



Poly Medicure Ltd.

Works : Plot No. 104-105, Sector-59, HSIIDC Industrial Area, Ballabgarh, Faridabad-121004, INDIA
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E-mail : info@polymedicure.com, Website : www.polymedicure.com
CIN : L40300DL1995PLC066923

POLYMED
Medical Devices

Date : 04/09/2015

FORM-A

(Pursuant to Clause 31(a) of the Listing Agreement)

1	Name of the Company	Poly Medicure Limited
2	Annual Financial Statements for the year ended	31 st March, 2015
3	Types of Audit observation	Un-qualified
4	Frequency of observation	Not Applicable

For Poly Medicure Limited

(HIMANSHU BAID)
Managing Director

For Poly Medicure Limited

(J.K. OSWAL)
Vice President(Finance) & CFO

For Poly Medicure Limited

(SOHAN RAJ MOHNOT)
Chairman of Audit Committee

For M/s. DOOGAR & ASSOCIATES
Chartered Accountants

(M.S. AGARWAL)
Partner
Membership No. 86580



innovation

safety

quality

Poly Medicure Limited

Annual Report 2014-15



Corporate Information

Board of Directors

Chairman

Devendra Raj Mehta

Non-Executive Independent Directors

Sohan Raj Mohnot

Prakash Chand Surana

Yeshwant Singh Choudhary

Shailendra Raj Mehta

Non-Executive Directors

Jugal Kishore Baid

Mukulika Baid (w.e.f. 30th July 2014)

Managing Director

Himanshu Baid

Executive Director

Rishi Baid

Company Secretary

Avinash Chandra

Key Executives

Vishal Baid, President (Corporate Sales & Marketing)

V. K. Khera, Sr. V P (Export)

J. K. Oswal, V P (Finance) and CFO

Hemant Bhalla, V P (Sales & Marketing)

Bankers

State Bank of India

Citibank N.A.

Auditors

M/s Doogar & Associates

New Delhi

Cost Auditors

M/s Jai Prakash & Co.

Faridabad

Registrar and Transfer Agents

MAS Services Limited,

T-34, 2nd Floor,

Okhla Industrial Area, Phase-II,

New Delhi-110020

Tel:+ 91(011)-26387281/82

Fax No. 011- 26387384

E-mail: mas_serv@yahoo.com

Website: www.masserve.com

Registered Office

232B, 3rd Floor, Okhla Industrial Estate,
Phase III

New Delhi – 110020 (India)

Tel No.: 91 11 - 26321838, 81, 89, 93

Fax No.: 91 11 – 26321839, 94

Email: investorcare@polymedicure.com

Website: www.polymedicure.com

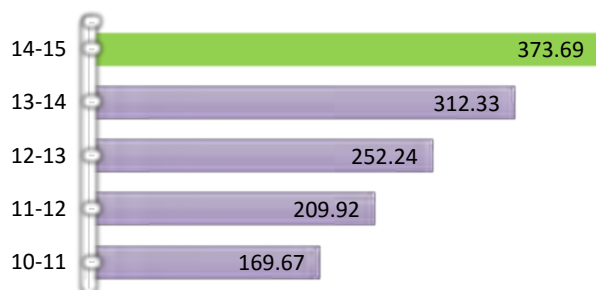
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Inside this Report:

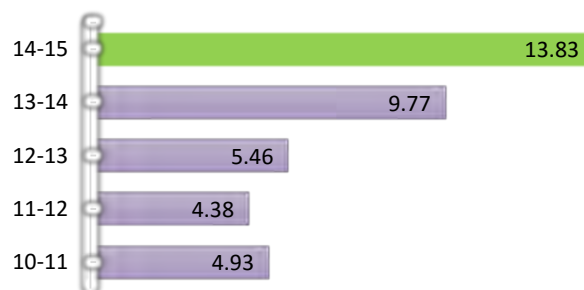
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Key Performance Indicators:

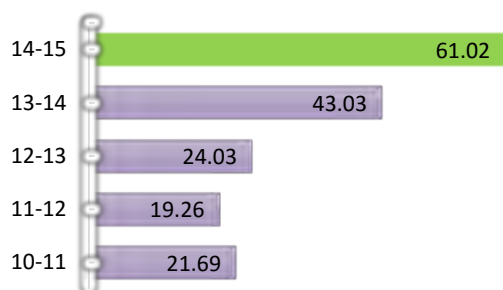
Revenue (₹ Crore)



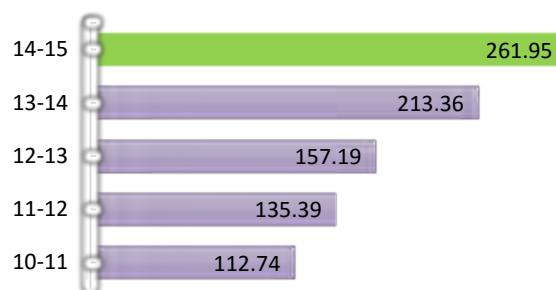
EPS (₹) Adjusted with bonus



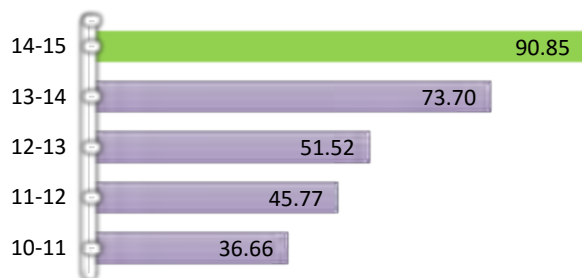
PAT (₹ Crore)



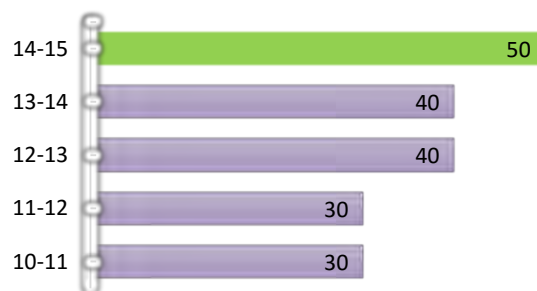
Gross Fixed Assets (₹ Crore)



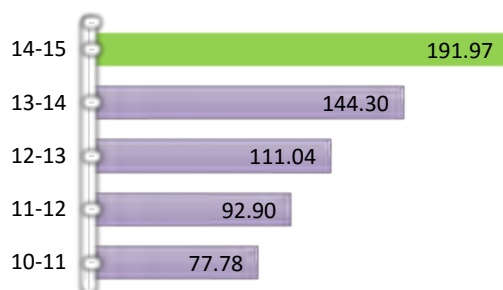
EBITDA (₹ Crore)



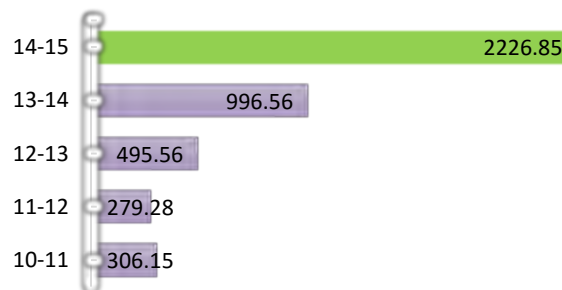
Dividend (in %), Adjusted with bonus



Net Worth (₹ Crore)



Market Capitalisation (₹ Crore)



Manufacturing Facilities



Unit I at Faridabad, Haryana



Unit II at Faridabad, Haryana



Unit III at Haridwar, Uttarakhand



Unit IV at SEZ Jaipur, Rajasthan (New Facility)



100% Subsidiary in China

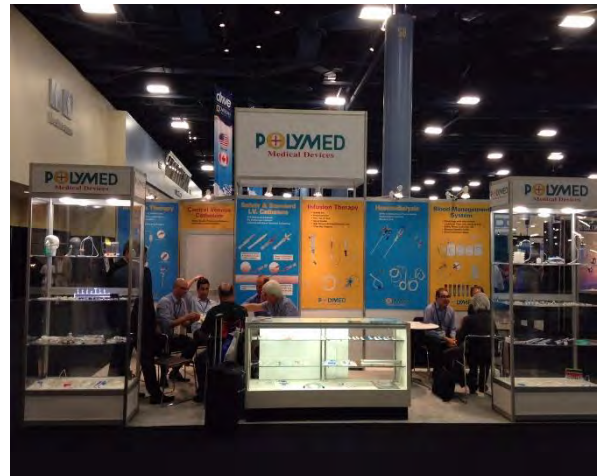
Automatic production Lines



CMEs Conducted in various hospitals



Participation in various exhibitions



Corporate Social Responsibility



Product Range:

Infusion Therapy

Safety I.V. Cannula
I.V. Cannula
Quick Flashback I.V. Cannula
Needle Free Connectors
Three Way Stop Cocks
I.V. Infusion Sets
I.V. Flow Regulators
Extension Lines
T-type Extension Set
CVP Manometer
Safety Winged Infusion Set
Safety Scalp vein Sets

Central Venous Access Catheters

Central Venous Catheters (Single / Double / Triple Lumen)

Anaesthesia

Oxygen Catheters
Suction Catheters
Oxygen mask with Reservoir
Guedel Airways
Respiratory Exerciser
Nasal Oxygen Tubes
Oxygen Masks
Aerosol Therapy masks
Fixed Concentration Masks
Endotracheal Tubes
Tracheostomy Tubes
Spinal Needles
Catheter Mount

Urology

Urine Collection Bags
Measured Volume Urine Meter
Urine Drainage Catheters
TUR Sets
Foley Balloon Catheters
Irrigation Sets

Gastroenterology

Ryle's Tubes
Levin's Tubes
Infant Feeding Tubes
Mucus Extractors
Umbilical Catheter
Feeding Bag
T Tube

Blood Management & Blood Collection Systems

Blood Administration Sets
Blood Bag Systems
Transfusion Pump Set
Blood Bag with Safety Device & Sampling Bag
CPD-SAGM-TOTM Bag System
Top & Bottom Extraction Bag System
ACD Bag
Blood Collection Tubes and Needles
Safety Blood Collection Sets

Surgery and Wound Drainage

Redon Drains
Thoracic Drainage Catheters
Abdominal Drainage Sets
Under Water Seal Drainage Systems
Yankauer Suction Sets
Yankauer Suction Handle
Under Water Seal Drainage Bottle
Colostomy Bag
Closed Wound Suction Units
High Pressure Vacuum Bottles with Extension Tube

Dialysis

Fistula Needles
Safety Fistula Needles
Blood Lines
Haemodialysis Catheter
Peritoneal Dialysis Transfusion Set

Others

Insulin Syringes
Umbilical Cord Clamps
Sputum Collector
Dry Brush

Financial Highlights

	2014-15	2013-14	2012-13	2011-12	(₹ in lacs) 2010-11
Revenue From Operations (Net)	37,368.83	31,233.32	25,223.79	20,891.86	16,966.75
Total Revenue	38,190.97	31,339.52	25,260.55	20,953.81	17,006.06
Earnings Before Depreciation, Finance Cost and Tax Expenses (EBDIT)	9,085.46	7,369.56	5,152.02	4,577.28	3,666.20
Depreciation and Amortisation	1,808.99	1,351.06	1,182.06	995.52	858.79
Exceptional Items	(1,957.80)	(991.46)	-	-	-
Profit For the Year	6,101.72	4,303.21	2,402.92	1,925.96	2,169.02
Equity Dividend %*	50%	40%	40%	30%	30%
Dividend Payout	1,102.84	881.33	440.50	330.38	330.38
Equity Share Capital	2,205.67	2,203.32	1,101.25	1,101.25	1,101.25
Reserves and Surplus	16,991.29	12,226.21	10,002.73	8,188.32	6,676.50
Net Worth	19,196.96	14,429.95	11,103.98	9,289.57	7,777.75
Gross Fixed Assets	26,194.87	21,335.69	15,719.38	13,539.00	11,274.13
Net Fixed Assets	17,046.39	14,008.95	9,715.95	8,673.33	7,250.83
Total Assets	35,445.67	28,248.21	21,193.00	17,976.48	15,195.57
Market Capitalisation	2,22,684.65	99,656.00	49,556.00	27,928.00	30,615.00
Number of Employees	1586	1478	1329	1210	1027

Key Indicators

	2014-15	2013-14	2012-13	2011-12	2010-11
Earnings Per Share - (₹)*	13.83	9.77	5.45	4.37	4.92
Turnover Per Share - (₹)*	84.71	70.88	57.26	47.43	38.52
Book Value Per Share - (₹)*	43.52	32.75	25.21	21.09	17.66
Debt : Equity Ratio	0.40:1	0.46:1	0.44:1	0.49:1	0.53:1
EBDIT/ Net Turnover %	24.31%	23.60%	20.43%	21.91%	21.61%
Net Profit Margin %	16.33%	13.78%	9.53%	9.22%	12.78%
RONW %	31.78%	29.82%	21.64%	20.73%	27.89%
ROCE %	22.78%	20.37%	15.04%	13.87%	18.22%

*Adjusted for issue of Bonus Share in FY 2013-14 in the ratio of 1:1

*Adjusted for sub-division of nominal face value of one equity share of ₹ 10 each into two equity share of ₹ 5 each in FY 2014-15.

LETTER FROM THE CHAIRMAN



Dear Shareholders,

This reporting year represents a very special occasion for us. First, we are completing another successful financial year with a good growth record. Second, we are launching our ambitious five year plan, "Vision 2020". To crown this, we complete two decades of our eventful existence. In 1995 twenty years ago we started this company, Poly Medicure Limited, inspired by the vision of providing quality products of healthcare to all and began this exciting and may rightfully call this glorious journey.

I am pleased to report that your Company performed very well in 2014-15. The Company made commendable progress in the medical sector, especially the vital devices segment. The Company continues to show marked improvement on all financial parameters.

Your Company's total revenue increased from ₹ 322.25 crore to ₹ 390.35 crore during the year, registering a healthy growth of 21.13%. Likewise, EBITDA expanded to ₹ 92.24 crore as against ₹ 75.29 crore during the preceding year, which translates into an increase of 22.51%. The improvement in profitability has been possible due to continuous introduction of new product innovations which

helped also the existing products to focus on growth. What is reassuring is that the Company will be launching a range of new products both in domestic and overseas markets.

In keeping with the Company's vision of creating sustainable value, the focus on safety, Corporate Social Responsibility (CSR), Sustainability and Human Resources continues to be of great importance. I am happy to report that the Company's CSR activities touched many lives last year. Poly Medicure serves the society, in the domains of education, healthcare, hunger and sanitation. Our relief and rehabilitation efforts in Kashmir and other areas affected by natural calamities earned significant respect.

In brief, Poly Medicure has continued to make good progress in building a sustainable business model that delivers superior value to its shareholders. The long term drivers for our Company remain in place and I am confident that this, together with our robust strategy reinforced by advanced technology, should support the continuing growth of the Company over the years ahead.

Let me end with my thanks to our customers, dealers, vendors and employees, who have always done their utmost for the Company, and my special thanks to you for your support.

D. R. Mehta
Chairman

New Delhi
31st July 2015

Letter from Managing Director



Dear Shareholders,

In Fiscal Year 2014-15, we have delivered a robust business performance, which have been consistent and competitive through the year and at the same time made good progress in our safety and high quality products. Our growth momentum has once again set us out as a growing industry in our sector.

As we all know, that the Healthcare Market is a growing market in India. At the same time a huge population with unmet Healthcare needs and the rising awareness as well as capacity to spend on quality Healthcare is leading to the growth of the Sector. So, for the fulfillment of the desire of sustainability in growth and profitability, the market players must consistently efforts for deliver a high quality and affordable Healthcare products to the users.

Your Company, with its state of art manufacturing facilities, financial capabilities, modern technology equipments, expertise and hard work of employees, is consistently providing the best and high quality products to the users and achieved best in class performance in terms of production growth, profitability and product performance.

Product Segment

The Company manufactures, over 100 varieties of disposable medical devices in the product verticals of infusion therapy, blood management, gastroenterology, surgery and wound drainage, anesthesia and urology.

We supply our products to over 90 countries and have been recognized as the highest exporter of plastic medical disposables/ surgical devices for 2011-12 and 2012-13 by the Plastics Export Promotion Council, sponsored by

Department of Commerce, Government of India. Approximately 70.83% of our total revenues were attributed to exports for fiscal 2015.

Domestic Market

We seek to increase our overall domestic market share by undertaking extensive marketing and brand awareness activities, including by increasing the strength of our sales team and by conducting continuing medical education programmes in a larger number of hospitals. We also seek to increase our profitability from sales in the domestic market, by rationalizing our manufacturing, sales and marketing costs, through optimization of our marketing and distribution capabilities and identification of new products complementing our existing product portfolio.

Financial Performance

I am pleased to share with you the financial performance during financial Year 2014-15. Your Company has achieved net sales of ₹ 390.35 Crores, resulting a growth of 21.13% compared to net sales of ₹ 322.25 Crore in previous financial year. During the same period net profit expanded handsomely to ₹ 62.32 crores from ₹ 45.09 crores, registering a growth of 38.21%. The EPS of the Company increased to ₹ 14.12 from ₹ 10.24.

The Contribution and hard work of our employees collectively resulted in the Company's good performance.

Research and Development

We have a strong focus on research and development for developing user-friendly products to expand our existing product portfolio. Our in-house research and development facility at Faridabad has been approved by the Department of Scientific and Industrial Research, Ministry of Science and Technology, Government of India ("DSIR"). Based on the efforts of our research and development division, we have successfully been granted 95 product and process patents globally and have also filed for grant of an additional 280 patents in India and worldwide. We have also developed a number of safety medical devices across product lines, including Safety I.V. cannula and Safety scalp vein sets within the infusion therapy vertical, Safety blood collection sets within the blood collection vertical and Safety fistula needles within the dialysis vertical.

Growth Strategy

We have continuously introduced new products and nourished our existing products with appropriate focus on the modern technology. We continuously focus on the technology up gradation and invest in the R&D activities for

the advancement of products. To meet the market demands the production has been started in the Jaipur plant and the Company is planning an expansion in the production activities in other plants also.

Future Outlook

The future will be more exciting as the Company will be launching the entire new range of products both in domestic and overseas market. Our primarily focus will be on the health and safety of consumers. We will be making continuous investments in the Research and technology, so that more affordable and technology advanced products can be made available.

May be future will be more challenging and difficult but I strongly believe that the polymedians with their hard work and dedication will overcome all the difficulties and challenges.

I extend my sincere thanks to my colleagues on the Board and all the stakeholders who gave their immense support and dedication in strengthening and growth of the Company.

I look forward to your support and encouragement to help your Company scale newer heights in the Coming years. Lastly, I would also like to thank all Polymedians for their professionalism and focus that have made these achievements possible.

With warm regards

Himanshu Baid
Managing Director

New Delhi
31st July 2015

NOTICE

Notice is hereby given that the 20th Annual General Meeting (AGM) of the members of “**Poly Medicure Limited**” will be held on Monday, the 28th September, 2015 at 10:00 a.m at Alpha Hall, 2nd Floor, National Co-operative Union of India, 3 Siri Institutional Area, August Kranti Marg, New Delhi-110016, to transact the following business:

Ordinary Business

1. To receive, consider and adopt
 - the Audited Financial Statement of the Company for the Financial Year ended 31st March, 2015 together with the reports of the Board of Directors and Auditors thereon; and
 - the Audited Consolidated Financial Statements of the Company for the Financial Year ended 31st March, 2015 together with the report of Auditors thereon.
2. To declare dividend on Equity Shares for the Financial Year ended 31st March, 2015.
3. To appoint a Director in place of Smt. Mukulika Baid (DIN: 02900103) who retires by rotation at this Annual General Meeting and being eligible has offered herself for re-appointment.
4. To ratify the appointment of Auditors and to fix their remuneration and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Section 139 and all other applicable provisions, if any, of the Companies Act, 2013 and Rules framed thereunder, as amended from time to time, the Company hereby ratifies the appointment of M/s Doogar & Associates, Chartered Accountants (Firm Registration No. 000561N), as Statutory Auditors of the Company, to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting of the Company and that the Board of Directors be and are hereby authorized to fix such remuneration as may be agreed upon between the Auditors and the Board of Directors.”

Special Business

5. To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:

ESOP Scheme 2015

“RESOLVED THAT pursuant to the provisions of Section 62(1)(b) and all other applicable provisions if any, of the Companies Act, 2013, (“the Act”), and in accordance with the provisions of the Memorandum and Articles of Association of the Company, provisions of the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 (“the ESOP Guidelines”) (including any statutory modification(s) or re-enactment of the Act or the ESOP guidelines for the time being in force), the Listing Agreement entered into with Stock Exchanges where the Securities of the Company are listed or other relevant authority, and subject to such approval(s), permission(s), sanction(s) and approval and consent of the Company be and is hereby accorded to the Board of Directors (hereinafter referred to as “the Board”) which term shall be deemed to include any committee including ESOP Compensation Committee of the Board, to formulate the proposed ESOP Scheme 2015 and to create, offer, issue and allot in one or more tranches under the said proposed ESOP Scheme 2015 at any time to or to the benefit of such employee(s) and directors of the Company such number of Equity Shares including options and/or any other instrument or securities which could give rise to the issue of Equity Shares (hereinafter collectively referred to as “Securities”) of the Company, upto 25,000 options in aggregate which is not exceeding 0.5% of the paid up Equity Share Capital of the Company, at such price and on such terms & conditions as may fixed or determined by the Board in accordance with the guidelines or other applicable provisions of any laws as may be prevailing at that time.

RESOLVED FURTHER THAT the Board be and is hereby authorized to formulate, evolve, decide upon and bring into effect ESOP Scheme 2015 (hereinafter referred to as Scheme) on such terms and conditions as contained in the relevant Explanatory Statement to this Notice and to make any modification(s), change(s), variation(s), alteration(s) or revision(s) in the terms & conditions of the Scheme from time to time including but not limited to amendments with respect to vesting period, exercise price, eligibility criteria, vesting schedule or to suspend, withdraw or review the Scheme.

RESOLVED FURTHER THAT the new Equity Shares to be issued and allotted by the Company in the manner

aforesaid shall rank pari-passu in all respects with the existing Equity Shares of the Company.

RESOLVED FURTHER THAT the Company shall conform to the Accounting Policies prescribed from time to time under ESOP Guidelines.

RESOLVED FURTHER THAT the Board be and is hereby authorized to take necessary steps for listing of the securities, allotted under the Scheme, on the Stock Exchanges where the Securities of the Company are listed as per the provisions of the Listing Agreement with the respective Stock Exchange and other applicable guideline(s), Rule(s) and Regulation(s) concerning therewith.

RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution the Board be and is hereby authorized to do all such act(s), deed(s), matter(s) and things as may be necessary or expedient and to settle any question or difficulties or doubts that may arise in this regard at any stage including at the time of listing of securities without requiring the Board to secure any further consent or approval of the members of the Company in this regard.”

6. To consider and if thought fit, to give assent/dissent to the following Resolution as a **Special Resolution**:

Approval for taking Land & Building on Lease from M/s Vitromed Healthcare, Jaipur.

RESOLVED THAT pursuant to Section 188, and any other applicable provisions of the Companies Act, 2013, and Rules made there under including any statutory modifications or re-enactments thereof for the time being in force, and subject to such approval(s), consent(s), permission(s) and sanction(s) as may be necessary, the Company do enter into a contract to take Land & Buildings on Lease of the medical division situated at E-971-972 & G-973, Biotech Park, Sitapura Indl. Area, Sanganer, Jaipur-302022, from M/s Vitromed Healthcare, Jaipur, for manufacture of Product(s) and/or Components of Medical Devices, on the following term(s) & condition(s).

(a) Name of the Related Party: M/s Vitromed Healthcare, Jaipur (the partnership firm, hereinafter referred to as firm).

(b) Nature of Relationship: M/s Vitromed Healthcare is a Firm in which Shri Jugal Kishore Baid, Shri Rishi Baid, Shri Vishal Baid & M/s Polycure Martech Limited are partners. Fourth Partner in the firm is a Limited Company in which the Directors and their relatives are shareholders.

(c) Duration of the Contract: Total duration of lease is 10 years. (Subject to the further renewal of 10 years on the same term(s) & condition(s), mutually consented by both the parties).

(d) Particulars of the Contract: The Contract is an arrangement for taking Land & Building, on lease, belonging to the firm.

(e) Material Terms of the Contract or arrangements including the value.

- Commencement of the Contract: 1st October, 2015.
- Monthly Lease Rent: ₹ 8,40,000 p.m. (Rupees Eight Lac and Forty Thousand only) which will be increased by 15% after every two years from the date of commencement of lease.

(f) All the Commercial Terms are on arms length basis and all factors relevant to the contract have been considered.

(g) Any Other Information: The fair rental value has been determined and certified by a Chartered Engineer.

7. To consider and if thought fit, to give assent/dissent to the following Resolutions as **Special Resolution**:

Approval for Purchasing certain Plant & Machinery from M/s Vitromed Healthcare, Jaipur

“RESOLVED THAT pursuant to Section 188, and any other applicable provisions of the Companies Act, 2013, and Rules made there under including any statutory modifications or re-enactments thereof for the time being in force, and subject to such approval(s), consent(s), permission(s) and sanction(s) as may be necessary, the Company do enter into a contract to purchase certain used Plant & Machinery (Immovable & Movable) from M/s Vitromed Healthcare, situated at E-971-972 & G-973, Biotech Park, Sitapura Indl. Area, Sanganer, Jaipur-302022 (installed at their Medical Division, Sitapura), which is Related Party in terms of

Section 188 of the Companies Act, 2013, on the following term(s) & condition(s):

(a) Name of the Related Party: M/s Vitromed Healthcare, Jaipur (the partnership firm, hereinafter referred to as firm).

(b) Nature of Relationship: M/s Vitromed Healthcare is a Firm in which Shri Jugal Kishore Baid, Shri Rishi Baid, Shri Vishal Baid and M/s Polycure Martech Limited are partners. Fourth partner in the firm is a Limited Company in which Directors and their relatives are shareholders.

(c) Duration & Particulars of the Contract: One Time Contract for outright purchase of Plant & Machinery.

(d) Material Terms of the Contract or arrangements including the value, if any.

Purchase Price of ₹ 2,04,00,000/- (on slump sale basis) plus taxes as applicable.

(e) Any advance paid or received for the contract or arrangements, if any:- No Advance paid. The purchase price will be paid at the time of taking delivery of Plant & Machinery.

(f) Manner of determining the pricing and other commercial terms, both included as part of the contract and not considered as part of the contract- The Price has been determined by a certified Chartered Engineer.

(g) All the Commercial Terms are on arms length basis and all factors relevant to the contract have been considered.

8. To consider and if thought fit, to give assent/dissent to the following Resolutions as **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Section 148 of the Companies Act, 2013, read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, and other applicable provisions, if any, payment of Remuneration of ₹ 40,000/- (plus applicable taxes) to M/s. Jai Prakash & Company, Cost Accountants, who were appointed by the Board of Directors in their Meeting held on 31st July 2015 for conducting the audit of cost records of the Company for the financial year ending 31st March 2016, be and is hereby approved and ratified;

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all acts, deeds, matters, things and take all steps as may be necessary, proper or expedient to give effect to this resolution.”

9. To reappointment Shri Vishal Baid as President (Sales and Marketing) and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT in accordance with the provisions of Section 188 and all other applicable provisions of the Companies Act, 2013, and the Companies (Meetings of Board and its Powers) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), approval of the Company be and is hereby accorded to the re-appointment of Shri Vishal Baid President (Sales & Marketing) of the Company, for a period of 3 (Three) years with effect from 01st April, 2016 on the following term(s) & condition(s)

Basic Salary: ₹ 24,00,000 p.a. (Rupees Twenty Four Lacs p.a. only), with annual increment of ₹ 3,00,000/- p.a.

Perquisite and Allowance

House Rent Allowance: 60% of basic salary

The Company's contribution to provident fund, to the extent not taxable under the Income Tax law, gratuity payable and encashment of leave, as per the rules of the Company and to the extent not taxable under the Income Tax law.

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

By order of the Board

Avinash Chandra

Company Secretary

Date: 31st July, 2015

Registered Office:

232-B, 3rd Floor, Okhla Industrial Estate, Phase III,
New Delhi -110020.

