf of the Board of Directors

Place: Bengaluru
Date: May 21, 2018

Gagan Singh Bedi
Managing Director

CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE AS REQUIRED UNDER THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

To,
The Members,
AstraZeneca Pharma India Limited
Bengaluru

I have examined all the relevant records of AstraZeneca Pharma India Limited ('the Company') for the purpose of certifying the compliances of the conditions of Corporate Governance by the Company, for the year ended March 31, 2018 as stipulated under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the Listing Regulations').

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

In my opinion and to the best of my information and explanations given to me, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations.

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

Place: Bengaluru
Date: May 21, 2018

Vijayakrishna K. T.
Practising Company Secretary
FCS-1788
CP-980

Annexure X to Board's Report

Form No. MR-3

SECRETARIAL AUDIT REPORT

For the financial year ended March 31, 2018

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,
ASTRAZENECA PHARMA INDIA LIMITED
(CIN: L24231KA1979PLC003563)

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by AstraZeneca Pharma India Limited (CIN: L24231KA1979PLC003563) (hereinafter called 'the Company'). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the 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 authorised representatives during the conduct of Secretarial Audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on March 31, 2018 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 AstraZeneca Pharma India Limited for the financial year ended on March 31, 2018 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
 - (h) The Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998; and
 - (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- (vi) The other following laws as may be applicable specifically to the Company:
- (a) Pharmacy Act, 1948
 - (b) Drugs and Cosmetics Act, 1940
 - (c) The Indian Copyright Act, 1957
 - (d) The Patents Act, 1970
 - (e) The Trade Marks Act, 1999
- (vii) The other following general laws as may be applicable to the Company during the audit:
- 1. Employer/Employee Related Laws and Rules:**
- (i) Industries (Development and Regulation) Act, 1951
 - (ii) The Factories Act, 1948
 - (iii) The Employment Exchanges (Compulsory notification of Vacancies) Act, 1959
 - (iv) The Apprentices Act, 1961
 - (v) The Employees Provident Fund and Miscellaneous Provisions Act, 1952
 - (vi) The Employees State Insurance Act, 1948
 - (vii) The Workmen's Compensation Act, 1923
 - (viii) The Maternity Benefits Act, 1961
 - (ix) The Payment of Gratuity Act, 1972
 - (x) The Payment of Bonus Act, 1965
 - (xi) The Industrial Disputes Act, 1947
 - (xii) The Trade Unions Act, 1926
 - (xiii) The Payment of Wages Act, 1936
 - (xiv) The Minimum Wages Act, 1948
 - (xv) The Child Labour (Regulation and Abolition) Act, 1970
 - (xvi) The Contract Labour (Regulation and Abolition) Act, 1970
 - (xvii) The Industrial Employment (Standing Orders) Act, 1946
 - (xviii) Equal Remuneration Act, 1976

- (xix) Inter-State Migrant Workmen (Regulation of Employment and Conditions of Services) Act, 1979
- (xx) The Sexual Harassment of Women at Work Place (Prevention, Prohibition and Redressal) Act, 2013
- (xxi) Persons with Disabilities (Equal Opportunities, Protection of Rights and Full Participation) Act, 1996
- (xxii) Prohibition of Employment as Manual Scavengers and their Rehabilitation Act, 2013
- (xxiii) Dangerous Machines (Regulation) Act, 1983
- (xxiv) Indian Boilers Act, 1923
- (xxv) The Industrial Establishments (National and Festival Holidays) Act, 1963
- (xxvi) The Labour Welfare Fund Act, 1965
- (xxvii) The Karnataka Daily Wage Employees Welfare Act, 2012

2. Environment Related Acts and Rules:

- (i) The Environment Protection Act, 1986
- (ii) The Water (Prevention and Control of Pollution) Act, 1974
- (iii) The Water (Prevention and Control of Pollution) Cess Act, 1977
- (iv) The Air (Prevention and Control of Pollution) Act, 1981
- (v) The Government Order Under Environment (Protection) Act, 1986
- (vi) Hazardous Wastes (Management, Handling and Transboundary Movement) Rules, 2008.
- (vii) The Karnataka Ground Water (Regulation for Protection of Sources of Drinking Water) Act, 1999

3. Economic/Commercial Laws and Rules:

- (i) The Competition Act, 2002
- (ii) The Indian Contract Act, 1872
- (iii) The Sales of Goods Act, 1930
- (iv) The Forward Contracts (Regulation) Act, 1952
- (v) The Indian Stamp Act, 1899
- (vi) The Registrations Act, 1908
- (vii) The Transfer of Property Act, 1882

I have also examined compliances with the applicable clauses of Secretarial Standards on Board and General Meetings (SS – 1 and SS – 2) issued by the Institute of Company Secretaries of India.

During the period under review, the Company has complied with the provisions of the Acts, Rules, Regulations, Guidelines, Standards, etc. mentioned above. Certain non-material findings made during the course of the audit relating to Labour Laws were addressed suitably by the Management.

Further, I report that with regard to financial and taxation matters, I have relied on the Audit Report, Limited Review Report and the Internal Audit Report provided by the Statutory/Internal Auditor as the case may be.

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 which took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least 7 days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes as per the practice followed. However, during the period under report, there was no such case instance.

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 applicable laws, rules, regulations and guidelines.

I further report that the Company has filed form MR 2 for obtaining the approval for the appointment of Mr. Gagan Singh Bedi (being non-resident in India for a continuous period of not less than 12 months immediately preceding the date of his appointment) as Managing Director of the Company. The same is pending to be approved from the Ministry of Corporate Affairs.

I further report that the Company had passed the resolution for voluntary delisting of the shares from all the Stock Exchanges on June 20, 2014 (date of announcement by the Chairman) through Postal Ballot undertaken vide Notice dated May 5, 2014. The Company has also received in-principle approvals from these Stock Exchanges.

However, stay was granted by the Hon'ble Bombay High Court from implementing the delisting proposal by the Company/Promoter Company till such time the Securities Appellate Tribunal (SAT) hears and disposes off the appeal filed by two shareholders in relation to delisting matter. SAT which heard the Appeal on September 11, 2015 had disposed of the same, with the following order:

- (a) Statement made by Counsel for Respondent No.2 (i.e. AstraZeneca Pharma India Limited) and Respondent No.5 (i.e. AstraZeneca Pharmaceuticals AB, Sweden) that they shall not proceed with the delisting of equity shares of Respondent No.2 till completion of investigation and passing order by SEBI on merits, is accepted by SAT.
- (b) Securities and Exchange Board of India (SEBI) shall complete the investigation within a period of six months from September 11, 2015 and pass appropriate order on merits after hearing the parties including the Appellants, as expeditiously as possible.
- (c) If the order to be passed by SEBI on merits is adverse to the Appellants, then the said order shall not be given effect to, from the date of passing the said order till it is communicated to the Appellants and four weeks thereafter.

Vijayakrishna K. T.

Place: Bengaluru
Date: May 21, 2018

FCS-1788
CP-980

Note: This report is to be read with our letter of even date which is annexed as Annexure and forms an integral part of this report.

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

1. Maintenance of secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these Secretarial Records based on our audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of Secretarial Records. The verification was done on test basis to ensure that correct facts are reflected in the secretarial records. I believe that the processes and practices, I have followed provide a reasonable basis for our opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company including records under Income Tax Act, Central Excise Act, Customs Act, Central and State Sales Tax Act.
4. Wherever required, the Company has represented about the compliance of laws, rules and regulations and happening of events etc. as applicable from time to time.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of Management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the Management has conducted the affairs of the Company.

Place: Bengaluru
Date: May 21, 2018

Vijaykrishna K. T.
Practising Company Secretary
FCS-1788
CP-980



Financial Statements

AstraZeneca Pharma India Limited

Independent Auditors' Report

To the Members of AstraZeneca Pharma India Limited

Report on the Indian Accounting Standards (Ind AS) Financial Statements

1. We have audited the accompanying financial statements of AstraZeneca Pharma India Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Ind AS Financial Statements

2. 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 Ind AS financial statements to give a true and fair view of the financial position, financial performance (including other comprehensive income), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified in the Companies (Indian Accounting Standards) Rules, 2015 (as amended) under Section 133 of the Act. 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 judgements 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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

3. Our responsibility is to express an opinion on these Ind AS financial statements based on our audit.
4. We have taken into account the provisions of the Act and the Rules made thereunder including 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.
5. We conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Ind AS financial statements are free from material misstatement.
6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Ind AS financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the Ind AS 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 Ind AS financial statements that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Ind AS financial statements.

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

Opinion

8. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2018, and its total comprehensive income (comprising of profit and other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Other Matter

9. The financial information of the Company for the year ended March 31, 2017 and the transition date opening balance sheet as at April 1, 2016 included in these Ind AS financial statements, are based on the previously issued statutory financial statements for the year ended March 31, 2017 and March 31, 2016 prepared in accordance with the Companies (Accounting Standards) Rules, 2006 (as amended). The financial statements for the year ended March 31, 2016 were audited by the predecessor auditor who expressed an unmodified opinion vide report dated May 25, 2016 and the financial statements for the year ended March 31, 2017 were audited by us on which we have expressed unmodified opinion dated May 9, 2017. The adjustment to those financial statements for the differences in accounting principles adopted by the Company on transition to the Ind AS have been audited by us.

Our opinion is not qualified in respect of above matter.

Report on Other Legal and Regulatory Requirements

10. As required by the Companies (Auditor's Report) Order, 2016, issued by the Central Government of India in terms of sub-Section (11) of Section 143 of the Act ("the Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure B a statement on the matters specified in paragraphs 3 and 4 of the Order.
11. 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 (including other comprehensive income), the Cash Flow

AstraZeneca Pharma India Limited

Statement and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.

- (d) In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.
- (e) On the basis of the written representations received from the directors as on March 31, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018 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 with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure A.
- (g) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our knowledge and belief and according to the information and explanations given to us:

- i. The Company has disclosed the impact, if any, of pending litigations as at March 31, 2018 on its financial position in its Ind AS financial statements – Refer Notes 19, 20 and 32.
- ii. The Company has long-term contracts as at March 31, 2018 for which there were no material foreseeable losses. The Company did not have any derivative contracts as at March 31, 2018.
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended March 31, 2018.
- iv. The reporting on disclosures relating to Specified Bank Notes is not applicable to the Company for the year ended March 31, 2018.

For **Price Waterhouse & Co Chartered Accountants LLP**
Firm Registration Number: 304026E/ E-300009

Pradip Kanakia

Place: Bengaluru
Date: May 21, 2018

Partner
Membership Number: 039985

Annexure A to Independent Auditors' Report

Referred to in paragraph 11(f) of the Independent Auditors' Report of even date to the members of AstraZeneca Pharma India Limited on the financial statements for the year ended March 31, 2018

Report on the Internal Financial Controls under Clause (i) of sub-section 3 of Section 143 of the Act

- 1. We have audited the internal financial controls over financial reporting of AstraZeneca Pharma India Limited ("the Company") as of March 31, 2018 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

- 2. 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 Act.

Auditors' Responsibility

- 3. 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

deemed to be prescribed under Section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the 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.

- 4. 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.
- 5. 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

- 6. 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

AstraZeneca Pharma India Limited

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

7. 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

8. 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, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **Price Waterhouse & Co Chartered Accountants LLP**

Firm Registration Number: 304026E/ E-300009

Pradip Kanakia

Partner

Place: Bengaluru

Date: May 21, 2018

Membership Number: 039985

Annexure B to Independent Auditors' Report

Referred to in paragraph 10 of the Independent Auditors' Report of even date to the members of AstraZeneca Pharma India Limited on the financial statements as of and for the year ended March 31, 2018

- i. (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of fixed assets.
- (b) The fixed assets are physically verified by the Management according to a phased programme designed to cover all the items over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the fixed assets has been physically verified by the Management during the year and no material discrepancies have been noticed on such verification.
- (c) The title deeds of immovable properties, as disclosed in Note 3 on fixed assets to the financial statements, are held in the name of the Company.
- ii. The physical verification of inventory excluding stocks with a third party has been conducted at reasonable intervals by the Management during the year. In respect of inventory lying with a third party, these have substantially been confirmed by that party. The discrepancies noticed on physical verification of inventory as compared to book records were not material.
- iii. 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. Therefore, the provisions of Clause 3(iii), (iii)(a), (iii)(b) and (iii)(c) of the said Order are not applicable to the Company.
- iv. The Company has not granted any loans or made any investments, or provided any guarantees or security to the parties covered under Section 185 and 186. Therefore, the provisions of Clause 3(iv) of the said Order are not applicable to the Company.
- v. The Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed thereunder to the extent notified.
- vi. Pursuant to the rules made by the Central Government of India, the Company is required to maintain cost records as specified under Section 148(1) of the Act in respect of its products. We have broadly reviewed the same, and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.
- vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing the undisputed statutory dues, including provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess, goods and service tax (with effect from July 1, 2017) and other material statutory dues, as applicable, with the appropriate authorities.

AstraZeneca Pharma India Limited

(b) According to the information and explanations given to us and the records of the Company examined by us, the particulars of dues of income tax, service tax, duty of customs, value added tax as at March 31, 2018 which have not been deposited on account of a dispute, are as follows:

Name of the statute	Nature of dues	Amount (₹)	Period to which the amount relates	Forum where the dispute is pending
The Income Tax Act, 1961	Income Tax	42,373,443	1995-96	The Honorable High court of Karnataka
The Income Tax Act, 1961	Income Tax	- (*1)	2009-10	Income Tax Appellate Tribunal
The Income Tax Act, 1961	Income Tax	- (*2)	2010-11	Income Tax Appellate Tribunal
Punjab Value Added Tax Act, 2005	Value Added Tax (VAT)	1,580,717(*3)	2006-07	The Honorable High court of Punjab and Deputy Excise and Taxation Commissioner, Patiala Division, Patiala
Customs Act, 1962	Customs duty	21,248,482	2005-06	Customs, Excise and Service Tax Appellate Tribunal, Mumbai
The Finance Act, 1994	Service tax	23,883,332(*4)	2006-07 to 2011-12	Central Excise and Service Tax Appellate Tribunal, Bangalore
The Finance Act, 1994	Service tax	4,640,196(*5)	2012-13	Central Excise and Service Tax Appellate Tribunal, Bangalore
The Finance Act, 1994	Service tax	5,434,367(*6)	2010-11 to 2011-12	Central Excise and Service Tax Appellate Tribunal, Bangalore
The Finance Act, 1994	Service Tax	3,422,026	2013-14 to 2015-16	Commissioner of Central Excise (Appeals), Bangalore
The Finance Act, 1994	Service Tax	969,227(*7)	2013-14 to 2015-16	Commissioner of Central Excise (Appeals), Bangalore
The Finance Act, 1994	Service Tax	3,432,772	2015-16	Commissioner of Central Excise (Appeals), Bangalore

(*1) Net of ₹ 5,077,460 paid "under protest" by the Company.

(*2) Net of ₹ 6,159,181 adjusted against refund of previous assessment years.

(*3) Net of ₹ 190,482 paid "under protest" by the Company.

(*4) Net of ₹ 1,764,842 paid "under protest" by the Company.

(*5) Net of ₹ 243,700 paid "under protest" by the Company.

(*6) Net of ₹ 440,625 paid "under protest" by the Company.

(*7) Net of ₹ 969,227 service tax input credit reversed "under protest" by the Company.

viii. As the Company does not have any loans or borrowings from any financial institution or bank or Government, nor has it issued any debentures as at the balance sheet date, the provisions of Clause 3(viii) of the Order are not applicable to the Company.

ix. The Company has not raised any moneys by way of initial public offer, further public offer (including debt instruments) and term loans. Accordingly, the provisions of Clause 3(ix) of the Order are not applicable to the Company.