CIN: L40300DL1995PLC066923

Notes:

- 1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE 20TH ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING A PROXY SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE TIME OF HOLDING THE MEETING.**
- 2. A PERSON SHALL ACT AS PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY (50) AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN PERCENT (10%) OF THE TOTAL SHARE CAPITAL OF THE COMPANY. A MEMBER HOLDING MORE THAN TEN PERCENT (10%) OF THE TOTAL SHARE CAPITAL CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS PROXY FOR ANY OTHER PERSON OR MEMBER.**
3. Proxies submitted on behalf of Companies, Societies etc., must be supported by an appropriate resolution / authorization, as applicable.
4. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
5. Explanatory Statement pursuant to section 102 of the Companies Act, 2013 forms part of this Notice.
6. The Register of Members and Share Transfer books of the Company will remain closed from Tuesday, 22nd September, 2015 to Monday, 28th September, 2015, (both days inclusive) for the purpose of payment of dividend, if any, approved by the members.
7. The dividend, if declared at the ensuing Annual general meeting, would be paid/dispatched on or after 29th September 2015 to those persons or their mandates:
 - a) whose names appear as beneficial owners as at the end of the business hours on 21st September 2015 in the list of beneficial owners to be furnished by National Securities Depository Ltd. (NSDL) and the Central Depository Services (India) Limited (CDSL) in respect of shares held in electronic mode, and
 - b) whose names appear as Members in the Register of Members of the Company after giving effect to valid share transfers in physical form lodged with the Company / its Registrar and Transfer Agents on or before 21st September, 2015.
8. Pursuant to the provisions of the Companies Act 1956, the unpaid / unclaimed dividend for the financial year 2006-07 has been transferred by the Company to the "Investor Education and Protection Fund"(IEPF) established by the Central Government.
9. Pursuant to the provisions of the Companies Act 1956, as amended, dividend for the Financial Year 2007-08 and the dividend for the subsequent years, which remains unpaid or unclaimed for a period of 7 years, will be transferred to IEPF. Members who have so far not encashed the dividend warrant(s) For the Financial year 2007-08 are requested to make their claim to the company / Registrar and Transfer Agents on or before due date of transfer, failing which the unpaid / unclaimed amount will be transferred to the IEPF. It may also be noted that once the unpaid / unclaimed dividend transferred to the IEPF as above, no claim shall lie against the company or the IEPF in respect thereof and the members would lose their right to claim such dividend.
10. Members are requested to:
 - a) intimate to the Company's Registrar and Transfer Agents, changes, if any, in their registered addresses at an early date, in case of Shares held in physical form,
 - b) intimate to the respective Depository Participant, changes, if any, in their registered addresses at an early date, in case of Shares held in dematerialised form,
 - c) quote their folio numbers/Client ID/ DP ID in all correspondence, and
 - d) consolidate their holdings into one folio in case they hold Shares under multiple folios in the identical order of names.
11. To avoid fraudulent transactions, the identity/ signature of the members holding shares in electronic/ demat form is verified with the specimen signature furnished by the NSDL/ CDSL and that of members holding shares in physical form is verified as per the records of the Registrar and Transfer agents of the Company (viz. Mas Services Limited). Members are requested to keep the same updated.
12. In terms of Section 101 & 136 of the Companies Act, 2013 read with together with the rules made there under, the listed companies may send the Notice of the Annual General Meeting and the Annual Report, including Financial Statements, Board Report etc. or any

other communication by electronic mode. The Company is accordingly forwarding soft copies of the above referred documents to all those members who have registered their email ids with their respective depository participants or with the registrar and transfer agents of the Company. Members are requested to support this Green Initiative by registering/updating their e-mail addresses with the Depository Participant (in case of Shares held in dematerialised form) or with Registrar and transfer agent (in case of Shares held in physical form).

13. The Company has been maintaining, inter-alia, the following statutory registers at its Registered Office at 232-B, Third Floor, Okhla Industrial Estate, Phase-III, New Delhi-110020, which are open for inspection in terms of the applicable provisions of the Companies Act, 2013 by members and others as specified below:

- a) Register of contracts or arrangements in which directors are interested under section 301 of the Companies Act, 1956 and section 189 of the Companies Act, 2013, on all working days during the business hours. The said registers shall also be produced at the commencement of the meeting to a person having the right to attend the meeting.
- b) Register of directors' shareholding under Section 307 of the Companies Act, 1956 and register of directors and KMPs and their shareholding under section 170 of the Companies Act, 2013 on all working days during business hours. The said registers shall be kept open for inspection at the Annual General Meeting of the Company and shall be made accessible to a person for attending the meeting.

14. Since the Company's shares are in the compulsory demat trading, to ensure better services and elimination of risk of holding Shares in physical form, the Company requests the shareholders holding shares in physical form to dematerialize their shares at the earliest.

15. Members can avail of the facility of nomination in respect of shares held by them in physical form pursuant to the provisions of section 72 of the Companies Act, 2013. Members desiring to avail of this facility may send their nomination in the prescribed Form to Registrar and Transfer Agents. Members holding shares in electronic mode may contact their respective Depository Participants for availing this facility.

16. The Securities and Exchange Board of India has made it mandatory for all companies to use the bank account details furnished by the Depositories and the bank account details maintained by the Registrar and Transfer Agents for payment of dividend through Electronic Clearing Service ("ECS") to investors wherever ECS and bank details are available. In the absence of ECS facilities, the Company will print the bank account details, if available, on the payment instrument for distribution of dividend. The Company will not entertain any direct request from Members holding shares in electronic mode for deletion of/change in such bank details. Further, instructions if any, already given by them in respect of shares held in physical form will not be automatically applicable to shares held in the electronic mode. Members who wish to change such bank account details are therefore requested to advise their Depository Participants about such change, with complete details of bank account.

17. Brief details of directors, who are seeking re-appointment / appointment, are given in the Report on Corporate Governance, as per requirement of Clause 49 of the Listing Agreement.

18. The Annual Report of the Company for the year 2014-15, circulated to the Members of the Company, is available on the Company's website viz. www.polymedisure.com.

19. VOTING THROUGH ELECTRONIC MEANS:

In terms of the provisions of Section 108 of the Companies Act, 2013 (the Act) read with rule 20 of the Companies (Management and Administration) Rule, 2014 (hereinafter called "the rules" for the purpose of this section of the Notice) and clause 35B of the Listing Agreement, the Company is providing facility to exercise votes on the items of business given in the Notice through electronic voting system, to members holding shares as on the Book Closure date 29th September, 2015 (end of day) being the cut-off-date (Record Date for the purpose of Rule 20(3) (vii) of the rules) fixed for determining voting rights of members, entitled to participate in the e-voting process of Rule 20(3) (vii) of the rules) fixed for determining voting rights of members, entitled to participate in the e-voting process, through the e-voting platform form provided by NSDL.

The instructions for e-voting are given on the E-VOTING SLIP.

Explanatory Statement pursuant to section 102 of the Companies Act, 2013:

Item No. 5

Poly Medicure has always believed in rewarding its employees for their continuous hard work, dedication and support, which has led the Company on a growth path. To enable more and more employees to enjoy the fruits of the growth that the Company has witnessed in the past it is proposed to introduce ESOP Scheme 2015. The main objective of the Scheme is to give the employees who are performing well, a certain minimum opportunity to gain from the Company's performance thereby acting as a retention tool and to attract best talent available in the market.

Stock options create a common sense of ownership between the Company and its employees, paving the way for a unified approach to the common objective of enhancing overall shareholders value.

The Board therefore, proposed to evolve an Employee Stock Option Scheme (hereinafter referred to as "the ESOP Scheme-2015") for the benefits of permanent employees and directors of the Company and such other persons/entities as may be prescribed by SEBI from time to time, and in accordance with the provision of prevailing Regulations.

The following is the explanatory statement, which sets out the various disclosures as required by Clause 6 of the Securities Exchange Board of India (Employee Stock Option Scheme & Employee Stock Purchase Scheme) Guidelines, 1999 (hereinafter referred to as "the Guidelines").

The salient features of ESOP Scheme 2015 are as under:

A. Total Number of Options to be granted

- a) The total number of options to be granted under this scheme shall initially not exceed 0.5 % of the total Paid up Share Capital.
- b) One option entitles the holder of the options to apply for one Equity Share credited as fully paid-up of the Company.

B. Identification of class of employees entitled to participate in the ESOP Scheme 2015

- a) The present and future permanent employees of the Company.
- b) Employees:
 - Who are either promoter or belong to promoter group as defined in the Guidelines: or

- Holding 10% of the outstanding Share Capital of the Company's Equity Share at any time after the commencement of ESOP Scheme 2015.

will not be eligible for grant of options under ESOP Scheme 2015.

C. Requirement of vesting, period of vesting and maximum period of vesting:

The vesting periods for conversion of Options are as follows:

- On completion of 24 months from the date of grant of option : 50% vests
- On completion of 30 months from the date of grant of option : 50% vests

D. Exercise Price or Pricing formula

The exercise price for the purpose of the grant of options will be decided by the ESOP Compensation Committee provided that the Exercise Price per option shall not less than the par value of Equity Shares of the Company and shall not be more than the price prescribed under Chapter XIII of SEBI (Disclosure and Investor Protection) Guidelines, 2000, Relevant date being the date of grant.

E. Exercise Period and the process of Exercise

- a) Exercise period will commence from the date of vesting and expire three months there from. The ESOP Compensation Committee will decide on the expiry period of options for the employees leaving the Company after grant of options in their favor.
- b) The Options will be exercised by employees by a written application to the designated officer of the Company, in such a manner, and on execution of such documents, as may be prescribed by the ESOP Compensation Committee under the ESOP scheme 2015.
- c) The option will lapse if not exercised within the specified exercised period.

F. Appraisal Process for determining the eligibility of employees to the ESOP Scheme 2015

- a) The Company has a formal performance appraisal system established wherein the performance of the employee is assessed each year on the basis of various functional and managerial parameters. The appraisal process is revised at regular intervals as per emerging global standard.
- b) Employees would be granted Options based on performance linked parameters such as work performance, technical knowledge, period of

service, designation and such other parameters as may be decided by the ESOP Compensation Committee from time to time.

- c) The ESOP Compensation Committee may at its discretion extend the benefits of the ESOP Scheme 2015 to a new entrant or any existing employee on such other basis as it may deem fit.

G. Maximum number of Options to be issued per employee and in aggregate

- a) The maximum number of Options to be granted to each employee will depend upon the rank/designation of the employee as on the date of grant of options.
- b) The aggregate number of Options to be granted under this Scheme shall not exceed 0.5% of the total Paid up Share Capital of the Company.
- c) The ESOP Compensation Committee shall decide on the number of options to be granted to each employee within this limit.

H. Accounting Method

The Company shall conform to the Accounting Policies specified in Clause 13.1 of the guidelines, and /or such other guidelines as may be applicable, from time to time.

I. (I) Method of valuation of these options

The Company shall use the fair value method for valuation of the options.

Clause 6 of the ESOP Guidelines requires that any ESOP Scheme for offering stock options to the employees of the Company must be approved by the Shareholders by way of Special Resolution. Furthermore, as the Scheme will entail further Shares to be offered to person other than existing Shareholders of the Company, consent of the members is required by way of Special Resolution pursuant to the provisions of Section 62(1)(b) of the Companies Act, 2013.

Accordingly the resolution set as Item No 5 is being placed for the approval of Shareholder pursuant to the provision of Section 62(1)(b) of the Companies Act, 2013 and Clause 6 of the ESOP Guidelines and all other applicable provision of law for the time being in force.

Memorandum of Interest: None of the Directors of the Company is, in any way, concerned or interested in the resolution, except to the extent of the Option/Shares that may be offered to him/her /or any of his relatives under the Scheme.

Item No. 6

Approval for taking Land & Building on Lease from M/s Vitromed Healthcare, Jaipur.

- a) **Name of the Related Party:** M/s Vitromed Healthcare, Jaipur. This firm is the Partnership Firm. The partners are Sh. Jugal Kishore Baid, Sh. Rishi Baid, Sh. Vishal Baid & M/s Polycure Martech Limited.
- b) **Nature of Transactions:** Taking Land & Building on Lease of Medical Division situated at E-971-972 & G-973, Biotech Park, Sitapura Indl. Area, Sanganer, Jaipur-302022 of Vitromed Healthcare, Jaipur
- c) **Name of the director or Key Managerial Personnel who is related, if any:-** Sh. Jugal Kishore Baid, Smt. Mukulika Baid, Sh. Himanshu Baid, Sh. Rishi Baid are a related party being directors of the Company.
- d) **Nature of Relationship:** The persons named in (c) above are directors of the Company and they and/or their relatives are interest in the firm being partners or relatives of partners.
- e) **Material Term(s), monetary value and particulars of the Contract or Arrangement:** Commencement of the Contract is 01st October, 2015. All the material term(s) have been detailed in the body of the resolution.

Memorandum of Interest: Shri Jugal Kishore Baid, Smt. Mukulika Baid, Sh. Himanshu Baid and Sh. Rishi Baid, are interested in the aforementioned firm and concerned and interested in the Resolution. They did not participate in the Board Meeting when this matter was discussed.

The Directors recommend the resolution to the shareholders as the Lease Arrangement will help the Company to enhance its production capacity, sales and profits and is in the interests of the shareholders.

Item No. 7

Approval for Purchase of certain Plant & Machinery from M/s Vitromed Healthcare, Jaipur.

- a) **Name of the Related Party:** M/s Vitromed Healthcare, Jaipur.
- b) **Name of the Directors or Key Managerial Personnel who is related, if any:-** Sh. Jugal Kishore Baid, Smt. Mukulika Baid, Sh. Himanshu Baid & Sh. Rishi Baid.
- c) **Nature of Relationship:** Shri Jugal Kishore Baid, Smt. Mukulika Baid, Shri Himanshu Baid and Shri Rishi Baid, directors of the company are interested in the firm as they themselves or their relatives are interested in the firm as partners or relatives of partners of the firm.
- d) **Material Term(s), Monetary value and Particulars of the Contract or Arrangement:** Purchase Price of ₹ 2,04,00,000 plus taxes as applicable.

As the Plant and Machinery is already installed in the premises being taken on lease as per preceding resolution, the Company will be able to commence production immediately on its purchase.

- e) **And any other information relevant or important for the members to take a decision on the proposed resolution.** The Plant and machinery are specifically suitable for the manufacturing of Medical device(s)/component(s) that Company needs to be manufacture. As the machines has already installed in Vitromed Healthcare, situated at E-971-972 & G-973, Biotech Park, Sitapura Indl. Area, Sanganer, Jaipur-302022, the company would save time and effort/expense on installation and testing and initial teething troubles.

Memorandum of Interest: Shri Jugal Kishore Baid, Smt. Mukulika Baid, Shri Himanshu Baid and Shri Rishi Baid, are interested in the aforementioned firm and concerned and interested in the Resolution. They did not participate in the Board Meeting when this matter was discussed.

The Directors recommend the resolution as it is in the interest of the shareholders.

Item No. 8

The Board of Directors of the Company, on the recommendation of the Audit Committee, approved the appointment and remuneration of M/s Jai Prakash & Company, Cost Accountants, to conduct the audit of the cost records of the Company for the financial year ending 31st March, 2016.

In accordance with the provisions of Section 148 of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors is required to be ratified by the Members of the Company.

Accordingly, consent of the Members is sought for passing an Ordinary Resolution as set out at Item No. 8 of the

Notice, to ratify the remuneration payable to the Cost Auditors for the financial year ending 31st March 2016.

None of the Directors and Key Managerial Personnel or their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 8 of the Notice.

Item No. 9

Approval for reappointment of Shri Vishal Baid as President (Sales and Marketing)

- a) **Name of the Related Party:** Shri Vishal Baid
b) **Nature of Transactions:** Re-appointment as President (Sales and Marketing) for a term of Three years w.e.f 1st April, 2016
c) **Name of the director or Key Managerial Personnel who is related, if any:-** Sh. Jugal Kishore Baid, Smt. Mukulika Baid, Sh. Himanshu Baid, Sh. Rishi Baid are related party being directors of the Company.
d) **Nature of Relationship:** The persons named in (c) above are directors of the Company and they are relatives of Shri Vishal Baid.

Memorandum of Interest: Shri Jugal Kishore Baid, Smt. Mukulika Baid, Shri Himanshu Baid and Shri Rishi Baid, are relative of Shri Vishal Baid and concerned and interested in the Resolution. They did not participate in the Board Meeting when this matter was discussed.

By order of the Board
Avinash Chandra
Company Secretary

Date: 31st July, 2015.
Registered Office:
232-B, 3rd Floor, Okhla Industrial Estate, Phase III,
New Delhi -110020.
CIN: L40300DL1995PLC066923
E-mail: investorcare@polymedicure.com

Poly Medisure Limited Annual Report 2014-15



DIRECTORS' REPORT

Your Directors take immense pleasure in presenting the 20th Annual Report on the business and operations of the

Company along with the Audited Financial Statements for the year ended 31st March, 2015.

Financial Results

(₹ In lacs)

Particulars	Standalone		Consolidated	
	2014-15	2013-14	2014-15	2013-14
Revenue from Operations (Net)	37,368.83	31,233.32	39,034.70	32,224.82
Add: Other Income	822.14	106.20	812.05	105.11
Total Revenue	38,190.97	31,339.52	39,846.75	32,329.93
Profit before Interest, Tax, Depreciation and Amortization (EBITDA)	9,085.46	7,369.56	9,224.33	7,529.65
Less: Depreciation & Amortization Expenses.	1,808.99	1,351.06	1,877.09	1,405.50
Less: Financial Costs	822.65	794.87	829.85	800.73
Less: Exceptional Items	(1,957.80)	(991.46)	(1,957.80)	(991.46)
Profit Before Tax (PBT)	8,411.62	6,215.09	8,475.19	6,314.88
Less: Tax provision	2,309.90	1,911.88	2,309.90	1,911.88
Profit after Tax for the Year	6,101.72	4,303.21	6,165.29	4,403.00
Add: Share of Profit from Associates	0.00	0.00	66.99	106.38
Net Profit for the Year	6,101.72	4,303.21	6,232.28	4,509.38
Total amount available for appropriation	11,574.73	8,004.12	11,633.54	7,932.37
Less: Adjustment in Opening Balance on adoption of Schedule II of Companies Act, 2013	39.67	0.00	39.67	0.00
Less: Dividend and Tax thereon paid for the previous Year	0.37	0.00	0.37	0.00
Less: Proposed Dividend	1,102.84	881.33	1,102.84	881.33
Less: Dividend Tax	230.76	149.78	230.76	149.78
Less: CSR Expenditure	56.24	0.00	56.24	0.00
Less: Amount transferred to General Reserve	2,000.00	1,500.00	2,000.00	1,500.00
Surplus carried to Balance Sheet	8,144.85	5,473.01	8,203.66	5,401.26
Earnings per Share (EPS in ₹) (Face Value ₹ 5 each)				
Basic	13.83	9.77	14.12	10.24
Diluted	13.83	9.76	14.12	10.22

Briefly, during the year under report, the company's total income increased to ₹ 38,190.97 lacs from ₹ 31,339.52 lacs in the previous year, registering a growth of 21.86%. EBITDA improved to ₹ 9,085.46 lacs as from ₹ 7,369.56 lacs in the preceding year which translates into a rise of 23.28 %. Profit before Tax (PBT) rose to ₹ 8,411.62 lacs up by 35.34 % from ₹ 6,215.09 lacs in the preceding year.

The operational performance of the Company has been appropriately delineated in the management Discussion and Analysis, which forms part of the Directors' Report.

Share Capital

During the year, the paid-up share capital of your Company has been increased by ₹ 2,35,090 due to the allotment of 23,509 equity shares of ₹ 10 each on exercise of stock

options by the eligible employees under ESOP Scheme 2011.

The paid up Equity Share Capital as on 31st March, 2015 was ₹ 22.06 crores comprising of 4,41,13,440 Shares of ₹ 5 each. During the year, the Equity Shares of the Company was sub-divided from the face value of ₹ 10 to ₹ 5 per share after obtaining the consent from the members of the Company by way of E-voting/Postal Ballot.

ESOP issuance

The Company has framed an ESOP Scheme 2011 for the benefit of its employees under which it has issued 23,509 equity shares. Pursuant to the provisions of the Securities & Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999, as

amended from time to time, the details of Stock Options as on March, 2015 under the "Amended Employee Stock Option Scheme, 2011" ("Scheme") are set out as **Annexure-1**.

Dividend

You will be happy to know that your Directors proposed a Dividend of ₹ 2.50 per equity share for the financial year 2014-15. The proposed dividend, subject to approval of Shareholders in the ensuing Annual General Meeting of the Company, would involve an outflow of ₹ 1,102.84 lacs towards dividend and ₹ 224.51 lacs towards dividend distribution tax, resulting in a total outflow of ₹ 1,327.35 lacs. The dividend would be payable to all Shareholders whose names appear in the Register of Members and in respect of shares held in dematerialized form, the dividend will be paid to members whose names are furnished by the National Securities Depository Limited and Central Depository Services (India) Limited to the eligible shareholders on book closure date.

Transfer to Reserves

The Board of Directors has proposed to transfer ₹ 2,000.00 lacs to General Reserves out of the amount available after appropriations and balance of ₹ 8,144.85 lacs is being carried to the Balance Sheet.

Subsidiaries and Associate

The subsidiary companies performed as follows:

- **Poly Medisure (Laiyang) Co. Ltd, China** - The wholly owned subsidiary Company has achieved a turnover of ₹ 1,665.86 lacs for the year ending March, 2015 against ₹ 951.50 lacs in the previous year ending March, 2014.
- **US Safety Syringes Co., LLC, USA** - The subsidiary company could not do any business activities due to non-viability and therefore action is being taken for the winding up of the Company.

The Company has one Associate in Egypt, viz.

Ultra for Medical Products, Egypt - The Associate is performing well and has achieved sales of ₹ 4,611.95 lacs during the year ending December 2014, against ₹ 3,930.91 lacs in the previous year ending December 2013.

Transfer of Unpaid/Unclaimed Dividend Amounts to Investor Education and Protection Fund

During the Year under review, the Company has transferred ₹ 93,705 lying in the unpaid/unclaimed dividend account, to the Investor Education and Protection fund (IEPF) in compliance with Section 205C of the Companies Act, 1956,

read with Investor Education & Protection Fund (Awareness and Protection of Investors) Rules, 2001. The said amount represents the dividend for the year 2006-07 which remained unclaimed by the shareholders of the Company for a period of seven years from due date of payment.

Directors

In view of the provisions of the Companies Act, 2013, Smt. Mukulika Baid is liable to retire by rotation at the ensuing Annual General Meeting, and she offers herself for re-appointment. The information as required to be disclosed under Clause 49 of the Listing Agreement, in case of re-appointment of directors is provided in the Notice of the ensuing Annual General Meeting of the Company.

Pursuant to Section 149(4) of the Companies Act, 2013, every Listed Company is required to appoint one third of its Directors as Independent Directors. The Board has five Independent Directors in terms of the provisions of Clause 49 of the Listing Agreement. Necessary details in respect of the directors are given in the Corporate Governance Report.

The Independent Directors have submitted their respective declarations of Independence, as required pursuant to Section 149(7) of the Companies Act, 2013 confirming that they meet the criteria of Independence specified in the Act and the Rules made thereunder as also under new Clause 49 of the Listing Agreement.

Directors' Responsibility Statement

Pursuant to Section 134(3)(c) of the Companies Act, 2013, the Board of Directors, to the best of their knowledge hereby state and confirm that:

- a) in the preparation of the annual accounts, the applicable accounting standards have been followed and there are no material departures.
- b) the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit of the company for that period.
- c) the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.

d) the directors have prepared the annual accounts on a going concern basis.

e) the directors have laid down internal financial controls to be followed by the company and such internal financial controls are adequate and are operating effectively.

f) the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

Policy on Directors' Appointment and Remuneration

The policy of the Company on directors' appointment and remuneration, including criteria for determining qualifications, positive attributes, independence of a director and other matters provided under sub-section (3) of section 178 of the Companies Act, 2013, adopted by the Board are covered in Corporate Governance Report which forms part of this Report.

Further, the policy also indicates the manner of performance evaluation of Independent Directors, Board committees and other individual Directors which include criteria for performance evaluation of the non-executive and executive directors.

The Company's Policy relating to appointment of Directors, payment of Managerial remuneration, Directors' qualifications, positive attributes, independence of Directors and other related matters as provided under Section 178(3) of the Companies Act, 2013 is furnished in **Annexure – 2** and forms part of this Report.

Extract of the Annual Return

The extract of the Annual Return in Form No. MGT-9 forms part of the Boards Report and is annexed herewith as **Annexure – 3**.

Auditors and Auditors' Report

Statutory Auditors

At the 19th Annual General Meeting held on September 23, 2014 M/s. Doogar & Associates, Chartered Accountants, (Firm Registration No.- 000561N), were appointed as Statutory Auditors of the Company to hold office till the conclusion of the 24th Annual General Meeting of the Company to be held in the year 2019. In terms of the provision of Section 139 of the Companies Act, 2013, the appointment of the auditors shall be placed for ratification at every Annual General Meeting. Accordingly the appointment of M/s. Doogar & Associates, Chartered Accountants, (Firm Registration No.- 000561N), as Statutory Auditors of the Company, is being placed for ratification by the shareholders.

The Company has received letters from the auditors to the effect that their re-appointment, if made, would be within the prescribed limits under Section 141(3)(g) of the Companies Act, 2013 and that they are not disqualified for re-appointment.

The observations of the Auditors and the relevant notes on the accounts are self-explanatory and therefore do not call for any comments. The Auditors' Report does not contain any qualification, reservation or adverse remark.

Further, during the year, in the course of the performance of their duties as auditor, no frauds were reported by them.

Cost Auditor

The Board of Directors has appointed M/s. Jai Prakash & Co., Cost Accountants as Cost Auditor for conducting the audit of cost records of the Company for the financial year 2015-16.

Secretarial Auditor

The Board of Directors has appointed M/s. B.K. Sethi & Company, (Certificate of Practice No.- 913), Company Secretaries in Practice to conduct Secretarial Audit for the financial year 2014-15. The Secretarial Audit Report for the financial year ended March 31, 2015 is annexed this Report as **Annexure – 4**.

The Board of Director has appointed M/s. B.K. Sethi & Company, Company Secretaries in Practice to conduct Secretarial Audit for the financial year 2015-16.

Particulars of Loans, Guarantees or Investments under Section 186

The Particulars of Loans, Investments and guarantees made/given by the Company, under Section 186 are furnished in **Annexure - 5** and forms part of the Report.

Particulars of Contracts or Arrangements with Related Parties

The particulars of every contract and arrangement entered into by the Company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto are disclosed in Form No. AOC - 2 in **Annexure - 6** and form part of this Report.

Fixed Deposits

Your Company has not accepted/or invited any Fixed Deposits within the meaning of Section 58A of the Companies Act, 1956 and Section 73 of the Companies Act, 2013, and as such, no amount of Principal or interest was outstanding as on the date of the Balance Sheet.

Corporate Social Responsibility

The Board of Directors of your Company has adopted a CSR Policy of the Company as approved by the Corporate Social Responsibility Committee which is also available on the website of the Company at http://www.polymedicure.com/wp-content/uploads/2015/03/CSR_Policy_2015.pdf. The Annual Report on CSR as per Companies (Corporate Social Responsibility Policy) Rules, 2014 is annexed herewith as **Annexure – 7** to this Report in the prescribed format.

Details In Respect of Adequacy of Internal financial controls with reference to the financial statements

The Risk Management and Governance Department of the Company have certified the existence of various controls in the Company and also tested the key controls towards assurance for compliance for the present fiscal.

Further, the testing of such controls shall also be carried out independently by the Statutory Auditors from the financial year 2015-16 onwards as mandated under the provisions of the Companies Act, 2013.

In the opinion of the Board, the existing internal control framework is adequate and commensurate with the size and nature of the business of the Company.

Details pursuant to Section 197(12) of the Companies Act, 2013

Details pursuant to Section 197(12) of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 form part of this Report and are annexed herewith as **Annexure-8**.

Quality

The Company continues its journey of delivering value to its customers. It adopted several significant external benchmarks and certifications. Poly Medicure is certified under various standards to meet the clients' demands & enhanced value delivery. The Company has been accredited with the International Quality Certifications. (ISO) successfully implemented a well-documented QMS (Quality Management System) which has been certified by Det Norske Veritas As (DNV GL) ISO 9001:2008, ISO-13485:2003, EN ISO 13485:2012 and CE mark (Product Certification) thus making the entire product range compliant with International Quality Standards.

Credit Rating

CRISIL has reviewed the Credit rating of the Company and has upgraded / Re-affirmed, the ratings on the bank facilities of the Company as under:

Long-Term Rating	CRISIL A+/ Stable (Up-graded from CRISIL A / Positive)
Short Term Rating	CRISIL A1 (Re-affirmed)

Foreign Currency Exposure

As a major share of Company's revenue is earned in foreign currencies while major share of expenditure is made in Indian Currency, the Company is obviously exposed to foreign currency Fluctuation risks.

The Company has designed a review and control mechanism to minimize/mitigate the risk which is reviewed periodically. Foreign currency exposures are managed through Foreign Risk Management and Hedging policy. The policy is reviewed periodically to ensure that the risk from fluctuating currency exchange is appropriately managed.

Corporate Governance

Your Company always strives to ensure that best Corporate Governance practices are identified, adopted and consistently followed. Your Company believes that Good Corporate Governance is the basis of sustainable growth of the business and for enhancement of Stakeholders' value. The Corporate Governance Report forms an integral Part of this Report and is set out separately in sections in this Annual Report.

The Report on Corporate Governance along with certificate from M/s B.K. Sethi & Co., Practicing Company Secretaries confirming compliance of Corporate Governance as stipulated in the Clause 49 of the Listing Agreement of Stock Exchanges is also annexed and forms part of this Annual Report.

All Board Members and Senior Management Personnel have affirmed compliance with Code of Conduct as applicable to them for the year ending on 31st March, 2015. A declaration to this effect as signed by the Managing Director is annexed with this Report.

Management Discussion and Analysis Report

The Management Discussion and Analysis Report on the operations of the Company, as required under the Listing Agreement with the Stock Exchanges is provided in "**Annexure-9**" forming part of Directors' Report.

Listing

The Shares of your Company are listed on the Bombay Stock Exchange Limited (BSE), Mumbai and National Stock Exchange of India Limited, (NSE), Mumbai. The Listing fees to the Stock Exchanges for the year 2015-16 have been paid.

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Particulars of Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

The information pertaining to conservation of energy, technology absorption, foreign exchange earnings and outgo as required under Section 134(3) (m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 are given in "Annexure 10" and forming an integral part of this Report.

Green Initiatives

To take part in Green Initiative in the Corporate Governance, we propose to send documents such as Notices of General Meeting(s), Financial Statements, Annual Reports and other shareholders communications including Annual Report for the year ended 31st March 2015 in electronic form, to the email addresses provided by you and/or made available to the Company by the Depositories. The copy of annual report shall be available on the website of the Company and for inspection at the registered office of the Company, during office hours. In case any member wishes to get Annual Report and other communication in physical form, he may write to the company and the same will be provided free of cost.

Electronic copies of the Annual Report 2014-15 and Notice of the 20th Annual General Meeting would be sent to all

members whose email addresses are registered with the Company/Depository Participant(s). For members who have not registered their email addresses, physical copies of the Annual Report 2015 and the Notice of the 20th Annual General Meeting would be sent in the permitted mode.

Acknowledgements & Appreciation

Your Directors wish to place on record their sincere appreciation for the continued co-operation and support extended to the Company by customers, vendors, legal advisors, consultants, business associates and all the employees, without whose cooperation the Company would not have achieved the results that have achieved.

Yours Directors wish to acknowledge the valuable trust and confidence placed by the Joint Ventures Partners, Banks, Institutions, Investors and customers. The Directors look forward to continued co-operation for the future.

For and on behalf of Board

31st July, 2015
New Delhi

D. R. Mehta
Chairman

Himanshu Baid
Managing Director

Annexure-1

ESOP Disclosure in Directors Report (As per Clause 12 of SEBI (ESOS and ESOP) Guidelines, 1999)

Sr. No	Particulars	ESOS 2011	
		Ist Trench	IInd Trench
A	Options granted	20,440 (One option = One equity share)	16,730 (One option = One equity share)
B	Pricing Formula	The latest available closing price on Bombay Stock Exchange Limited on 8 th September 2011, preceding the date of grant i.e. 9 th September 2011- ₹ 302 per share (Discounted grant per share - ₹ 50)	The latest available closing price on Bombay Stock Exchange Limited on 23 rd September 2013, preceding the date of grant i.e. 27 th September 2013 - ₹ 239.95 per share (Discounted grant per share - ₹ 25)
C	Options vested	16,420	15,300
D	Options exercised	16,420	15,300

E	Total number of shares arising as a result of exercise of option	16,420	15,300
F	Options lapsed/cancelled	4,020	1,430
G	Variation of terms of options	Exercise price reduced from ₹ 50 to ₹ 25	NIL
H	Money realized by exercise options	₹ 4,10,500	₹ 3,82,500
I	Total number of options in Force	NIL	NIL
J	Total number of Options granted to - 1. Senior managerial Personnel 2. Any other employee who received a grant in any one year of options amounting to 5% or more of	Shri V.K Khera - 1,000 Shri J.K Oswal - 1,000 Shri Hemant Bhalla - 500 None	Shri V.K Khera - 1,000 Shri J.K Oswal - 1,000 Shri Hemant Bhalla - 500 None

	the options granted during the year	None	None		fair value of the options and impact of this difference on EPS	and there is marginal impact on Basic and Diluted EPS i.e. ₹ 0.002	
	3. Employee getting options more than 1% of issued equity share capital, during the year			M.	Weighted average exercise price and weighted average fair values of options granted during the year where the exercise price either or is less than the market price of the stock	Nil	Nil
K	Diluted Earning Per share (EPS) pursuant to issue of shares on exercise of options calculated in accordance with accounting standard-20 Earning Per Share	₹ 13.83		N	Method of calculation of employee compensation cost	Intrinsic value method	
L	The difference between employee compensation cost using intrinsic value method and the	Had Fair value method been adopted for expensing the compensation arising from employee share based payment plans: The employee compensation charge debited to the Statement of Profit and Loss for the year 2014-15 would have been lower by ₹ 0.90 lacs,			Significant assumption used to estimate the fair value of the options granted during the year.	NA	

Annexure-2

REMUNERATION POLICY

Preamble:

Pursuant to the provisions of section 178 of the Companies Act, 2013, read with rule 6 of Companies (Meeting of Board and its powers) rules, 2014, the Board of Directors of every listed Company shall constitute the Nomination and Remuneration Committee consisting of three or more Non Executive Directors out of which not less than one half shall be Independent Directors. The Board has already constituted its Remuneration Committee comprising of Non-Executive Independent Directors. In order to align with the provisions of the Companies Act, 2013 and rules made there under the Board in its meeting held on 15th May, 2014 has changed the nomenclature of the Remuneration Committee to Nomination and Remuneration Committee. The Nomination and Remuneration Committee shall determine the criteria of appointment to the Board and is vested with authority to identify candidates for appointment to the Board and evaluate their performance. This policy has been formulated by Nomination and Remuneration Committee and approved by the Board of Directors in compliance with section 178 of the Companies

Act, 2013 read with rule 6 of Companies (Meeting of Board and its powers) rules, 2014.

Objectives:

The primary objective of the policy is to provide a framework and set standards for nomination, remuneration and evaluation of Directors, Key Managerial Personnel and Officers comprising the Senior Management. The Company aims to achieve a balance of merit, experience and skills amongst its Directors, Key Managerial Personnel and Senior Management.

The main objective of the policy and committee includes the following:

- To guide and recommend to the Board in relation to appointment and removal of Directors, Key Managerial Personnel and Senior Management Personnel.
- To formulate the criteria for determining qualification, positive attributes and independence of a Director and recommendation to the Board on the remuneration payable to Directors, Key Managerial Personnel and officials in Senior Management of the Company.
- Formulating the criteria for evaluation of the performance of Directors, as well as Key Managerial and Senior Management Personnel.

- To guide on providing reward to Directors, Key Managerial Personnel and Senior Management directly linked to their efforts, performance, dedication and achievement relating to the Company's operations.
- To retain, motivate and promote talent and to ensure long term sustainability of talented Managerial Personnel and create competitive advantage.
- To develop a succession plan for the Board Member, Key Managerial Personnel and Senior Management and to regularly review the plan.

Constitution and Composition of Nomination and Remuneration Committee:

- I. Membership of the Committee:
 - a) The Nomination and Remuneration Committee shall consist of a minimum 3 Non-Executive Directors, provided one half shall be Independent Directors.
 - b) Minimum two (2) members shall constitute a quorum for the Committee meeting.
 - c) Membership of the Committee shall be disclosed in the Annual Report.
 - d) Term of the Committee shall be continued unless terminated by the Board of Directors.
- II. Chairman of the Committee:
 - a) Chairman of the Committee shall be an Independent Director.
 - b) Chairperson of the Company may be appointed as a member of the Committee but shall not be a Chairman of the Committee.
 - c) In the absence of the Chairman, the members of the Committee present at the meeting shall choose one amongst them to act as Chairman.
 - d) Chairman of the Nomination and Remuneration Committee meeting could be present at the Annual General Meeting.
- III. Frequency of meetings:

The meeting of the Committee shall be held annually or as may be decided by the Chairman.
- IV. Committee members' interests:
 - a) A member of the Committee is not entitled to be present when his or her own, remuneration is to be discussed at a meeting or when his or her performance is being evaluated.
 - b) The Committee may invite such executives, as it considers appropriate, to be present at the meetings of the Committee.

V. Secretary:
 The Company Secretary of the Company shall act as Secretary of the Committee.

- VI. Voting:
- a) Matters arising for determination at Committee meetings shall be decided by a majority of votes of Members present and voting and any such decision shall for all purposes be deemed a decision of Committee.
 - b) In the case of equality of votes, the Chairman of the meeting will have a casting vote.

VII. Minutes of Committee Meeting:
 Proceedings of all meetings must be recorded in minutes 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 meeting.

Definitions:

"Board" means Board of Directors of the Company.

"Company" means 'Poly Medicure Limited.'

"Independent Director" means a director referred to in Section 149(6) of the Companies Act, 2013.

"Key Managerial Personnel" (KMP) means:

- (i) Managing Director or Chief Executive Officer or Manager
- (ii) Whole Time Director
- (iii) Company Secretary
- (iv) Chief Financial Officer

"Nomination and Remuneration Committee" shall mean a Committee of Board of Directors of the Company, constituted in accordance with the provisions of Section 178 of the Companies Act, 2013.

"Policy" shall mean **Nomination and Remuneration Policy**.
"Remuneration" means any money or its equivalent given or passed to any person for services rendered by him and includes perquisites as defined under the Income Tax Act, 1961.

"Senior Management" mean personnel of the Company who are members of its core management team excluding Board of Directors. This would include all members of management one level below the Executive Directors, including all the functional heads.

Applicability:

The Policy shall be applicable to all the Directors (Executive and Non Executive), Key Managerial Personnel and Senior Management Personnel of the Company.

Policy for appointment and removal of Director, KMP and Senior Management:

I. Appointment Criteria and Qualifications:

- a) The Nomination and Remuneration Committee ("Committee") shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP and at Senior Management level and recommend to the Board his/her appointment.
- b) A person should possess adequate qualification, expertise and experience for the position he/she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person are sufficient/satisfactory for the concerned position.
- c) The Company shall not appoint or continue the employment of any person as Managing Director/Whole Time Director who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution based on explanatory statement annexed to the notice for such motion including the justification for extension of appointment beyond the seventy years.

II. Term/Tenure

- a) **Managing Director, Whole Time Director and Executive Director**
The Company shall appoint or re-appoint any person as its Executive Chairman, Managing Director, Whole Time Director or Executive Director for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.
- b) An Independent Director shall hold office for a term upto five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board Report.

No Independent Director shall hold office for more than two consecutive terms of maximum of 5 years each, but such Independent Directors shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director.

Provided that an Independent Director shall not during the said period of three years be appointed in or be

associated with the Company in any other capacity, either directly or indirectly.

Evaluation/Assessment of Directors/KMPs/Senior Officials of the Company:

The evaluation/assessment of Directors, KMPs and the Senior Officials of the Company is to be conducted on an annual basis by the Committee.

The following criteria may assist in determining how effective the performances of Directors/KMPs/Senior Officials have been:

- Leadership & Stewardship abilities.
- Contributing to clearly define corporate objectives & plans.
- Communication of expectations & concern clearly with subordinates.
- Obtain adequate, relevant & timely information from external sources.
- Review & approval of achievement of strategic and operational plans, objectives, budgets.
- Regular monitoring of corporate results against projections.
- Identify, monitor & mitigate significant corporate risks.
- Assess corporate policies, structure & procedures.
- Director, monitor & evaluate KMP's, Senior Officials.
- Review management's succession plan.
- Effective meetings for corporate purposes.
- Assuring appropriate board size, composition, independence, structure
- Clearly defining roles & monitoring activities of committees.
- Review of corporation's ethical conduct.

Evaluation on the aforesaid parameters will be considered by the Independent Directors for each of the Executive/Non Executive/ Non Independent Director in a separate meeting of the Independent Director.

The Executive Director/Non Independent Director alongwith the Independent Directors will evaluate/ assess each of the Independent Directors on the aforesaid parameters. Only the Independent Director being evaluated will not participate in the said evaluation discussion.

Removal:

Due to reasons for any disqualification mentioned in the Act or under any other applicable Act, rules and regulations thereunder, the Committee may recommend to the Board

with reasons the removal of Director, KMPs subject to the provisions and compliance of the Company's Act, rules and regulations.

For Senior Management Personnel the removal will be governed by Company's HR Policy and the subsequent approval of Managing Director.

Retirement:

The Director, KMPs and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing HR Policy of the Company. The Board will have the discretion to retain the Director, KMPs, Senior Management Personnel in the same position/remuneration or otherwise even after attaining the retirement age, for the benefit of the Company, subject to applicable laws.

Remuneration:

The guiding principle is that the level and composition of remuneration shall be reasonable and sufficient to attract, retain and motivate Directors, Key Managerial Personnel and other Senior Management Officials.

The Directors, Key Managerial Personnel and other Senior Management Official's salary shall be based & determined on the basis of person's responsibilities and performance and in accordance with the limits as prescribed statutorily, if any.

The Nominations and Remuneration Committee determines remuneration packages for Directors, KMP's and Senior Management Officials of the Company taking into account factors it deems relevant, including but not limited to market conditions, business performance, prevailing laws and other guidelines.

i. Remuneration to Executive Directors:

- Section 197 of the Companies Act, 2013 provides for the total managerial remuneration payable by the Company to its Directors, including Managing Director and Whole Time Director, and its Manager in respect of any financial year shall not exceed eleven percent of the net profits of the Company computed in the manner laid down in section 198 of the Companies Act, 2013.
- The Company with the approval of the shareholders and Central Government may authorized the payment of remuneration exceeding eleven percent of the net profits of the Company, subject to the provisions of schedule V.

- The Company may with the approval of the shareholders authorized the payment of remuneration upto five percent of the net profit of the Company to its anyone Managing Director/Whole Time Director/Manager and ten percent in case more than one such official.
- The Company may pay remuneration to its Directors, other than Managing Director and Whole Time Director upto one percent of the net profit of the Company, if there is a Managing Director or Whole Time Director or Manager and three percent of the net profits in any other cases.
- The net profit for the purpose of the above remuneration shall be computed in the manner referred to in section 198 of the Companies Act, 2013.

ii. Remuneration/ Sitting Fee to Non Executive/ Independent Director:

The Independent Directors shall not be entitled to any stock option of the Company. The Non Executive /Independent Directors may receive remuneration by way of fee for attending meetings of the Board or Committee thereof or for any other purposes as may be decided by the Board and profit related commission as may be approved by the shareholders.

iii. Remuneration to Key Managerial Personnel and Officials in Senior Management

The remuneration payable to Key Managerial Personnel and to the officials in Senior Management shall be decided by the Board/Committee having regard to the provisions of Act, Policy of the Company and their experience, Leadership abilities, initiative taking abilities and knowledge base.

Duties of the Committee in relation to Nomination matters:

- Ensuing that on appointment to the Board, Non-Executive/ Independent Directors receive a formal letter of appointment as per the provisions of the Companies Act, 2013.
- Identifying and recommending Directors who are to be put forward for retirement by rotation.
- Determining the appropriate size, diversity and composition of the Board as per the provisions of the Companies Act, 2013.
- Setting a formal and transparent procedure for selecting new Directors for appointment to the Board

- Developing a succession plan for the Board and Senior Management and reviewing the plan from time to time.
- Evaluating the performance of the Board members and Senior Management in the context of the Company's performance from business and compliance perspective.
- Recommend necessary changes to the Board
- Considering any other matters as may be assigned by the Board.

Duties of the Committee in relation to Remuneration matters:

- To consider and determine the remuneration based on the principles of (a) pay for responsibilities (b) pay for performance and potential.
- To pay for growth and ensure that the remuneration fixed is reasonable and sufficient to attract, retain and motivate the Directors, KMP's and Officials in Senior Management
- To take into account financial position of the Company, qualification, experience, past performance, past remuneration etc.
- To consider other factors as the Committee shall deem appropriate for elements of the remuneration of the members of the Board and ensure compliance of provisions of Companies Act and other applicable laws.
- To ensure that a balance is maintained between fixed and variable pay reflecting short and long term performance objectives appropriate to the working of the Company in the remuneration of Directors, KMP's and Senior Management.
- To consider any other matters as may be assigned by the Board.

Review and Amend

- The Committee or the Board may review the policy as and when it deems necessary.
- The Committee may issue the guidelines, procedures, format, reporting mechanism and manual in supplement and better implementation to this policy, if it things necessary.
- The Company reserves the rights to modify, add, or amend any of these Policy Rules/Guidelines any time.

Evaluation of Director(s), KMP's etc.

The evaluation of Director(s), Key Managerial Personnel and president level employees of the Company is to be conducted on an annual basis by the committee. Below mention criteria may be assisted in determining the effective of the performance:

Executive Directors:

1. Performance Criteria:
 - Management qualities
 - Results/Achievements
 - Domain Knowledge
 - Decision making
2. Personal Attributes:
 - Leadership qualities
 - Motivation and Commitment
 - Vision
 - Strategic Planning
 - Principles and Values

Non Executive Independent Directors and Non Executive Non Independent Directors

- Engagement
- Strategic Planning
- Team spirit
- Knowledge and Skills

FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN

As on financial year ended on 31.03.2015

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

I. REGISTRATION & OTHER DETAILS:

1.	CIN	L40300DL1995PLC066923
2.	Registration Date	30 th MARCH, 1995
3.	Name of the Company	POLY MEDICURE LIMITED
4.	Category/ Sub-category of the Company	COMPANY LIMITED BY SHARES
5.	Address of the Registered office & contact details	232-B, THIRD FLOOR, OKHLA INDUSTRIAL ESTATE, PHASE-III, NEW DELHI- 110020 TEL NO.: 011-26321838 FAX NO.: 011-26321894
6.	Whether listed company	YES
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	M/S. MAS SERVICES LIMITED T-34, OKHLA INDUSTRIAL AREA, PHASE-II, NEW DELHI-110020 TEL NO.: 011-26387281 FAX NO.: 011-26387384

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY (All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Infusion Therapy Product	46497	69.00

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -

Sl. No.	Name of the Company	Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	%age of Shares held	Applicable Section
1	Poly Medicure Limited (Laiyang) Co. Ltd. China	Area A, Heshan Road, Laiyang Economical Development District, Laiyang, Shandong, China	370682400002685	Subsidiary	100	Section 2(87) of the Companies Act, 2013
2	U.S. Safety Syringes Co. LLC,	6601, Springpark Avenue Apt#5, Los Angeles, CA-90058	200700410131	Subsidiary	75	
3	Ultra for Medical Products (U.M.I.C) S.A.E., Egypt	64, Nakhla Ei-Motei Street-Triumph-Heliopolis-Cairo, Egypt	346697	Associate	23	Section 2(6) of the Companies Act, 2013

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

a) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year (As on 31-March-2014)				No. of Shares held at the end of the year (As on 31-March-2015)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoter s									
(1) Indian									
a) Individual/ HUF	8944352	0	8944352	40.59	17888704	0	17888704	40.55	(0.04)
b) Central Govt	0	0	0	0	0	0	0	0	0
c) State Govt(s)	0	0	0	0	0	0	0	0	0
d) Bodies Corp.	1724286	0	1724286	7.83	3448572	0	3448572	7.82	(0.01)
e) Banks / FI	0	0	0	0	0	0	0	0	0
f) Any other	0	0	0	0	0	0	0	0	0
(2) Foreign									
a) Individual/HUF	56800	0	56800	0.26	113600	0	113600	0.26	0
b) Any other	0	0	0	0	0	0	0	0	0
Total shareholding of Promoter (A)	10725438	0	10725438	48.68	21450876	0	21450876	48.63	(0.05)
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Banks / FI	0	0	0	0	10349	0	10349	0.02	0.02
c) Central Govt	0	0	0	0	0	0	0	0	0
d) State Govt(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIs	62267	0	62267	0.28	3154665	0	3154656	7.15	6.87
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0	0	0	0	0	0
Sub-total (B)(1):-	62267	0	62267	0.28	3165014	0	3165014	7.17	6.89
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	7421968	0	7421968	33.68	14318995	0	14318995	32.46	(1.22)
ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	868795	178890	1047685	4.76	1246150	236468	1482618	3.36	(1.4)
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	2553600	30400	2584000	11.73	3219173	128000	3347173	7.59	(4.14)
c) Others (specify)									
Non Resident Indians/OCB	136567	27200	163767	0.74	256105	54400	310505	0.70	(0.04)
Foreign Nationals	0	0	0	0	0	0	0	0	0
Clearing Members	28086	0	28086	0.13	38259	0	38259	0.09	(0.04)
Trusts	0	0	0	0	0	0	0	0	0
Foreign Bodies - D R	0	0	0	0	0	0	0	0	0
Sub-total (B)(2):-	11009016	236490	11245506	51.04	19078682	418868	19497550	44.20	(6.84)
Total Public Shareholding (B)=(B)(1)+ (B)(2)	11071283	236490	11307773	51.32	22243696	418868	22662564	51.37	0.05
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	21796721	236490	22033211	100.00	43694572	418868	44113440	100.00	0

b) Shareholding of Promoter-

SN	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding 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	Rishi Baid	4913024	11.15	0	4913024	11.14	0	(0.01)
2	Himanshu Baid	4037312	9.16	0	4037312	9.15	0	(0.01)
3	Himanshu Baid(HUF)	1919600	4.36	0	1919600	4.35	0	(0.01)
4	Mukulika Baid	1531200	3.47	0	1531200	3.47	0	0
5	Rishi Baid(HUF)	1390000	3.15	0	1390000	3.15	0	0
6	Jugal Kishore Baid	1139688	2.59	0	1139688	2.58	0	(0.01)
7	Vishal Baid	828680	1.88	0	828680	1.88	0	0
8	Shailey Baid	594000	1.35	0	594000	1.35	0	0
9	Shireen Baid	560800	1.27	0	560800	1.27	0	0
10	Neha Baid	512000	1.16	0	512000	1.16	0	0
11	Dhruv Baid	180000	0.41	0	180000	0.41	0	0
12	Aaryaman Baid	140000	0.32	0	140000	0.32	0	0
13	Arham Baid	140000	0.32	0	140000	0.32	0	0
14	Pankaj Jain	1600	0.00	0	1600	0.00	0	0
15	Bhupendra Raj Mehta	800	0.00	0	800	0.00	0	0
16	Madhu Kothari	85600	0.19	0	85600	0.19	0	0
17	Vinay Kothari	28000	0.06	0	28000	0.06	0	0
18	Jai Polypan Pvt. Ltd.	1628000	3.69	0	1628000	3.69	0	0
19	VCB Trading Pvt. Ltd.	1820572	4.13	0	1820572	4.13	0	0
	Total	21450876	48.66	0	21450876	48.62	0	(0.04)

c) Change in Promoters' Shareholding (please specify, if there is no change)

There has been no change in the Shareholding of Promoter Group of the Company. During the year the change in percentage is a reflection of and purely on account of the issue of shares under ESOP Scheme of the Company.

**d) Shareholding Pattern of top ten Shareholders:
 (Other than Directors, Promoters and Holders of GDRs and ADRs):**

SN	Name of the Shareholder	Shareholding at the beginning of the year		Cumulative Shareholding during the Year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Allegeny Finlease Pvt. Ltd.				
	Opening Balance	3142339	14.26	3142339	14.26
	Transaction Purchase/(Sale) from April 1, 2014 upto Stock Split-up date i.e February 3, 2015	(46153)	0.21	3096186	14.05
	Stock Split-up date February 4, 2015	3096186	---	6192372	14.04
	Transaction Purchase/(Sale) post Stock Split-up date upto March 31, 2015	(10779)	0.03	6181593	14.01
	Closing Balance			6181593	14.01
2	BS Trade Invest Pvt. Ltd.				
	Opening Balance	2398560	10.88	2398560	10.88
	Transaction Purchase/(Sale) from April 1, 2014 upto Stock Split-up date i.e February 3, 2015	(269358)	1.22	2129202	9.66
	Stock Split-up date February 4, 2015	2129202	---	4258404	9.65
	Transaction Purchase/(Sale) post Stock Split-up date upto March 31, 2015	(56310)	0.13	4202094	9.52
	Closing Balance			4202094	9.52
3.	Matthews India Fund				
	Opening Balance	0	0	0	0
	Transaction Purchase/(Sale) from April 1, 2014 upto Stock Split-up date i.e February 3, 2015	808995	3.67	808995	3.67

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SN	Name of the Shareholder	Shareholding at the beginning of the year		Cumulative Shareholding during the Year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	Stock Split-up date February 4, 2015	808995	---	1628000	3.69
	Transaction Purchase/(Sale) post Stock Split-up date upto March 31, 2015	288830	0.65	1916830	4.34
	Closing Balance			1916830	4.34
4	Sachchiya Enterprises Pvt. Ltd.				
	Opening Balance	828846	3.76	828846	3.76
	Transaction Purchase/(Sale) from April 1, 2014 upto Stock Split-up date i.e February 3, 2015	(58550)	0.27	770296	3.49
	Stock Split-up date February 4, 2015	770296	---	1540592	3.49
	Transaction Purchase/(Sale) post Stock Split-up date upto March 31, 2015	0		1540592	3.49
	Closing Balance			1540592	3.49
5	EM Resurgent Fund				
	Opening Balance	0	0	0	0
	Transaction Purchase/(Sale) from April 1, 2014 upto Stock Split-up date i.e February 3, 2015	440228	2.00	440228	2.00
	Stock Split-up date February 4, 2015	440228	---	880456	2.00
	Transaction Purchase/(Sale) post Stock Split-up date upto March 31, 2015	0	0	880456	2.00
	Closing Balance			880456	2.00
6	KJMC Financial Services Ltd.				
	Opening Balance	275119	1.25	275119	1.25
	Transaction Purchase/(Sale) from April 1, 2014 upto Stock Split-up date i.e February 3, 2015	5451	0.02	280570	1.27
	Stock Split-up date February 4, 2015	280570	---	561140	1.27
	Transaction Purchase/(Sale) post Stock Split-up date upto March 31, 2015	51943	0.12	613083	1.39
	Closing Balance			613083	1.39
7	Dinero Wealth Advisors Pvt. Ltd.				
	Opening Balance	5917	0.03	5917	0.03
	Transaction Purchase/(Sale) from April 1, 2014 upto Stock Split-up date i.e February 3, 2015	116814	0.53	122731	0.56
	Stock Split-up date February 4, 2015	122731	---	245462	0.56
	Transaction Purchase/(Sale) post Stock Split-up date upto March 31, 2015	443828	1.00	689290	1.56
	Closing Balance			689290	1.56
8	Pantagon Builders Pvt. Ltd.				
	Opening Balance	240550	1.09	240550	1.09
	Transaction Purchase/(Sale) from April 1, 2014 upto Stock Split-up date i.e February 3, 2015	(13956)	0.06	226594	1.03
	Stock Split-up date February 4, 2015	453188	---	453188	1.03
	Transaction Purchase/(Sale) post Stock Split-up date upto March 31, 2015	0	0.00	453188	1.03
	Closing Balance			453188	1.03
9	Aariana V Daga				
	Opening Balance	90000	0.41	90000	0.41
	Transaction Purchase/(Sale) from April 1, 2014 upto Stock Split-up date i.e February 3, 2015	0	0.00	90000	0.41
	Stock Split-up date February 4, 2015	90000	---	180000	0.41
	Transaction Purchase/(Sale) post Stock Split-up date upto March 31, 2015	0	0.00	180000	0.41
	Closing Balance			180000	0.41
10	Zen Daga				
	Opening Balance	90000	0.41	90000	0.41
	Transaction Purchase/(Sale) from April 1, 2014 upto Stock Split-up date i.e February 3, 2015	0	0.00	90000	0.41
	Stock Split-up date February 4, 2015	90000	---	180000	0.41
	Transaction Purchase/(Sale) post Stock Split-up date upto March 31, 2015	(13510)	0.03	166490	0.38
	Closing Balance			166490	0.38

e) Shareholding of Directors and Key Managerial Personnel:

SN	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the Year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Himanshu Baid (MD)				
	Opening Balance	2018656	9.16	2018656	9.16
	Transaction Purchase/(Sale) from April 1, 2014 upto Stock Split-up date i.e February 3, 2015	0	0.00	2018656	9.16
	Stock Split-up date February 4, 2015	2018656	---	4037312	9.15
	Transaction Purchase/(Sale) post Stock Split-up date upto March 31, 2015	0	0.00	4037312	9.15
	Closing Balance			4037312	9.15
2	Rishi Baid (ED)				
	Opening Balance	2456512	11.15	2456512	11.15
	Transaction Purchase/(Sale) from April 1, 2014 upto Stock Split-up date	0	0.00	2456512	11.15
	Stock Split-up date February 4, 2015	2456512	---	4913024	11.14
	Transaction Purchase/(Sale) post Stock Split-up date	0	0.00	4913024	11.14
	Closing Balance			4913024	11.14
3.	Devendra Raj Mehta (Chairman)				
	Opening Balance	0	0.00	0	0.00
	Transaction Purchase/(Sale) from April 1, 2014 upto Stock Split-up date	0	0.00	0	0.00
	Stock Split-up date February 4, 2015	0	---	0	0.00
	Transaction Purchase/(Sale) post Stock Split-up date	0	0.00	0	0.00
	Closing Balance			0	0.00
4	Dr. Sohan Raj Mohnot (Director)				
	Opening Balance	24000	0.11	24000	0.11
	Transaction Purchase/(Sale) from April 1, 2014 upto Stock Split-up date	0	0.00	24000	0.11
	Stock Split-up date February 4, 2015	24000	---	48000	0.11
	Transaction Purchase/(Sale) post Stock Split-up date	0	0.00	48000	0.11
	Closing Balance			48000	0.11
5	Jugal Kishore Baid (Director)				
	Opening Balance	569844	2.59	569844	2.59
	Transaction Purchase/(Sale) from April 1, 2014 upto Stock Split-up date	0	0.00	569844	2.59
	Stock Split-up date February 4, 2015	569844	---	1139688	2.58
	Transaction Purchase/(Sale) post Stock Split-up date	0	0.00	1139688	2.58
	Closing Balance			1139688	2.58
6	Mukulika Baid (Director)				
	Opening Balance	765600	3.47	765600	3.47
	Transaction Purchase/(Sale) from April 1, 2014 upto Stock Split-up date	0	0.00	765600	3.47
	Stock Split-up date February 4, 2015	765600	---	1531200	3.47
	Transaction Purchase/(Sale) post Stock Split-up date	0	0.00	1531200	3.47
	Closing Balance			1531200	3.47
7	Yeshwant Singh Choudhary (Director)				
	Opening Balance	4000	0.02	4000	0.02
	Transaction Purchase/(Sale) from April 1, 2014 upto Stock Split-up date	2000	0.01	2000	0.01
	Stock Split-up date February 4, 2015	2000	---	4000	0.02
	Transaction Purchase/(Sale) post Stock Split-up date	0	0.00	4000	0.02
	Closing Balance			4000	0.02
8	Prakash Chand Surana (Director)				
	Opening Balance	8000	0.04	8000	0.04
	Transaction Purchase/(Sale) from April 1, 2014 upto Stock Split-up date	2540	0.01	5460	0.03
	Stock Split-up date February 4, 2015	5460	---	5460	0.03
	Transaction Purchase/(Sale) post Stock Split-up date	0	0.00	10920	0.03
	Closing Balance			10920	0.03
9	Shailendra Raj Mehta (Director)				
	Opening Balance	0	0.00	0	0.00
	Transaction Purchase/(Sale) from April 1, 2014 upto Stock Split-up date	0	0.00	0	0.00

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SN	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the Year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	Stock Split-up date February 4, 2015	0	---	0	0.00
	Transaction Purchase/(Sale) post Stock Split-up date	0	0.00	0	0.00
	Closing Balance			0	0.00
10	Jas Karan Sancheti Oswal (CFO)				
	Opening Balance	9152	0.04	9152	0.04
	Transaction Purchase/(Sale) from April 1, 2014 upto Stock Split-up date	1500*	0.01	10652	0.05
	Stock Split-up date February 4, 2015	10652	---	21304	0.05
	Transaction (Purchase/Sale) post Stock Split-up date	0	0.00	21304	0.00
	Closing Balance			21304	0.05
11	Vinay Gujral (Company Secretary)				
	Opening Balance	0	0.00	0	0.00
	Transaction (Purchase/Sale) from April 1, 2014 upto Stock Split-up date	0	0.00	0	0.00
	Stock Split-up date February 4, 2015	0	---	0	0.00
	Transaction (Purchase/Sale) post Stock Split-up date	0	0.00	0	0.00
	Closing Balance			0	0.00

* 1500 shares allotted under Amended ESOP Scheme 2011

V) INDEBTEDNESS -Indebtedness of the Company including interest outstanding/accrued but not due for payment.