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 case by the Management.

xi. The Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the provisions of Clause 3(xii) of the Order are not applicable to the Company.

xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of

the Act. The details of such related party transactions have been disclosed in the financial statements as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified under Section 133 of the Act.

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. Accordingly, the provisions of Clause 3(xiv) of the Order are not applicable to the Company.

xv. The Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.

xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

For **Price Waterhouse & Co Chartered Accountants LLP**
Firm Registration Number: 304026E/ E-300009

Pradip Kanakia

Place: Bengaluru
Date: May 21, 2018

Partner
Membership Number: 039985

AstraZeneca Pharma India Limited

Balance Sheet

(All amounts in ₹ million, except per share and share data)

Particulars	Note	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Assets				
Non-current assets				
Property, plant and equipment	3	754.6	868.4	973.5
Capital work-in progress	3	35.7	48.1	63.1
Financial assets				
Investments	4	-	-	0.1
Loans	5	26.4	28.7	35.6
Current tax assets	7	235.6	284.4	280.8
Deferred tax assets	8	325.5	402.2	463.5
Other non-current assets	9	18.4	7.6	12.3
Total non-current assets		1,396.2	1,639.4	1,828.9
Current assets				
Inventories	10	1,131.5	577.1	767.3
Financial assets				
Trade receivables	11	546.3	430.0	823.4
Cash and cash equivalents	12	1,139.8	1,145.5	762.0
Bank balances other than cash and cash equivalents	13	119.4	10.3	12.4
Loans	5	12.4	12.2	31.1
Other financial assets	6	35.4	40.1	41.6
Other current assets	9	224.4	300.3	220.6
Total current assets		3,209.2	2,515.5	2,658.4
Total assets		4,605.4	4,154.9	4,487.3
Equity and Liabilities				
Equity				
Equity share capital	14	50.0	50.0	50.0
Other equity	15	2,419.3	2,178.7	1,984.9
Total equity		2,469.3	2,228.7	2,034.9
Liabilities				
Non-current liabilities				
Provisions	19	66.6	22.8	21.6
Total non-current liabilities		66.6	22.8	21.6
Current liabilities				
Financial liabilities				
Trade payables	16	953.4	876.6	1,325.9
Other financial liabilities	17	637.1	545.0	604.7
Other current liabilities	18	75.6	153.4	151.8
Provisions	19	349.8	274.5	267.9
Current tax liabilities	20	53.6	53.9	80.5
Total current liabilities		2,069.5	1,903.4	2,430.8
Total liabilities		2,136.1	1,926.2	2,452.4
Total equity and liabilities		4,605.4	4,154.9	4,487.3

The accompanying notes are an integral part of these Financial Statements.

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

For **Price Waterhouse & Co Chartered Accountants LLP**
Firm registration number: 304026E/ E-300009

Pradip Kanakia
Partner
Membership number: 039985

Place: Bengaluru
Date: May 21, 2018

For and on behalf of the Board of Directors of
AstraZeneca Pharma India Limited

Narayan K Seshadri
Chairman

Pratap Rudra B
Company Secretary

Place: Bengaluru
Date: May 21, 2018

Gagan Singh Bedi
Managing Director

Rajesh Marwaha
Director & Chief Financial Officer

AstraZeneca Pharma India Limited

Statement of Profit and Loss

(All amounts in ₹ million, except per share and share data)

Particulars	Note	Year ended March 31, 2018	Year ended March 31, 2017
Income			
Revenue from operations	22	5,719.9	5,486.6
Other income	23	122.5	143.9
Total income		5,842.4	5,630.5
Expenses			
Cost of materials consumed	24	278.8	140.1
Purchase of traded goods	25	2,042.1	1,419.5
Changes in inventories of finished goods, work-in-progress and traded goods	26	(510.0)	179.8
Excise duty		9.9	49.5
Employee benefits expense	27	1,535.3	1,620.4
Depreciation expense	3	147.4	158.3
Other expenses	28	1,900.9	1,707.9
Total expenses		5,404.4	5,275.5
Profit before tax		438.0	355.0
Tax expense			
Current tax expense	21	90.0	87.6
Deferred tax charge/(benefit)	21	88.9	66.9
Total tax expense		178.9	154.5
Profit for the year		259.1	200.5
Other comprehensive (loss)/income (net of tax)			
Items that will not be reclassified to profit and loss			
Re-measurement gains/(losses) on post employment benefit obligations	35 (ii)(C)(e)	(35.0)	(16.1)
Income tax effect	8	12.2	5.6
Total other comprehensive (loss)/income for the year, net of tax		(22.8)	(10.5)
Total comprehensive income for the year		236.3	190.0
Earnings per equity share (equity shares, par value of ₹ 2 each)			
- Basic and diluted	29	10.4	8.0

The accompanying notes are an integral part of these Financial Statements.

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

For **Price Waterhouse & Co Chartered Accountants LLP**
Firm registration number: 304026E/ E-300009

Pradip Kanakia
Partner
Membership number: 039985

Place: Bengaluru
Date: May 21, 2018

For and on behalf of the Board of Directors of
AstraZeneca Pharma India Limited

Narayan K Seshadri
Chairman

Pratap Rudra B
Company Secretary

Place: Bengaluru
Date: May 21, 2018

Gagan Singh Bedi
Managing Director

Rajesh Marwaha
Director & Chief Financial Officer

AstraZeneca Pharma India Limited

Statement of Changes in Equity

(All amounts in ₹ million, except per share and share data)

A) Equity Share Capital

Particulars	Amount
Equity shares of ₹ 2 each issued, subscribed and fully paid	
As at April 1, 2016	50.0
Changes in equity share capital	-
As at March 31, 2017	50.0
Changes in equity share capital	-
As at March 31, 2018	50.0

B) Other Equity

Particulars	Note	Retained earnings	General Reserve	Capital reserve	Employee share compensation reserve	Total Other equity
Balance as on April 1, 2016		717.4	531.3	723.5	12.7	1,984.9
Profit for the year		200.5	-	-	-	200.5
Other comprehensive income		(10.5)	-	-	-	(10.5)
Total comprehensive income for the year		190.0	-	-	-	190.0
Employee share compensation expense	27	-	-	-	7.7	7.7
Recharge from a fellow subsidiary	33	-	-	-	(3.9)	(3.9)
Balance as on March 31, 2017		907.4	531.3	723.5	16.5	2,178.7
Profit for the year		259.1	-	-	-	259.1
Other comprehensive income		(22.8)	-	-	-	(22.8)
Total comprehensive income for the year		236.3	-	-	-	236.3
Employee share compensation expense	27	-	-	-	8.6	8.6
Recharge from a fellow subsidiary	33	-	-	-	(4.3)	(4.3)
Balance as on March 31, 2018		1,143.7	531.3	723.5	20.8	2,419.3

This is the Statement of changes in equity referred to in our report of even date.

For **Price Waterhouse & Co Chartered Accountants LLP**
Firm registration number: 304026E/ E-300009

Pradip Kanakia
Partner
Membership number: 039985

Place: Bengaluru
Date: May 21, 2018

For and on behalf of the Board of Directors of
AstraZeneca Pharma India Limited

Narayan K Seshadri
Chairman

Pratap Rudra B
Company Secretary

Place: Bengaluru
Date: May 21, 2018

Gagan Singh Bedi
Managing Director

Rajesh Marwaha
Director & Chief Financial Officer

AstraZeneca Pharma India Limited

Cash Flow Statement

(All amounts in ₹ million, except per share and share data)

Particulars	Note	For the year ended March 31, 2018	For the year ended March 31, 2017
A) Cash flow from operating activities			
Profit before tax		438.0	355.0
Non-cash adjustments for :			
Depreciation and amortisation	3	147.4	158.3
(Profit)/Loss on sale of Property, plant and equipment (net)	23/28	(0.1)	4.3
Impairment of capital work-in progress	28	22.4	-
Interest income	23	(86.6)	(59.9)
Employee stock compensation cost	27	8.6	7.7
Unrealised foreign exchange gain (net)		(0.7)	(0.2)
Provision for doubtful debts and advances, (net)	28	5.9	35.9
Income from sale of distribution rights	22	(63.0)	-
Operating profit before working capital changes		471.9	501.1
Changes in working capital:			
(Increase)/Decrease in trade receivables		(122.9)	384.1
(Increase)/Decrease in inventories		(554.4)	190.2
Decrease in loans		6.9	23.9
Decrease in other financial assets		9.0	1.5
Decrease/(Increase) in other assets		69.9	(94.1)
Increase/(Decrease) in trade payables		76.9	(449.3)
Increase/(Decrease) in provisions		84.2	(8.3)
Increase/(Decrease) in other financial liabilities		92.3	(51.9)
(Decrease)/Increase in other liabilities		(4.4)	1.5
Cash generated from operations		129.4	498.7
Income taxes paid (net of refund)		(41.5)	(117.7)
Net cash generated from operating activities (A)		87.9	381.0
B) Cash flows from investing activities			
Interest income on bank deposits		79.7	56.6
Investment in bank deposits		(110.8)	-
Purchase of property, plant and equipment		(62.8)	(56.5)
Proceeds from sale of property, plant and equipment		0.3	2.3
Proceeds from sale of non-current investments		-	0.1
Net cash (used in)/from investing activities (B)		(93.6)	2.5
C) Net (decrease)/increase in cash and cash equivalents (A+B)		(5.7)	383.5
D) Cash and cash equivalents at the beginning of the year		1,145.5	762.0
E) Cash and cash equivalents at the end of the year		1,139.8	1,145.5
Components of cash and cash equivalents as at the end of the year			
Balance with banks:			
Current accounts	12	45.3	13.2
Demand deposits with original maturity of less than 3 months	12	1,094.5	1,132.3
Total cash and cash equivalents		1,139.8	1,145.5

- (a) The Cash Flow Statement has been prepared under the "Indirect Method" as set out in Ind AS 7 on Statement of Cash Flow as notified under Companies (Accounts) Rules, 2015.
- (b) Figures in brackets indicate cash outflow.
- (c) Previous year's figures have been regrouped/reclassified wherever necessary to conform to current year classification.

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

For **Price Waterhouse & Co Chartered Accountants LLP**
Firm registration number: 304026E/ E-300009

Pradip Kanakia
Partner
Membership number: 039985

For and on behalf of the Board of Directors of
AstraZeneca Pharma India Limited

Narayan K Seshadri
Chairman

Pratap Rudra B
Company Secretary

Gagan Singh Bedi
Managing Director

Rajesh Marwaha
Director & Chief Financial Officer

Place: Bengaluru
Date: May 21, 2018

Place: Bengaluru
Date: May 21, 2018

AstraZeneca Pharma India Limited

Notes to the Financial Statements

1. General Information

AstraZeneca Pharma India Limited ('the Company') is a public limited company domiciled in India having its registered office in Bangalore. The Company's equity shares are listed in National Stock Exchange of India Limited (NSE) and Bombay Stock Exchange Limited (BSE).

The Company is engaged in the business of manufacture, distribution and marketing of pharmaceutical products.

2. Summary of significant accounting policies

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements.

These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1. Basis of preparation

(a) Compliance with Ind AS

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the 'Act') [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

The financial statements up to year ended March 31, 2017 were prepared in accordance with the accounting standards notified under Companies (Accounting Standard) Rules, 2006 (as amended) and other relevant provisions of the Act (IGAAP or Previous GAAP).

These financial statements are the first financial statements of the Company under Ind AS. Refer Note 44 for an explanation of how the transition from IGAAP to Ind AS has affected the Company's financial position as at March 31, 2017 and April 1, 2016 and financial performance and cash flows for the year ended March 31, 2017.

The financial statements are authorised for issue by the directors as on May 21, 2018.

(b) Historical cost convention

The financial statements have been prepared on a historical cost basis, except for the following:

- certain financial assets and liabilities measured at fair value;
- defined benefit plans – plan assets measured at fair value; and
- share-based payments – measured at fair value.

Accounting policies have been applied consistently to all periods presented in these financial statements, including the preparation of the opening Ind AS Balance Sheet as at April 1, 2016 being the 'date of transition to Ind AS'. All assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in the Schedule III (Division II) to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets/inputs for processing and their realisation of cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current/non-current classification of assets and liabilities.

Amounts included in the financial statements are reported in millions of Indian rupees except share and per share data, as per the requirement of Schedule III, unless otherwise stated. The sign '0.0' in the financial statements indicates that the amounts involved are below ₹ one lac and the sign '-' indicates that amounts are nil.

(c) Standard issued but not yet effective

Ind AS 115, 'Revenue from Contract with Customers': On March 28, 2018, Ministry of Corporate Affairs ("MCA") has notified the Ind AS 115. The core principle of the new standard is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Further the new standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers.

The standard permits two possible methods of transition:

- Retrospective approach – Under this approach the standard will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8, 'Accounting Policies, Changes in Accounting Estimates and Errors'.
- Modified retrospective approach – Retrospectively with cumulative effect of initially applying the standard recognised at the date of initial application (Cumulative catch-up adjustment).

The effective date for adoption of Ind AS 115 is financial periods beginning on or after April 1, 2018.

The Company is evaluating the requirements of the standard and the impact on the financial statements.

2.2. Critical judgements and estimates

The preparation of financial statements in conformity with Ind AS requires that the management make estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results could differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Any revision to accounting estimates is recognised prospectively in current and future years. In particular, information about areas of significant estimation uncertainty and critical judgements in applying accounting policies that have a significant effect on the amounts recognised in the financial statements are included below:

a) Defined benefit plans and compensated absences:

Measurement of obligation towards defined benefit plans and compensated absences are determined based on actuarial valuation using the projected unit credit method. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. Significant assumptions includes determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, defined benefit obligations and compensated absences are sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. Refer note 35.

b) Expected credit losses on financial assets:

The impairment provisions on financial assets are based on assumptions about risk of default and expected timing of collection. The Company uses judgement in making these assumptions and selecting inputs to be used in the impairment calculation, based on the Company's past history, customers' creditworthiness, existing market conditions as well as forward-looking estimates at the end of each reporting period. Refer note 38.

AstraZeneca Pharma India Limited

Notes to the Financial Statements

c) **Recoverability of deferred tax assets:** The Company has unused business losses and unabsorbed depreciation under the Income Tax Act, 1961. Consequently, the Company has been discharging its income tax liability as per MAT provisions under Section 115JB of the Income Tax Act, 1961. Based on expectation of future taxable profits, the Company has recognised deferred tax assets on brought forward losses, unabsorbed depreciation and MAT. Refer note 8.

d) **Indirect Taxes – Provisions and contingent liabilities:** The Company has disputed claims under indirect tax laws. Management discloses amounts claimed by the tax authorities as either contingent liabilities or recognizes them as provisions, based on subject matter under dispute, management's experience with disputes of a similar nature and advice from tax experts. Classification of such disputed claims may vary subsequently. Refer notes 19 and 32.

2.3. Property, plant and equipment

Freehold land is carried at historical cost and not depreciated but is assessed for impairment, if any, at the balance sheet date.

All other items of Property, plant and equipment are stated at historical cost less depreciation, and impairment loss, if any. Historical cost comprises the purchase price including import duties and non-refundable taxes, and directly attributable expenses incurred to bring the asset to the location and condition necessary for it to be capable of being operated in the manner intended by management. Subsequent costs related to an item of Property, plant and equipment are capitalised as part of the carrying amount of the item if the recognition criteria are met.