(₹ in lacs)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	6696.38	---	---	6696.38
ii) Interest due but not paid	44.94	---	---	44.94
iii) Interest accrued but not due	18.13	---	---	18.13
Total (i+ii+iii)	6759.45	---	---	6759.45
Change in Indebtedness during the financial year				
* Addition	891.12	---	---	891.12
* Reduction	---	---	---	---
Net Change	891.12	---	---	891.12
Indebtedness at the end of the financial year				
i) Principal Amount	7582.93	---	---	7582.93
ii) Interest due but not paid	37.32	---	---	37.32
iii) Interest accrued but not due	30.32	---	---	30.32
Total (i+ii+iii)	7650.57	---	---	7650.57

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

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

(in ₹)

SN.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount
		Mr. Himanshu Baid	Mr. Rishi Baid	
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	1,15,60,577	1,11,62,154	2,27,22,731
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	11,40,539	9,81,709	21,22,248
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	NIL	NIL	NIL
2	Stock Option	NIL	NIL	NIL
3	Sweat Equity	NIL	NIL	NIL
4	Commission	2,00,00,000	2,00,00,000	4,00,00,000
	- as % of profit	*	*	
	- others, specify...	-	-	-
5	Others, please specify	NIL	NIL	NIL
	Total (A)	3,27,01,116	3,21,43,863	6,48,44,979
	Ceiling as per the Act	5% of Net Profit to each Managing Director and Executive Director 10% of Net Profit to all Executive Directors		

* 3% of the net profit, as computed under provision of the Companies Act.

(in ₹)

B. Remuneration to other directors

SN	Particulars of Remuneration	Name of Directors					Total Amount
		Devendra Raj Mehta	Prakash Chand Surana	Sohan Raj Mohnot	Yeshwant Singh Choudhary	Shailendra Raj Mehta	
1	Independent Directors						
	Fee for attending board committee meetings	1,40,000	2,60,000	3,00,000	2,40,000	1,60,000	11,00,000
	Commission	7,50,000	7,50,000	7,50,000	7,50,000	7,50,000	37,50,000
	Others, please specify	-	-	-	-	-	-
	Total (1)	8,90,000	10,10,000	10,50,000	9,90,000	9,10,000	48,50,000
2	Other Non-Executive Directors	Jugal Kishore Baid			Mukulika Baid		
	Fee for attending board committee meetings	1,20,000			60,000		1,80,000
	Commission	7,50,000			7,50,000		15,00,000
	Others, please specify	-			-		-
	Total (2)	8,70,000			8,10,000		16,80,000
	Total (B)=(1+2)				65,30,000		65,30,000
	Total Managerial Remuneration				7,13,74,979		7,13,74,979
	Overall Ceiling as per the Act	1% of Net Profits to all Non-Executive Directors					

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

(in ₹)

SN	Particulars of Remuneration	Key Managerial Personnel		
		Jas Karan Sancheti Oswal (CFO)	Vinay Gujral (CS)*	Total Amount
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	24,04,457	3,06,143	27,10,600
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	1,59,052	10,979	1,70,031
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961			
2	Stock Option	7,84,600	0	7,84,600
3	Sweat Equity	0	0	0
4	Commission			
	- as % of profit	0	0	0
	others, specify...	0	0	0
5	Others, please specify			
	Total	33,48,109	3,17,122	36,65,231

* Ceased to be Company Secretary w.e.f 30th April, 2015

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

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

Annexure-4

B.K. Sethi & Co. T el:43036172, 22146283
Company Secretaries Mobile: 9810205828
C-195, Vivek Vihar Email: sethibk.100@gmail.com
Delhi-110095

Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31.03.2015
[PURSUANT TO SECTION 204(1) OF THE COMPANIES ACT,
2013 AND RULE NO. 9 OF THE COMPANIES (APPOINTMENT
AND REMUNERATION PERSONNEL) RULES, 2014

To,
The Members,
Poly Medicure Limited

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s. Poly Medicure Limited (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

Based on our verification of the Companies books, papers, minute book, 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, We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2015, complied with the statutory provisions listed hereunder and also that the Company has proper Board process and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter :

We have examined the books, papers, minute books, forms and returns filled and other records maintained by M/s. Poly Medicure Limited ("the Company") for the financial year ended on 31st March, 2015 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

- v. Foreign Direct Investment, Overseas Direct Investment and external Commercial Borrowings;
- 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 Acquisitions of Shares and Takeovers) Regulations, 2011;
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992
 - 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; and
 - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- vi. Drugs and Cosmetics Act, 1940 (Mention the other laws as may be applicable specifically to the Company)

we have also examined Compliance with the applicable clauses of the following:

- i. Secretarial Standards issued by the Institute of Company Secretaries of India.
- ii. The Listing Agreements entered into by the Company with Bombay Stock Exchange and National Stock Exchange;

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc mentioned above subject to the following observations :

For B.K. Sethi & Company

B.K. Sethi
Proprietor
FCS-853/CP-913
New Delhi
dated the 31st July, 2015

Details of Investments as on 31st March, 2015

S. No.	Name of Company	Relationship	Amount (₹ in Lakhs)
1	U.S. Safety Syringes Co. LLC, USA*	Subsidiary	130.33
2	Poly Medicure Limited (Laiyang) Co. Ltd. China*	Subsidiary	472.39
3	Ultra for Medical Products (U.M.I.C) S.A.E., Egypt*	Associate	88.67

*Exempt under section 186 of the Companies, Act, 2013

Details of Loans given during the year ended 31st March, 2015

S. No.	Name of Company	Relationship	Amount (₹ in Lakhs)
1	Poly Medicure Limited (Laiyang) Co. Ltd. China	Subsidiary	168.74
2	Nandini Buildhome Consortium Pvt. Ltd.	--	260.00

Details of Guarantees as on 31st March, 2015

The Company has not issued any Corporate Guarantee.

Annexure-6

Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act 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 arm's length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis: None, during the reporting period, all transactions were at arm's length basis

(a) Name(s) of the related party and nature of relationship: **NA**

(b) Nature of contracts/arrangements/transactions: **NA**

(c) Duration of the contracts / arrangements/transactions: **NA**

(d) Salient terms of the contracts or arrangements or transactions including the value, if any: **NA**

(e) Justification for entering into such contracts or arrangements or transactions **NA**

(f) Date(s) of approval by the Board: **NA**

(g) Amount paid as advances, if any: **NA**

(h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188: **NA**

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

(a) Name(s) of the related party and nature of relationship: **M/s. Vitromed Healthcare, Jaipur**

(b) Nature of contracts/arrangements/transactions: **Sales Contract with M/s Vitromed Healthcare, Jaipur.**

(c) Duration of the contracts / arrangements/transactions: **3 (Three) Years.**

(d) Salient terms of the contracts or arrangements or transactions including the value, if any: **The Company hereby agrees to sell its products and components of Medical Devices to the Buyer on fair price basis/Prevailing market rates.**

(e) Date(s) of approval by the Board, if any: **01st April, 2014**

(f) Amount paid as advances, if any: **No Advance**

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

(a) Name(s) of the related party and nature of relationship: **M/s. Vitromed Healthcare, Jaipur**

(b) Nature of contracts/arrangements/transactions: **Purchase Contract with M/s Vitromed Healthcare, Jaipur.**

(c) Duration of the contracts / arrangements/transactions: **3 (Three) Years.**

(d) Salient terms of the contracts or arrangements or transactions including the value, if any: **The Company hereby agrees to purchase products and components of Medical Devices from the Seller on fair price basis/Prevailing market rates.**

(e) Date(s) of approval by the Board, if any: **9th February, 2013**

(f) Amount paid as advances, if any: **No Advance**

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

(a) Name(s) of the related party and nature of relationship: **M/s. Vitromed Healthcare, Jaipur**

(b) Nature of contracts/arrangements/transactions: **Job work Contract with M/s Vitromed Healthcare, Jaipur.**

(c) Duration of the contracts / arrangements/transactions: **3 (Three) Years.**

(d) Salient terms of the contracts or arrangements or transactions including the value, if any: **The Company hereby agrees for job work contracts for some of the products and components of Medical Devices on prevailing market rates.**

(e) Date(s) of approval by the Board, if any: **13th May, 2013**

(f) Amount paid as advances, if any: **No Advance**

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

(a) Name(s) of the related party and nature of relationship: **M/s. Jai Polypan Pvt. Ltd., Jaipur**

(b) Nature of contracts/arrangements/transactions: **Rent Contract with M/s Jai Polypan Pvt. Ltd., Jaipur**

(c) Duration of the contracts / arrangements/transactions: **N/A**

(d) Salient terms of the contracts or arrangements or transactions including the value, if any: **The Company hereby agrees to take property on rent on fair price basis/Prevailing market rates.**

(e) Date(s) of approval by the Board, if any: **2nd June, 2000**

(f) Amount paid as advances, if any: **No Advance**

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

(a) Name(s) of the related party and nature of relationship: **M/s. Vitromed Healthcare, Jaipur**

(b) Nature of contracts/arrangements/transactions: **Rent Contract with M/s Vitromed Healthcare, Jaipur**

(c) Duration of the contracts / arrangements/transactions: **N/A**

(d) Salient terms of the contracts or arrangements or transactions including the value, if any: **The Company hereby agrees to give the property on rent on fair price basis/Prevailing market rates.**

(e) Date(s) of approval by the Board, if any: **31st July, 2006**

(f) Amount paid as advances, if any: **No Advance**

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

(a) Name(s) of the related party and nature of relationship: **M/s. Ultra for Medical Products, Egypt, in which Company has 23% shareholding and Shri Himanshu Baid and Shri Rishi Baid, Directors of the Company, is also Directors in M/s. Ultra for Medical Products, Egypt.**

(b) Nature of contracts/arrangements/transactions: **Sales Contract with M/s Ultra for Medical Products, Egypt**

(c) Duration of the contracts / arrangements/transactions: **2 (Two) Years i.e. FY 2014-15 and 2015-16**

(d) Salient terms of the contracts or arrangements or transactions including the value, if any: **The Company hereby agrees to sell goods and materials, for the maximum amount of Rs. 20 Crores per annum on fair price basis/Prevailing market rates subject to transfer pricing norms prevalent in the Country.**

(e) Date(s) of approval by the Board, if any: **30th July, 2014**

(f) Amount paid as advances, if any: **No Advance**

For and on behalf of Board of Directors

New Delhi
 31st July, 2015

D. R. Mehta
 Chairman

Himanshu Baid
 Managing Director

Annexure-7

ANNUAL REPORT ON CSR PURSUANT TO RULES 8 & 9 OF COMPANIES (CORPORATE SOCIAL RESPONSIBILITY POLICY) RULES, 2014

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

In adherence to section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, the Board of Directors upon the recommendation of CSR Committee, in its meeting held on 15th May, 2014, has approved a CSR Policy of the Company. In accordance with the primary CSR philosophy of the Company and the specified activities under Schedule VII to the Companies Act, 2013, the CSR activities of the Company cover certain thrust areas such as Eradicating hunger, poverty and malnutrition, Promoting Health Care, Promoting gender equality and empowering women, supporting education and healthcare.

The Corporate Social Responsibility Policy of the Company is available on the website of the Company http://www.polymedicure.com/wp-content/uploads/2015/03/CSR_Policy_2015.pdf.

2. The composition of CSR committee

As at 31st March, 2015, the Corporate Social Responsibility Committee comprises of 3 (Three) members of the Board, 2 (Two) of which are Non-Executive Independent Directors and remaining 1 (One) is Non Executive Director. The Chairman of the Committee is an Independent Director.

S. NO.	NAME	DESIGNATION
1	Shri Devendra Raj Mehta	Chairman
2	Shri Sohan Raj Mohnot	Member
3	Shri Jugal Kishore Baid	Member

3. Average net profit of the Company for last 3 FY

The Average Net Profit of three financial years preceding the reporting financial year (i.e. 2013-14, 2012-13, 2011-12) calculated in accordance with section 135 of the Companies Act, 2013 is ₹ 4209.50 Lacs.

4. Prescribed CSR Expenditure (2% of the amount as in item 3 above)

The prescribed CSR Expenditure to be incurred during the financial year i.e. 2014-15 is ₹ 84.19 Lacs.

5. Details of CSR spent during the FY

(a) Total amount to be spent for the FY = ₹ 84.19 Lacs

(b) Amount unspent = ₹ 27.95 Lacs

(c) Manner in which the amount spent during the FY is detailed below:

S. No	CSR Project or activity defined	Sector in which the project is covered*	Projects or programs	Amount Outlay (budget) project or program wise	Amount spent on the projects or program	Cumulative Expenditure upto the reporting period	Amount Spent: Direct or through implementing agency
1	On providing food and related services	(i)	Eradicating hunger, poverty and malnutrition	18.48	18.48	18.48	18.48
2	On Promotion of Healthcare	(i)	Promoting healthcare including Preventive Healthcare through awareness programmes	0.31	0.31	0.31	0.31
3	On Promotion of Education including provision for Scholarship	(ii)	Promoting gender equality and empowering women.	15.22	15.22	15.22	15.22
4	On Welfare for disabled person	(ii)	Promoting gender equality and empowering women.	10.00	10.00	10.00	10.00
5	On Flood relief activity	(i)	Eradicating hunger, poverty and malnutrition	5.29	5.29	5.29	5.29

S. No	CSR Project or activity defined	Sector in which the project is covered*	Projects or programs	Amount Outlay (budget) project or program wise	Amount spent on the projects or program	Cumulative Expenditure upto the reporting period	Amount Spent: Direct or through implementing agency
6	On Sanitation	(i)	Eradicating hunger, poverty and malnutrition	5.94	5.94	5.94	5.94
7	On making available safe drinking water	(i)	Eradicating hunger, poverty and malnutrition	1.00	1.00	1.00	1.00
	Total			56.24	56.24	56.24	56.24

* Sector refers to the Entries specified in Schedule VII to the Companies Act, 2013.

6. In case the company has failed to spend the 2% of the average net profit of the last 3 FYs or any part thereof, the company shall provide the reason for not spending the amount in its board report.

The Company has been working on identifying the projects for carrying out CSR activities; this has been taken more time than estimated. The Company is now working on projects on education program and promoting healthcare program. The expenditure on these projects shall be accounted for as and when incurred.

7. Responsibility Statement

The implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company.

For and on behalf of Board of Directors

31st July, 2015
New Delhi

D. R. Mehta
Chairman

Himanshu Baid
Managing Director

Annexure-8 (ii)

(A) DETAILS PURSUANT TO THE PROVISIONS OF SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

Relevant Clause u/r 5(1)	Prescribed Requirement	Particulars	Percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year
(i)	Ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year	– Ratio of the remuneration of Shri Himanshu Baid, Managing Director to the median remuneration of the employees – 198 : 1 – Ratio of the remuneration of Shri Rishi Baid, Executive Director to the median remuneration of the employees – 195 : 1 – Ratio of the remuneration of Shri Jas Karan Sancheti Oswal, CFO – 20 : 1	– Shri Himanshu Baid, MD – 15.07% – Shri Rishi Baid, ED – 15.30% – Shri Jas Karan Sancheti Oswal, CFO – 36.76%
(iii)			4.16%
(iv)			1,586 Employees

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	employees on the rolls of company				companies, the variations in the net worth of the company as at the close of the current financial year and previous financial year	
(v)	Explanation on the relationship between average increase in remuneration and company performance	Average increase in remuneration – 4.16% Average increase in Profit Before Tax – 35.34%				
(vi)	Comparison of the remuneration of the Key Managerial Personnel against the performance of the Company	KMP Shri Himanshu Baid Shri Rishi Baid Shri Jas Karan Sancheti Oswal	Remuneration (₹ in Lacs) 327.01 321.44 33.48	Company Performance (PBT) (₹ in Lacs) 8,475.19	Comparison of the each remuneration of the Key Managerial Personnel against the performance of the company	Covered in sub-clause (vi) above.
(vii)	Variations in the market capitalisation of the company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase over decrease in the market quotations of the shares of the company in comparison to the rate at which the company came out with the last public offer in case of listed companies, and in case of unlisted	Variations in the market capitalization – Market capitalisation as at 31 st March, 2014: ₹ 99,656.00 lacs – Market capitalisation as at 31 st March, 2015: ₹ 2,22,684.65 lacs Variations in the PE Ratio – PE Ratio as at 31 st March, 2014: 23.15 – PE Ratio as at 31 st March, 2015: 35.60 402 times increase in the market quotation of the Shares in comparison to the rate at which the company came out with IPO, adjusted for bonus issue / split.			Key parameters for any variable component of remuneration availed by the directors	<ul style="list-style-type: none"> Financial and operating performance of the Company Industry/ sector trends for the remuneration paid to executive directorate
					(ix)	
					(x)	Ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year
					(xi)	Affirmation that the remuneration is as per the remuneration policy of the company
						The remuneration is as per the Nomination and Remuneration Policy for the Directors, Key Managerial Personnel and Other Employees of the Company, formulated pursuant to the provisions of section 178 of the Companies Act, 2013.

(B) STATEMENT SHOWING PARTICULARS OF EMPLOYEES PURSUANT TO THE PROVISIONS OF SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(2) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

Persons employed for the full year ended March 31st, 2015 who were in receipt of the remuneration which in the aggregate was not less than ₹ 60,00,000/- p.a.

S. No.	Employee Name	Designation	Gross Remuneration (₹ In Lacs)	Qualification	Total Experience in Years	Date of commencement of Employment	Age in years	Last Employer & Designation Head
1	Shri Himanshu Baid	Managing Director	327.01	Electronics Engineer	27	20 th September, 1996	47	Hanuman Tin Factory Manager
2	Shri Rishi Baid	Executive Director	321.44	BSME, MSME	22	1 st August, 1997	43	Miles Pharma Inc. USA Engineer

Persons employed for part of the year ended 31st March, 2015 who were in receipt of the remuneration which in the aggregate was not less than ₹ 5,00,000/- p.m.

S. No.	Employee Name	Designation	Gross Remuneration	Qualification	Total Experience in Years	Date of commencement of Employment	Age in years	Last Employer & Designation Head
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NIL

Notes:

1. Remuneration includes salary, allowances, company's contribution to provident fund, commission, retirement benefits and monetary value of perquisites. The term remuneration has the meaning assigned to it in the Explanation to Section 198 of the Companies Act, 2013.
2. The nature of employment in all cases is contractual. The other items and conditions are as per the companies rule.
3. Shri Himanshu Baid, Managing Director is related to Shri Jugal Kishore Baid, Director, Smt. Mukulika Baid, Director and Shri Rishi Baid, Executive Director.
4. Shri Rishi Baid, Executive Director is related to Shri Jugal Kishore Baid, Director, Smt. Mukulika Baid, Director and Shri Himanshu Baid, Managing Director.

Annexure-9

MANAGEMENT'S DISCUSSION AND ANALYSIS

Overview of the Healthcare Sector

India is the second most populous country in the world with a population of 1.2 billion and growing at a rate of 1.2%. India faces a continuing challenge of fighting infectious diseases such as malaria, tuberculosis and leprosy along with increasing lifestyle related problems such as cancer, cardiovascular disease and diabetes (Source: BMI Report on Indian Medical Devices).

Healthcare infrastructure

In 2014, India had 0.8 hospital beds for a population of 1,000, which is below the average for the Asia Pacific region. However, in more populous areas in under-developed states, the ratio was 0.2 beds per 1,000 persons in the public sector. In 2010 there were an estimated 12,760 inpatient facilities in the public sector with 576,793 beds. Rural areas were served by 6,795 hospitals and community health centres ("CHCs") with 149,690 beds while urban areas were served by 3,748 hospitals and CHCs with 399,195 beds (Source: BMI Report on Indian Medical Devices).

While hospitals have grown at a CAGR of 4.5% since 2009, from 31,018 hospitals to 38,713 hospitals in 2014, the number of hospital beds has grown at a CAGR of 2.5% since 2009, from 0.7 beds per 1,000 persons to 0.8 beds per 1,000 persons in 2014. Further, inpatient admissions have grown at a CAGR of 3.1% to 44.7 patients per 1,000 persons and outpatient visits have grown at a CAGR of 1.3% to 2,282.3 per 1,000 persons, during the same period. The Draft National Health Policy, 2015 has set a target of one hospital bed per 1,000 persons with the aim of providing access to secondary care within one hour, which would require increasing the bed capacity to over 300,000 beds over the next five years (Source: BMI Report on Indian Medical Devices).

According to the BMI Report on Indian Medical Devices the private sector is the dominant healthcare provider in urban areas and the major end user of medical equipment. Private hospitals have witnessed a growth at a CAGR of 6.3% between 2009 and 2014 (Source: BMI Report on Indian Medical Devices).

Healthcare expenditure

The estimated healthcare expenditure in 2013 was US\$ 79.2 billion, equivalent to 4.4% of the GDP of the same year, with per capita healthcare estimated at US\$ 63 in 2013. Of this private health expenditure constituted 66%, primarily in the

form of out-of-pocket spending and public health expenditure accounted for the remaining 34%. However, the 12th Five Year Plan (2012-17), formulated by the erstwhile Planning Commission of India, had set a target of doubling the level of public health expenditure to constitute 2.5% of the GDP and increasing health insurance coverage from 25% to 75%.

According to the BMI Report on Indian Medical Devices, the increased spending by the GoI provides an opportunity to manufacturers of medical devices as new facilities are being constructed and existing ones are being upgraded, due to the lack healthcare infrastructure in the country. It further expects that foreign manufacturers of medical devices will be restricted to the private sector where there is a requirement for high quality products.

Overview of the Medical Devices Sector

India is one of the top 20 markets in the world and the fourth largest market in Asia, after Japan, China and South Korea for medical devices (Source: GoI Report on Medical Devices Sector in India). As per the BMI Report on Medical Devices in India, the medical devices industry has witnessed growth rates of up to 28.6% in 2012, in Rupee terms, and an estimated CAGR of 16.1% from 2008 to 2013.

The BMI Report in Indian Medical Devices expects a growth of 7.0% over the next five years, on the back of the GoI's pro-growth policy agenda to increase investments through initiatives such as 'Make in India' campaign. Further, considering India is largely reliant on imports, it is likely to benefit from a fall in global oil prices to help reduce current account deficit and ease inflation. Private consumption is expected to remain resilient on account of receding inflation and increased job opportunities. BMI projects FDI into India to be buoyant as investors remain positive on India's growth prospects and the government continues to promote greater inflows into various sectors of the economy, including the medical devices sector (Source: BMI Report on Indian Medical Devices).

Medical Devices Manufacturing in India

The Indian medical device manufacturing industry is fragmented with approximately 800 manufacturers, comprising small and medium enterprises undertaking manufacture of disposable medical devices and multinational companies supplying high end medical equipment. Of these, 65% of the manufacturers generate a turnover of less than ₹10 crore and less than 2% of the manufacturers generate a turnover of over ₹ 500 crore (Source: GoI Report on Medical Devices Sector in India).

According to the GoI, the medical devices industry in India is predominantly import driven, whereas the domestic firms participate in the low technology based, high volume market which is highly competitive. However, manufacturing companies are shifting their focus from capturing market share to market creation and are discovering innovative products with an aim to carve market niches for themselves (Source: GoI Report on Medical Devices Sector in India).

Although, the medical devices sector is largely import driven, the disposable medical devices and consumables imports constitute only a small part of the total medical devices imported into India. During April 2014 to October 2014, the aggregate value of disposable medical devices and consumables was ₹2,170.12 crore out of aggregate import of medical devices of ₹13,028.12 crore (Source: GoI Report on Medical Devices Sector in India).

Overview

We are an innovative and research and development focused company in the disposable medical devices industry in India. We manufacture and supply, in India and internationally, a diverse portfolio of disposable medical devices in the product verticals of infusion therapy, blood management, gastroenterology, surgery and wound drainage, anesthesia and urology. As of March 31, 2015, we had over 100 varieties of disposable medical devices, including veterinary disposable devices.

We have been recognized as the highest exporter of plastic medical disposables/ surgical devices for 2011-12 and 2012-13 by the Plastics Export Promotion Council, sponsored by Department of Commerce, Government of India, and have also received the 'Gold Award' for 2010-11 in recognition of our commendable contribution to pharmaceuticals exports from India from the Pharmaceuticals Export Promotion Council of India, supported by the Department of Commerce, Government of India. Approximately 70.83% of our total revenues were attributable to export of our products for fiscal 2015.

We have a strong focus on research and development for developing user-friendly products to expand our existing product portfolio, improving existing processes and productivity and developing processes for environmentally friendly products. Our in-house research and development facility at Faridabad has been approved by the Department of Scientific and Industrial Research, Ministry of Science and Technology, Government of India ("DSIR"). Based on the efforts of our research and development division, we have

successfully been granted 95 product and process patents globally and have also filed for grant of an additional 280 patents in India and worldwide. We have also developed a number of safety medical devices across product lines, including Safety I.V. cannula and Safety scalp vein sets within the infusion therapy vertical, Safety blood collection sets within the blood collection vertical and Safety fistula needles within the dialysis vertical.

Our Business

We currently have five manufacturing facilities across India and China. In India, we have four manufacturing facilities, two of which are situated at Faridabad, Haryana, and one each in Jaipur, Rajasthan and Haridwar, Uttarakhand. One of our facilities in Faridabad has been inspected by the USFDA under the Quality System/Good Manufacturing Practices ("QS/GMP") Regulation. Further, our Indian manufacturing facilities have been accredited with several international quality certifications, including CE mark certificates for quality management systems and management system certificates for compliance with ISO 9001:2008/ISO 13485:2003 by Det Norske Veritas (DNV), Norway. Our manufacturing facility in China is certified to be compliant with Korea Good Manufacturing Practices by the Korea Food and Drug Administration ("Korea FDA") and has been accredited with a CE mark certificate for its products and EN ISO 13485:2012 for its quality management system by TÜV Rheinland LGA Products GmbH. In addition, we hold a 23% equity interest in Ultra for Medical Products, Egypt, that operates a manufacturing facility in Assuit, Egypt for disposable medical devices, which is also accredited with CE mark certificates and ISO 9001:2008/ISO 13485:2003 by SGS United Kingdom Ltd.

Over the years, we have developed an extensive sales and distribution network across India. As of March 31, 2015, our distribution network included over 20 distributors and over 900 dealers with a pan-India presence. We believe we have developed long term relationships with a majority of our distributors. Our sales division is also involved in creating awareness of our products in over 3,000 private and government hospitals and nursing homes across India. We supply our products to over 90 countries in Europe, south-east Asia, the Middle East, South and Central America and Africa through over 125 distributors in these jurisdictions.

Our Operations

Our manufacturing facilities situated in India and China. In addition, we hold a 23% equity interest in Ultra for Medical Products, Egypt, that operates a manufacturing facility in Assuit, Egypt for disposable medical devices.

Our Products

Our current product portfolio comprises of over 100 varieties of disposable medical devices which are broadly divided into eight product verticals. Infusion Therapy, Anesthesia, Urology, Gastroenterology, Blood Management and Blood Collection, Surgery and Wound Drainage, Dialysis and Central Venous Access Catheters.

We also seek to further develop our portfolio of safety medical devices in several product verticals and foray into new product verticals with a focus on developing and manufacturing critical care medical devices.

Our Manufacturing Facilities

India

We currently operate four manufacturing facilities in India, two of which are located at Faridabad, Haryana, one at Jaipur, Rajasthan and one at Haridwar, Uttarakhand. Our manufacturing facilities located at Faridabad, Haryana commenced commercial operations in fiscal 1997 and fiscal 2004 and are spread over a total area of 3,720 square meters and 7,920 square meters, respectively. Our manufacturing facility located at Haridwar, Uttarakhand commenced commercial operations in fiscal 2008 and is spread over an area of 3,825.00 square meters. Our manufacturing facility in Jaipur, Rajasthan commenced commercial operations in fiscal 2015 and is spread over a total area of 31,211.74 square meters.

Each of these four manufacturing facilities include a clean room area, aggregating to a total area of 9,753.59 square meters, which is a controlled environment designed to prevent contamination of our products during production.

China

We operate our manufacturing facility in Laiyang-Qingdao, China, through Poly Medicure (Laiyang) Co. Ltd, our wholly owned subsidiary. This facility commenced commercial operations in fiscal 2010 and is spread over an area of 10,913 square meters. The total manufacturing area includes a clean room area of 1,006.40 square meters.

Egypt

We hold a 23% equity interest in Ultra for Medical Products, Egypt, that operates a manufacturing facility in Assuit, Egypt for disposable medical devices. This facility commenced commercial operations in fiscal 2004 and it is spread over an area of 12,500 square meters.

Manufacturing Process

Our manufacturing process comprises of using raw materials in moulding or Extrusion. The moulded

components and tubes are checked dimensionally and functionally through testing equipments, following which components are assembled, including by using assembly machines. The samples are tested and the products are packed using special packaging machines and subsequently packed in boxes. Thereafter, the final products undergo sterilization and quality checks.

Manufacturing Technology

We use different technologies for manufacturing different medical devices, including injection molding, extrusion, insert molding, blow molding, ultrasonic welding, UV bonding and laser welding and we have expertise in handling different kind of specialized plastic materials. We have over 150 injection molding extrusion lines across all our manufacturing facilities.

The manufacturing of components takes place on highly advanced PLC controlled plastic injection moulding machines, which is a high technology and generates minimal scrap. Tubes are produced on highly accurate extruders with good yield. Our assembly machines are built-in with poka-yoke features and vision inspection (smart camera) systems. Our tool manufacturing facility is equipped with CNC controlled machines which enables accurate and efficient control over fabrication of moulds. We believe our flexible production platform, broad machining capabilities and Design for Manufacturing (DFM) best practices enables us to manufacture a wide range of products and meet changing conditions with efficiency while ensuring high quality products and increase in production volume with minimal additional investment.

Research and Development

We operate a research and development center at Faridabad, Haryana which is approved by DSIR. Our research and development efforts are primarily focused on developing new products within existing as well as new critical care product verticals, with a focus on fluid management within non-communicable diseases segment, and further improving existing processes and productivity. As a result of our intensive research and development activities, we have successfully been granted 95 product and process patents and have also filed for grant of an additional 280 patents in India and worldwide, including in the United States of America, Europe and the United Kingdom, South Africa, Russia, China and Australia.

Our research and development center is equipped to undertake rapid prototyping, process validation and customization of products. Through our research and

development initiatives, we also seek to minimize process wastage and develop environmentally friendly products by using biodegradable materials.

Sales and Distribution Network

We also have a country-wide sales and distribution network in India which enables us to have a wide market base. As of March 31, 2015, our distribution network included over 20 distributors and over 900 dealers. We believe we have developed long term relationships with a majority of our distributors.

In addition to our distribution network, our sales & marketing division comprising of over 150 employees, as of March 31, 2015, is involved in the creating awareness of our products in over 2,000 private and government hospitals, including by conducting continuing medical education programmes in several hospitals.

Financial Performance

Income

Our total revenues comprise revenue from operations (sale of products and other operating revenues, net of excise duty paid or payable) and other income (including interest income, dividend income and other non-operating income). Total revenue increased by 23.25% from ₹ 32,329.93 lacs in fiscal 2014 to ₹ 39,846.75 lacs in fiscal 2015 primarily due to growth in our revenue from operations, for reasons described below.

Revenue from Operations

Gross revenue from operations increased by 20.83% from ₹ 32,700.66 lacs in fiscal 2014 to ₹ 39,513.69 lacs in fiscal 2015 and our net revenue from operations increased by 21.13% from ₹ 32,224.82 lacs in fiscal 2014 to ₹ 39,034.70 lacs in fiscal 2015, which was primarily due to increased sales of our products.

Sale of products, net of excise duty, increased by 21.67% from ₹ 31,950.43 lacs in fiscal 2014 to ₹ 38,875.19 lacs in fiscal 2015 (which constituted sale of manufactured goods of ₹ 38,155.11 lacs and sale of traded goods of ₹ 720.08 lacs), primarily on account of increase in sales of our products, including from the continued sale of our medical devices Infusion therapy products and blood management products, and due to increase in manufacturing capacity pursuant to setting up of our manufacturing facility in Jaipur (Rajasthan) in fiscal 2015.

Other operating revenues decreased by 14.89% from ₹ 750.23 lacs in fiscal 2014 to ₹ 638.50 lacs in fiscal 2015.

Other Income

Other income increased from ₹ 105.11 lacs in fiscal 2014 to ₹ 812.05 lacs in fiscal 2015 primarily on account of increase in interest income, gains on net foreign exchange fluctuations and gains on fixed assets sold/discarded.

Expenses

Our total expenses increased by 23.48% from ₹ 24,800.28 lacs in fiscal 2014 to ₹ 30,622.42 lacs in fiscal 2015.

Cost of raw materials including packing materials consumed and purchase of stock-in-trade

Cost of raw materials including packing materials consumed (which includes plastic granules, PVC sheets, boxes, medical paper and film) and purchase of stock-in-trade increased by 31.80% from ₹ 11,119.22 lacs in fiscal 2014 to ₹ 14,655.41 lacs in fiscal 2015 due to increased production. As a percentage of our total revenue, cost of raw materials including packing materials consumed and purchase of stock-in-trade increased from 34.39% in fiscal 2014 to 36.78% in fiscal 2015.

Changes in inventories of finished goods, work-in-progress and stock-in-trade

Our change in inventory of finished goods, work-in-progress and stock-in-trade, increased by 19.71% from ₹ 332.42 lacs in fiscal 2014 to ₹ 397.94 lacs in fiscal 2015, primarily on account of increase in our volume of sales.

Employee Benefit Expenses

Employee benefit expenses increased by 23.13% from ₹ 5,278.52 lacs in fiscal 2014 to ₹ 6,499.18 lacs in fiscal 2015, primarily due to an increase in the salaries, wages and bonus, and on account of increase in the number of full time employees from 1,478 as on March 31, 2014 to 1,586 as on March 31, 2015.

Research and development expenses

Research and development expenses increased from ₹ 592.38 lacs in fiscal 2014 to ₹ 846.66 lacs in fiscal 2015, primarily on account of increase in net cost of components and material consumed for research and development, which increased by 62.29% from ₹ 361.35 lacs in fiscal 2014 to ₹ 586.45 lacs in fiscal 2015. As a percentage of our total revenue, research and development expenses increased from 1.83% in fiscal 2014 to 2.12% in fiscal 2015.

Other Expenses

Other expenses increased by 10.76% from ₹ 8,142.58 lacs in fiscal 2014 to ₹ 9,019.11 lacs in fiscal 2015, primarily on

account of increase in job work charges, power and fuel expenses and other manufacturing expenses.

Earnings before interest, tax, depreciation and amortization Our EBITDA increased by 22.51% from ₹ 7,529.65 lacs in fiscal 2014 to ₹ 9,224.33 lacs in fiscal 2015.

Depreciation and amortization expenses

Our depreciation and amortization expenses increased by 33.55% from ₹ 1,405.50 lacs in fiscal 2014, to ₹ 1,877.09 lacs in fiscal 2015, primarily on account of depreciation on setting up of our manufacturing facility in Jaipur (Rajasthan) in fiscal 2015 and increase in gross block. Further, with effect from April 1, 2014, our Company has revised the estimated useful life of all of its fixed assets in accordance with Schedule II of the Companies Act, 2013.

Finance costs

Our finance costs increased by 3.64% from ₹ 800.73 lacs in fiscal 2014, to ₹ 829.85 lacs in fiscal 2015, primarily on account of increase in borrowings.

Exceptional item

We realized an exceptional gain in fiscal 2015 of ₹ 1,957.80 lacs due to receipt of one time settlement amount on account of termination of a contract.

Profit Before Tax

Our profit before tax increased by 34.21% from ₹ 6,314.88 lacs in fiscal 2014 to ₹ 8,475.19 lacs in fiscal 2015, largely due to the factors discussed above.

Tax Expenses

Tax expenses increased by 20.82% from ₹ 1,911.88 lacs in fiscal 2014 (which consisted of current tax of ₹ 1,766.47 lacs, tax adjustment for earlier years of ₹ 1.75 lacs, deferred tax of ₹ 168.31 lacs and MAT credit for earlier years of ₹ 24.65 lacs) to ₹ 2,309.90 lacs in fiscal 2015 (which consisted of current tax of ₹ 2,055.34 lacs, tax adjustment for earlier years of ₹ 2.35 lacs and deferred tax of ₹ 252.21 lacs) primarily due to an increase in the profit for fiscal 2015.

Profit for the Year

For the various reasons discussed above, profit for the year increased by 40.03% from ₹ 4,403.00 lacs in fiscal 2014 to ₹ 6,165.29 lacs in fiscal 2015. As a percentage of our total revenue, profit for the year increased from 13.62% in fiscal 2014 to 15.47% in fiscal 2015.

Share of profit from associates

Share of profit from our associate UMP decreased by 37.03% from ₹ 106.38 lacs in fiscal 2014 to ₹ 66.99 lacs in

fiscal 2015, due to tax paid by our UMP in 2015, which was exempt from taxation for the previous years.

Net profit for the year

For the various reasons discussed above, net profit for the year increased by 38.21% from ₹ 4,509.38 lacs in fiscal 2014 to ₹ 6,232.28 lacs in fiscal 2015. As a percentage of our total revenue, profit for the year increased from 13.95% in fiscal 2014 to 15.64% in fiscal 2015.

All financial performances are based on consolidated basis.

Risks Relating to Our Business and Operations

Our manufacturing facilities are subject to risks, including disruptions in or lack of infrastructure facilities and obsolete plant and machinery, which could increase our manufacturing costs or interrupt our operations and adversely impact our reputation, sales and strategies.

We operate four manufacturing facilities in India and one manufacturing facility in China, operated by our wholly owned subsidiary Poly Medicure (Laiyang) Co. Ltd, China ("PMLCL"). In addition, we hold a 23% equity interest in Ultra for Medical Products, Egypt ("UMP") that operates a manufacturing facility in Assuit, Egypt for disposable medical devices. Our manufacturing facilities are subject to operating risks, such as breakdown or failure of equipment, shortage of power supply, obsolescence of equipment or machinery, labour disputes, natural disasters, industrial accidents including fire hazards and the need to comply with regulatory requirements and quality control systems of various jurisdictions. These facilities are required to comply with quality control systems of various jurisdictions, including, current good manufacturing practices ("cGMP"), as prescribed under the Drugs and Cosmetics Rules, 1945, as amended ("DCR") and standards stipulated by other regulatory agencies where we manufacture and sell our products, CE Mark and ISO 13485 in the European Union. Our distributors rely on the timely delivery of our products and our ability to provide an uninterrupted supply of our products is critical to our business. Any disruption at our manufacturing facilities on account of any of these factors could result in interruption in our manufacturing process and delay the delivery of products to our distributors. Further, any labor disruptions or delay in delivery of equipment by our suppliers or any disruption in the power supply, for which we rely on local utilities, may result in us breaching our product deadlines and thereby, materially adversely affecting our business, cash flows, financial conditions and results of operations.

We are exposed to foreign currency exchange rate fluctuations, which may harm our results of operations.

Our financial statements are presented in Indian Rupees. However, our revenues, expenditure and finance charges are influenced by the currencies of those countries where we sell our products (for example, countries in Europe, south-east Asia, the Middle East, South and Central America and Africa), to a limited extent by currencies of countries from where we procure our raw material from various geographies and the country where our Subsidiary is located. The exchange rate between the Indian Rupee and these currencies, primarily the U.S. Dollar and the Euro, have fluctuated in the past and our results of operations have been impacted by such fluctuations in the past and may be impacted by such fluctuations in the future.

Quantitative and qualitative disclosure about 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. Market prices are subject to commodity price risk, foreign exchange risk and interest rate risk.

The financial instruments that are affected by these include loans and borrowing, deposits, available-for-sale investments and derivative financial instruments. We, from time to time, undertake analysis in relation to the amount of our net debt, the ratio of fixed to floating interest rates of our debt and our financial instruments that are in foreign currencies.

Related party transactions

We have, in the ordinary course of our business, entered into transactions with certain related parties. For instance, we outsource certain of our manufacturing to and purchase raw material from Vitromed, a promoter group entity. Additionally, we also, sell finished goods and lease property to Vitromed.

While, in our view, all such related party transactions that we have entered into are legitimate business transactions conducted on an arms' length basis.

Opportunity

The GoI Report on Medical Devices Sector in India has identified certain key growth factors in respect of medical devices sector and classified them into market and non-market based factors. Market based factors include growing population, ageing, income base and associated disposable income, increasing socio-economic inclusion of rural and deprived in the mainstream economy, heightened manufacturing innovation to create customized products to meet needs of all income segments, changing disease prevalence pattern and growing awareness among the middle class to focus on early detection and disease prevention. Non-market based factors include development

of infrastructure, favourable regulations, FDI inflow, outsourcing of manufacturing and research and development activities to India and Government initiatives to improve healthcare access through insurance schemes. However, lack of a regulatory system, harmonized standards, accreditation, legal requirements, proper guidance on quality and best practices, amongst other factors have adversely affected the growth of the medical devices sector (Source: GoI Report on Medical Devices Sector in India).

The BMI Report on Indian Medical Devices expects the market for disposable medical devices to grow at a CAGR of 13.8% overall, with the market for needles, catheters, cannulae, etc. to grow at a CAGR of 13.2%, between 2013 and 2018.

Growing Middle Class and Urban Healthcare

The population in India is growing at a rate of 1.2% p.a. with a middle class population of approximately 300 million, having access to high quality healthcare including some of the best healthcare facilities in the world. In the urban areas, wherein 30% of the Indian population resides, the private sector is the dominant healthcare provider accounting for approximately 60% of the hospitals and 75% of advanced medical technology. High quality and high technology products are sought after in such areas. An estimated 95% of all new hospital beds in recent years were created in the private sector and future demand for medical devices is expected to continue from private sector hospitals and medical centers (Source: BMI Report on Indian Medical Devices).

Increased Government Expenditure on Healthcare

The Draft National Health Policy, 2015 endorses the "Make in India" national agenda with respect to encouraging domestic production of medical devices to increase access. The Draft National Health Policy, 2015 calls for public procurement policies and public investment in research to support development of robust medical equipment for use in rural and remote areas (Source: BMI Report on Indian Medical Devices).

Improved Regulatory Environment

Although the market for medical supplies and disposable medical devices is dominated by domestic manufacturers, further development is hampered by an opaque regulatory environment and a lack of specific regulations covering medical devices and the medical devices sector has remained unregulated for long time. However, the GoI has formulated the DCA Amendment that aims to regulate medical devices and establish a Medical Devices Technical

Advisory Board, in line with the existing Drugs Technical Advisory Board (Source: BMI Report on Indian Medical Devices).

Increasing Health Insurance Cover

Currently, only 25% of the population has health insurance cover through various schemes for government employers and workers, along with the Gol run scheme known as the Rashtriya Swasthya Bima Yojana ("RSBY") for those living below the poverty line which, is jointly funded by the Gol and state governments. The Gol has targeted increasing of health insurance cover to 75% under the 12th Five Year Plan (2012-17) and bring 70 million families under the RSBY by 2017, from the current 35 million families, living below the poverty line, with the long term objective of covering the entire population living below the poverty line.

Gol is also seeking to increase acceptance of private health insurance by increasing the limit for tax relief on health insurance premium from ₹ 15,000 to ₹ 25,000, with a higher limit of ₹ 30,000 for senior citizens. Currently, only 5% of the population has private health insurance, rising to 15% in certain urban areas. BMI believes that the number of people opting for private health cover would require to increase significantly for the Gol to attain the target of health insurance cover for 2017 (Source: BMI Report on Indian Medical Devices).

Human Resources

Our employees contribute significantly to our business operations. As of March 31, 2015, our Company had 1,586 employees, including over 75 engineers.

We place significant emphasis on the recruitment and retention of our personnel and provide continuous training for employees to achieve high quality skills. Our employees are not unionized and our operations have not been interrupted by any work stoppage, strike, demonstration or other labour or industrial disturbance. We have not experienced any industrial disputes. In addition to salary and allowances, we provide our employees benefits which include yearly leave and retirement benefits.

Insurance

We maintain insurance policies with reputed independent insurers in relation to our business and operations and our assets such as our buildings, equipment and inventories. Our principal types of insurance coverage include directors and officers insurance, product liability insurance to cover risks arising from injuries or damages caused by our products, standard fire and special perils insurance for our plants and machineries and buildings at our manufacturing

facilities to cover risks such as fire and other ancillary perils and marine cargo policy to cover various risks during the transit of goods anywhere in the country or overseas. We also maintain group personal accident insurance and group mediclaim policy for our employees. Our operations are subject to hazards inherent in our industry and other force majeure events. This includes hazards that may cause injury and loss of life, damage and destruction of property, equipment and environmental damage. Not all risks associated with our business and operations may be insurable, on commercially reasonable terms, or at all. Although we believe that the amount of insurance currently maintained by us represents an appropriate level of coverage required to insure our business and operations, and is in accordance with industry standards in India, such insurance may not provide adequate coverage in certain circumstances and is subject to certain deductibles, exclusions and limits on coverage.

Our Strengths

Established presence in the Indian disposable medical devices industry with a diversified product portfolio.

We believe we are a leading company in the disposable medical devices industry in India with over 18 years of experience. We have a diversified product portfolio with over 100 varieties of disposable medical devices in product verticals of infusion therapy, central venous access catheters, anesthesia, blood management and blood collection, urology, surgery and wound drainage, gastroenterology and dialysis and certain veterinary disposable devices. Infusion therapy is our key product vertical, which contributed to approximately 69% of our net revenue from operations in fiscal 2015. Our diversified product portfolio enables to cross-sell our products, thereby increasing our market share across product verticals and also bolstering our relationship with our primary customers, hospitals and clinics. We have also developed a number of safety medical devices across product lines. With our existing product offering of safety medical devices in various product lines and our increasing focus on developing such products in the future, we believe we are well-positioned to benefit from increasing private and public investment in healthcare and growing demand for quality healthcare.

We believe that our focus on innovation, safety and quality, product range and competitive pricing have enabled us to develop strong brand recognition in the Indian market and internationally.

Experienced management team and skilled employee base

Our business operations are led by an experienced and qualified management team. Our Promoter Directors, Mr. Himanshu Baid and Mr. Rishi Baid are qualified engineers and have over 18 years of experience in the disposable medical devices business. We believe that our Promoters' skills, experience and industry relationships have been instrumental to our growth thus far, and will continue to drive our future growth.

Our senior management team has extensive experience in the medical devices manufacturing industry, including in operations, quality assurance and human resource management. Our management and technical personnel are supported by other skilled workers who benefit from regular training initiatives. Our personnel policies are aimed towards recruiting talented individuals, facilitating their integration and promoting the development of their skills. We believe that our qualified and experienced management and technical teams provide us significant competitive advantage and enable us to function effectively and efficiently.

Our Strategies

Enhance our manufacturing capabilities and expand our product portfolio to leverage industry growth drivers. The market for syringes, needles and catheters within the disposable medical devices industry is expected to grow at a CAGR of 13.8% between 2013 and 2018, according to the BMI Report on Indian Medical Devices. We expect the growth prospects of the Indian medical devices industry to be further heightened by recent government initiatives permitting up to 100% FDI through the automatic route in the medical devices sector and the 'Make in India' campaign which aims to increase manufacturing share of GDP to 25% by 2022. We believe that the growth of the medical devices sector is driven by factors such as rising prevalence of lifestyle diseases, government initiatives aimed at improving healthcare access, expected shift in demographics with rising proportion of ageing population and increasing demand for quality healthcare.

In order to capitalize on growth opportunities in this sector, we seek to invest in physical and operational infrastructure to expand our manufacturing capabilities with a focus on diversifying our product portfolio. In tandem with continued improvement of capacity utilization at our existing facilities, one of the key objectives for enhancing our manufacture capabilities is to expand our product offering by introducing new products in existing as well as new high-margin critical care product verticals. We seek to

further leverage the expected increase in demand for quality healthcare by increasing our focus on developing, manufacturing and marketing safety medical devices across product verticals.

We believe that enhancing our manufacturing capabilities and further diversifying our product portfolio will enable us to capitalize on expected growth opportunities in this sector and increase our market share in the domestic and international markets.

Continue to focus on research and development to enhance innovation

We intend to continue our initiatives in research and development, with a focus on development of new products in order to foray into new product verticals as well as to expand our product offering in existing product verticals and further improve existing processes and production cost efficiency. We expect to make investments in research and development across new products in existing as well as new critical care product verticals.

Increase market share in domestic and international markets

We seek to increase our overall domestic market share by undertaking extensive marketing and brand awareness activities, including by increasing the strength of our sales team and by conducting continuing medical education programmes in a larger number of hospitals. We also seek to increase our profitability from sales in the domestic market, by rationalizing our manufacturing, sales and marketing costs, through optimization of our marketing and distribution capabilities and identification of new products complementing our existing product portfolio.

In order to increase our presence in international markets, we intend to increase our geographical penetration in the European, American and Asian markets by effectively leveraging our distribution network, including by adding new distributors in certain markets.

Expansion through strategic initiatives

As a part of our growth strategy, we believe that strategic investments and acquisitions of businesses engaged in the disposable medical devices industry may act as an enabler of growing our business. We may also pursue selected strategic alliances, including joint ventures, and potential strategic acquisitions, particularly in developed markets, which will complement our business and operations, including opportunities to acquire technology and know-how.

Competition

We sell our products in highly competitive markets. Certain competitors may be larger than us and may have significantly greater financial resources than us. As a result, to remain competitive in our markets, we continuously strive to reduce our costs of production and distribution and improve our operating efficiencies. The key players in the disposable medical devices industry consist mainly of multi-national companies such as B. Braun, Johnson & Johnson, Becton Dickinson, Baxter India, Schiller Healthcare India,

Terumo, Nipro Corporation and Smith & Nephew and Indian companies such as Hindustan Syringes and Medical Devices Limited, Sutures India Private Limited, Relisys Medical Devices, South India Surgical Company and Romsons etc.

Corporate Social Responsibility

Our Company is actively involved in social initiatives which include several educational initiatives, including for imparting education to blind children, supporting mid day meal scheme in various schools as well as providing relief supplies in disaster prone areas.

Annexure-10

A. Conservation of Energy

The Company has considered sustainability as one of the strategic priority across all process. The company has been consciously making efforts year on year towards improving the energy performance. Energy efficiency improvement initiatives have been implemented across all the Plants and Offices.

a) During the year, the Company has taken the following initiatives for conservation of energy:

- i. Effective effluent and sewerage treatment, recycle and reuse of water,
- ii. Reduce, renew, recycle of waste and eco-friendly water disposal,
- iii. Use of Turbo Ventilators in place of electric exhaust fans resulting in conservation of energy,
- iv. Replacement of conventional lamps/lights with LED lamps/lights,
- v. DG Set voltage optimization and power factor improvements,
- vi. Cycle time reduction in various manufacturing processes through introduction of new technology and kaizens,
- vii. Energy conservation week drive at all Plants,
- viii. Air audit conducted time to time to plug air leakages.

b) Additional Investments and proposals, if any, being implemented for reduction of consumption of energy:

- i. Purchasing of power from open access at Faridabad location instead of running DG resulting in diesel consumption reduction and cost savings,

- ii. Installation of Online UPS for all critical Machines to reduce wastage of Raw Materials, and
- iii. Installed energy efficient Chillers to reduce energy consumption.

c) Impact of measures in (a) & (b) above for reduction of energy consumption and consequent impact on the cost of production of goods:

The above measures helped in reduction of power consumption and shall continue to help in reduction of power & fuel, air and water consumption.

- d) Total energy consumption percent of production - As per Form - 'A' attached.

B. Technology Absorption

Efforts made in technology absorption -As per Form - B' attached.

C. Foreign Exchange Earnings and Outgo

Activities relating to export, Initiative taken to increase exports, development of new products and service and export plans:

The Company continues to keep its focus on widening of new geographical area to augment its exports. The Company is regularly participating in major overseas exhibitions, which are very helpful in improving the visibility of various products in International markets and widening its customer base.

Foreign Exchange used and earned

		(₹ in lacs)	
	Particulars	2014-15	2013-14
(a)	Foreign Exchange Used	14,069.80	10,828.94
(b)	Foreign Exchange Earned	28,133.58	21,440.09

FORM-A

Form for disclosure of particulars with respect to conservation of energy

	PARTICULARS	31.03.2015	31.03.2014
A.	POWER AND FUEL CONSUMPTION		
	1. Electricity:		
	a) Purchased Unit (Kwh)	15,308,033	13,022,764
	Total Amount (₹ in lac)	1,110.26	853.47
	Rate/Unit (₹)	7.25	6.55
	b) Own Generation:		
	i) Through Diesel Generator		
	Units Generated (Kwh)	750,533	12,68,301
	Units per liter of Diesel Oil	3.25	3.39
	Cost per unit (₹)	17.39	14.61
	ii) Through furnace Oil Generator	-	-
	Units Generated (Kwh)	-	-
	Units per liter of Diesel Oil	-	-
	Cost per unit (₹)	-	-
	iii) Through Steam Turbine/Generator (Unit-Kwh)	-	-
	Units Generated (Kwh)	-	-
	Units per liter of Diesel Oil	-	-
	Cost per unit (₹)	-	-
	2. Coal (Specify quality and where used):	-	-
	Quantity (Tonnes)	-	-
	Total Cost (₹ In Lac)	-	-
	Average Rate (₹/Tonne)	-	-
	3. Diesel/Furnace Oil:		
	(a) Diesel:		
	Quantity (K. Ltrs)	2,30,890	3,73,568
	Total Cost (₹ in lac)	130.53	185.29
	Average Rate (₹/K. Ltrs)	56,535	49,600
	b) Furnace:		
	Quantity (K. Ltrs)	-	-
	Total Cost (₹)	-	-
	Average Rate (₹/K. Ltrs)	-	-
	4. Other internal Generation:		
	Quantity (K. Ltrs)	-	-
	Total Cost (₹)	-	-
	Average Rate (₹/K. Ltrs)	-	-
B.	CONSUMPTION PER UNIT OF PRODUCTION		
	Products- Medical Devices (Nos. in lac)	6817.03	5,534.32
	Electricity (Kwh) per Lac Nos.	2355.65	2,582.26
	Furnace Oil (Ltrs.)	-	-
	Coal	-	-
	Others	-	-

FORM-B

Research and Development

1. Specific Area in which R&D carried out by the Company

During the year, the R&D Centre of the Company was engaged in supporting all the businesses through innovations and undertook multifold research activities including:

- Development of new design, processes and models,
- Evaluation and development of new sources for various materials, and
- Development of new techniques in making process improvements.
- Carrying out ongoing research,
- Development of cost effective process for manufacturing of medical devices,
- Quality up gradation of existing medical devices,
- Optimization of products and processes to minimize waste generation and reduce environment and safety concerns,
- Introducing new products in existing production lines,
- Developing new analytical methods,
- Developing new design and products based on customer/market requirements,
- Application of New Raw Materials for better performance of the products,
- Import substitution and identification of new raw materials for development,

2. Benefits derived as a result of the above R&D

The Research and Development activities are coordinated in fully equipped Research and Development division. Some of the benefits derived as a result of Research and Development are as follows:

- Development and commercialization of new products,
- Constant up gradation and adoption of new technology has benefited the Company in form of better production processes, yield and quality,
- Reduction of cycle time in manufacturing process and material consumptions,
- Indian and International Patent filings for Protection of Intellectual Property generated through R&D activities,
- Internationally competitive prices and product quality,
- Improved Productivity /Process efficiencies,
- Significant quality improvement in existing products, and
- Enhanced Global presence/visibility.