Upon first-time adoption of Ind AS, the Company has elected to measure all its Property, plant and equipment at the Previous GAAP carrying amount as its deemed cost on the date of transition to Ind AS i.e., April 1, 2016.

An item of Property, plant and equipment is derecognised on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising on derecognition is recognised in the Statement of Profit and Loss within 'Other income' or 'Other expenses'.

The cost of Property, plant and equipment which are not ready for their intended use, are presented as capital work-in-progress.

Depreciation is calculated using the straight-line method, from the date of capitalisation, to allocate the cost of Property, plant and equipment, net of their residual values, over the estimated useful lives of the assets. The estimates of useful lives have been determined based on a technical evaluation by management's expert, which are different from those specified by Schedule II to the Companies Act, 2013, in order to reflect the actual usage of the assets. The depreciation charge for each period is recognised in the statement of profit and loss. The useful life, residual value and the depreciation method are reviewed at least at each financial year end. If the expectations differ from previous estimates, the changes are accounted for prospectively as a change in accounting estimate.

The estimates of useful lives of property, plant and equipment are as follows:

Class of asset	Useful life in years
Buildings	6 to 20
Roads and culverts	10
Plant and machinery	5 to 10
Vehicles	5
Office equipment	2 to 10
Furniture and fixtures	10

2.4. Intangible assets

Intangible assets are stated at acquisition cost, net of accumulated amortisation and accumulated impairment losses, if any. License for use and application of know-how and trademark are being amortised on straight-line method over its useful life of 60 months as specified in the contract, from the date it was available for use.

Upon first-time adoption of Ind AS, the Company has elected to measure its intangible assets at the Previous GAAP carrying amount as its deemed cost on the date of transition to Ind AS i.e., April 1, 2016.

2.5. Impairment of assets

Assessment is done at each balance sheet date as to whether there is any indication that a non-financial asset may be impaired. If any such indication exists, an estimate of the recoverable amount of the asset or Cash Generating Unit (CGU) is made. Recoverable amount is higher of an asset's or CGU's fair value less cost of disposal and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. For the purpose of assessing impairment, the recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent from those of other assets or groups of assets. The smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets, is considered as a CGU. An asset or CGU whose carrying value exceeds its recoverable amount is considered impaired and is written down to its recoverable amount. Assessment is also done at each balance sheet date as to whether there is any indication that an impairment loss recognised for an asset in prior accounting periods may no longer exist or may have decreased. An impairment loss is reversed to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined if no impairment loss had previously been recognised.

2.6. Foreign currency translation

(a) Functional and presentation currency

Items included in the financial statements are presented in Indian Rupee (₹) which is functional and presentation currency of the Company.

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of transaction. Foreign exchange gains and losses arising from the settlement of such transactions and from the translation of monetary

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assets and liabilities denominated in foreign currencies at year end exchange rates are recognised in Statement of Profit and Loss.

2.7. Segment Reporting

The Company is engaged in the manufacture, trading and sale of pharmaceutical products and also provides clinical trial services to an overseas group company. For internal reporting purposes management has organised the Company into a single reportable segment i.e. Healthcare segment.

2.8. Inventories

Inventories are stated at the lower of cost or net realisable value. The cost of finished goods and work-in-progress comprises of cost of raw materials, direct labour, other direct costs and related production overheads. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

The provision for inventory obsolescence is assessed regularly based on estimated usage and shelf life of products. Cost of all categories of inventories have been determined using the moving weighted average cost method.

Inventories held for sale on behalf of third parties have been disclosed as Other receivables under the head Other current assets.

2.9. Employee Benefits

(a) Defined contribution plans

Provident Fund: Provident fund contributions for non-management staff are made to the regulatory authorities, where the Company has no further obligations beyond the contributions made. Such benefits are classified as defined contribution plans. Contributions to the Provident Fund Scheme is recognised in Statement of Profit and Loss on an accrual basis.

Superannuation: The Company makes contributions to the Superannuation Scheme for management employees participating in the scheme, a defined contribution scheme, administered by external fund managers, based on a specified percentage of eligible employees' salary. The Company's obligation to the scheme is restricted to contributions made to the scheme, which are recognised in the statement of profit and loss on an accrual basis.

(b) Post employment defined benefit plans

Provident Fund: In respect of management staff, the Company makes contributions to a trust administered by the Company. Company's contributions to the trust administered by the Company are recognised as plan assets. Trust invests in designated investments permitted by Indian Law. The rate at which the annual interest is payable to the beneficiaries by the trust is administered by the Government. The Company is obligated to make good the shortfall in statutory rate prescribed by the Government and rate of interest declared by the trust. The Company also has an obligation to fund any shortfall in the fair value of plan assets as compared with the defined benefit obligation.

The Company's obligation is actuarially determined at the end of every year using the projected unit credit method. Remeasurement gains and losses are recognised in the

period in which they occur, directly in Other Comprehensive Income (OCI). They are included in the retained earnings in the statement of changes in equity and in the balance sheet.

Gratuity: The Company provides for gratuity, a defined benefit plan (the "Gratuity Plan"). The Gratuity Plan provides for lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's last drawn salary and tenure of employment with the Company. The Company makes contributions towards gratuity into an approved gratuity fund administered by an external fund manager. The contributions made to the trust are recognised as plan assets. The defined benefit obligation, if any recognised in the balance sheet represents the present value of the defined benefit obligation as reduced by the fair value of plan assets.

The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of the year. Remeasurement gains and losses including those arising from changes in actuarial assumptions are recognised in the period in which they occur, directly in Other Comprehensive Income (OCI). They are included in the retained earnings in the statement of changes in equity and in the balance sheet. Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised during the same period in the Statement of Profit and Loss as past service cost.

(c) Other long-term employee benefits

Compensated Absences: The employees of the Company are entitled to other long-term benefit in the form of paid annual leave as per the policy of the Company. Employees are entitled to accumulate leave balance up to the upper limit as per the Company's policy which can be carried forward up to retirement/resignation. Leave encashment for a certain category of employees gets triggered on an annual basis, if the accumulated leave balance exceeds the threshold as defined in the Company's policy. At the time of retirement, death while in employment or on termination of employment, leave encashment vests equivalent to amount payable for number of days of accumulated leave balance as per the Company policy as applicable. Liability for such benefits is provided on the basis of actuarial valuation at the Balance Sheet date, carried out by an independent actuary using projected unit credit method. Actuarial gains and losses are recognised immediately in the Statement of Profit and Loss.

The obligation for compensated absences are presented under current liabilities in the balance sheet as the Company does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

Long-term service awards: The employees of the Company are entitled to long term service awards as per the policy of the Company. Liability for such benefits is provided on the basis of actuarial valuation at the Balance Sheet date, carried out by an independent actuary using projected unit credit method. Actuarial gains and losses are recognised immediately in the Statement of Profit and Loss.

(d) Other short-term employee benefits

Other short-term employee benefits are expected to be paid in exchange for the services rendered by employees and are

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recognised in the year during which the employee rendered the services. These benefits are in the form of performance incentives and compensated absences.

(e) Other benefits

Termination Benefits: Termination benefits, in the nature of voluntary retirement benefits or those arising from restructuring, are recognised in the Statement of Profit and Loss when the Company has a present obligation as a result of past event, when a reliable estimate can be made of the amount of the obligation and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation.

Termination benefits generally include post-retirement healthcare benefits provided to qualifying employees till the contractual retirement age. Such benefits falling due more than 12 months after the end of the reporting period are discounted to present value. The expected costs of the healthcare benefits are determined based on an actuarial valuation using the Projected Unit Credit (PUC) method.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to the Statement of Profit and Loss in the period in which they arise.

2.10. Employee share-based payments

Stock-based compensation cost is measured at fair value at the date when the grant is made to qualifying employees by AstraZeneca Plc, United Kingdom ('Ultimate holding company') using modified binomial model.

Expense arising from equity-settled share-based payment transactions are recognised over the vesting period as employee benefits expense with a corresponding credit to employee share compensation reserve. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest.

The stock-based compensation cost is recharged to the Company upon exercise, which is adjusted against employee share compensation reserve.

2.11. Revenue from operations

Revenue is recognised when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the activities as described below.

Sale of products: Revenue from sale of products is recognised when the significant risks and rewards of ownership in the goods have been transferred to the buyer as per the terms of the contract, which coincides with the despatch of goods. Revenue is recognised net of trade discounts, rebates, sales tax and Goods and Services Tax (GST). Excise duty is included in revenue and forms part of cost of manufacturing goods in accordance with Ind AS.

Sale of services: The Company derives its service income from clinical trials provided to an overseas group company. The income from clinical trials is based on a 'cost plus' model as agreed with the said group company. As per the agreement, costs incurred internally are charged with a mark-up and those

incurred externally are charged at actual. Revenue from services is recognised when the service is performed in accordance with the terms of the arrangement with the group company.

Revenue in excess of billing on service contracts is recorded as Unbilled revenue and is included in Other current financial assets. Billing in excess of revenue that is recognised on service contracts is recorded as deferred revenue until the above revenue recognition criteria are met and is included in Other current liabilities.

Income from sale of distribution rights: The Company recognises income from sale of promotion and distribution rights in the Statement of Profit or Loss under the head 'other operating revenue' when significant risks and rewards have been transferred to the customer and the Company has satisfied its performance obligations in relation to transfer of such rights to the customer.

Income from sale of products on behalf of third parties is recognised under the head 'other operating revenue', representing net margins earned on such sales as per the contractual terms agreed with such third parties.

2.12. Other Income

Interest income is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time proportionate basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of financial asset. Interest income is included under the head 'Other income' in the Statement of Profit and Loss.

Income from sale of trademarks and know-how is recognised in the Statement of Profit and Loss on fulfilment of obligations as per the underlying agreement with the buyer.

2.13. Operating leases

As a lessee:

Leases in which significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the statement of profit and loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

As a lessor:

Lease income where the Company is a lessor in an operating lease arrangement is recognised as income on a straight line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the Company's expected inflationary cost increases. The respective leased assets are included in the Balance Sheet based on their nature.

2.14. Earnings per share

Basic earnings per share is calculated by dividing the net profit for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. For the purpose of calculating diluted earnings per share, the

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net profit for the year attributable to equity shareholders and the weighted average numbers of shares outstanding during the year are adjusted for the effects of dilutive potential equity shares, if any.

2.15. Current and Deferred tax

Tax expense for the period, comprising current tax and deferred tax, are included in the determination of the net profit or loss for the period.

Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences except when they arise from initial recognition of goodwill. Deferred income tax is also not recognised if it arises from initial recognition of an asset or liability in a transaction other than business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss).

Deferred tax assets are recognised for all deductible temporary differences, unused tax losses and unused tax credit to the extent that it is probable that future taxable amounts will be available against which such deductible temporary differences, unused tax losses and unused tax credits can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient future taxable amounts will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable amounts will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Current and deferred tax relating to items recognised outside the profit or loss are recognised either in other comprehensive income or in equity, in correlation with the underlying transaction.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Deferred tax asset on Minimum Alternate Tax (MAT) credit is recognised only when it is probable that the Company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the deferred tax asset relating to MAT credit is written down to the extent there is no longer a convincing evidence that

the Company will pay normal income tax during the specified period.

2.16. Provisions and Contingent Liabilities

Provisions: Provisions are recognised when there is a present legal or constructive obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount of the obligation can be made. Provisions are measured at the best estimate of the expenditure required to settle the obligation at the Balance sheet date.

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

2.17. Cash and cash equivalents

Cash and cash equivalents include cash in hand, demand deposits with banks and other short-term highly liquid investments with original maturities of three months or less.

2.18. Financial Instruments

Financial assets and liabilities are recognised when the Company becomes a party to the contract that gives rise to financial assets and liabilities. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability.

a) Financial Assets:

Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset gives rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through other comprehensive income

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset gives rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through profit or loss

Financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets at fair value through profit or loss are immediately recognised in Statement of profit and loss.

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De-recognition of financial asset and financial liabilities

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognised when the obligation specified in the contract is discharged or cancelled or expires.

Impairment of financial assets

The Company assesses at each balance sheet date whether a financial asset or a group of financial assets is impaired. Ind AS 109 ('Financial instruments') requires expected credit losses to be measured through a loss allowance. The Company recognises lifetime expected credit losses for all trade receivables using a provision matrix approach as permitted by Ind AS 109. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

b) Financial Liabilities:

Financial liabilities are subsequently carried at amortized cost using the effective interest rate method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to short maturity of these instruments.

2.19. Trade and other payables

The amounts represent liabilities for goods and services provided prior to the end of financial year. The amounts are unsecured and are usually paid within the credit period given by the vendors. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

2.20. Contributed equity

Equity shares are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

2.21. Dividends

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of reporting period.

2.22. Trade receivables

Trade receivables are initially recognised at their transaction price (fair value) and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

2.23. Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible to the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their best economic interests. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset to its highest and best use or by selling it to another market participant that would use the asset to its highest and best use. The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1: Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2: Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3: Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Fair-value related disclosures for financial instruments and non-financial assets that are measured at fair value or where fair values are disclosed, are summarised in the following note:-

- Financial Instruments (including those carried at amortised cost): Refer note 37.

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(All amounts in ₹ million, except per share and share data)

3. Property, plant and equipment

	Freehold Land	Buildings	Roads and culverts	Plant and machinery	Leased assets - Plant and machinery	Vehicles	Office equipment *	Furniture and fixtures	Total	Capital work-in-progress
Gross Carrying Amount										
Deemed cost as at April 1, 2016	4.9	321.6	10.6	397.1	9.9	1.3	117.2	110.9	973.5	63.1
Additions	-	10.2	-	40.6	-	-	7.9	1.2	59.9	35.9
Disposals	-	-	-	1.2	-	-	3.0	3.5	7.7	-
Transfers	-	-	-	-	-	-	-	-	-	(50.9)
As at March 31, 2017	4.9	331.8	10.6	436.5	9.9	1.3	122.1	108.6	1,025.7	48.1
Additions	-	2.7	-	12.3	-	7.4	19.6	1.7	43.7	25.0
Disposals	-	-	-	0.0##	9.9	0.3	0.4	0.3	10.9	-
Transfers	-	-	-	-	-	-	-	-	-	(15.0)
As at March 31, 2018	4.9	334.5	10.6	448.8	-	8.4	141.3	110.0	1,058.5	58.1
Accumulated depreciation and impairment										
Charge for the year	-	23.1	1.4	73.7	-	0.9	45.7	13.5	158.3	-
Disposals	-	-	-	0.0##	-	-	0.4	0.6	1.0	-
As at March 31, 2017	-	23.1	1.4	73.7	-	0.9	45.3	12.9	157.3	-
Charge for the year	-	23.6	1.4	77.3	-	0.5	31.5	13.1	147.4	22.4#
Disposals	-	-	-	-	-	0.2	0.3	0.3	0.8	-
As at March 31, 2018	-	46.7	2.8	151.0	-	1.2	76.5	25.7	303.9	22.4
Net book value										
As at April 1, 2016	4.9	321.6	10.6	397.1	9.9	1.3	117.2	110.9	973.5	63.1
As at March 31, 2017	4.9	308.7	9.2	362.8	9.9	0.4	76.8	95.7	868.4	48.1
As at March 31, 2018	4.9	287.8	7.8	297.8	-	7.2	64.8	84.3	754.6	35.7

* Includes IT equipment.

Represents impairment of ₹ 22.4 (2017: ₹ Nil; 2016: ₹ Nil) on an item of capital work-in progress (Refer note 28).

Amounts below rounding off norms adopted by the Company.