3. Future plan of action

Your Company considers the importance of development of technical capabilities to sustain its competitive position in the market place. In order to address the needs of the customers in a rapidly changing market place, the Company will continue to strengthen its technical programmes and the skills of its technical personnel. Some of the future plans are as follows:

- Commercialization of new products for which the products are under trials at development stage. Several new products have been identified after a thorough study of the market and the process to manufacture these products will be developed through R&D,
- Continuing Strengthening the Research Infrastructure and capabilities complying international norms,
- Continue to develop cost effective and environment friendly processes for manufacturing of high quality Medical Devices,
- Continuing augmenting R&D capabilities and productivity through technological innovation, use of modern scientific and technological techniques, training and development, benchmarking and global networking,
- Explore new area of technology for providing low cost solutions to customers, and
- Enhance National and International Research networking and strategic alliances.

(₹ in Lacs)			
	Expenditure on Research & Development	Year Ended 31.03.2015	Year Ended 31.03.2014
(a)	Capital	58.18	98.11
(b)	Revenue	846.66	592.38
	Total	904.84	690.49
	Total Research and Development Expenditure as percentage of total turnover.	2.39%	2.18%

i. Technology Absorption, Adaption and Innovation Efforts in brief made towards technology absorption, adaption and innovation:

The Company has full-fledged Research and Development division which is continuously engaged in Research and Development of new & existing products and processes. The Company has also developed indigenous technology for the products manufactured by it. As soon as the technology is developed for a product, it is tested by Research and Development division and thereafter commercial production is taken up. It is the philosophy of the Company to continuously upgrade the technology.

ii. Benefits derived as results of the above efforts:

New products were developed and commercialized during the year. Efforts in process optimization led to cost reduction. This helped the businesses to remain cost competitive. Batch sizes and cycle times were optimized for better efficiency and manufacturing equipments were modified for overall improved productivity.

iii. In case of imported technology (imported during the last 5 years reckoned from the beginning of the Financial Year), following information may be furnished:

a) Technology Imported.	No Imported Technology
b) Year of Import.	
c) Has the technology been fully absorbed.	
d) If not fully absorbed, areas where these has not being taken place, reasons thereof and future plans of action.	

REPORT ON CORPORATE GOVERNANCE

In accordance with Clause 49 of the Listing Agreement with BSE Limited (BSE) and the National Stock Exchange (NSE) and some of the best practices followed on Corporate Governance, the Report covering the details of Corporate Governance systems and procedures at Poly Medicure Limited is as follows:

The Company's Frame Work and Guidelines on Corporate Governance

Corporate Governance is a set of systems, procedures and principles, which insure that the Company is governed in the best interest of all stakeholders. It is about promoting fairness, equity, transparency, accountability and respect for laws. The aim of Good Corporate Governance is to manage affairs of the Company in a transparent manner in order to maximize long term value of the Company for the benefit of its shareholders and all other stakeholders.

At Poly Medicure Limited, Corporate Governance is an ongoing process and the Company continuously strives to improve upon its practices in line with the changing demands of the business environment. These governance structures and systems are the foundation that provides adequate empowerment across the organization helping leverage opportunities for rapid sustainable growth for the Company. The Company believes that the practices create the right corporate culture that fulfils the basic objectives of good Corporate Governance.

Corporate Governance rests upon the four pillars of transparency with full disclosures, empowerment down the line, independent monitoring and fairness to all stakeholders. In its pursuance of Corporate Governance and policies, the Company has always strived to promote healthy corporate structure and practices, which ensure that:

- A competent management team is at the helm of the affairs,
- The Board is strong with an optimal combination of Executive & Non-Executive (including Independent) Directors, who represent the interest of all the stakeholders,
- The Board is effective in monitoring and controlling the Company's affairs and
- The management and employees have a sustained working environment.

Proactive review of Governance practices and standards

As stated, the Company proactively reviews its governance and standards inter-alia considering best practices and regulatory developments. During the year, under review, the following significant developments took place on the governance front:

Policy on Related Party Transactions: The Board of the Company has framed a Policy on Related Party Transactions; all related party transactions must be reported to the Audit Committee and referred for approval by the Committee in accordance with this Policy.

Vigil Mechanism/ Whistle-Blower Policy: The Board of the Company has framed a Vigil Mechanism/ Whistle-Blower Policy. The Vigil Mechanism guide Directors and Employees to report genuine concerns about unethical behavior, actual or suspected fraud or violation of the Code of Conduct or policy. The Company is committed to adhere to the highest standards of ethical, moral and legal conduct of business operations and in order to maintain these standards, the Company encourages its employees who have genuine concerns about suspected and/or actual misconduct to come forward and express these concerns without fear of punishment or unfair treatment.

The Board of Directors (BOARD)

Composition of the Board of Directors

As on March 31, 2015, the Company has nine Directors of which, seven are Non-executive Directors including five Independent Directors. The Board has one Women Director. The Composition of the Board is in the conformity with Clause 49 of the Listing Agreements entered into with the Stock Exchanges. None of the Directors on the Board is Member of more than ten committees or Chairman of more than five committees across all the companies as on March 31, 2015 for which confirmation have been obtained from the Directors. Chairmanships/Memberships of the Board committees include only Audit Committee and Stakeholders' Relationship Committee.

Mr. Devendra Raj Mehta

Mr. Devendra Raj Mehta, aged 78 years, is our Chairman and a non-executive, Independent Director of our Company. He holds a bachelor's degree in economics and law and is a retired officer of the Indian Administrative Services. Further, he is an alumnus of Alfort Sloan School of Management, Massachusetts Institute of Technology, Boston, USA and the Royal Institute of Public Administration, London, United Kingdom. He has over 44 years of experience in civil services. Prior to joining our

Board, he has held positions including, chairman of SEBI, deputy governor of RBI and Director General of Foreign Trade, Goland has held various positions with the Government of Rajasthan and the Gol. He has been on our Board since May 26, 2005.

Dr. Sohan Raj Mohnot

Dr. Sohan Raj Mohnot, aged 86 years, is a non-executive, Independent Director of our Company. He holds a bachelor's degree in commerce from University of Allahabad and a doctor of philosophy in commerce from University of Allahabad. He is also a certified management consultant, fellow of the Management Consultants of India and a fellow of the Indian Society of Training and Development. He is an economist and an international management consultant. He has over 50 years of experience in the field of corporate management, economics development and policies and management consultancy. He has previously worked with the United Nations Industrial Development Organization and the United Nations Development Programme as an industrial economist and team leader. He was also associated with the Asian Development Bank as an industrial consultant. He is currently the chairman of Centre for Industrial and Economic Research, a not for profit organisation and the managing director of Industrial Techno-Economic Services Private Limited. He has been our Board since September 22, 1997.

Mr. Jugal Kishore Baid

Mr. Jugal Kishore Baid, aged 73 years, is a non-executive Director of our Company. He holds a bachelor's degree in science (mechanical engineering) from Birla Institute of Technology, Mesra, Ranchi. He has over 46 years of experience in engineering and has undertaken various industrial training programmes with engineering companies. Prior to joining our Board, he was associated with Hyderabad Allwyn Metal Works and Jai Polypan Private Limited. He was involved in setting up the rotational molding technology in Rajasthan for manufacture of multi layered and foam filled water storage containers under the brand name "Polypan". He has been associated with our Company since incorporation.

Mrs. Mukulika Baid

Mrs. Mukulika Baid, aged 65 years, is a non-executive Director of our Company. She holds a bachelor's degree in arts from Jodhpur National University. She has 15 years of experience in management and marketing. Prior to joining our Board she has been associated with Stillocraft and

Polycure Martech Limited and is associated with several non-profit organisations. She has been on our Board since July 30, 2014.

Mr. Yeshwant Singh Choudhary

Mr. Yeshwant Singh Choudhary, aged 72 years, is a non-executive, Independent Director of our Company. He holds a master's degree in engineering in the electronics from Birla Institute of Technology and Science, Pilani, Rajasthan, India. He has over 45 years experience in project planning and implementation and financial management. He has been a Director on our Board since February 17, 1997.

Mr. Prakash Chand Surana

Mr. Prakash Chand Surana, aged 68 years, is a non-executive, Independent Director of our Company. He is a qualified chartered accountant and is a member of the Institute of Chartered Accountants of India. He has over 40 years of experience in the field of taxation and corporate laws. He has been on our Board since September 22, 1997.

Dr. Shailendra Raj Mehta

Dr. Shailendra Raj Mehta, aged 56 years is a non-executive, Independent Director of our Company. He holds a bachelor's degree and a master's degree in arts from Delhi University, an M.Phil. from Balliol College Oxford and a doctorate of philosophy in economics from Harvard University. He has 25 years of experience in the field of management and economics. His research on simulation resulted in the creation of Hi-tech Company that was granted a patent in the United States. He was responsible for setting up a collaboration between Indian Institute of Management, Ahmedabad and Duke Corporate Education and was a professor of economics and strategy at Purdue University. He is currently the vice chancellor of Ahmedabad University. He has been on our Board since May 28, 2012.

Mr. Himanshu Baid

Mr. Himanshu Baid, aged 47 years, is the Managing Director of our Company. He holds a bachelor's degree in engineering (electronics and communication) from Karnatak University, Dharwad, India. He has over 18 years of experience in manufacture of disposable medical devices. He has been associated with our Company since incorporation.

Mr. Rishi Baid

Mr. Rishi Baid, aged 43 years, is an Executive Director of our Company. He holds a bachelor of science degree in mechanical engineering and a master's degree of science in mechanical engineering from West Virginia University, USA.

He has over 18 years of experience in manufacture of disposable medical devices. He has been associated with our Company since incorporation.

Number of Board Meetings

During the financial year ending 31st March 2015, the Board of Directors met Seven times on 1st April, 2014, 15th May, 2014, 30th July, 2014, 6th October, 2014, 5th November, 2014, 16th December, 2014 and 4th February,

2015. The maximum time gap between any two consecutive meetings did not exceed one hundred and twenty days. The names, designation & categories of the Directors on the Board, their attendance at respective Board Meetings held during the year and last Annual General Meeting and total number of Shares held by them in the Company are as under:

Details of the Board of Directors

Name of the Directors	Category of Directorship	No. of Board Meetings attended /held	Last AGM Attended	No. of Directorship in other Companies	Committee Positions* Member Chairman		No. of Shares as on 31 st March, 2015
Shri D.R. Mehta (DIN: 01067895)	Non Executive Independent Director	5/7	Yes	8	5	5	NIL
Dr. S.R. Mohnot (DIN: 00006889)	Non-Executive Independent Director	7/7	Yes	6	4	5	48,000
Shri J.K. Baid (DIN: 00077347)	Non-Executive Director	5/7	No	1	1	-	11,39,688
Shri P.C. Surana (DIN: 00361485)	Non-Executive Independent Director	7/7	Yes	2	4	-	10,920
Shri Y.S. Choudhary (DIN: 00006906)	Non-Executive Independent Director	7/7	Yes	-	4	-	4,000
Dr. S.R. Mehta (DIN: 02132246)	Non-Executive Independent Director	5/7	Yes	3	3	-	NIL
Shri Himanshu Baid (DIN: 00014008)	Managing Director	7/7	Yes	7	4	-	40,37,312
Shri Rishi Baid (DIN: 00048585)	Executive Director	7/7	Yes	4	2	1	49,13,024
Smt. Mukulika Baid #	Non-Executive Director	3/7	No	-	-	-	15,31,200

*Chairmanship/Membership of Audit Committee and Shareholders' Grievance Committee in Public Companies including Poly Medicure Limited has been considered.

Video/Tele-conferencing facilities are used to facilitate Directors travelling abroad, or present at other locations, to participate in the meetings.

Mrs. Mukulika Baid was appointed as Additional Director w.e.f 30th July, 2014 and regularized as Director at the Annual General Meeting held on 23rd September, 2014

Institutionalized Decision-making Process

The Board of Directors is the apex body constituted by the shareholders for overseeing the Company's overall functioning. The Board provides and evaluates the Company's strategic direction, management policies and their effectiveness and ensure that the Stakeholders' long term interests are being served.

Board Independence

The definition of "Independence of Directors" is derived from Clause 49 of the Listing Agreement with Stock Exchanges and Section 149(6) of the Companies Act, 2013. Based on the confirmation/disclosures received from the Directors and on the evaluation of the relationships disclosed, all the independent Directors are qualified as Independent Directors under Section 149(6) of the Companies Act, 2013.

Scheduling and Selection of Agenda Items for Board Meetings

The Board is given presentations covering Finance, Sales, Marketing, the Company's major operations, overview of business operations of subsidiary companies, global business environment, the Company's business areas, including business opportunities and strategy and risk management practices before taking on record the Company's quarterly/annual financial results.

The information regularly furnished to the Board of Directors include amongst others the following:

1. Annual Operating plans and budgets and updates.
2. Quarterly results and performance of various units/divisions, subsidiaries and joint venture companies.
3. Minutes of the meeting of all the committees.
4. Minutes of Meetings of the Board of the subsidiaries
5. Materially important litigations, show cause, demand, prosecution and penalty notices.
6. Details of Joint Ventures, acquisition of companies or Collaboration Agreement.
7. Developments on Human Resource of the Company.

Board material distributed in advance

The agenda and notes on agenda are circulated to Directors in advance, and in the defined agenda format. All material information is incorporated in the agenda for facilitating meaningful and focused discussion at the meeting. Where it is not practicable to attach any document to the agenda, it is tabled before the meeting with specific reference to this effect. In special and exceptional circumstances, additional or supplementary item(s) are permitted.

Recording minutes of proceedings at Board and committee meetings

The Company Secretary records the minutes of proceedings of each Board and Committee meeting. Draft Minutes are circulated to Board/ Board Committee(s) members for their comments. The minutes are entered in the minute's book within 30 days from the conclusion of the meeting.

Compliance

The Company Secretary, while preparing the agenda, notes on Agenda, minutes of the meeting(s), is responsible for and is required to ensure adherence to all applicable laws and regulations, including the Companies Act, 1956/2013, read with rules framed issued there under, as applicable and the Secretarial Standards recommended by the Institute of Company Secretaries of India.

Procedure at Committee Meetings

The Company's guidelines relating to the Board meetings are applicable to committee meetings as far as practicable. Each committee has the authority to engage outside experts, advisors and counsels to the extent it considers appropriate to assist it in its functions. Minutes of proceedings of Committee meetings are circulated to the

Directors and placed before Board meetings for appropriate action.

Terms of reference and other details of Board Committees **Audit Committee**

i. The audit committee of the Company is constituted in line with the provisions of Clause 49 of the Listing Agreements entered into with the stock exchanges read with Section 177 of the Act.

ii. The terms of reference of the audit committee are broadly as under:

- 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;
- Recommend the appointment, remuneration and terms of appointment of auditors of the Company;
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- Reviewing, with the management, the annual financial statements and auditors' report thereon before submission to the board for approval, with particular reference to:
 - 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 Act
 - Changes, if any, in accounting policies and practices and reasons for the same
 - Major accounting entries involving estimates based on the exercise of judgment by management
 - Significant adjustments made in the financial statements arising out of audit findings
 - Compliance with listing and other legal requirements relating to financial statements
 - Disclosure of any related party transactions
 - Qualifications in the draft audit report
- Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- 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;

- Review and monitor the auditors' independence and performance, and effectiveness of audit process;
- Approval or any subsequent modification of transactions of the Company with related parties;
- Scrutiny of inter-corporate loans and investments;
- Valuation of undertakings or assets of the Company, wherever it is necessary;
- Evaluation of internal financial controls and risk management systems;
- Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- 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;
- Discussion with internal auditors of any significant findings and follow up there on;
- 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;
- 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;
- 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;
- Establish a vigil mechanism for directors and employees to report genuine concerns in such manner as may be prescribed;
- To review the functioning of whistle blower mechanism.
- Approval of appointment of CFO;
- The audit committee may call for the comments of the auditors about internal control systems, the scope of audit, including the observations of the auditors and review of financial statement before their submission to the board and may also discuss any related issues with the internal and statutory auditors and the management of the Company;
- Carrying out any other function as is mentioned in the terms of reference of the audit committee;

- Oversee financial reporting controls and process for material subsidiaries;
- Oversee compliance with legal and regulatory requirements including the Tata Code of Conduct ("TCoC") for the company and its material subsidiaries;
- To mandatorily review the following information:
 - Management discussion and analysis of financial condition and results of operations;
 - Statement of significant related party transactions (as defined by the audit committee),
 - submitted by management;
 - Management letters / letters of internal control weaknesses issued by the statutory auditors;
 - Internal audit reports relating to internal control weaknesses; and
 - The appointment, removal and terms of remuneration of the chief internal auditor.

iii. The audit committee invites executives, as it considers appropriate (particularly the head of the finance function), representatives of the statutory auditors and representatives of the internal auditors to be present at its meetings. The Company Secretary acts as the secretary to the audit committee.

iv. The previous annual general meeting (AGM) of the Company was held on September 23, 2014 and was attended by Dr. Sohan Raj Mohnot, Chairman of the audit committee.

v. The composition of the audit committee and the details of meetings attended by its members are given below:

Name of the Member	Category/Position	No. of Meetings attended / held	Sitting Fees (₹)
Dr. S.R. Mohnot	Independent Director/Chairman	4/4	80,000
Shri Y.S. Choudhary	Independent Director	4/4	80,000
Shri P.C. Surana	Independent Director	4/4	80,000
Dr. Shailendra Raj Mehta	Independent Director	3/4	60,000

Four audit committee meetings were held during the year and the gap between two meetings did not exceed four months. The dates on which the said meetings were held are as follows:

May 15, 2014; July 30, 2014; November 5, 2014 and February 4, 2015

The necessary quorum was present for all the meetings.

Nomination & Remuneration Committee

Composition of the Committee

The Company had a nomination and remuneration committee of directors. The Committee's constitution and terms of reference are in compliance with the provisions of the Act and clause 49 of the Listing Agreement.

Name of the Member	Category/Position	No. of Meetings attended / held	Sitting Fees (₹)
Shri. D. R. Mehta	Independent Director/Chairman	1/1	20,000
Shri Y.S. Choudhary	Independent Director	1/1	20,000
Shri P.C. Surana	Independent Director	1/1	20,000
Dr. S.R. Mohnot	Independent Director	1/1	20,000

Term of reference of the Committee, inter-alia, includes the following:

- To identify persons, who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down and to recommend to the Board their appointment and/or removal.
- To carry out evaluation of every Director's Performance.
- To formulate the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a Policy, relating to the remuneration for the Directors, Key Managerial Personnel.
- To formulate the criteria for evaluation of Independent Directors and the Board.
- To devise a Policy on Board Diversity.
- To recommend/review remuneration of the Managing Director(s) and Whole Time Director(s) based on their performance and defined assessment criteria.
- To carry out any other function as is mandated by the Board from time to time and/or enforced by any statutory notification, amendment or modification, as may be applicable.
- To perform such other functions as may be necessary or appropriate for the performance of its duties.

Remuneration Policy

(i) Managing Director and Executive Director

The Managing Director and Executive Director are paid remuneration within the range recommended by the Remuneration Committee which is further approved by the Board of Directors and the Shareholders of the Company in General Meeting. The remuneration is decided considering various factors such as qualification(s), experience(s), expertise, and capability of the appointee, its contribution to the Company's growth, remuneration prevailing in the Industry, Financial Position of the Company etc.

(ii) Non-Executive Directors

The Non-Executive Directors are paid remuneration by way of sitting fees and Commission for attending each meeting of Board of Directors and Committee Meeting thereof. Each Non-Executive Directors was paid a sum of ₹ 20,000/- by way of sitting fee for attending each meeting of the Board of Directors and Committees thereof.

Details of the sitting fees, commission and salary paid to all the Directors for the year ended on 31 March, 2015 are given hereunder:

(In ₹ lacs)				
Name of the Member	Salary	Commission	Sitting Fees	Total
Shri D.R. Mehta	-	7.50	1.40	8.90
Dr. S.R. Mohnot	-	7.50	3.00	10.50
Shri J.K. Baid	-	7.50	1.20	8.70
Smt. Mukulika Baid	-	7.50	0.60	8.10
Shri Y.S. Choudhary	-	7.50	2.40	9.90
Shri P.C. Surana	-	7.50	2.60	10.10
Shri S.R. Mehta	-	7.50	1.60	9.10
Shri Himanshu Baid	127.01 *	200.00	-	327.01
Shri Rishi Baid	121.44 *	200.00	-	321.44

*Includes allowances, perquisites, retirement benefits and contribution to Provident Fund.

Note: In view of increased demands on non-executive director's participation in Board and committee meetings, the Board at its meeting held on 4th May, 2015 increased the sitting fees payable to non-executive directors to ₹ 50,000 per meeting of Board and ₹ 25,000 per meeting of Committee attended by them.

Stakeholders Relationship Committee
Composition of Committee

The Company had a shareholders / investors grievance committee of directors to look into the redressal of complaints of investors such as transfer or credit of shares, non-receipt of dividend / notices / annual reports, etc. The nomenclature of the said committee was changed to stakeholders' relationship committee in the light of provisions of the Act and revised clause 49 of the Listing Agreement.

Name of the Member	Category/Position	No. of Meetings attended / held	Sitting Fees (₹)
Dr. Sohan Raj Mohnot	Independent Director/Chairman	1/1	20,000
Shri Prakash Chand Surana	Independent Director/Member	1/1	20,000
Shri Himanshu Baid	Managing Director/Member	1/1	Nil

During the year, under review, a meeting of Stakeholders Relationship Committee was held on the 15th May, 2014.

Terms of reference of the Committee, inter-alia, includes the following:

- Overseeing and review all matters connected with the transfer of the Company's Securities.
- Approve issue of the Company's duplicate share certificates.
- Monitor redressal of investor's/Shareholder's/Security holders' grievances.
- Oversee the performance of the Company's Registrar and Transfer Agents.
- Recommend methods to upgrade the standard of service to investors.
- Monitor implementation of the Company's code of conduct for prohibition of Insider Trading.
- Carry out any other functions as is referred by the Board from time to time or enforced by any statutory modification as may be applicable.

Details of Investor Complaints received and redressed during the year 2014-15 are as follows:

Opening balance	Received during the year	Resolved during the year	Closing Balance
NIL	NIL	NIL	NIL

No complaint was outstanding as on 31 March, 2015.

Corporate Social Responsibility Committee
Composition of Committee

The Company has a Corporate Social Responsibility Committee of directors to look into its CSR Activities, which strives to create value in the society and in the community in which it operates, through its services, conduct & initiatives so as to promote sustained growth for the society and community. Develop meaningful and effective strategies for engaging with all the stakeholders'. The committee was formed under the provisions of Section 135 the Companies Act, 2013.

Name of Members	Position	Attendance and Meetings held	Sitting Fees (₹)
Shri D.R. Mehta	Chairman	1/1	20,000
Shri Sohan Raj Mohnot	Member	1/1	20,000
Shri Jugal Kishore Baid	Member	1/1	20,000

During the year, under review, a meeting of Corporate Social Responsibility Committee was held on the 30th July, 2014.

Terms of reference of the Committee, inter alia, include:

- To formulate and recommend to the Board, a Corporate Social Responsibility (CSR) policy indicating initiatives to be undertaken by the Company in compliance with provisions of Companies Act, 2013 and rules there made under.
- To recommend the amount of expenditure to be incurred on the CSR initiatives.
- To monitor the implementation of the framework of the CSR policy.
- To approve the Corporate Social Responsibility Report and oversee the implementation of sustainability activities.
- To observe Corporate Governance Practices at all levels and to suggest remedial measures wherever necessary.
- To ensure compliance with Corporate Governance norms prescribed under Listing Agreement with Stock Exchanges, the Companies Act, 2013 and other statutes or any modification or re-enactment thereof.
- To advise the Board periodically with respect to significant developments in the law and practice of Corporate Governance and to make recommendations to the Board for appropriate revisions to the Company's Corporate Governance guidelines.
- To monitor the Company's compliance with Corporate Governance guidelines and applicable laws and regulations, and make recommendation to the Board on

all such matters and on any corrective action to be taken, as the committee may deem appropriate.

- To formulate/approve codes and/or policies for better governance.
- To provide correct inputs to the media, so as to preserve and protect the Company's image and standing.
- To disseminate factually correct information to investors, institution and the public at large.
- To establish oversight on important corporate communications on behalf of the Company's with the assistance of consultants/advisors, if any.
- To ensure institution of standardized channels of Internal communications across the Company to facilitate a high level of disciplined participation.
- To carry out any other functions as is mandated by the Board from time to time and/or enforced by any statutory notification, amendments or modifications as may be applicable or as may be necessary or appropriate for performance of its duties.

Allotment Committee

Composition of Committee

The Company had an Allotment Committee of directors to look into the allotment of shares and to settle/decide all the questions related thereto.

Name of Members	Position	Attendance and Meetings held	Sitting Fees (₹)
Dr. Sohan Raj Mohnot	Chairman	1/1	20,000
Shri Rishi Baid	Member	1/1	-
Shri Himanshu Baid	Member	1/1	-

During the year, under review, a meeting of Allotment Committee was held on the 24th July, 2014. The Company Secretary is also the Secretary to all Committees.

General Body Meetings

Annual General Meetings conducted during the last three years viz. FY 2011-12, FY 2012-13 and FY 2013-14 are as follows:

Meeting	Date and Time	Venue
17 th AGM	Friday, 28 September, 2012 at 10:00 a.m.	NCUI Auditorium, 3, Siri Institutional Area, August Kranti Marg, New Delhi, 110016.
18 th AGM	Friday, 27 September, 2013 at 10:00 a.m.	Bipin Chandra Pal Memorial Auditorium, A-81, Chittranjan Park, New Delhi-110019.
19 th AGM	Tuesday, 23 September, 2014 at 10.00 a.m	Bipin Chandra Pal Memorial Auditorium, A-81, Chittranjan Park, New Delhi-110019.

Special Resolution passed in last three AGMs

17th AGM held on 28 September, 2012

- None

18th AGM held on 27 September, 2013

- Granting of an Additional Option to the employees.

19th AGM held on 23 September, 2014

- To approve payment of Remuneration to non-executive Directors.
- To enter into a job work contract with M/s. Vitromed Healthcare, Jaipur, the partnership firm
- To enter into a contract for sale of goods and materials with M/s. Ultra for Medical Products, Egypt, the Joint Venture

Special Resolution passed in Extra-Ordinary General Meeting held during the year 2014-15 through Postal Ballot

16th June, 2014

- Approval for taking land and building on lease from M/s. Vitromed Healthcare, Jaipur
- Approval for purchasing certain plant and machinery from M/s. Vitromed Healthcare, Jaipur
- Approval of Sales Contract with M/s. Vitromed Healthcare, Jaipur

10th January, 2015

- Authority to borrow money
- Sell, Lease, Mortgage or otherwise dispose of the whole or substantially all of the undertaking of the Company
- Split/Sub-Division of Equity Shares of the Company

Disclosures

The details of Related Party Transaction(s) are given in the Notes on Accounts. None of the transaction with any of the Related Party was in conflict with the interests of the Company.

There were no instances of non-compliance on any matter related to the Stock Exchange(s), SEBI & Capital Markets during the last three years. There were no penalties imposed or strictures passed against the Company by the statutory authorities in this regard.

The Company has fully complied with all the mandatory requirements prescribed under Clause 49 of the Listing Agreement with Bombay Stock Exchange Limited (BSE) & National Stock Exchange of India Limited (NSE) relating to

Corporate Governance and included all suggested items in the Report on Corporate Governance.

In preparation of Financial Statements, the Company has followed the Accounting Standards issued by the Institute of Chartered Accountants of India (ICAI) to the extent applicable.

The Company has undertaken Secretarial Audit and has also obtained certificate from M/s. B.K. Sethi & Co., Practicing Company Secretaries confirming the compliance of all the conditions of Corporate Governance, as stipulated, in Clause 49 of the Listing Agreement.

Means of Communication

In accordance with Clause 54 of the Listing Agreement, the Company has maintained a functional website at www.polymedicure.com basic corporate information about the Company viz. details of its Business, Financial Information, Shareholding Pattern, compliance with code of conduct etc. The contents of the said website are updated from time to time. The quarterly, half yearly and Annual Results are published in "The Pioneer" (English) and "Veer Arjun" (Hindi), newspapers and also displayed on the Company's website for the benefit of the public at large.

Further, the Company disseminates to the Stock Exchange, where its securities are listed, all material information, which in its opinion are material and/or have a bearing on its performance/operations, for the information of public at large.

General Shareholders Information:

Annual General Meeting Day, Date and Time & Venue	Monday, 28 th Day of September, 2015 at 10 a.m. at Alpha Hall, 2 nd Floor, National Co-operative Union of India, 3 Siri Institutional Area, August Kranti Marg, New Delhi- 110016	
CIN No.	L40300DL1995PLC066923	
Financial Year	1 April, 2014 to 31 March, 2015	
Date of Book Closure	22 nd September, 2015 to 28 th September, 2015 (inclusive both days)	
Listing of Equity Shares on Stock Exchange(s)	Bombay Stock Exchange Limited (BSE):- Phirozee Jeejeebhoy Towers, Dalal Street, Mumbai 400 001. National Stock Exchange of India Limited: - Exchange Plaza, Plot No. C/1, G Block, Bandra Kurla Complex, Mumbai-400051	
Stock Code	BSE Code: POLME, Scrip Code: 531768. NSE Code: POLYMED	
Registrar and Transfer Agents	MAS Services Ltd. T-34, II nd Floor, Okhla Industrial Area, Phase II, New Delhi -110020.	
Dematerialization of Shares and Liquidity	The Shares of the Company are under compulsory DMAT mode. Under the depository system the International Security Identification Number (ISIN) allotted to the Company. Respective ISIN is INE205C01013.	
Plants Locations	Unit-I	Plot No. 104-105, Sector-59, HSIIDC Industrial Area, Ballabgarh, Faridabad - 121004 (Haryana) India.
	Unit-II (100% EOU)	Plot No. 115-116, Sector-59, HSIIDC Industrial Area, Ballabgarh, Faridabad- 121004 (Haryana) India.
	Unit III	Plot No. 17, Sector-3, I.I.E SIDCUL Haridwar-249403, (Uttarakhand), India
	Unit IV (SEZ)	Plot No. PA-010, P.O., Mahindra World City (Jaipur) Ltd., SEZ, Tehsil, Sanganer, Jaipur-302037 (Rajasthan), India.
Address for Shareholders' correspondence	Registrar and Transfer Agent Mr. Sharwan Mangla M/s Mas Services Ltd. T-34, Okhla Industrial Area, Phase-II, New Delhi-110020 Phone No. 011-26387281, 26387282 Fax No. 011- 26387384 E-mail: mas_serv@yahoo.com, Website: www.masserve.com	
	Registered Office of the Company The Company Secretary M/s Poly Medicure Limited 232-B, III rd Floor, Okhla Industrial Estate Phase-III, New Delhi-110020 Phone No. 011-26321838 Fax No. 011-26321894 Email: investorcare@polymedicure.com, Website: http://www.polymedicure.com	

Physical Share Transfer System

The Registrar and Transfer Agents (RTA) on receipt of transfer deed with respective Share Certificates, scrutinizes the same and verify signatures of transferors on the transfer deed with specimen signatures registered with the Company. A list of such transfers is prepared and checked thoroughly and then a transfer register is prepared. The transfer register is placed before the Share Transfer Committee meeting for approval. Share transfers are registered and share certificates are returned within 30 days from the date of lodgment if the documents are complete in all respects.

Dematerialization of Shares

The Company has set up requisite facilities for dematerialization of its Equity Shares in accordance with provisions of Depositories Act, 1996 with National Securities Depository Services (India) Limited and Central Depository Services (India) Limited. The Company has entered into agreements with both the Depositories for the benefit of the Shareholders. The status of Dematerialization of the Company's Shares as on 31st March, 2015 are as under:

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Mode	No. of Shares	%age (Percentage)
Physical Mode	4,18,868	0.95
NSDL	4,10,57,472	93.07
CDSL	26,37,100	5.99
Total	4,41,13,440	100.00

Status of D-materlization of Shares



For guidance of Depository Services, Shareholders may write to the Company or to the respective Depositories.

National Depositories Limited	Securities	Central Depository Services Limited
4th Floor, 'A' Wing, Trade World, Kamala Mills Compound, SenapatiBapat Marg, Lower Parel, Mumbai 400013. Telephone: 91-22-24994200, E-mail- info@nsdl.co.in, Website: www.nsdl.co.in		PhirozeJeejeebhoy Towers, 17th Floor, Dalal Street, Fort, Mumbai- 400001, Telephone 91-22-22723333, E-mail: investor@cdslindia.com, Website: www.cdslindia.com.

Listed on Stock Exchange(s)

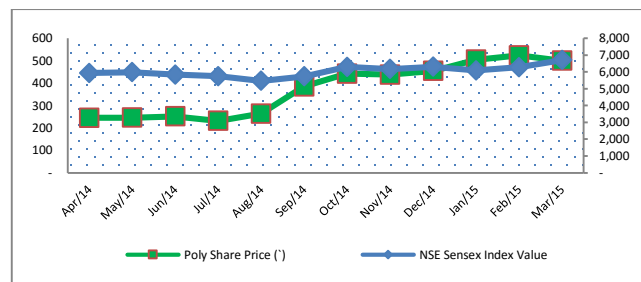
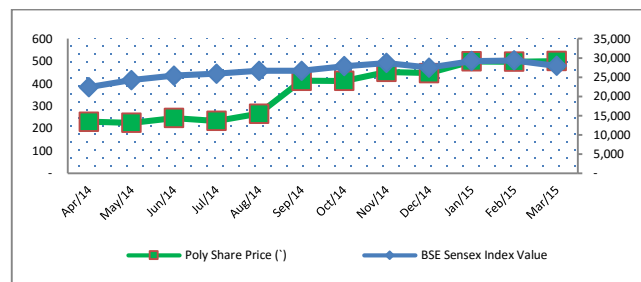
Name of the Stock Exchange(s)	Stock Code
Bombay Stock Exchange Limited	531768
National Stock Exchange of India Limited	POLYMED

Market Price Data: Monthly High and Low prices of the Equity Shares of the Company traded on the Bombay Stock Exchange Limited (BSE) and National Stock Exchange of India (NSE) during the Financial Year are as follows:

Month	BSE (In ₹)		NSE (In ₹)	
	High Price	Low Price	High Prices	Low Prices
Apr-14	257.50	187.53	259.48	223.90
May-14	252.45	205.23	256.50	207.55
Jun-14	255.50	219.50	257.50	200.50
Jul-14	252.00	220.00	260.00	221.00
Aug-14	277.55	215.50	278.00	226.80
Sep-14	418.85	264.13	435.83	266.25
Oct-14	485.68	390.63	487.15	391.70
Nov-14	462.50	403.50	475.00	401.85
Dec-14	520.95	401.00	520.00	395.23
Jan-15	509.50	415.00	508.20	435.20
Feb-15	599.00	445.10	532.00	474.00
Mar-15	519.90	487.90	514.00	487.00

(Source: This information is compiled from the data available from the websites of BSE and NSE)

Note: The face value of the Company's shares was sub-divided from ₹ 10 per share to ₹ 5 per share w.e.f. 3rd February, 2015 being the Record Date. Prices are accordingly adjusted in the above table.



Distribution of Shareholding of Poly Medicure Limited as on 31st March, 2015

Nominal value of each Share ₹ 5 each.

No of share holders	% to Total	Shareholding of nominal value of (in ₹)	No of Shares	% to Total
2600	78.22	1 to 5000	2530870	0.57
237	7.13	5001 to 10000	1808670	0.41
163	4.90	10001 to 20000	2525850	0.57
51	1.53	20001 to 30000	1260360	0.29
79	2.38	30001 to 40000	2999020	0.68
17	0.51	40001 to 50000	786150	0.18
64	1.93	50001 to 100000	4723900	1.07
113	3.40	100001 and above	424499580	96.23
3,324	100.00	Total	44113440	100.00

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Particulars	No.	No. of shares	% age
(A) Shareholding of Promoter and Promoter group			
1. Indian	17	2,13,37,276	48.37
2. Foreign	2	1,13,600	0.26
Total Shareholdings of Promoter and Promoter Group	19	2,14,50,876	48.63
(B) Public Shareholding			
1. Institution	15	31,65,014	7.17
2. Non Institution	3,290	1,94,97,550	44.20
Total Public Shareholding	3,305	2,26,62,564	51.37
(C) Shares held by custodian and against which Depository Receipts have been issued			
1. Promoter and Promoter Group	0	0	0
2. Public	0	0	0
Total (A)+(B)+(C)	3,324	4,41,13,440	100

Unclaimed Dividend on Equity Shares

Investors are requested to claim their preceding years' unclaimed dividends from the Company. They may correspond at Company's address or send e-mail at investorcare@polymedicure.com for clarifying any doubts. Any money transferred to the unpaid dividend account of the Company which remains unpaid or unclaimed for a period of seven years from the date of such transfer shall be transferred by the Company to Investor Education and Protection Fund (IEPF) as per the requirements of Section 205C of the Companies Act, 1956, and rule(s) made there under. No claim shall be entertained after unclaimed dividend is transferred to this fund.

Review of Legal / Statutory Compliances Report

The Board periodically reviews Statutory/Legal Compliance Reports with respect to the various laws applicable to the Company, as well as steps taken by the Company to rectify instances of non-compliances.

Code for Prevention of Insider Trading Practices

The Company has instituted a comprehensive code for prevention of Insider Trading, for its Directors and Designated Employees, in compliance with Securities Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time.

The objective of this code is to prevent purchase and/or sale of Shares of the Company by an insider on the basis of unpublished Price Sensitive information. Under this code, Directors and Designated Employees are completely prohibited from the dealing in the Company's share during the closure of Trading Window. Further the code specifies

the procedure to be followed and disclosures to be made by Directors and Designated Employees, while dealing with the share(s) of the Company and enlists the consequences of any violations.

Risk Management Policy

The Company has established a well-documented and robust Risk Management framework. Under this framework, risks are identified across all business processes of the Company on continuous basis. These risks are systematically categorized as Strategic Risks, Business Risks or Reporting Risks. The Management looks at all risks associated with the longer terms interests of the Company. To address these Risks in a comprehensive manner, each risk is mapped to the concerned department for further action. Based on this framework, the Company has set in place various procedure for Risk Management.

Subsidiary Companies

The subsidiary Companies are unlisted foreign Companies. These subsidiaries have their own Board of Directors having the rights and obligations to manage such companies in its best interest. The Company has its own representatives on the Board of subsidiary companies and monitors the performance of such companies regularly.

CEO / CFO Certification

The Managing Director and the Chief Financial Officer of the company give annual certification on financial reporting and internal controls to the Board in terms of Clause 49 of the Listing Agreement. The Managing Director and the Chief Financial Officer also give quarterly certification on financial results while placing the financial results before the board in terms of clause 41 of the listing Agreement. The annual certificate given by the Managing Director and the Chief Financial Officer is published in this report.

Code of Conduct by CEO

The Board has laid down a Code of Conduct for all the Board Members and Senior Management Personnel consisting of members of the Board and heads of all departments.

All the Board members and Senior Management Personnel have affirmed compliance to the Code of Conduct of the Company for the period from 1st April, 2014 to 31st March, 2015. The declaration received from Shri Himanshu Baid, Managing Director, in this regard is also given in this report.

New Delhi	D. R. Mehta	Himanshu Baid
31 st July, 2015	Chairman	Managing Director

CEO / CFO Certificate under Clause 49 (V)

To
The Board of Directors
Poly Medicure Limited

1. We have reviewed financial statements and the cash flow statement of Poly Medicure Limited for the year ended 31st March, 2015 and to the best of our knowledge and belief:-
 - (i) These statements do not contain any materially untrue statement or omit any material fact or contain statement that might be misleading;
 - (ii) These statements together present a true and fair view of the company's affair and are in compliance with existing accounting standards, applicable laws and regulation.
2. There are, to the best of our knowledge and belief no transaction entered into by the company during the year which are fraudulent, illegal or violate the Company's code of Conduct.
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of Company's internal control system pertaining to financial reporting.
We have not across any reportable deficiencies in the design or operation of such internal controls.
4. We have indicated to the Auditors and the Audit Committee:-
 - (i) that there are no significant changes in internal controls over financial reporting during the year.
 - (ii) that there are no significant changes in accounting policies during the year and.
 - (iii) that there are no instances of significant fraud of which we have become aware.

New Delhi	Himanshu Baid	J. K. Oswal
31 st July, 2015	Managing Director	VP (F) and CFO

Declaration by Chief Executive Officer

I hereby confirm and declare that all the Directors of the Company and all Senior Management Personnel as defined in the Code of Conduct of the Company have submitted Annual declaration confirming their compliance with the same.

New Delhi
31st July, 2015

Himanshu Baid
CEO/Managing Director

Certificate on Corporate Governance

To the members of the Poly Medicure Limited

We have examined the Compliance of conditions of Corporate Governance by Poly Medicure Limited ("The Company"), for the year ended 31st March, 2015, as stipulated in Clause 49 of the Listing Agreement of the said Company with Bombay Stock Exchange Ltd (BSE) & National Stock Exchange of India Limited (NSE).

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedure and implementation thereof, adopted by the Company to ensure compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the Financial Statements of the Company.

In our opinion and to the best of our information and according to the explanation given to us, we certify that the Company has complied with the conditions of the corporate governance as stipulated in Clause 49 of the abovementioned Listing Agreement.

We further state that such compliance is neither an assurance as to the future viability of the Company or efficiency or effectiveness with which the management has conducted the affairs of the Company.

New Delhi
31st July, 2015

For B.K Sethi & Co.
B.K. Sethi
FCS-853/CP-913
Proprietor

Independent Auditor's Report

To the Members of Poly Medicure Limited

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of **Poly Medicure Limited** ("the Company"), which comprise the Balance Sheet as at 31 March 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

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

Auditor's Responsibility

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

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

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical

requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. 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 financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2015, and its profit and its cash flows for the year ended on that date

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2015 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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 the law have been kept by the Company so far as it appears from our examination of those books.
- (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors as on 31st March 2015, and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 26 to the financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
- fixed assets has been physically verified by the management during the year pursuant to a program for physical verification of fixed assets, which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- ii. a. The inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
 - b. The procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
 - c. The Company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and the book records were not material and the same have been properly dealt with in the books of account.
 - iii. a. According to the information and explanations given to us, the Company has not taken any loans, secured or unsecured from companies, firms or other parties covered in the register maintained under Section 189 of the Companies Act, 2013.
 - b. The Company has granted unsecured loan to its wholly owned subsidiary company covered in the register maintained under section 189 of the Companies Act, 2013.
 The Company is regular in receipt of the principal amount as well as interest as per stipulation made. There is no overdue amount.

For **Doogar & Associates**
 Chartered Accountants
 Firm's Reg. No. 000561N
M. S. Agarwal

Place of Signature: New Delhi
 Date: 4th May 2015

Partner
 M. No. 86580

ANNEXURE REFERRED TO IN OUR REPORT OF EVEN DATE

- i. a. The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
 - b. The company has a regular program of physical verification of its fixed assets. A major portion of the
- During the course of our audit, we have neither observed nor have been informed of any continuing failure to correct major weaknesses in internal control system in respect of these areas.

- v. According to the information and explanations given to us, the Company has not accepted any deposit from the public within the meaning of provisions of section 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under.
- vi. According to the information and explanations given to us, the cost records have been maintained by the company pursuant to section 148 (1) of the Companies Act 2013 and are of the opinion that, prima facie, the prescribed cost records have been made and maintained, however, we have not made a detailed examination of such cost records.
- vii. a. According to the information and explanations given to us, the Company is generally regular in depositing with the appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues applicable to it and there are no undisputed amounts payable in respect of these dues which have remained outstanding as at March 31, 2015 for a period of more than six months from the date they became payable.
- b. According to the records of the Company, there are no statutory dues related to income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess outstanding which has not been deposited on account of any dispute.
- c. According to the information and explanation given to us, the amount required to be transferred to investor education and protection fund in accordance with the relevant provisions of Companies Act, 1956 and rules made there under has been transferred to such fund within time.
- viii. The Company does not have any accumulated losses at the end of the financial year. The Company has not incurred cash losses in the financial year covered by our audit and in the immediately preceding financial year.
- ix. In our opinion and according to the information and explanations given to us, we are of the opinion that the Company has not defaulted in repayment of dues to a financial institution or bank. The Company has not issued any debentures.
- x. According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from bank or financial institutions.
- xi. In our opinion, and according to the information and explanations given to us, term loans have been applied for the purposes for which they were raised.
- xii. To the best of our knowledge and belief and according to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the course of our audit.

For **Doogar & Associates**
 Chartered Accountants
 Firm's Reg. No. 000561N
M. S. Agarwal
 Partner
 M. No. 86580

Place of Signature: New Delhi
 Date: 4th May 2015

Poly Medicure Limited
Annual Report 2014-15



Poly Medicure Limited
Balance Sheet as at 31 March 2015

(₹ in Lacs)

Particulars	Note No.	As at 31 March 2015		As at 31 March 2014	
I EQUITY AND LIABILITIES					
1 Shareholders' funds					
(a) Share capital	1	2,205.67		2,203.32	
(b) Reserves and surplus	2	16,991.29		12,226.21	
(c) Money Received Against Share Options		-	19,196.96	0.42	14,429.95
2 Non-current liabilities					
(a) Long-term borrowings	3	4,024.56		3,864.67	
(b) Deferred tax liabilities (Net)	4	1,028.48		797.25	
(c) Other Long term liabilities	5	280.90		240.76	
(d) Long-term provisions	6	203.83	5,537.77	165.17	5,067.85
3 Current liabilities					
(a) Short-term borrowings	7	1,807.37		1,010.13	
(b) Trade payables	8	3,803.69		2,883.77	
(c) Other current liabilities	9	3,741.55		3,806.01	
(d) Short-term provisions	6	1,358.33	10,710.94	1,050.50	8,750.41
TOTAL			35,445.67		28,248.21
II ASSETS					
1 Non-current assets					
(a) Fixed assets	10				
(i) Tangible assets		15,585.59		11,709.06	
(ii) Intangible assets		480.37		333.53	
(iii) Capital work-in-progress		415.14		1,335.11	
(iv) Intangible assets under development		565.29		631.25	
(b) Non-current investments	11	561.06		561.06	
(c) Long-term loans and advances	12	2,361.81		1,782.90	
(d) Other non-current assets	13	334.72	20,303.98	166.90	16,519.81
2 Current assets					
(a) Inventories	14	5,387.30		3,955.73	
(b) Trade receivables	15	5,949.14		4,556.56	
(c) Cash and bank balances	16	1,983.38		1,378.65	
(d) Short-term loans and advances	12	1,066.46		1,018.73	
(e) Other current assets	13	755.41	15,141.69	818.73	11,728.40
TOTAL			35,445.67		28,248.21
Significant accounting policies					
Notes on financial statement	1 - 48				

The Notes referred to above form an integral part of the Balance Sheet

As per our report of even date annexed

For **DOOGAR & ASSOCIATES** (Reg No.000561N)

Chartered Accountants

M. S. Agarwal

Partner

Membership No. 86580

For and on behalf of the Board of Directors

Himanshu Baid

Managing Director

DIN: 00014008

Rishi Baid

Executive Director

DIN: 00048585

Place : New Delhi

Date : 04.05.2015

J.K.Oswal

VP (F) and CFO

Avinash Chandra

Company Secretary

Poly Medicure Limited
Annual Report 2014-15



Poly Medicure Limited
Statement of Profit and Loss for the Year ended 31 March 2015

			(₹ in Lacs)
Particulars	Note No.	Year ended 31 March 2015	Year ended 31 March 2014
INCOME			
Revenue from operations (Gross)	17	37,847.82	31,709.16
Less: Excise Duty		(478.99)	(475.84)
Revenue from operations (Net)		37,368.83	31,233.32
Other income	18	822.14	106.20
Total Revenue (I)		38,190.97	31,339.52
EXPENDITURE			
Cost of raw materials including packing materials consumed	19	13,127.13	10,085.67
Purchases of Stock-in-Trade		652.53	575.91
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	20	(306.83)	(347.48)
Employee benefits expense	21	6,030.00	4,980.36
Research and development expenses	22	846.66	592.38
Other expenses	23	8,756.02	8,083.12
Total (II)		29,105.51	23,969.96
Earnings before Interest, tax, depreciation and amortisation (EBITDA) (I) - (II)		9,085.46	7,369.56
Finance cost	24	822.65	794.87
Depreciation and amortization expenses	25	1,808.99	1,351.06
Profit before exceptional items and tax (III)		6,453.82	5,223.63
Exceptional Items (IV)		1,957.80	991.46
Profit before tax (V) (III + IV)		8,411.62	6,215.09
Tax expense:			
(1) Current tax		2,055.34	1,766.47
(2) Tax adjustment for earlier years (net)		2.35	1.75
(3) Deferred tax		252.21	168.31
(4) Minimum Alternative Tax Credit Entitlement for earlier years		-	(24.65)
Total tax expenses (VI)		2,309.90	1,911.88
Profit for the year (V - VI)		6,101.72	4,303.21
Earnings per equity share: (Face value ₹ 5 each) in rupees	31		
Basic		13.83	9.77
Diluted		13.83	9.76
Significant accounting policies			
Notes on financial statement	1 - 48		

The Notes referred to above form an integral part of the Statement of Profit and Loss

As per our report of even date annexed

For **DOOGAR & ASSOCIATES** (Reg No.000561N)

Chartered Accountants

M. S. Agarwal
Partner
Membership No. 86580

Place : New Delhi
Date : 04.05.2015

For and on behalf of the Board of Directors

Himanshu Baid
Managing Director
DIN: 00014008

Rishi Baid
Executive Director
DIN: 00048585

J.K.Oswal
VP (F) and CFO

Avinash Chandra
Company Secretary

Poly Medicure Limited
Cash Flow Statement for the year ended 31 March 2015

(₹ in Lacs)

Particulars	Year ended	
	31 March 2015	31 March 2014
A CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax and exceptional items	6,453.82	5,223.63
Adjusted for:		
Exceptional Items	1,957.80	991.46
Depreciation and amortisation	1,808.99	1,351.06
Interest expense	822.65	794.87
Interest income	(227.19)	(29.61)
Dividend on non-trade investment	-	(32.98)
Loss/(profit) on sale of fixed assets, net	(213.12)	0.06
Debts/advances written off	-	1.52
Provision for doubtful debts and advances	0.61	-
Provision for diminution in value of investment in subsidiary	-	130.33
Credit balances no longer required, written back	(0.52)	(2.43)
Provision for Wealth tax	2.86	2.15
Deferred employee compensation expenses (net)	14.93	34.35
Unrealised foreign exchange (gain) /loss	(44.34)	67.08
Operating profit before working capital changes	10,576.49	8,531.49
Movement in working capital		
Decrease/ (increase) in sundry debtors	(1,388.94)	(428.17)
Decrease/(Increase) in loans and advances	(86.45)	(392.36)
Decrease/(increase) in inventories	(1,431.57)	(668.51)
Increase/ (decrease) in current liabilities and provisions	1,044.30	1,252.45
Cash generated from operations	8,713.83	8,294.90
Direct taxes paid (net of refunds)	(2,329.87)	(1,770.39)
Appropriation towards CSR expenditure	(56.24)	-
Net cash from operating activities	6,327.72	6,524.51
B CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of fixed assets (including capital advances)	(5,153.25)	(5,798.17)
Proceeds from / (Investment in) Fixed Deposits (net)	(948.27)	(62.37)
Proceeds from sale of fixed assets	359.41	11.21
Dividend and Interest income	91.34	60.37
Net cash used for investing activities	(5,650.77)	(5,788.96)
C CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from term loans (net of repayment)	964.92	1,843.14
Proceeds from ESOPs	5.46	2.06
Money Received Against Share Options	-	0.42
Dividend and tax thereon Paid	(1,031.48)	(515.36)
Interest / Finance charges paid	(818.08)	(754.07)
Net cash from (used for) financing activities	(879.18)	(576.19)
Net increase in cash and cash equivalents (A+B+C)	(202.23)	1,311.74
Cash and cash equivalents at the beginning of the year	1,372.86	61.12
Cash and cash equivalents at the end of the year	1,170.63	1,372.86

Notes: The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in Accounting Standard - 3 cash Flow Statement
This is the Cash Flow Statement referred to in our report of even date.

For **DOOGAR & ASSOCIATES** (Reg No.000561N)
Chartered Accountants
M. S. Agarwal
Partner
Membership No. 86580

Place : New Delhi
Date : 04.05.2015

For and on behalf of the Board of Directors

Himanshu Baid Rishi Baid
Managing Director Executive Director
DIN: 00014008 DIN: 00048585

J.K.Oswal Avinash Chandra
VP (F) and CFO Company Secretary

SIGNIFICANT ACCOUNTING POLICIES

a) BASIS OF ACCOUNTING

- i) Financial Statements have been prepared under the historical cost convention in accordance with the generally accepted accounting principles and to comply with Accounting Standards referred to in Section 133 of the Companies Act 2013 read with Rule 7 of Company (Accounts) Rules 2014, to the extent applicable.
- ii) The Company follows the mercantile system of accounting & recognizes the income & expenditure on accrual basis.
- iii) All assets and liabilities have been classified as Current or Non-current as per Company's normal operating cycle. Based on the nature of products and time between acquisition of assets/materials for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle being a period of one year for the purpose of classification of assets and liabilities as current and non-current.

b) USE OF ESTIMATES

The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognised in the period in which the results are known / materialised.

c) FIXED ASSETS

Fixed assets are stated at their cost of acquisition or construction less accumulated depreciation. Cost of acquisition or construction is inclusive of direct cost (net of recoverable taxes), incidental expenses and borrowing cost related to such acquisition or construction.

d) INVESTMENTS

Investments are classified into current and non-current investments. Current investments are stated at the lower of cost and fair value. Non-current investments are valued at cost. A provision for diminution is made to recognize a decline, other than temporary, in the value of non-current investments.

e) DEPRECIATION AND AMORTISATION

- i) Depreciation on fixed assets for the year ended 31st March 2014, is provided for on the Straight Line method in the manner and at the rates specified in Schedule XIV to the Companies Act, 1956 except on fixed assets with 100% rate of depreciation which are fully depreciated in the year of addition.

Effective from 01st April 2014, depreciation is charged on the basis of useful life of the fixed assets. The Company has adopted useful life of fixed assets as given in Part 'C' of Schedule II of the Companies Act, 2013 in respect of all fixed assets.

- ii) Premium on Leasehold land is amortised over the period of lease.
- iii) Intangible assets are amortised on straight line basis over their estimated useful life. In respect of Patents & Trademarks, useful life has been estimated by the Management as 10 years unless otherwise stated in the relevant documents and in case of Specialized Software as 3 years. Depreciation Charge/Amortisation on impaired assets is provided by adjusting in the future/remaining periods so as to allocate the asset's revised carrying amount over its remaining useful life.

f) INVENTORIES

Inventories have been valued at lower of cost or net realisable value. In respect of stores and spares, packing material and raw material, cost has been arrived at on FIFO basis. In case of work in progress and finished goods, cost has been arrived at on standard cost basis. Scrap has been valued at estimated realisable value.

g) REVENUE RECOGNITION

- i) Revenue from sales is recognised on despatch of goods in accordance with the terms of sale.
- ii) Sales and purchases are exclusive of inter-unit transfers.
- iii) Export Incentives and benefits are accounted for on accrual basis when virtual certainty and their probable use within reasonable time in the normal course of business, is established.
- iv) Revenue from Services is recognized when the related services are performed.
- v) Interest is recognized using the time proportion method. Dividend income is recognized when the company's right to receive dividend is established.
- vi) Other items of Income are accounted as and when right to receive arise.
- vii) Non compete fees received are apportioned proportionately over the period of such agreement.

h) EXTRAORDINARY AND EXCEPTIONAL ITEMS

Income or expenses that arise from events or transactions that are clearly distinct from the ordinary activities of the company are classified as extraordinary items. Specific disclosure of such events/transactions is made in the financial statements. Similarly, any external events beyond the control of the company, significantly impacting income or expense, is also treated as extraordinary item and disclosed as such.