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4. Investments

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Investments at fair value through profit or loss (FVTPL)			
Non-current			
(Quoted equity shares)			
Nil (2017: Nil , 2016: 100) equity shares of TTK Healthcare Limited	-	-	0.1
Nil (2017: Nil , 2016: 2) equity shares of Torrent Cables Limited*	-	-	0.0
	-	-	0.1

* Amount below rounding off norms adopted by the Company

5. Loans

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Non-current			
(Unsecured, considered good)			
Security deposits	23.9	23.0	27.5
Loans to employees	2.5	5.7	8.1
	26.4	28.7	35.6
(Unsecured, considered doubtful)			
Security deposits	9.3	14.8	9.5
Less: Provision for doubtful deposits	(9.3)	(14.8)	(9.5)
	-	-	-
	26.4	28.7	35.6
Current			
(Unsecured, considered good)			
Security deposits	8.0	7.3	20.2
Loans to employees	4.4	4.9	10.9
	12.4	12.2	31.1

6. Other financial assets

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Current			
(Unsecured, considered good)			
Interest accrued on deposits with banks	11.2	7.0	6.9
Receivable from related parties [Refer note 33 (iv)]	24.2	33.1	34.7
	35.4	40.1	41.6

7. Current tax assets

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Advance tax [net of provision for income tax ₹ 1,356.2 (2017: ₹ 1,266.2; 2016: ₹ 1,266.2)]	235.6	284.4	280.8
	235.6	284.4	280.8

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(All amounts in ₹ million, except per share and share data)

8. Deferred tax assets

(a) The balance comprises temporary differences attributable to:

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Deferred tax assets			
Expenses allowable on payment for tax purpose	19.2	25.4	22.7
Provision for doubtful advances	13.5	17.8	8.6
Provision for employee benefits	96.3	52.4	57.9
Expected credit losses on trade receivables	11.7	14.6	10.6
Unused business losses under the Income Tax Act	-	159.5	280.6
Unabsorbed depreciation	40.0	76.8	124.4
MAT Credit Entitlement	162.5	89.1	1.5
Total deferred tax assets	343.2	435.6	506.3
Deferred tax liabilities			
Set-off deferred liabilities pursuant to set-off provisions	(17.7)	(33.4)	(42.8)
Difference between tax base and carrying amounts of Property, plant and equipment			
Net deferred tax assets	325.5	402.2	463.5

(b) Movement in the deferred tax assets/(liabilities):

Particulars	As at March 31, 2017	(charge)/benefit to the Profit or Loss	(charge)/benefit to Other Comprehensive Income	As at March 31, 2018
Deferred tax assets				
Expenses allowable on payment for tax purpose	25.4	(6.2)	-	19.2
Provision for doubtful advances	17.8	(4.3)	-	13.5
Provision for employee benefits	52.4	31.7	12.2	96.3
Expected credit losses on trade receivables	14.6	(2.9)	-	11.7
Unused business losses under the Income Tax Act	159.5	(159.5)	-	-
Unabsorbed depreciation	76.8	(36.8)	-	40.0
MAT Credit Entitlement	89.1	73.4	-	162.5
	435.6	(104.6)	12.2	343.2
Deferred tax liabilities				
Difference between tax base and carrying amounts of Property, plant and equipment	33.4	(15.7)	-	17.7
Net deferred tax assets	402.2	(88.9)	12.2	325.5

Particulars	As at April 1, 2016	(charge)/benefit to the Profit or Loss	(charge)/benefit to Other Comprehensive Income	As at March 31, 2017
Deferred tax assets				
Expenses allowable on payment for tax purpose	22.7	2.7	-	25.4
Provision for doubtful advances	8.6	9.2	-	17.8
Provision for employee benefits	57.9	(11.1)	5.6	52.4
Expected credit losses on trade receivables	10.6	4.0	-	14.6
Unused business losses under the Income Tax Act	280.6	(121.1)	-	159.5
Unabsorbed depreciation	124.4	(47.6)	-	76.8
MAT Credit Entitlement	1.5	87.6	-	89.1
	506.3	(76.3)	5.6	435.6
Deferred tax liabilities				
Difference between tax base and carrying amounts of Property, plant and equipment	42.8	(9.4)	-	33.4
Net deferred tax assets	463.5	(66.9)	5.6	402.2

The tax impact for the above purpose has been arrived at by applying the tax rate of 34.944 % (2017: 34.608 %; 2016: 34.608 %) being the prevailing tax rate for Indian companies under the Income Tax Act, 1961.

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(All amounts in ₹ million, except per share and share data)

9. Other assets

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Non-current			
(Unsecured, considered good)			
Capital Advances	9.7	1.6	1.6
Balances with Government Authorities	6.0	1.8	1.8
Prepaid expenses	2.7	4.2	5.6
Others	-	-	3.3
	18.4	7.6	12.3
(Unsecured, considered doubtful)			
Advances to suppliers	4.5	5.1	8.2
Employee advances	-	6.6	6.6
	4.5	11.7	14.8
Less: Provision for doubtful advances	(4.5)	(11.7)	(14.8)
	-	-	-
	18.4	7.6	12.3
Current			
(Unsecured, considered good)			
Balances with Government Authorities	143.1	92.7	119.9
Advances to suppliers	11.1	12.0	15.7
Prepaid expenses	69.5	68.1	78.3
Employee advances	0.7	0.3	0.8
Other receivables	-	127.2	5.9
	224.4	300.3	220.6
(Unsecured, considered doubtful)			
Balances with Government Authorities	36.9	24.8	-
Employee advances	-	-	0.5
Less: Provision for doubtful advances	(36.9)	(24.8)	(0.5)
	-	-	-
	224.4	300.3	220.6

10. Inventories

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Raw materials [includes in transit: ₹ 15.9 (2017: ₹ 8.7; 2016: ₹ 5.2)] [Refer note (a) below]	115.9	79.0	89.4
Packing materials [Refer note (b) below]	17.7	12.1	13.5
Work-in-progress	24.5	10.7	13.5
Finished goods [Refer note (c) below]	206.5	105.9	136.0
Traded goods [includes in transit: ₹ 5.7 (2017: ₹ 50.9; 2016: ₹ 24.9)] [Refer note (d) below]	751.4	355.8	502.7
Stores and spares	15.5	13.6	12.2
	1,131.5	577.1	767.3

Notes:

- (a) Net of provision for raw materials ₹ 10.1 (2017: ₹ 41.5; 2016: ₹ 68.7)
(b) Net of provision for packaging materials ₹ 4.5 (2017: ₹ 2.3; 2016: ₹ 8.2)
(c) Net of provision for finished goods ₹ 0.3 (2017: ₹ 0.1; 2016: ₹ 0.6)
(d) Net of provision for traded goods ₹ 1.3 (2017: ₹ 23.9; 2016: ₹ 2.0)

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(All amounts in ₹ million, except per share and share data)

11. Trade receivables

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
(Unsecured, considered good)			
Trade receivables from related parties [Refer note 33 (iv)]	87.3	44.5	44.4
Trade receivable – others	459.0	385.5	779.0
	546.3	430.0	823.4
(Unsecured, considered doubtful)			
Trade receivable – others	33.4	48.2	38.8
Less: Provision for doubtful debts	(33.4)	(48.2)	(38.8)
	-	-	-
	546.3	430.0	823.4

12. Cash and cash equivalents

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Balances with banks			
Current accounts	45.3	13.2	62.0
Demand deposits with original maturity of less than 3 months	1,094.5	1,132.3	700.0
	1,139.8	1,145.5	762.0

13. Bank balances other than cash and cash equivalents

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Balances with banks			
Demand deposits with original maturity of 3 - 12 months	116.8	6.1	6.1
Unclaimed dividend accounts	2.6	4.2	6.3
	119.4	10.3	12.4

14. Equity share capital

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Authorised equity share capital			
Equity share capital of ₹ 2 each 25,000,000 (2017: 25,000,000, 2016: 25,000,000)	50.0	50.0	50.0
Issued equity share capital			
Equity shares of ₹ 2 each issued, subscribed and fully paid 25,000,000 (2017: 25,000,000, 2016: 25,000,000)	50.0	50.0	50.0

(a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

Equity Shares	As at March 31, 2018		As at March 31, 2017	
	Number of shares	Amount	Number of shares	Amount
At the commencement of the year	25,000,000	50.0	25,000,000	50.0
Add: shares issued	-	-	-	-
Outstanding at the end of the year	25,000,000	50.0	25,000,000	50.0

(b) Terms and rights attached to equity shares

The Company has one class of equity shares having a par value of ₹ 2 per share. Each shareholder is eligible for one vote per share held. The Company declares and pays dividends in Indian rupees.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive 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.

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Notes to the Financial Statements

(All amounts in ₹ million, except per share and share data)

(c) Details of shareholders holding more than 5% shares in the Company:

Particulars	As at March 31, 2018		As at March 31, 2017		As at April 1, 2016	
	Number of shares	% holding	Number of shares	% holding	Number of shares	% holding
Equity shares of ₹ 2 each fully paid						
AstraZeneca Pharmaceuticals AB, Sweden (Holding Company)	18,750,000	75%	18,750,000	75%	18,750,000	75%
ICICI Prudential Asset Management Company Limited	1,645,657	7%	1,747,500	7%	1,739,258	7%

(d) Shares held by holding / ultimate holding company

Particulars	As at March 31, 2018		As at March 31, 2017		As at April 1, 2016	
	Number of shares	% holding	Number of shares	% holding	Number of shares	% holding
AstraZeneca Pharmaceuticals AB, Sweden (Holding Company)	18,750,000	75%	18,750,000	75%	18,750,000	75%

(e) The Company has not allotted any fully paid-up equity shares by way of bonus shares, or pursuant to a contract without payment being received in cash or bought back equity shares during the period of five years immediately preceding the Balance Sheet date.

15. Other equity

Particulars	As at	As at	As at
	March 31, 2018	March 31, 2017	April 1, 2016
Capital reserve	723.5	723.5	723.5
General Reserve	531.3	531.3	531.3
Employee share compensation reserve	20.8	16.5	12.7
Retained earnings	1,143.7	907.4	717.4
	2,419.3	2,178.7	1,984.9

For movement in other equity, also refer Statement of changes in equity.

Nature and purpose of reserves:

(i) Capital reserve

Capital reserve represents voluntary non repayable grant from AstraZeneca Pharmaceutical AB, Sweden to the Company during FY 2013-14. Consequent to subvention agreement ('the agreement') dated May 7, 2013 between the Company and AstraZeneca Pharmaceutical AB ('the Promoter Company'), the promoter company had provided a voluntary non repayable financial grant in order to assist the Company in its efforts to establish presence and grow in the Indian market.

(ii) General reserve

General reserve represents appropriation of profits from retained earnings.

(iii) Employee share compensation reserve

The employee share compensation reserve is used to recognise the grant date fair value of restricted stock units issued to employees under ultimate holding company's long-term incentive stock compensation plan.

(iv) Retained earnings

Retained earnings comprises prior and current year's undistributed earnings after tax.

16. Trade payables

Particulars	As at	As at	As at
	March 31, 2018	March 31, 2017	April 1, 2016
Trade payables			
- micro and small enterprises* (Refer note 42)	-	0.0	0.1
- related parties [Refer note 33 (iv)]	141.1	229.9	786.3
- Others	812.3	646.7	539.5
	953.4	876.6	1,325.9

* Amount below rounding off norms adopted by the Company.

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(All amounts in ₹ million, except per share and share data)

17. Other financial liabilities

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Current			
Dealer deposits	3.9	4.4	4.5
Capital creditors	1.0	2.1	13.7
Payable to employees	216.8	231.3	225.4
Payable to related parties [Refer note 33 (iv)]	-	3.0	49.9
Unclaimed dividends *	2.6	4.2	6.3
Payable for expenses	412.8	300.0	304.9
	637.1	545.0	604.7

* There are no amounts due for payment to the Investor Education and Protection Fund under Section 125 of The Companies Act, 2013 as at the year end.

18. Other liabilities

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Current			
Security deposit on leased asset	-	9.9	9.9
Deferred revenue	-	63.0	63.0
Statutory liabilities	59.6	56.6	54.4
Advances from customers	16.0	23.9	24.5
	75.6	153.4	151.8

19. Provisions

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Non-current			
Provision for employee benefits			
Provision for gratuity	45.7	-	-
Provision for long-term service awards	12.0	11.8	13.3
Provision for termination benefits	8.9	11.0	8.3
	66.6	22.8	21.6
Current			
Provision for employee benefits			
Provision for gratuity	38.7	2.8	21.6
Provision for compensated absences	153.2	130.4	138.7
Provision for long-term service awards	3.0	2.3	2.1
Provision for termination benefits	2.5	2.5	2.0
	197.4	138.0	164.4
Others			
Provision for sales returns [Refer note (a)]	34.5	23.7	23.7
Provision for indirect tax matters [Refer note (b)]	47.1	42.0	42.5
Provision for other obligations [Refer note (c) and (d)]	70.8	70.8	37.3
	152.4	136.5	103.5
	349.8	274.5	267.9

Movement of other provisions:

Particulars	Sales returns	Indirect tax matters	Other obligations
Balance as on March 31, 2017	23.7	42.0	70.8
Provisions during the year	34.5	5.1	-
Amount paid/written back during the year	(23.7)	-	-
Balance as on March 31, 2018	34.5	47.1	70.8

Notes:

- (a) Provision for sales returns is made for expected sales returns. The provision is made on the basis of past experience of the pattern of sales returns.

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(All amounts in ₹ million, except per share and share data)

- (b) Provision for taxation matters is created in respect of likely adverse outcome of indirect tax cases pending against the Company. The provision is based on management's estimate of probable outflow on account of settlement after considering advice obtained from external consultants of the Company. Management cannot estimate with certainty the timing of the final outcome.
- (c) Other obligations as at April 1, 2016 included a provision created towards expected claims from customers in respect of charge backs. The provision was created based on management's best estimate of the claims expected to be received from customers. As the Company did not receive any claims in the year ended March 31, 2017, the same has been written back during the previous year.
- (d) The Company had received a notice from Bruhat Bangalore Mahanagara Palike (BBMP) on August 7, 2014, followed by reminder notices, demanding ₹ 70.8 as improvement charges for its factory land. The Company filed a writ petition with the Honourable High Court of Karnataka ('Court') challenging the levy of aforesaid improvement charges. The Court had granted an interim order of stay on said demand notice. The Company's writ petition remains pending in the Court, but based on legal advice, management, as a prudent accounting practice has provided for the amount claimed. The Company intends to pursue the necessary legal recourse in this matter.

20. Current tax liabilities

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Current tax liabilities [net of advance tax ₹ 117.2 (2017: ₹ 117.1; 2016: ₹ 30.9)]	53.6	53.9	80.5
	53.6	53.9	80.5

Note: Current tax liabilities include ₹ 52.5 (2017: ₹ 52.5; 2016: ₹ 80.5) created in respect of likely adverse outcomes of direct tax cases pending against the Company at various levels. The provision is based on management's estimate of probable outflow on account of settlement after considering advice obtained from external consultants of the Company. Management cannot estimate with certainty the timing of the final outcome.

21. Income tax

- (i) The major components of income tax expense for the years ended March 31, 2018 and March 31, 2017 are:

Income tax expense

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Current tax		
Minimum Alternate Tax	90.0	87.6
Total Current tax expense	90.0	87.6
Deferred tax		
Decrease/(Increase) in deferred tax assets	104.6	76.3
(Decrease)/Increase in deferred tax liabilities	(15.7)	(9.4)
Total deferred tax charge/(benefit)	88.9	66.9
Income tax expense	178.9	154.5

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Tax recognized in Other Comprehensive Income (OCI)		
Deferred tax related to items recognised in OCI during the year:		
Remeasurement of defined benefit plans	(12.2)	(5.6)
Income tax charged to OCI	(12.2)	(5.6)

- (ii) Effective tax reconciliation

Particulars	As at March 31, 2018	As at March 31, 2017
Accounting profit before income tax	438.0	355.0
Enacted tax rate in India (%)	34.61%	34.61%
Expected tax expense (computed)	151.6	122.9
Add/(Less): Reconciling items:		
Expenses disallowed for tax purposes	15.9	33.7
Impact of change in the tax rate	(1.6)	-
Adjustment in respect of MAT relating to prior period	16.7	-
Others	(3.7)	(2.1)
Income tax expense	178.9	154.5
As per statement of profit and loss		
Current tax	90.0	87.6
Deferred tax charge/(benefit)	88.9	66.9
	178.9	154.5

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22. Revenue from operations

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Sale of pharmaceutical products		
Finished goods (including excise duty)	873.8	983.7
Traded goods	4,402.7	4,153.9
Sale of services - Clinical trials	299.5	216.4
Other operating revenue		
Scrap sales*	0.0	0.2
Income from sale of distribution rights	63.0	-
Income from sale of products on behalf of third parties	80.9	132.4
	5,719.9	5,486.6

* Amount below rounding off norms adopted by the Company

23. Other income

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Interest income		
Interest income on advances and deposits carried at amortised cost	86.6	59.9
Interest-others	26.8	-
Other non operating income		
Income from sale of trademarks and know-how*	-	80.0
Lease rentals [Refer note 34 (b)]	4.2	3.9
Profit on sale of property, plant and equipment	0.1	-
Miscellaneous income	4.8	0.1
	122.5	143.9

*Income from sale of trademarks and know-how is towards consideration received (translating into a gain of an equivalent amount) from sale of trademarks and related know-how to an unrelated third party.

24. Cost of materials consumed

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Raw materials consumed	255.7	112.5
Packing materials consumed	23.1	27.6
	278.8	140.1

25. Purchase of traded goods

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Traded goods purchased	2,042.1	1,419.5
	2,042.1	1,419.5

26. Changes in inventories of finished goods, work-in-progress and traded goods

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Inventories at the beginning of the year		
Finished goods	105.9	136.0
Work-in-progress	10.7	13.5
Traded goods	355.8	502.7
	A	652.2
Inventories at the end of the year		
Finished goods	206.5	105.9
Work-in-progress	24.5	10.7
Traded goods	751.4	355.8
	B	472.4
Changes in inventories	(A-B)	179.8

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27. Employee benefits expense

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Salaries, bonus and allowances [Refer note (a) below]	1,276.2	1,410.0
Gratuity [Refer note 35 (ii)(C)(d)]	55.2	22.2
Contribution to provident and other funds (Refer note 35 (i) and 35 (ii)(C)(d))	72.4	66.0
Employee stock compensation expense [Refer note (b) below]	8.6	7.7
Staff welfare expenses	122.9	114.5
	1,535.3	1,620.4

Notes:

- Includes terminal benefits paid under the voluntary retirement scheme amounting to ₹ Nil (2017: ₹ 91.9).
- Represents charge in respect of Restricted Stock Units issued by AstraZeneca Plc, United Kingdom “the ultimate holding company” to the qualifying employees of the Company [Refer note 36].
- Employee benefit expenses shown above is net of reimbursable expenses recovered from related parties under appropriate line items [Refer note 33].

28. Other expenses

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Selling, marketing and distribution	728.1	532.5
Travel and conveyance	222.4	207.8
Legal and professional [Refer note (b) below]	98.4	140.1
Clinical trials	399.1	261.7
Power and fuel	83.0	76.8
Rent [Refer note 34 (a)]	52.9	58.6
Carriage outwards	39.2	42.3
Repairs and maintenance		
- Buildings	10.3	12.1
- Plant and machinery	16.2	15.7
- Others	26.8	26.8
Rates and taxes	13.1	90.9
Commission and warehousing charges to clearing and forwarding agents	43.4	50.8
Consumption of stores and spare parts	25.5	20.1
Communication expenses	20.9	28.2
Insurance	25.8	24.8
Provision for doubtful debts and advances, (net)	5.9	35.9
Net loss on foreign currency transactions	3.3	0.8
Loss on sale of fixed asset	-	4.3
Impairment of capital work-in-progress	22.4	-
Expenditure towards Corporate Social Responsibility (CSR) activities (Refer note 40)	0.7	-
Miscellaneous expenses	63.5	77.7
	1,900.9	1,707.9

Notes:

- Other expenses shown above are net of reimbursable expenses recovered from related parties under appropriate line items (Refer note 33).

(b) Payments to auditors (*):

As auditor		
Audit fees	3.9	3.9
Tax audit fees	0.4	0.4
Reimbursement of out of pocket expenses	0.7	0.7
	5.0	5.0

*Excluding Service tax and GST.

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(All amounts in ₹ million, except per share and share data)

29. Earning per share

Basic Earnings per share (EPS) is calculated by dividing the profit for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year.

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Profit after tax	259.1	200.5
Weighted average number of Equity Shares outstanding during the year	25,000,000	25,000,000
Effect of dilution:	-	-
Share options	-	-
Weighted average number of Equity Shares adjusted for the effect of dilution	25,000,000	25,000,000
Basic earnings per share	10.4	8.0
Diluted earnings per share	10.4	8.0

30. Specified Bank Notes (SBNs) held and transacted during the period from November 8, 2016 to December 30, 2016

Particulars	SBNs*	Other denomination notes	Total
Closing cash in hand as on November 8, 2016	-	-	-
(+) Permitted receipts	-	-	-
(-) Permitted payments	-	-	-
(-) Amounts deposited in Banks	-	-	-
Closing cash in hand as on December 30, 2016	-	-	-

*Specified Bank Notes (SBNs) mean the bank notes of denominations of the existing series of the value of five hundred rupees and one thousand rupees as defined under the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs no. S.O. 3407(E), dated the November 8, 2016.

31. Segment reporting

The Company is engaged in the business of manufacture, distribution and marketing of pharmaceutical products and provides clinical trial services to an overseas group company. The Board of Directors have been identified as the Chief Operating Decision Maker (CODM). CODM reviews the Company level data for resource allocation and assessment of the Company's performance. As the Company's activities fall within single business segment, separate segment wise disclosures are not applicable. The additional disclosures as required by IND AS 108 are as below:

(a) Revenue from major products and services

The following is an analysis of the Company's revenue from major products and services.

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Revenue from external customers		
Sale of pharmaceutical products		
- Tablets	4,467.7	3,945.3
- Injectables	725.8	1,151.1
- Inhalation	83.0	41.2
Sale of services - Clinical trials	299.5	216.4
Other operating revenue	143.9	132.6
	5,719.9	5,486.6

(b) Geographic information

Revenues generated from operations are from sales to customers both within and outside of India. Details of the same are stated below. The information below is based on the locations of the customers.

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
India	5,420.4	5,270.2
Outside India	299.5	216.4
	5,719.9	5,486.6

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(c) Information about major customers

Revenue from sale of tablets of ₹ 688.6 (2017: ₹ 488.1) are derived from a customer operating in the pharma industry.

(d) Location of non-current assets

Non-current operating assets including property, plant and equipment and capital work-in-progress are all located in India.

32. Commitments and contingencies

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
(a) Commitments			
Capital commitments			
Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for	45.1	12.8	8.8

(b) Contingent liabilities

(i) Claims against the Company not acknowledged as debts

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Excise and service tax matters*	20.9	18.7	18.7
Income tax matters #	38.8	127.3	184.8

* The Company has received a service tax demand of ₹ 25.6 for the period April 2006 to March 2012 vide OIO 62/2014-15 dated July 31, 2014 on the expenditure incurred in foreign currency for various expenses such as registration fee, transportation, accommodation for attending conferences/seminars, meetings and trainings. The order has been passed by Commissioner confirming the demand along with interest and penalties, against which the Company has paid ₹ 1.8 under protest as on date and filed an appeal with Customs Excise and Service Tax Appellate Tribunal ("CESTAT") on January 8, 2015 which is currently pending. Out of the above balance, the Company has provided ₹ 12.8 and the balance amount of ₹ 12.8 is considered as a contingent liability.

* The Company has received a service tax demand of ₹ 4.9 for the period April 2012 to March 2013 vide OIO 92/ 2014-15 dated October 20, 2014 on the expenditure incurred in foreign currency for various expenses such as registration fee, transportation, accommodation for attending conferences/seminars, meetings and trainings. The order has been passed by Commissioner confirming the demand along with interest and penalties, against which the Company has paid ₹ 0.2 under protest as on date and filed an appeal with Customs Excise and Service Tax Appellate Tribunal ("CESTAT") on March 17, 2015 which is currently pending. Out of the above balance, the Company has provided ₹ 3.3 and the balance amount of ₹ 1.6 is considered as a contingent liability.

* The Company has received a service tax demand of ₹ 5.8 for the period April 2010 to November 2012 vide OIO 138/2015 dated December 17, 2015 disallowing input tax credit on services such as sponsorship, insurance, event management, waste disposal services. The order has been passed by Commissioner confirming the demand along with interest and penalties, against which the Company has paid ₹ 0.4 under protest as on date and has filed an appeal with Commissioner of Central Excise (Appeals) on February 18, 2016 which is currently pending. Out of the above demand, the Company has provided ₹ 2.9 and the balance amount of ₹ 2.9 is considered as a contingent liability.

* The Company has received a service tax demand of ₹ 3.4 for the period April 2013 to March 2016 vide OIO 3/2018 dated February 15, 2018 where in the Commissioner has held that Company is liable to pay service tax on notice period recovery from the resigned employees. The order has been passed by Assistant Commissioner (Central Tax) confirming the demand along with interest and penalties against which the Company has filed an appeal with Commissioner of Central Excise (Appeals) on April 20, 2018 which is currently pending. Out of the above demand, the Company has provided ₹ 1.9 and the balance amount of ₹ 1.5 is considered as a contingent liability.

* The Company has received a service tax demand of ₹ 1.9 for the period April 2013 to March 2016 vide OIO 5/2018 dated February 15, 2018 where in the Commissioner has held that the Company has availed cenvat input credit beyond stipulated period of six months/one year. The order has been passed by Assistant Commissioner (Central Tax) confirming the demand along with interest and penalties, against which the Company has reversed the cenvat input credit of ₹ 1.0 under protest and has filed an appeal with Commissioner of Central Excise (Appeals) on May 1, 2018. The said demand of ₹ 1.9 is considered as a contingent liability.

* The Company has received a service tax demand of ₹ 3.4 for the period April 2015 to March 2016 vide OIO 4/2018 dated February 15, 2018 wherein the Commissioner has held that the foreign currency expenditure incurred by the Company towards reimbursement of salary cost is subject to service tax under reverse charge mechanism. The order has been passed by Assistant Commissioner (Central Tax) confirming the demand along with interest and penalties, against which the Company has filed an appeal with Commissioner of Central Excise (Appeals) on May 1, 2018. Out of the above demand, the Company has provided for ₹ 3.2 and balance amount of ₹ 0.2 is considered as a contingent liability.

The Transfer Pricing Officer ("TPO") vide its Order dated January 28, 2013 for the period April 2008 to March 2009 made an adjustment to the clinical trial income of the Company by

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- determining the arm's length margin at 43.73%. The Dispute Resolution Panel passed an unfavorable order against the Company on November 19, 2013 after which the AO confirmed the demand vide its Order dated December 30, 2013 amounting to ₹ 84.3. The Company filed a submission before the Income Tax Appellate Tribunal ("ITAT") on February 28, 2014. The ITAT has passed an order on December 27, 2016 by giving relief on adjustments made with respect to arm's length margin for clinical trials income and Corporate Tax adjustments (Allowance for expenses in respect of sample distribution, grants, sponsorship). Based on ITAT order, the Assessing Officer (AO) on December 19, 2017 has passed the final order with a refund of ₹ 55.8 without considering certain tax payments/ tax adjustment already done by the Company. Accordingly, the Company has filed rectification petition on January 24, 2018 before the AO to rectify mistakes apparent from record.
- # The Transfer Pricing Officer ("TPO") vide its Order dated December 22, 2013 for the period April 2009 to March 2010 made an adjustment to the clinical trial segment of the Company. The AO also carried out adjustments relating to disallowance of expenses in respect of sample distribution, grants, sponsorship, medical donations and equipment donation amounting to ₹ 49.4. The Company has filed an objection before the Dispute Resolution Panel ("DRP") on April 7, 2014 subsequent to which, the Assessing Officer (AO) on December 31, 2014 has passed the final order and has disallowed grants, sponsorship, medical donations and equipment donation and raised final demand of ₹ 5.1. The Company has paid the amount of ₹ 5.1 under protest and the entire amount is considered as a contingent liability.
- # The Transfer Pricing Officer ("TPO") vide its Order dated January 30, 2015 for the period April 2010 to March 2011 made an adjustment to the clinical trials income of the Company. The AO also carried out adjustments relating to disallowance of provision for doubtful advances, difference between interest income as per books and TDS certificate and disallowance of expenses in respect of sample distribution, grants, sponsorship, medical donations and equipment donation. The Company filed an appeal with the Dispute Resolution Panel ("DRP") on March 27, 2015, Post the hearing held with DRP during the year, the Assessing Officer (AO) on January 20, 2016 and August 29, 2016 has passed the final order confirming the liability of ₹ 6.2 which has been disclosed as contingent liability. The Company has filed an appeal with Income Tax Appellate Tribunal (ITAT) on March 17, 2016 challenging the disallowances made by the DRP which is currently pending.
- # The Transfer Pricing Officer ("TPO") vide its Order dated January 29, 2016 for the period April 2011 to March 2012 has charged a markup on the receipt of reimbursement of expenses by the Company from overseas group companies. The Assessing Officer ("AO") carried out adjustments relating to disallowance of expenses incurred on health care professionals, payout made to Director of Health Services against price difference, sales returns not supported by evidence, cost of samples, additional depreciation claim, SAD refund, VRS expenses and 40(a)(ia) Disallowance. The Company has filed an appeal with the DRP on March 18, 2016 and DRP passed an order on November 11, 2016. Subsequently the final order was issued by the AO dated December 13, 2016 reducing the net refund due to the Company to ₹ 27.5. The Company has filed an appeal with ITAT on February 20, 2017 challenging the disallowances made by the DRP order and the entire amount of ₹ 27.5 is considered as contingent liability.
- (c) Other matters:**
- i) The Transfer Pricing Officer ("TPO") vide its Order dated October 27, 2016 for the period April 2012 to March 2013 has made adjustments under (a) manufacturing segment, (b) trading segment due to short fall in Arms Length Margin and (c) mark up on receipt of reimbursement of expenses by the Company from overseas group companies. The Assessing Officer ("AO") also carried out adjustments relating to disallowance of expenses incurred on health care professionals and cost of samples. The Company has filed an appeal with the DRP on January 3, 2017 and DRP has passed an order on September 19, 2017. Subsequently the final order dated October 31, 2017 was issued by the AO reducing the business losses of the Company by ₹ 328. The Company has filed an appeal with ITAT on December 19, 2017 challenging the disallowances and reduction of business loss made by the DRP.
- ii) The Transfer Pricing Officer ("TPO") vide its draft order dated December 4, 2017 for the period April 2013 to March 2014 has made adjustments under (a) Manufacturing Segment (b) Clinical Trial Segment due to short fall in Arms Length Margin and (c) mark up on receipt of reimbursement of expenses by the Company from overseas group companies. The TPO has also considered subvention as revenue receipt. The Assessing Officer ("AO") also carried out adjustments relating to disallowance of expenses incurred on health care professionals and cost of samples and passed a draft assessment order dated December 29, 2017 wherein a demand of ₹ 399 has been determined. The Company has filed its objections with the DRP on January 29, 2018 against this draft assessment order.

(d) Guarantee

Particulars	As at	As at	As at
	March 31, 2018	March 31, 2017	April 1, 2016
Bank guarantee issued to National Highways Authority of India	13.7	13.7	13.7

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33. Related party disclosures

(i) Names of related parties and related party relationship

(a) Related parties where control exists and/or where transactions have occurred:

Name of the entity	Name of relationship
Holding Company	AstraZeneca Pharmaceuticals AB, Sweden
Holding Company of AstraZeneca Pharmaceuticals AB, Sweden	AstraZeneca AB, Sweden
Holding Company of AstraZeneca AB, Sweden	AstraZeneca Treasury Limited, United Kingdom
Ultimate Holding Company	AstraZeneca Plc, United Kingdom
Fellow subsidiaries with whom the Company had transactions during the year	AstraZeneca Singapore Pte Ltd, Singapore AstraZeneca India Private Limited, India AstraZeneca Pharmaceuticals LP, USA AstraZeneca UK Limited, United Kingdom IPR Pharmaceuticals Inc, Puerto Rico
Employees' Benefit Plans	AstraZeneca Pharma India Limited Employees Gratuity Fund Trust AstraZeneca Pharma India Limited Management Staff Provident Fund Trust
b) Key Management Personnel	
- Managing Director	Mr. Sanjay Murdeshwar (resigned w.e.f. June 30, 2017) Mr. Gagan Singh Bedi (appointed w.e.f. July 1, 2017)
- Director and Chief Financial Officer	Mr. Rajesh Marwaha (appointed w.e.f. December 2, 2016)
- Non-Executive Directors	Mr. Ian Brimicombe (resigned w.e.f. May 31, 2017) Ms. Claire-Marie O'Grady (resigned w.e.f. December 2, 2016) Mr. Gregory David Emil Mueller (appointed w.e.f. December 2, 2016) Mr. Ian John Parish (appointed w.e.f. August 8, 2017)
c) Independent Directors	
	Mr. Narayan K Seshadri Ms. Kimsuka Narsimhan Ms. Revathy Ashok Mr. D. E. Udawadia (resigned w.e.f. December 2, 2016) Mr. K. S. Shah (resigned w.e.f. December 2, 2016)

(ii) Details of the transactions with the related parties during the year ended :

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Purchase of materials and traded goods		
AstraZeneca UK Limited, United Kingdom	1,882.7	1,208.3
AstraZeneca AB, Sweden	87.1	52.6
Payment towards reimbursement of expenses		
AstraZeneca UK Limited, United Kingdom	2.5	6.2
Payment towards employee stock compensation expense		
AstraZeneca UK Limited, United Kingdom	4.3	3.9
Sale of services		
AstraZeneca AB, Sweden	299.5	216.4
Lease Rentals (included in other income)		
AstraZeneca India Private Limited, India	4.2	3.9
Recovery of reimbursable expenses		
AstraZeneca UK Limited, United Kingdom	52.0	51.8
AstraZeneca AB, Sweden	106.3	-
AstraZeneca Pharmaceuticals LP, USA	8.2	15.9
AstraZeneca Singapore Pte Ltd, Singapore	14.4	11.3
AstraZeneca India Private Limited, India	10.7	6.6
Contribution to Trusts		
AstraZeneca Pharma India Limited Employees Gratuity Fund Trust	8.4	57.4
AstraZeneca Pharma India Limited Management Staff Provident Fund Trust	34.2	30.6

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(iii) (a) Transactions with Key Management Personnel

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Salary and perquisites		
Short-term employee benefits	37.9	23.6
Long-term employee benefits	8.9	3.0
Post employment benefits	11.9	1.9
Employee share compensation expenses	2.7	0.2
	61.4	28.7

(iii) (b) Transactions with Independent Directors

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Sitting fees paid to independent directors	3.3	2.8

(iv) Details of balances receivable from and payable to related parties are as follows:

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Other current financial assets	24.2	33.1	34.7
AstraZeneca UK Limited, United Kingdom	13.4	22.8	13.9
AstraZeneca Pharmaceuticals LP, USA	-	-	3.9
AstraZeneca Singapore Pte Ltd, Singapore	1.9	4.6	5.2
AstraZeneca India Private Limited, India	8.9	5.7	11.3
Others	-	-	0.4
Trade receivables	87.3	44.5	44.4
AstraZeneca AB, Sweden	87.3	44.5	44.4
Trade payables	141.1	229.9	786.3
AstraZeneca UK Limited, United Kingdom	129.9	206.8	727.2
AstraZeneca AB, Sweden	11.2	23.1	41.4
IPR Pharmaceuticals Inc, Puerto Rico	-	-	16.3
Others	-	-	1.4
Other financial liabilities (current)	-	3.0	49.9
AstraZeneca UK Limited, United Kingdom	-	3.0	43.6
AstraZeneca AB, Sweden	-	-	3.6
AstraZeneca Pharmaceuticals LP, USA	-	-	2.2
Others	-	-	0.5

34. Leases

(a) Lease rental expenses

The Company has operating lease arrangements for residential, warehouses, office premises and vehicles. These lease arrangements range for a period between 11 months and 10 years, which include both cancellable and non-cancellable leases. The leases are renewable for a further period on mutually agreeable terms and also include rent escalation clauses.

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Rent expense (Refer note 28)	52.9	58.6

Commitments for minimum lease payments in relation to non-cancellable operating leases are as follows :

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Not later than one year	20.6	16.6	20.2
Later than one year but not later than five years	76.0	73.4	70.2
Later than five years	28.2	48.0	67.8

(b) Lease rental income

The Company has operating lease arrangement for its office premises wherein a portion of the area has been leased to a fellow subsidiary. This lease arrangement is for a duration of 11 months and is cancellable in nature. The lease is renewable for a further period on mutually agreeable terms and also includes a rent escalation.

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Lease rental income recognised as other income in the Statement of Profit and Loss during the year (Refer note 23)	4.2	3.9

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35. Employee benefits

(i) Defined contribution plans

The Company contributes to defined contribution plans such as provident fund, superannuation and other funds as mentioned below as required by statute or Company policy.

In respect of such contributions, the Company has recognised the following amounts in statement of profit or loss:

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Provident fund	26.9	24.7
Superannuation fund	11.1	10.0
Others	0.4	0.4
	38.4	35.1

Refer note 27

(ii) Post employment defined benefit plans

(A) Gratuity

Benefits payable for employees who have joined before August 1, 2014:

Employees who are in continuous service for a period of 3 years are eligible for gratuity benefit as per the terms of the Trust Deed. Terms of the benefit are as below:

Payable on voluntary exit/termination:

For Management Staff:

Completed years of service (years)	Number of days eligible for every completed year of service
3 to 9	15 days salary for every year of service subject to the maximum limit as per the Payment of Gratuity (Amendment) Act, 2018.
10 to 14	3/4th of month's salary for every year of service, without limit
15 and above	One month's salary for every year of service, without limit

For Non-Management staff: One month's salary for each year of service, subject to maximum limit specified as per the Payment of Gratuity (Amendment) Act, 2018.

For Field Staff [Professional Sales Representative (PSR)]: 15 days salary for each year of service, subject to maximum limit specified as per the Payment of Gratuity (Amendment) Act, 2018.

Payable on retirement, death or disability:

For Management staff: One month's salary last drawn by member for each year of service, without limit.

For Non-Management staff: One month's salary last drawn by member for each year of service, subject to maximum limit specified as per the Payment of Gratuity (Amendment) Act, 2018.

For Field Staff (PSR): 15 days salary for each year of service, subject to maximum limit specified as per the Payment of Gratuity (Amendment) Act, 2018.

Benefits payable for employees who have joined on or after August 1, 2014:

Gratuity is payable in accordance with the provisions of "The Payment of Gratuity (Amendment) Act, 2018".

(B) Provident fund (Defined benefit plan):

The Company operates a defined benefit plan for Provident fund for management staff. The minimum statutory rate at which the annual rate of interest is payable to the beneficiaries of such plan is administered by the Central Government. The Company is obligated to make good the shortfall in statutory rate prescribed by the Government and rate of interest declared by the trust. The Company also has an obligation to fund any shortfall in the fair value of plan assets as compared with the defined benefit obligation.

Net benefit expense recognised in statement of profit and loss

Particulars	Gratuity		Provident Fund	
	For the year ended March 31, 2018	For the year ended March 31, 2017	For the year ended March 31, 2018	For the year ended March 31, 2017
Current service cost	55.0	22.0	34.2	30.6
Net interest cost on benefit obligation	0.2	0.2	(2.3)	(0.9)
	55.2	22.2	31.9	29.7

Refer Note 27

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(C) Amount recognised in balance sheet and movement in the net defined benefit obligation during the year:

Particulars	Gratuity		Provident Fund	
	For the year ended March 31, 2018	For the year ended March 31, 2017	For the year ended March 31, 2018	For the year ended March 31, 2017
a) Changes in the present value of the defined benefit obligation				
Obligations at the beginning of the year	297.1	293.5	654.5	604.8
Current service cost	18.9	22.0	34.2	30.6
Past service cost	36.1	-	-	-
Interest cost	19.6	21.0	59.0	60.7
Benefits paid	(22.3)	(72.8)	(117.8)	(105.1)
Contribution by employees	-	-	58.4	47.2
Transfer in	-	-	47.5	13.6
Actuarial (gain)/loss	35.6	33.4	(43.2)	2.7
Obligations at end of the year	385.0	297.1	692.6	654.5

Particulars	Gratuity		Provident Fund	
	For the year ended March 31, 2018	For the year ended March 31, 2017	For the year ended March 31, 2018	For the year ended March 31, 2017
b) Change in fair value of plan assets				
Fair value of plan assets as at the beginning of the year	294.3	271.9	684.9	621.2
Return on plan assets*	19.4	20.8	61.3	61.6
Employer contributions	8.4	57.4	34.2	30.6
Transfer in	-	-	47.5	13.6
Employee contributions	-	-	58.4	47.2
Benefits paid	(22.3)	(72.7)	(117.8)	(105.1)
Actuarial gain/(loss)	0.8	16.9	(44.6)	15.8
Fair value of plan assets as at the end of the year	300.6	294.3	723.9	684.9

*excluding amounts included in interest (expense)/income

Particulars	Gratuity		Provident Fund	
	For the year ended March 31, 2018	For the year ended March 31, 2017	For the year ended March 31, 2018	For the year ended March 31, 2017
c) Effect Due to Asset Ceiling				
Asset ceiling at the beginning of the year	-	-	30.4	16.4
Interest on Asset Ceiling	-	-	2.1	1.3
Changes in Asset Ceiling	-	-	(1.2)	12.7
Asset ceiling at the end of the year	-	-	31.3	30.4

d) Amount recognised in statement of profit or loss under employee cost:

Particulars	Gratuity		Provident Fund	
	For the year ended March 31, 2018	For the year ended March 31, 2017	For the year ended March 31, 2018	For the year ended March 31, 2017
Current service cost	18.9	22.0	34.2	30.6
Past service cost	36.1	-	-	-
Interest cost	19.6	21.0	59.0	60.7
Return on plan assets	(19.4)	(20.8)	(61.3)	(61.6)
Interest on Asset Ceiling	-	-	2.1	1.3
Net employee benefit expense/Net Provident fund cost (Refer note 27)	55.2	22.2	34.0	31.0

e) Re-measurement (gain)/loss recognised in other comprehensive income

Particulars	Gratuity		Provident Fund	
	For the year ended March 31, 2018	For the year ended March 31, 2017	For the year ended March 31, 2018	For the year ended March 31, 2017
Actuarial (gain)/loss on liability	35.6	33.4	(43.2)	2.7
Actuarial (gain)/loss on assets	(0.8)	(16.9)	44.6	(15.8)
Changes in asset ceiling (excluding interest income)	-	-	(1.2)	12.7
Net actuarial (gain)/loss	34.8	16.5	0.2	(0.4)

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f) Net defined benefit asset/(liability)

Particulars	Gratuity			Provident Fund		
	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Fair value of plan assets	300.6	294.3	271.9	723.9	684.9	621.2
Present value of the defined benefit obligations	385.0	297.1	293.5	692.6	654.5	604.8
(Deficit)/Surplus	(84.4)	(2.8)	(21.6)	31.3	30.4	16.4
Effect due to Asset Ceiling	-	-	-	(31.3)	(30.4)	(16.4)
Benefit asset/(liability)	(84.4)	(2.8)	(21.6)	-	-	-
Recognised under Provisions:						
Non-current provision (Refer note 19)	45.7	-	-	-	-	-
Current provision (Refer note 19)	38.7	2.8	21.6	-	-	-

g) Major category of plan assets are as follows :

Particulars	Gratuity			Provident Fund		
	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Insurer Managed funds	100%	100%	100%	0.0%	0.0%	0.0%
Equity instruments	0.0%	0.0%	0.0%	10.1%	10.1%	0.7%
Government securities	0.0%	0.0%	0.0%	45.4%	45.4%	39.0%
Debt instruments	0.0%	0.0%	0.0%	44.5%	44.5%	60.3%

h) The principal assumptions used in estimating defined benefit obligations are as below:

Assumptions	Gratuity			Provident Fund		
	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Discount rate	7.55%	7.05%	7.65%	7.55%	7.05%	7.65%
Outstanding term of the liabilities	7.82 years	7.75 years	7.88 years	7.82 years	7.75 years	7.88 years
Attrition rate	5% to 13% based on the employee designation	5% to 13% based on the employee designation	5% to 13% based on the employee designation	5% to 13% based on the employee designation	5% to 13% based on the employee designation	5% to 13% based on the employee designation
Retirement Age	60 Years	60 Years	60 Years	60 Years	60 Years	60 Years
Salary increase rate	10%	1st 2 years 9% and thereafter 8%	1st 2 years 9% and thereafter 8%	NA	NA	NA
Mortality rate	IALM (2006-08) Ultimate	IALM (2006-08) Ultimate	IALM (2006-08) Ultimate	IALM (2006-08) Ultimate	IALM (2006-08) Ultimate	IALM (2006-08) Ultimate

Notes:

- The discount rate is based on the prevailing market yield on Government securities as at the balance sheet date for the estimated term of obligations.
- The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market.
- IALM represents Indian Assured Lives Mortality.

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i) Actuarial risk and sensitivity

These plans typically expose the Company to actuarial risks such as: interest rate risk, longevity risk and salary risk.

Investment risk	The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on Government bonds. If the plan assets underperform this yield, this will create a deficit. The Company maintains plan asset for Gratuity through insurance company and for Provident fund is managed through trust.
Interest risk	A decrease in the bond interest rate will increase the plan liability.
Longevity risk	The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.
Salary risk	The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

The Company ensures that the investment positions are managed within the asset-liability matching framework that has been developed to achieve long-term investments that are in line with the obligations under employee benefit plans. Within this framework, the Company's asset-liability matching objective is to match assets to the defined benefit obligations by investing in plan asset managed by an insurance company and through the Provident Fund trust.

A sensitivity analysis for significant assumptions:

Particulars	Gratuity			Provident Fund		
	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Impact on defined benefit obligation [Increase/ (decrease)]						
Discount rate						
1% Increase	(24.5)	(17.4)	(16.9)	(2.1)	(14.4)	(13.3)
1% Decrease	27.6	19.5	19.0	13.2	18.2	16.8
Salary increase rate						
1% Increase	22.6	0.5	1.3	-	-	-
1% Decrease	(21.1)	(12.9)	(13.3)	-	-	-
Interest Rate Guarantee						
1% Increase	-	-	-	48.4	16.7	15.4
1% Decrease	-	-	-	(25.4)	(14.2)	(13.1)

Sensitivities due to mortality and withdrawals are not material and hence impact of change is not disclosed.

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

j) The following payments are expected contribution to the defined benefit plans in future years:

Particulars	Gratuity			Provident Fund		
	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Expected contribution for the next one year	38.7	38.7	37.3	73.6	66.1	73.4
Weighted average duration of defined benefit plan (years)	7.8	7.8	7.9	7.8	7.8	7.9

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The expected maturity analysis of undiscounted gratuity and provident fund is as below:

Particulars	Gratuity			Provident Fund		
	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Within next 12 months	38.7	38.7	37.3	74.1	67.8	63.3
Between 2 to 5 years	163.2	132.2	134.3	328.4	270.8	272.3
Between 6 to 10 years	498.0	327.8	350.4	302.0	318.6	262.6
Beyond 10 years	-	-	-	-	-	-
	699.9	498.7	522.0	704.5	657.2	598.2

36. Employees Restricted Stock Plan

The Ultimate Holding Company, AstraZeneca Plc. United Kingdom (AZUK), listed on London Stock Exchange had introduced a Long-Term Incentive Stock Compensation Plan in the form of Restricted Stock Units (RSUs) to attract and retain the employees. As per the plan, the awards are granted to qualifying management employees of the Company. One restricted stock unit represents one AZUK share. When the stock units vests after three years, restricted stock units are automatically exchanged for the same number of AZUK shares. Moreover, the RSUs do not expire. There is no performance criteria. After the vesting period, the employees are free to either hold or sell the shares.

The expense recognised for employee services received during the year is shown in the following table:

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Expense arising from equity-settled share-based payment transactions (Refer note 27)	8.6	7.7

Movements during the year

The following table illustrates the number and Weighted Average Fair Value (WAFV) of, and movements in RSUs during the year:

Particulars	As at March 31, 2018		As at March 31, 2017	
	Number	WAFV (GBP)	Number	WAFV (GBP)
Outstanding at beginning of the year	6,439	44.7	5,842	41.4
Granted during the year	3,017	48.7	2,325	48.8
Forfeited during the year	(222)	48.7	-	-
Exercised during the year	(1,569)	47.6	(1,728)	39.0
Outstanding at end of the year	7,665		6,439	
Vested and exercisable at March 31	1,569		1,728	

Details of RSUs granted during the year:

Particulars	As at March 31, 2018	As at March 31, 2017
Date of Grant	23-Mar-18	24-Mar-17
Number of RSUs granted	3,017	2,325
Fair market value per RSU (in GBP)	48.7	48.8
Fair value (in GBP)	146,904	113,460
Expense recognised during the year	8.6	7.7

Fair value of RSUs granted

The fair values were determined using a modified version of the binomial model. This method incorporated expected dividends but no other features into the measurements of fair value. The grant date fair values of share awards does not take into account service and non-market related performance conditions.

AstraZeneca Pharma India Limited

Notes to the Financial Statements

(All amounts in ₹ million, except per share and share data)

37. Financial instruments – accounting classification and fair value measurement

Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values:

Financial instruments by category and hierarchy

Particulars	As at March 31, 2018		
	Amortised cost	FVTPL	FVTOCI
Financial assets			
Loans	38.8	-	-
Trade receivables	546.3	-	-
Cash and cash equivalents	1,139.8	-	-
Bank balance other than cash and cash equivalents	119.4	-	-
Investments	-	-	-
Other financial assets	35.4	-	-
	1,879.7	-	-
Financial liabilities			
Trade payables	953.4	-	-
Other financial liabilities	637.1	-	-
	1,590.5	-	-

Particulars	As at March 31, 2017		
	Amortised cost	FVTPL	FVTOCI
Financial assets			
Loans	40.9	-	-
Trade receivables	430.0	-	-
Cash and cash equivalents	1,145.5	-	-
Bank balance other than cash and cash equivalents	10.3	-	-
Investments	-	-	-
Other financial assets	40.1	-	-
	1,666.8	-	-
Financial liabilities			
Trade payables	876.6	-	-
Other financial liabilities	545.0	-	-
	1,421.6	-	-

Particulars	As at April 1, 2016		
	Amortised cost	FVTPL	FVTOCI
Financial assets			
Loans	66.7	-	-
Trade receivables	823.4	-	-
Cash and cash equivalents	762.0	-	-
Bank balance other than cash and cash equivalents	12.4	-	-
Investments	-	0.1	-
Other financial assets	41.6	-	-
	1,706.1	0.1	-
Financial liabilities			
Trade payables	1,325.9	-	-
Other financial liabilities	604.7	-	-
	1,930.6	-	-

The management assessed that carrying amount of cash and cash equivalents, trade receivables, trade payables and other current liabilities approximate their fair values largely due to the short-term maturities of these instruments.

For financial assets that are measured at fair value, the carrying amounts are equal to the fair values.

38. Financial risk management objectives and policies

The Company's principal financial liabilities comprise trade payables and other financial liabilities. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include loans, trade and other receivables, cash and cash equivalents and other financial assets that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Board of Directors review and agree on policies for managing each of these risks, which are summarised below.

AstraZeneca Pharma India Limited

Notes to the Financial Statements

(All amounts in ₹ million, except per share and share data)

i. Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices such as currency risk.

The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at March 31, 2018 and March 31, 2017.

Foreign Currency Exposure

Foreign currency risk is the risk that the future cash flows of a financial asset or a financial liability will fluctuate because of changes in foreign exchange rates. The operations of the Company are carried out mainly in India. However, the Company exports services to foreign customers and receives certain services from foreign vendors which are denominated in USD, GBP, EUR. Hence the Company is currently exposed to the currency risk arising from fluctuations in the exchange rates between the above currencies and Indian rupee. The Company does not enter into any forward contracts considering the total exposure is not material to the operations of the Company. Foreign currency exposure which was not hedged, are as follows:

Foreign currency exposure as on March 31, 2018

Underlying asset/liability	Currency	As at March 31, 2018		As at March 31, 2017		As at April 1, 2016	
		Amount in foreign currency	Amount in ₹	Amount in foreign currency	Amount in ₹	Amount in foreign currency	Amount in ₹
Loans (Current financial assets)*	USD	0.1	8.8	0.3	19.2	0.3	22.9
	EUR	0.0	0.0	0.0	0.0	-	-
	AUD	-	-	-	-	0.0	0.4
Trade receivables	USD	1.3	87.3	0.7	44.5	0.6	44.4
Trade payables and other current liabilities*	GBP	0.0	0.8	0.0	0.0	0.2	15.1
	USD	0.1	5.9	0.0	1.0	0.1	7.1
	EUR	-	-	0.0	0.1	0.0	2.0
	SEK	-	-	-	-	0.0	0.0
Net exposure			102.8		64.8		91.9

* Amount below rounding off norms adopted by the Company.

Foreign currency sensitivity

The following table demonstrates the sensitivity to a reasonable possible change in USD exchange rates, with all other variables held constant. The Company's exposure to foreign currency changes for all other currencies is not material.

	Change in exchange rate	As at March 31, 2018		As at March 31, 2017		As at April 1, 2016	
		Effect on profit before tax	Effect on equity	Effect on profit before tax	Effect on equity	Effect on profit before tax	Effect on equity
USD							
Increase +5%	5%	4.5	3.0	3.1	2.1	3.0	1.9
Decrease -5%	-5%	(4.5)	(3.0)	(3.1)	(2.1)	(3.0)	(1.9)

The Company is not subject to any other market risk

ii. Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities primarily with respect to trade receivables, including balances with banks and other financial assets.

a. Trade Receivables

Credit risk arises from the possibility that counter party may not be able to settle their obligations as agreed. Customer credit risk is managed by each business unit subject to the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on credit rating scorecard and individual credit limits are defined in accordance with this assessment. To manage this, the Company periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of account receivable.

An impairment analysis is performed at each reporting date on an individual basis for third party receivables. The calculation is based on actual incurred historical data. The maximum exposure to credit risk at the reporting date is the carrying value of trade receivables, refer Note 11.

The ageing analysis of the receivables (gross of provision) has been considered from the date the invoice falls due.

AstraZeneca Pharma India Limited

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(All amounts in ₹ million, except per share and share data)

Particulars	Gross carrying amount	Expected loss rate	Expected credit loss
As at March 31, 2018			
Upto 6 months	553.6	0%-34%	9.8
6 to 12 months	8.3	66%-100%	5.8
More than 12 months	17.8	100%	17.8
	579.7		33.4
As at March 31, 2017			
Upto 6 months	426.6	0%-20%	2.2
6 to 12 months	19.0	44%-100%	13.4
More than 12 months	32.6	100%	32.6
	478.2		48.2
As at April 1, 2016			
Upto 6 months	829.4	0%-25%	7.6
6 to 12 months	4.2	47%-100%	2.6
More than 12 months	28.6	100%	28.6
	862.2		38.8

The following table summarizes the change in the loss allowances measured using life-time expected credit loss model:

Allowance for impairment	As at March 31, 2018	As at March 31, 2017
Opening balance	48.2	38.8
Impairment recognised	5.8	9.4
Impairment reversal	(20.6)	-
Closing balance	33.4	48.2

b. Cash and Bank balances, other financial assets

Credit risk from balances with banks and other financial assets is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made only with approved counter parties and within the limits assigned. Company follows a conservative philosophy and shall aim to invest surplus rupee funds in India only in time deposits with well-known and highly rated banks. The duration of such time deposits will not exceed 365 days other the margin money deposits.

The following table summarizes the change in the loss allowances for other financial assets:

Allowance for impairment	As at March 31, 2018	As at March 31, 2017
Opening balance	14.8	9.5
Impairment (reversal)/recognised	(5.5)	5.3
Closing balance	9.3	14.8

iii. Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. The Company maintains flexibility in funding by maintaining appropriate level of funds in bank and liquid deposits. Financial liabilities includes trade payables and other financial liabilities, the amount is repayable generally in a period of 3 months to 1 year.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

	On demand	Less than 1 year	Total
March 31, 2018			
Other financial liabilities	-	637.1	637.1
Trade payables	-	953.4	953.4
	-	1,590.5	1,590.5
March 31, 2017			
Other financial liabilities	-	545.0	545.0
Trade payables	-	876.6	876.6
	-	1,421.6	1,421.6
April 1, 2016			
Other financial liabilities	-	604.7	604.7
Trade payables	-	1,325.9	1,325.9
	-	1,930.6	1,930.6

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Notes to the Financial Statements

(All amounts in ₹ million, except per share and share data)

39. Capital management

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves. The primary objective of the Company's capital management is to maximise the shareholder value. The Company has not availed any borrowings and mainly funded through equity. The Company is subsidiary of AstraZeneca Pharmaceuticals AB, Sweden (Holding Company), the existing surplus funds along with the cash generated by the Company are sufficient to meet its current/non-current obligation and working capital requirements.

40. Corporate Social Responsibility

- (a) Gross amount required to be spent by the Company during the year: ₹ 0.7 (2017: ₹ Nil)
- (b) Amount spent during the year on:

Particulars	For the year ended March 31, 2018		
	In cash	Yet to be paid in cash	Total
(i) Construction/acquisition of any asset	-	-	-
(ii) On purposes other than (i) above	-	0.7	0.7

41. The Company cash flow statement does not have any liabilities which have been classified under financing activities in the statement of cash flows. Accordingly, requirements of paragraphs 44 (A) to 44 (E) of Ind AS 7, *Statement of Cash Flows* relating to presentation of 'Net Debt reconciliation' is not applicable to the Company.

42. Dues to micro and small enterprises

The Company has certain dues to micro and small enterprises registered under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act'). The disclosures pursuant to the said MSMED Act are as follows:

Particulars	For the year ended	
	March 31, 2018	March 31, 2017
i) Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end*#.	-	0.0
ii) Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end.#	0.0	-
iii) Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year.	-	-
iv) Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year.	-	-
v) Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year.#.	-	-
vi) Interest due and payable towards suppliers registered under MSMED Act, for payments already made #.	0.0	0.0
vii) Further interest remaining due and payable for earlier years.	-	-

* The principal amount represents amount outstanding (due as well as not due) as on the Balance Sheet date.

Amount below rounding off norms adopted by the Company.

43. As previously disclosed, by way of a letter dated March 1, 2014, AstraZeneca Pharmaceuticals AB, the promoter of the Company had proposed a voluntary delisting of the Company's equity shares from the National Stock Exchange and the Bombay Stock Exchange. Such proposed delisting is subject to an on-going inquiry with SEBI and that inquiry has not yet been resolved. In any event, based on the passage of time, any potential future proposal for voluntary delisting of the Company would need to be conducted de novo.

44. First-time adoption of Ind AS

These financial statement for the year end March 31, 2018 are the first financial statement prepared in accordance with Ind AS.

The accounting policies set out in Note 2 have been applied in preparing the financial statement for year ended March 31, 2018, the comparative information presented in these financial statements for the year ended March 31, 2017 and in the

preparation of opening Ind AS balance sheet at April 1, 2016 (the Company's date of transition to Ind AS). The Company has adjusted the amounts reported previously in financial statements prepared in accordance with the accounting standards notified under Companies (Accounting Standards) Rules, 2006 (as amended) and other relevant provisions of the Act (previous GAAP or Indian GAAP). An explanation of how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows is set out in the following tables and notes.

A. Exemptions and exceptions availed

Ind AS 101, *First-time adoption of Indian Accounting Standards* allows first time adopters certain exemptions from the retrospective application of certain requirements under Ind AS. Set out below are the applicable Ind AS 101 optional exemptions applied in the transition from previous GAAP to Ind AS.

AstraZeneca Pharma India Limited

Notes to the Financial Statements

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(a) Ind AS optional exemptions:

(i) Deemed cost

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for de-commissioning liabilities. This exemption can also be used for intangible assets covered by Ind AS 38, Intangible Assets. Accordingly, the Company has elected to measure all of its property, plant and equipment at their previous GAAP carrying value. The previous GAAP carrying amount of intangible assets was Nil.

(ii) Share based payment

The Company has elected not to apply Ind AS 102, *Share-based Payment*, to Restricted Stock Units (RSU) that vested prior to the date of transition to Ind AS.

(a) Ind AS mandatory exceptions:

(i) Estimates

An entity's estimates in accordance with Ind ASs at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with Indian GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error.

Ind AS estimates as at April 1, 2016 are consistent with the estimates as at the same date made in conformity with Indian GAAP. The Company made estimates for following items in

accordance with Ind AS at the date of transition as these were not required under Indian GAAP:

- 1) Impairment of financial assets based on expected credit loss model; and
- 2) Share-based payments. Refer Note C (i) below.

(ii) Derecognition of financial assets and liabilities:

Ind AS 101 requires a first-time adopter to apply the de-recognition provisions of Ind AS 109, *Financial Instruments* prospectively for transactions occurring on or after the date of transition to Ind AS. However, Ind AS 101 allows a first-time adopter to apply the de-recognition requirements in Ind AS 109 retrospectively from a date of the entity's choosing, provided that the information needed to apply Ind AS 109 to financial assets and financial liabilities derecognised as a result of past transactions was obtained at the time of initially accounting for those transactions.

(iii) Classification and measurement of financial assets:

Ind AS 101 requires an entity to assess classification and measurement of financial assets on the basis of the facts and circumstances that exist at the date of transition to Ind AS.

B. Reconciliations between IGAAP and Ind AS

Ind AS 101 requires an entity to reconcile equity, total comprehensive income and cash flows for prior periods. The following tables represent the reconciliations from previous GAAP to Ind AS.

Reconciliation of total equity as at March 31, 2017 and April 1, 2016:

Particulars	Notes	As at March 31, 2017	As at April 1, 2016
Equity under Previous GAAP		1,804.6	1,560.1
Adjustments:			
Provision for expected credit loss	(i)	(6.0)	(8.1)
Reversal of rent equalisation reserve	(ii)	10.7	8.2
Employee stock compensation plan	(iii)	30.0	26.2
Deferred tax asset	(v)	402.2	463.5
Others	(vi)	(12.8)	(15.0)
Total Equity as per Ind AS		2,228.7	2,034.9

Total comprehensive income reconciliation for the year ended March 31, 2017

Particulars	Notes	For the year ended March 31, 2017
Net income for the year under Previous GAAP		244.4
Adjustments:		
Reversal of provision for expected credit loss	(i)	2.1
Reversal of rent equalisation reserve	(ii)	2.5
Employee stock compensation plan	(iii)	(3.8)
Reclassification of net actuarial (gain)/loss on defined benefit plan to other comprehensive income	(iv)	10.5
Reversal of deferred tax asset on unused business losses and other deductible differences	(v)	(61.3)
Others *	(vi)	6.1
Profit the year		200.5
Other comprehensive income, net of tax		(10.5)
Total comprehensive income		190.0

The previous GAAP figures have been reclassified to confirm to Ind AS presentation requirements for the purposes of this note.

AstraZeneca Pharma India Limited

Notes to the Financial Statements

(All amounts in ₹ million, except per share and share data)

Impact of Ind AS adoption on the statement of cash flows for the year ended March 31, 2017

Particulars	Previous GAAP	Adjustments	For the year ended March 31, 2017
Net cash flows from/(used in) operating activities	383.2	(2.2)	381.0
Net cash flows from/(used in) investing activities	2.5	-	2.5
Net cash flows from/(used in) financing activities	(2.2)	2.2	-
Net increase/(decrease) in cash and cash equivalents	383.5	-	383.5
Cash and cash equivalents as at April 1, 2016	762.0	-	762.0
Cash and cash equivalents as at March 31, 2017	1,145.5	-	1,145.5

C. Notes to first time adoption

(i) Expected credit loss

As per Ind AS 109, the Company is required to apply expected credit loss model for recognising the allowance for doubtful debts. As a result the allowance for doubtful debts increased and total equity has decreased by ₹ 8.1 as at April 1, 2016 and ₹ 6.0 as at March 31, 2017. Profit for the year ended March 31, 2017 has increased by ₹ 2.1.

(ii) Rent equalisation reserve

As per Ind AS 17, Leases, the Company is not required to recognise lease rentals on a straight line basis, if the payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases. The Company's lease escalations are in line with the general inflation rate, as a result the rent equalisation reserve created under previous GAAP is reversed. Consequently, the total equity has increased by ₹ 8.2 as at April 1, 2016 and ₹ 10.7 as at March 31, 2017. Profit for the year ended March 31, 2017 has increased by ₹ 2.5.

(iii) Employee stock compensation plan

The ultimate holding company has allotted RSUs to the employees of the Company to attract and retain the certain employees. The Company recorded expense based on the recharge from AZ UK Limited, United Kingdom with the credit to payables. As per Ind AS 102, the Company has recorded fair value of RSUs provided to employees by the ultimate holding company at fair value of the RSUs on grant date over the vesting period. The amount recharged by the fellow subsidiary company is debited to employee share compensation reserve. Consequently, the total equity increased by ₹ 26.2 as at April 1, 2016 and ₹ 30.0 as at March 31, 2017. The profit for the year ended March 31, 2017 decreased by ₹ 3.8.

(iv) Reclassification of net actuarial (gain)/loss on defined benefit plan to other comprehensive income

Under Ind AS, the actuarial gains and losses, return on plan assets, excluding the amounts included in the net interest expense on the net defined benefit liability and the impact of

change in asset ceiling are recognised in other comprehensive income instead of profit or loss. Under previous GAAP these remeasurement gains and losses were forming part of the profit or loss for the year. As a result of this change, the profit for the year ended March 31, 2017 increased by ₹ 10.5. There is no impact in total equity as at March 31, 2017 and April 1, 2016.

(v) Deferred Tax

Under IGAAP, deferred tax assets on unabsorbed depreciation and unused business losses were recognised only to the extent that there was virtual certainty supported by convincing evidence that sufficient future taxable income would be available against which such deferred tax assets could be realised. Ind AS requires deferred tax asset to be recognised for unused tax losses, unabsorbed depreciation and unused tax credits to the extent that it is probable that future taxable profits will be available against which such items can be utilised. As a result of change in the recognition of deferred tax asset on such items, equity as at April 1, 2016 has increased by ₹ 463.5 and as at March 31, 2017 is ₹ 402.2. The profit for the year ended March 31, 2017 has decreased by ₹ 61.3.

(vi) Others

Other mainly include adjustment on account of discounting of non-current interest free security deposits, employee loans, fair value of equity instruments etc.

(vii) Excise duty

Under previous GAAP, revenue from sale of products was presented net of excise duty. Under Ind AS, revenue from sale of goods is presented inclusive of excise duty, wherever applicable. The excise duty is presented on the face of the statement of profit and loss as part of expenses. This change has resulted in increase in total revenue and total expenses for the year ended March 31, 2017 by ₹ 49.5. There is no impact on the total equity and profit.

45. Previous year's figures have been regrouped/reclassified wherever necessary to conform with the current year classification.

For **Price Waterhouse & Co Chartered Accountants LLP**
Firm registration number: 304026E/ E-300009

Pradip Kanakia

Partner

Membership number: 039985

Place: Bengaluru

Date: May 21, 2018

For and on behalf of the Board of Directors of
AstraZeneca Pharma India Limited

Narayan K Seshadri

Chairman

Pratap Rudra B

Company Secretary

Place: Bengaluru

Date: May 21, 2018

Gagan Singh Bedi

Managing Director

Rajesh Marwaha

Director & Chief Financial Officer

TEN YEAR SUMMARY

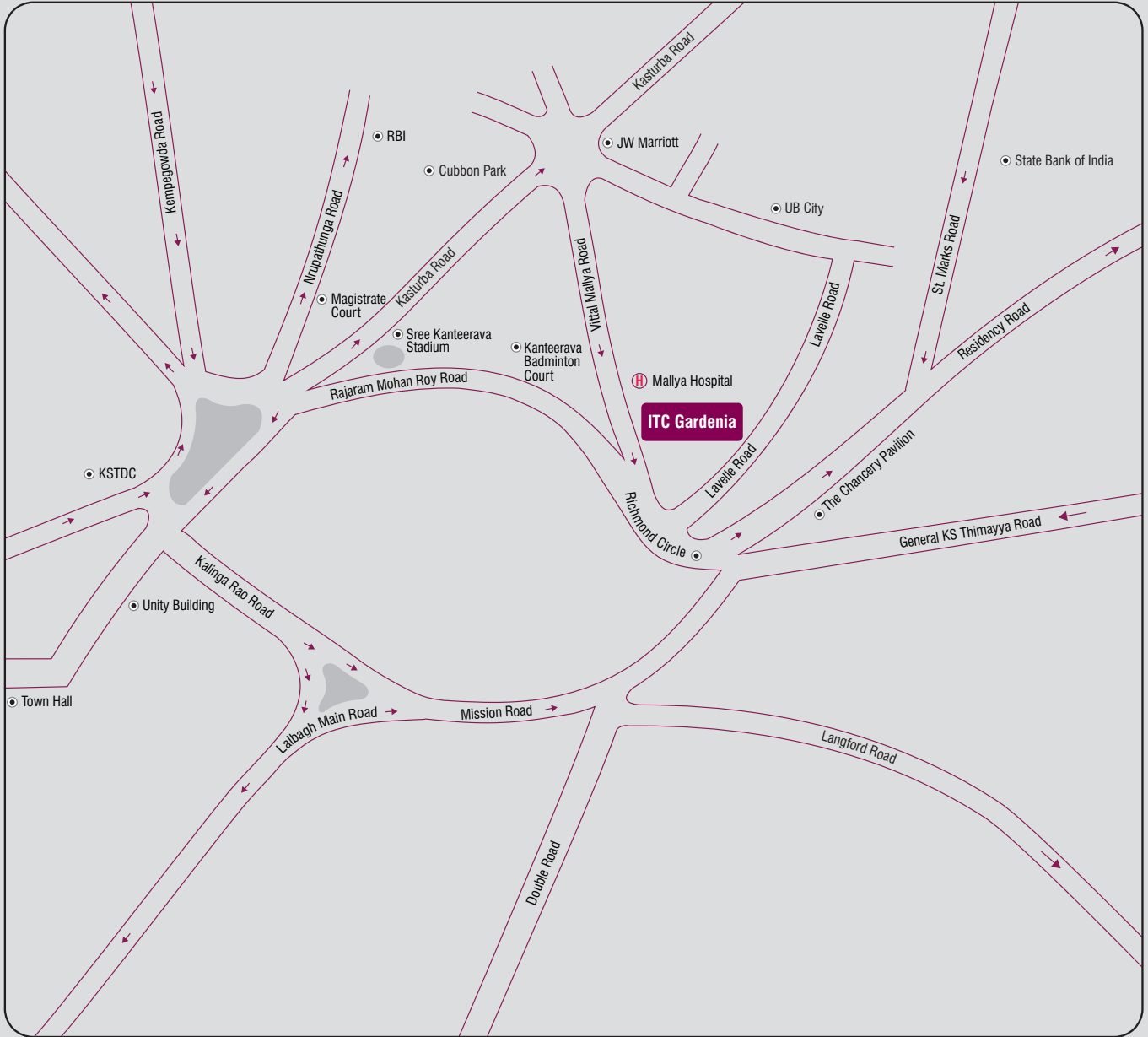
Particulars	Unit	2017-18 Ind AS	2016-17 Ind AS#	2015-16
Sales & Earnings				
Total income	₹	5,842.37	5,630.54	5,705.05
Profit before depn, int & tax	₹	585.35	513.30	231.90
Profit before int & tax	₹	437.95	355.04	57.64
Profit before tax	₹	437.95	355.04	57.64
Profit after tax	₹	259.12	200.55	52.59
Dividend paid	₹	-	-	-
Retained earnings	₹	259.12	200.55	52.59
Capital Employed				
Fixed assets				
- Net	₹	790.33	916.49	1,036.68
Investments	₹	-	-	0.01
Deferred tax assets	₹	325.53	402.17	-
Working capital	₹	1,353.38	910.03	523.46
Total		2,469.35	2,228.68	1,560.14
Represented by				
Networth	₹	2,469.35	2,228.68	1,560.14
Share capital	₹	50.00	50.00	50.00
Reserves	₹	2,419.35	2,178.68	1,510.14
Borrowings - secured	₹	-	-	-
Total		2,469.35	2,228.68	1,560.14
Ratios				
Measures of Performance				
PBT to total income	%	7.50	6.31	1.01
PAT to total income	%	4.44	3.56	0.92
Material consumption to sales	%	34.51	34.82	38.52
Employee cost to sales	%	29.10	31.54	32.77
Net fixed assets to net worth	%	32.01	41.12	66.45
Fixed assets usage	Times	7.74	6.48	5.86
Measures of Investments				
Return on Networth	%	10.49	9.00	3.37
Earnings per share @	₹	10.36	8.02	2.10
Dividend payout ratio	%	-	-	-
Dividend coverage ratio	Times	-	-	-
Measures of Financial Status				
Current ratio	Unit	1.55	1.32	1.08
Quick ratio	Unit	1.00	1.02	0.77
Inventory holding (on sales)	Days	78	41	54
Other information				
Contribution to exchequer	₹	884.21	878.12	773.15
Employee				
- Cost	₹	1,535.31	1,620.43	1,693.45
- Numbers		1,356	1,138	1,587
Number of shareholders		13,179	15,970	14,402
Dividend	%	-	-	-
Book value = net worth per share @	₹	98.77	89.15	62.41

Ind AS financials w.e.f. from April 1, 2016.

(₹ in Million)

2014-15	2013-14	2012-13	2011-12	2010-11 (15 months)	2009	2008
5,229.18	4,831.79	4,008.84	5,378.51	6,003.06	4,023.77	3,681.40
(55.58)	(37.64)	(579.92)	365.93	1,097.98	946.06	1,261.15
(208.40)	-	(702.70)	292.55	1,009.85	885.29	1,192.39
(208.40)	-	(702.70)	292.55	1,009.85	883.92	1,143.76
(208.40)	(5.09)	(895.32)	197.65	641.30	576.17	738.35
-	-	-	87.50	250.00	250.00	375.00
(208.40)	(5.09)	(895.32)	95.96	351.71	283.68	299.62
1,131.94	1,035.31	982.41	901.82	513.88	303.44	304.50
0.01	0.01	0.06	0.06	0.06	0.06	0.06
-	-	-	177.62	75.42	29.40	23.71
375.61	680.64	15.06	813.35	1,207.54	1,112.29	1,458.23
1,507.55	1,715.95	997.53	1,892.85	1,796.90	1,445.18	1,786.50
1,507.55	1,715.95	997.53	1,892.85	1,796.90	1,445.18	1,161.50
50.00	50.00	50.00	50.00	50.00	50.00	50.00
1,457.55	1,665.95	947.53	1,842.85	1,746.90	1,395.18	1,111.50
-	-	-	-	-	-	625.00
1,507.55	1,715.95	997.53	1,892.85	1,796.90	1,445.18	1,786.50
(3.99)	-	(17.53)	5.44	16.82	21.97	31.07
(3.99)	(0.11)	(22.33)	3.67	10.68	14.32	20.06
42.74	37.62	43.05	35.76	31.21	31.38	29.29
34.15	36.34	41.74	32.41	26.20	21.49	18.30
75.08	60.33	98.48	47.64	28.60	21.00	26.22
5.18	5.13	16.34	16.97	21.87	13.40	12.12
(13.82)	(0.30)	(89.75)	10.44	35.69	39.87	63.57
(8.34)	(0.20)	(35.81)	7.91	25.65	23.05	29.53
-	-	-	44.27	38.98	43.39	50.79
-	-	-	2.26	2.57	2.30	1.97
1.01	1.12	0.80	1.30	1.95	2.24	2.33
0.68	0.73	0.39	0.80	1.50	1.85	2.02
67	79	88	55	45	33	37
634.69	568.67	761.28	803.37	1,052.90	765.51	1,096.15
1,598.40	1,604.60	1,484.60	1,619.12	1,504.98	828.29	621.73
1,654	1,559	1,588	1,674	1,705	1,464	1,038
12,978	13,978	14,571	8,125	6,058	7,025	7,375
-	-	-	175.00	500.00	500.00	750.00
60.30	68.64	39.90	75.71	71.88	57.81	46.46

Route Map - AGM Venue (ITC Gardenia)





AstraZeneca Pharma India Limited

Block N1, 12th Floor, Manyata Embassy Business Park,
Rachenahalli Outer Ring Road, Bengaluru - 560 045

This Annual Report is also available on our website
www.astrazeneca.com/india