On certain occasions, the size, type or incidence of an item of income or expense, pertaining to the ordinary activities of the company, is such that its disclosure improves an understanding of the performance of the company. Such income or expense is classified as an exceptional items and accordingly disclosed in the notes to accounts.

i) FOREIGN CURRENCY TRANSACTIONS, FORWARD CONTRACTS AND DERIVATIVES

- i) Transactions denominated in the foreign currencies are normally recorded at the exchange rates prevailing at the time of the transaction.
- ii) Monetary items denominated in foreign currencies other than those covered by forward exchange contracts are translated into rupees equivalent at the rate of exchange prevailing on the Balance Sheet date. Exchange differences that arise on settlement of monetary items or on reporting date are recognized as income or expense in the period in which they arise.
- iii) Non-monetary items, which are carried at historical costs denominated in a foreign currency are reported using the exchange rate at the date of the transactions.
- iv) Exchange difference arising on Forward Contracts are recognized in the period in which they arise and the premium paid/received is accounted as expense/income over the period of the contract.
- v) The company intends to adopt Accounting Standard (AS-30), "Financial Instruments, Recognition and Measurement" in due course. Till the adoption of AS 30, Mark to Market losses or gains on un-expired Forward Contracts entered into to hedge the risk of changes in Foreign Currency Exchange Rate on future export sales against the existing long term contracts are accounted for on maturity of the contracts so as to safe guard against considerable volatility in foreign exchange rates during the intervening period.
- vi) In accordance with Accounting Standard - 11 "Accounting for the effects of changes in foreign exchange rate", exchange differences arising in respect of long term foreign currency monetary items:
 - used for acquisition of depreciable capital assets are added to or deducted from the cost of assets and are depreciated over the balance life of assets.
 - used for purpose other than acquisition of depreciable assets are accumulated in "foreign currency monetary items translation differences account" and amortised over the balance period of such assets or liabilities.

j) GOVERNMENT GRANTS

Capital subsidy under 15% central investment subsidy scheme of Government of uttarakhand is recognised on a systematic and rational basis by adopting deferred income approach in proportion of the applicable depreciation over the remaining useful life of the respective assets and is adjusted against the depreciation in statement of profit and loss.

k) RETIREMENT BENEFITS

- i) Retirement benefits in the form of Provident fund is accounted on accrual basis and charged to the statement of Profit & Loss.
- ii) Provision for liability towards gratuity and unavailed earned leaves benefits to employees is made on the basis of actuarial valuation.

l) EMPLOYEE STOCK COMPENSATION COST

In respect of employees' option granted by the company, the excess of market price of the share over the exercise price of the option at the grant date is treated as employee compensation cost and is amortised over the vesting period.

m) BORROWING COSTS

Borrowing costs that are directly attributable to the acquisition or construction of the qualifying assets are capitalised as part of the cost of such assets, till the assets are ready for use. All other borrowing costs are charged to revenue in the period in which they are incurred.

n) LEASES

- i) Finance leases or similar arrangement, which effectively transfer to the company substantially all the risks and benefits incidental to ownership of the leased items, are capitalized and disclosed as leased assets. Finance charges are charged directly against income.
- ii) Each lease rental paid is allocated between the liability and the interest cost, so as to obtain a constant periodic rate of interest on the outstanding liability for each period.
- iii) Assets acquired on leases where a significant portion of the risks and rewards of the ownership are retained by the lessor are classified as operating leases. Lease rentals are charged to the Statement of Profit and Loss on accrual basis.

o) EARNINGS PER SHARE (EPS)

The earnings considered in ascertaining the company's EPS comprise the Net Profit or Loss for the period after tax and extra ordinary items. The basic EPS is computed on the basis of weighted average number of equity shares outstanding during the year. The number of shares for computation of diluted EPS comprises of weighted average number of equity shares considered for deriving basic EPS and also the weighted average number of equity shares which could be issued on the conversion of all dilutive potential equity shares.

p) TAXES ON INCOME

- i) Tax expense for the year comprises of Current Tax, and Deferred Tax. Current taxes are measured at the current rate of tax in accordance with provisions of the Income Tax Act, 1961.
- ii) Deferred tax Assets and Liabilities are recognized for future tax consequences attributable to the timing differences that result between taxable profit and the profit as per the financial statements. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date,
- iii) Deferred tax assets are recognized on unabsorbed depreciation and carry forward of losses under tax laws to the extent there is virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.
- iv) The effect on deferred tax assets and liabilities of a change in tax rates is recognized in the Statement of Profit and Loss in the year of change.

q) IMPAIRMENT OF ASSETS

The carrying values of fixed assets and other assets of a cash generating unit are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable, if any such indication exists and where the carrying value exceeds the estimated recoverable amount, the assets of the cash generating units are written down to their recoverable amount. The recoverable amount is the greater of the net selling price and value in use. In assessing value in use the estimated future cash flows are discounted to their present value using the pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate largely independent cash flows, the recoverable amount is determined for the cash generating unit to which the assets belongs Impairment losses are recognised in the Statement of Profit and Loss.

r) PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognised but are disclosed in the notes.

Contingent liability is disclosed in case of :

- a. a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation,
 - b. a present obligation arising from past events, when no reliable estimate is possible,
 - c. a possible obligation arising from past events where the probability of outflow of resources is not remote.
- Contingent Assets are neither recognised nor disclosed in the financial statements.

s) MEASUREMENT OF EBITDA

The company has elected to present earnings before interest, tax, depreciation and amortization (EBITDA) as a separate line item on the face of the statement of profit and loss. The company measures EBITDA on the basis of profit from continuing operations. In its measurement, the company does not include depreciation and amortization expense, finance costs, exceptional items and tax expense.

t) CASH AND CASH EQUIVALENTS

For the purpose of cash Flow Statement, cash and cash equivalents includes cash in hand, demand deposits with banks, other short term highly liquid investments with original maturities of three months or less.

		(₹ in Lacs)	
		As at 31 March 2015	As at 31 March 2014
1 SHARE CAPITAL			
Authorised share Capital			
60,000,000 (Previous Year 30,000,000) Equity Shares of ₹ 5 (Previous Year ₹ 10) each		3,000.00	3,000.00
Issued, subscribed & paid up shares			
44,113,440 (Previous Year 22,033,211) Equity Shares of ₹ 5 (Previous Year ₹ 10) each fully paid up		2,205.67	2,203.32
Total		2,205.67	2,203.32

1.1 Reconciliation of the shares outstanding at the beginning and at the end of the reporting year

Particulars	As at 31 March 2015		As at 31 March 2014	
	No. of Shares	₹ in Lacs	No. of Shares	₹ in Lacs
At the beginning of the year	22,033,211	2,203.32	11,012,500	1,101.25
Add: Issued during the year by way of Bonus Shares	-	-	11,012,500	1,101.25
Add: Issued during the year by way of ESOS	23,509	2.35	8,211	0.82
Add: Addition on account of share split from ₹ 10 to ₹ 5	22,056,720	-	-	-
Less: Bought back during the year	-	-	-	-
Outstanding at the end of year	44,113,440	2,205.67	22,033,211	2,203.32

Pursuant to the approval of the members through postal ballot result of which was declared on 10th January 2015, the Equity shares of the company of nominal face value of ₹ 10 each was sub-divided to 2 (two) Equity Shares of ₹ 5 each. The effective date for the said sub-division was 3rd February 2015.

1.2 Terms/rights attached to equity shares

The company has only one class of equity shares having a par value of ₹ 5 (previous year ₹ 10). Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

During the year ended 31st March 2015, the amount of per share dividend recognised as distribution to equity shareholders is ₹ 2.5 per equity share of ₹ 5 each (previous year ₹ 4 per equity share of ₹ 10 each)

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.

1.3 Details of shareholders' holding more than 5% shares in the company

	As at 31 March 2015		As at 31 March 2014	
	No. of Shares	% of Holding	No. of Shares	% of Holding
Equity Share of ₹ 5 each (previous Year ₹ 10 each)				
M/s Allegeny Finlease private Limited	6,181,593	14.01%	3,142,339	14.26%
Shri Rishi Baid	4,913,024	11.14%	2,456,512	11.15%
M/s BS Trade Invest Private Limited	4,202,094	9.53%	2,398,560	10.89%
Shri Himanshu Baid	4,037,312	9.15%	2,018,656	9.16%

(₹ in Lacs)

The aforesaid disclosure is based upon percentages computed separately for class of shares outstanding, as at the balance sheet date. As per records of the company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

1.4 Shares allotted for consideration other than cash

Particulars

Equity Shares :

Aggregate number of equity shares allotted as fully paid bonus shares by capitalisation of Securities Premium Account and General Reserves during the financial year 2013-14 and also in preceding five financial years.

No. of Shares

16,518,750

2 RESERVES AND SURPLUS

Capital Reserves

Surplus on re-issue of forfeited shares

As at
31 March 2015

As at
31 March 2014

13.19

13.19

Application money received on Preferential Warrants issued to promoters forfeited

33.79

33.79

Securities Premium Account

Balance at the beginning of the year

23.98

6.77

Less: Utilised for issue of Bonus Shares during the year

-

(6.77)

Add: Additions during the year

59.62

23.98

Closing Balance

83.60

23.98

Foreign Currency Monetary Translation Account

Balance at the beginning of the year

(128.06)

(148.68)

Add: Additions during the year (refer note no. 34)

78.37

20.62

Closing Balance

(49.69)

(128.06)

Employees Stock Option Outstanding Account (net of options lapsed)

38.27

45.49

Add: Additional options granted

-

36.25

Less: Transferred to Share premium Account on allotment of options

(38.27)

(22.74)

Less: Deferred Employee Compensation Expenses

-

(17.83)

-

41.17

General Reserve

Balance at the beginning of the year

6,756.90

6,351.38

Less: Utilised for issue of Bonus Share during the year

-

(1,094.48)

Add: Additions during the year

2,000.00

1,500.00

Closing Balance

8,756.90

6,756.90

Surplus in statement of Profit and Loss

Balance at the beginning of the year

5,473.01

3,700.91

Less: Adjustment in opening balance on adoption of Schedule II of the Companies Act, 2013 (Net Deferred Tax)

(39.67)

-

Less: Dividend and tax thereon paid for previous year

(0.37)

-

Add: Additions during the year

6,101.72

4,303.21

Less: Proposed Dividend

(1,102.84)

(881.33)

Less: Tax on Proposed Dividend

(230.76)

(149.78)

Less: Appropriation towards CSR spend

(56.24)

-

Less: Transferred to General Reserve

(2,000.00)

(1,500.00)

Closing Balance

8,144.85

5,473.01

(₹ in Lacs)

Government Grants (Deferred Income Approach)

Capital Investment Subsidy

Balance at the beginning of the year

Add: Additions during the year

Less: Adjusted against depreciation (Refer Note no. 25)

Closing Balance

12.23	15.81
-	-
(3.58)	(3.58)
8.65	12.23
16,991.29	12,226.21

Grand Total

3 LONG TERM BORROWINGS

	Non-current portion As at 31 March		Current maturities As at 31 March	
	2015	2014	2015	2014
Secured				
(i) Term loans from banks	3,718.09	3,426.21	1,468.37	1,567.60
(ii) Others - Vehicle Loan from banks	3.84	20.63	16.79	32.31
From others	32.06	0.24	7.95	2.74
(iii) Deferred payment liabilities	270.57	417.59	257.89	218.93
Amount disclosed under the head "other current liabilities" (note 9)	-	-	1,751.00	1,821.58
Total	4,024.56	3,864.67	-	-

3.1 Term loan comprise of the following:

From Bank

Rupee Loan

Foreign Currency Loan

1,501.46	2,414.22	586.50	877.80
2,216.63	1,011.99	881.87	689.80

3.2 Terms of repayment:

From Banks

Particulars	Weighted average Rate of interest (P.A.)	Installm ents	Outstanding as at 31 march 2015	Annual repayment schedule			
				2015- 16	2016- 17	2017- 18	2018-19 to 2019-20
Rupee Loan	11.42%	Qtr	2,087.96	586.50	800.00	586.36	115.10
Foreign Currency Loan	3.59%	Qtr	3,098.50	881.87	982.44	982.44	251.75
Others - Vehicle Loan	9.99%	Monthly	60.64	24.74	10.78	11.00	14.12
Deferred Payment Liabilities	-	2 in year	528.46	257.89	196.65	73.92	-

3.3 Details of security:

- Term Loans from State Bank of India are secured by way of first charge over entire fixed assets both present & future including equitable mortgage of factory land & buildings and are further secured by way of extension of charge on entire current assets of the company both present & future and are guaranteed by Managing Director & Executive Director of the company.
- Vehicle Loans are secured by hypothecation / lien of the respective vehicles.
- Deferred payment liabilities represents assets acquired on deferred credit terms.

4 DEFERRED TAX LIABILITY (NET)

In accordance with Accounting Standard 22 "Accounting for taxes on Income" (AS-22), the company has accounted for deferred taxes during the year as under:

Following are the major components of Deferred Tax Liabilities and Deferred Tax Assets:

Component	As at 31 March 2015	As at 31 March 2014
Deferred Tax Liabilities:		
(i) Difference in depreciation between Accounting books and tax Return (Net of adjustment in opening balance on account of initial adoption of Schedule II of The Companies Act, 2013)	1,126.99	886.80
Total	1,126.99	886.80
Deferred Tax Assets:		
(i) Provision for retirement benefits	(78.11)	(62.00)
(ii) Provision for Bonus	(3.69)	(0.34)
(iii) Provision for doubtful debts and advances	(15.25)	(14.77)
(iv) On others	(1.46)	(12.44)
Total	(98.51)	(89.55)
Net Deferred Tax liability (Assets)	1,028.48	797.25

Deferred tax Assets of ₹ 20.99 lacs has been create as on 1st April 2014 on account of adoption of Schedule II of the Companies Act, 2013, accordingly balance of net deferred tax liability as at 1st April 2014 is ₹ 776.26 lacs (refer note no. 38)

5 OTHER LONG TERM LIABILITIES

	As at 31 March 2015	As at 31 March 2014
Security Deposits from Agents	280.90	240.76
Total	280.90	240.76

6 PROVISIONS

	Long Term As at 31 March		Short term As at 31 March	
	2015	2014	2015	2014
Provision for employee benefits				
Gratuity	137.46	111.05	15.08	12.09
Leave Encashment	66.37	54.12	6.79	5.15
Other provisions				
Provision for Wealth tax	-	-	2.86	2.15
Proposed dividend	-	-	1,102.84	881.33
Tax on proposed dividend	-	-	230.76	149.78
Total	203.83	165.17	1,358.33	1,050.50

7 SHORT-TERM BORROWINGS

	As at 31 March 2015	As at 31 March 2014
Secured - from banks		
Cash / Export Credit Loan	1,807.37	1,010.13
Total	1,807.37	1,010.13

(₹ in Lacs)

Cash/Export credit limits from State Bank of India and Citibank N.A. are secured by way of first pari-passue charge both present & future on the company's entire stock of Raw materials, stores spares, Stock in process, Finished goods etc. lying in factory, godowns, elsewhere and including goods in transit, trade receivables and are further secured by way of extension of second pari-passu charge on entire fixed assets of the company both present & future and are guaranteed by Managing Director & Executive Director of the company.

8 TRADE PAYABLES

	As at 31 March 2015	As at 31 March 2014
Trade payables (including acceptances)	3,803.69	2,883.77

The information as required to be disclosed under The Micro, Small and Medium Enterprises Development Act, 2006 ("the Act") has been determined to the extent such parties have been identified by the company, on the basis of information and records available with them. This information has been relied upon by the auditors.

Particulars	As at 31 March 2015	As at 31 March 2014
i Principal amount remaining unpaid as at end of the year	-	-
ii Interest due on above	-	-
1 Total of (i) & (ii)	-	-
2 Interest paid on delayed payment of principal, paid along with such interest during the year	-	-
3 Interest due on delayed payment of principal, paid without such interest during the year	-	-
4 Interest accrued but not due, in respect of delayed payments of principal due as at end of the year	-	-
5 Total interest due and payable together with that from prior year(s)	-	-

9 OTHER CURRENT LIABILITIES

	As at 31 March 2015	As at 31 March 2014
Current maturities of long-term borrowings (Refer note no. 3)	1,751.00	1,821.58
Interest accrued but not due on borrowings	30.32	18.13
Interest accrued and due on borrowings	37.32	44.94
Advance from customers	705.14	996.27
Unpaid dividends	6.38	5.59
Other payables		
Statutory dues	279.57	234.61
Employees related liabilities	716.58	594.92
Payables for capital goods	149.78	84.96
Others	65.46	5.01
Total	3,741.55	3,806.01

There are no outstanding dues to be paid to Investor Education and Protection Fund.

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NOTE No. 10: FIXED ASSETS

(₹ in lacs)

Sr. No.	Particulars	Gross Block				Depreciation/Amortisation					Net Block	
		As at 1 April 2014	Additions	Sales / adjustment	As at 31 March 2015	As at 1 April 2014	For the Year	Adjustments \$	On Sales / adjustments	As at 31 March 2015	As at 31 March 2015	As at 31 March 2014
A	Tangible Assets											
1	Freehold Land	1,171.77	199.96	25.65	1,346.08	-	-	-	-	-	1,346.08	1,171.77
2	Leasehold Land	425.17	432.68	-	857.85	18.00	4.58	-	-	22.58	835.27	407.17
3	Building	2,139.35	561.74	6.07	2,695.02	520.22	84.84	-	-	605.06	2,089.96	1,619.13
4	Plant & Machinery	14,119.17	4,396.40	166.98	18,348.59	6,255.40	1,484.79	14.95	52.42	7,702.72	10,645.87	7,863.77
5	Furniture & Fixtures	260.45	49.92	-	310.37	104.34	30.22	1.86	-	136.42	173.95	156.11
6	Office Equipment	257.53	43.60	-	301.13	112.63	57.76	41.77	-	212.16	88.97	144.90
7	Vehicles	476.81	141.78	0.35	618.24	130.60	82.10	0.40	0.35	212.75	405.49	346.21
B	Intangible Assets											
1	Software	110.72	28.01	-	138.73	83.07	21.18	1.59	-	105.84	32.89	27.65
2	Patent & Trade Marks	408.36	190.07	-	598.43	102.48	48.38	0.09	-	150.95	447.48	305.88
	Total	19,369.33	6,044.16	199.05	25,214.44	7,326.74	1,813.85	60.66	52.77	9,148.48	16,065.96	12,042.59
	Previous Year	14,919.81	4,492.55	43.03	19,369.33	6,003.43	1,355.07	-	31.76	7,326.74	12,042.59	-

Note: 1. Addition during the year includes Fixed Assets for Research and Development

Particulars	Additions during the year	Depreciation for the year	Net Block As at 31 March 2015
Tangible Assets			
Plant & Machinery	38.25	11.88	176.60
Furniture & Fixtures	2.40	0.42	3.99
Office Equipment	5.59	3.74	6.86
Intangible Assets			
Software	11.94	2.10	9.93
Total	58.18	18.14	197.38

2. Borrowing cost of ₹ 52.33 lacs (previous year ₹ 28.73 lacs) have been included in additions to Fixed Assets.

3. Additions during the year in leasehold land includes land purchased amounting to ₹ 432.68 lacs for which conveyance deed is pending for execution.

\$ refer note no. 38

(₹ in Lacs)

11 NON-CURRENT INVESTMENT

	As at 31 March 2015	As at 31 March 2014
Trade investments (valued at cost unless stated otherwise)		
Unquoted equity instruments - fully paid		
Investment in subsidiaries		
U.S. Safety Syringes Co. LLC, USA USD 300,000 (previous year USD 300,000)	130.33	130.33
Membership Interest		
Less: Provision for diminution in value of investment	(130.33)	(130.33)
 Poly Medicure (Laiyang) Co. Ltd. China USD 1,100,000 (previous year USD 1,100,000) Membership Interest	472.39	472.39
Investment in associates		
46,000 (Previous year 34,500) shares of 100 L.E (Egyptian Pound) each in Ultra for Medical Products (U.M.I.C) S.A.E., Egypt	88.67	88.67
Total	561.06	561.06
 Aggregate amount of Unquoted Investment	691.39	691.39
Aggregate provision for diminution in the value of Investment	130.33	130.33

12 LOANS AND ADVANCES

	Long Term As at 31 March		Short term As at 31 March	
	2015	2014	2015	2014
(Unsecured, considered good unless stated otherwise)				
Capital Advances	1,689.57	1,594.55	-	-
Security Deposits				
Considered good	96.10	49.75	26.15	37.07
Considered doubtful	-	-	4.85	5.34
Less: Provision for doubtful deposits	-	-	(4.85)	(5.34)
 Loans and advances to subsidiary companies	168.74	-	-	-
Other loans and advances				
Advance for goods / services				
Considered Good	-	-	225.75	80.83
Considered Doubtful	-	-	2.56	2.40
Less: Provision for doubtful advances	-	-	(2.56)	(2.40)
 Loans and advance to employees	1.40	4.78	18.69	24.61
Prepaid Expenses	-	-	81.77	95.23
Balance with revenue authorities	-	-	637.03	717.79
Service tax and VAT refundable	-	-	77.07	63.20
Advance tax/ tax deducted at source (net of provision)	406.00	133.82	-	-
Total	2,361.81	1,782.90	1,066.46	1,018.73

Loans and Advances to subsidiary companies includes:

Due from Poly Medicure (Laiyang) Co. Ltd., China	168.74	-	-	-
Maximum amount outstanding during the year ₹ 170.53 lacs (Previous year ₹ 133.53 lacs)				

(₹ in Lacs)

13 OTHER ASSETS

	Non-current As at 31 March		Current As at 31 March	
	2015	2014	2015	2014
Export benefits receivable	-	-	485.85	468.56
Interest accrued on bank deposits / advance	28.78	2.27	112.97	3.63
Premium on forward contracts	-	-	92.80	85.85
Dividend / Governing council share from associates	-	-	46.35	52.94
Other receivable	-	-	17.44	207.75
Non-current bank balances (refer note 16)	305.94	164.63	-	-
Total	334.72	166.90	755.41	818.73

Other receivable includes ₹ 2.33 lacs paid under protest for enhanced cost of land, contested in hon'ble Punjab and Haryana High Court.

14 INVENTORIES

	As at 31 March 2015	As at 31 March 2014
(Valued at lower of cost and net realisable value)		
Raw Materials including packing materials	4,012.09	2,486.51
Goods-in transit	40.17	381.18
Work-in-progress	734.24	320.87
Finished Goods	483.11	588.92
Stock-in-trade	16.22	16.95
Goods-in transit	-	23.90
Stores and spares	101.47	137.40
Total	5,387.30	3,955.73
Additional disclosure regarding inventories		
Raw Materials including packing materials		
Plastic granules	1,211.63	596.89
PVC Sheet	118.93	31.45
SS Tube	140.37	103.45
Boxes	76.53	74.52
Medical paper	428.87	262.50
Other miscellaneous items	2,035.76	1,417.70
	4,012.09	2,486.51
Work-in-progress		
I V Cannula	254.29	142.33
Blood Bag	226.01	11.99
Others	253.94	166.55
	734.24	320.87
Finished Goods		
I V Cannula	147.63	115.28
Blood Bag	50.84	148.45
Others	284.64	325.19
	483.11	588.92
Stock in trade		
Others	16.22	16.95

(₹ in Lacs)

15 TRADE RECEIVABLES

	As at 31 March 2015	As at 31 March 2014
Trade Receivables outstanding for a period less than six months from the date they are due for payment		
Unsecured, considered good	5,836.25	4,480.65
Trade Receivables outstanding for a period exceeding six months from the date they are due for payment		
Unsecured, considered good	112.89	75.91
Unsecured, considered doubtful	36.67	35.73
Less: Provision for doubtful debts	(36.67)	(35.73)
Total	5,949.14	4,556.56

	Outstanding As at 31 March		Maximum balance outstanding during the year ended	
	2015	2014	2015	2014
Trade receivable includes:				
Due from Vitromed Healthcare, a partnership firm in which promoter directors and their relatives are partners	-	-	387.57	420.15
Due from Ultra For Medical Products (UMIC), being associate company	226.03	272.69	434.61	370.01

16 CASH AND BANK BALANCES

	Non-current As at 31 March		Current As at 31 March	
	2015	2014	2015	2014
Cash and cash equivalent				
Balances with Banks				
In current and cash credit accounts	-	-	52.84	1,365.59
In deposit accounts, with less than 3 months maturity period	-	-	1,101.33	0.13
Cheques, drafts on hand	-	-	6.79	0.17
Cash on hand (including foreign currency notes)	-	-	9.67	6.97
Other Bank balances				
Balance with Banks in unpaid dividend accounts	-	-	6.38	5.59
Held as margin money	303.55	156.69	-	-
Deposits with more than 3 months but less than 12 months maturity period	-	-	806.37	0.20
Deposits with more than 12 months maturity period	2.39	7.94	-	-
Amount disclosed under the head "other assets" (Refer note 13)	(305.94)	(164.63)	-	-
Total	-	-	1,983.38	1378.65

(₹ in Lacs)

17 REVENUE FROM OPERATIONS	Year ended 31 March 2015	Year ended 31 March 2014
Sale of products		
Manufactured goods	36,489.24	30,255.79
Traded Goods	720.08	703.14
Other operating revenues		
Export Incentives	538.16	574.62
Sale of scrap	100.34	57.59
Others	-	118.02
Less: Excise duty	(478.99)	(475.84)
Total	37,368.83	31,233.32
Additional disclosures in respect of sale of products		
Finished goods sold		
I V Cannula	15,377.92	14,919.76
Blood Bag	2,231.29	938.72
Others	18,880.03	14,397.31
	36,489.24	30,225.79
Traded goods sold		
Safety scalp vein set	136.00	130.92
Others	584.08	572.22
	720.08	703.14
18 OTHER INCOME	Year ended 31 March 2015	Year ended 31 March 2014
Interest Income	227.19	29.61
Dividend Income	-	32.98
Other non-operating income		
Provisions / Liabilities no longer required written back (net)	0.52	2.43
Gain on fixed assets sold/discarded	213.12	-
Gain on Foreign Exchange Fluctuation (net)	308.03	-
Miscellaneous Income	73.28	41.18
Total	822.14	106.20
19 COST OF RAW MATERIALS INCLUDING PACKING MATERIALS CONSUMED	Year ended 31 March 2015	Year ended 31 March 2014
Raw Material Consumed		
Inventory at the beginning of the year	1,958.56	1,978.00
Add: Purchases during the year	11,240.90	7,599.32
Less: Inventory at the end of the year	3,278.25	1,958.56
Cost of raw material consumed (A)	9,921.21	7,618.76
Packing Material Consumed		
Inventory at the beginning of the year	527.96	533.49
Add: Purchases during the year	3,411.80	2,461.38
Less: Inventory at the end of the year	733.84	527.96
Cost of packing material consumed (B)	3,205.92	2,466.91
Total (A+B)	13,127.13	10,085.67

(₹ in Lacs)

The above consumption figures are disclosed on the basis of derived figures and are after adjusting excesses and shortages ascertained on physical count, unserviceable items, etc.

Additional disclosures in respect of raw material and packing material consumed

Raw Material Consumed

Plastic granules	4,057.45	3,798.47
PVC Sheet	440.48	211.01
SS Tube	402.34	458.54
Other miscellaneous items	5,020.94	3,150.74
	9,921.21	7,618.76

Packing Material Consumed

Boxes	815.65	642.70
Medical paper	706.23	561.11
Others	1,684.04	1,263.10
	3,205.92	2,466.91

20 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE

	Year ended 31 March 15	Year ended 31 March 2014	(Increase) / Decrease
Inventories at the end of year			
Finished Goods and Stock in Trade	499.33	605.87	106.54
Work in progress	734.24	320.87	(413.37)
	1,233.57	926.74	(306.83)
Inventories at the beginning of year			
Finished Goods and Stock in Trade	605.87	345.87	(260.00)
Work in progress	320.87	233.39	(87.48)
	926.74	579.26	(347.48)

21 EMPLOYEE BENEFITS EXPENSES

	Year ended 31 March 2015	Year ended 31 March 2014
Salaries, wages and bonus	5,502.14	4,530.35
Gratuity Expenses	36.62	28.36
Contributions to Provident Fund and others	424.33	366.19
Staff Welfare Expenses	66.91	55.46
Total	6,030.00	4,980.36

22 RESEARCH AND DEVELOPMENT EXPENSES

	Year ended 31 March 2015	Year ended 31 March 2014
Revenue Expenditure charged to statement of profit and loss		
Cost of components and Material Consumed (Net)	586.45	361.35
Employee benefits expenses including gratuity of ₹ 2.15 lacs (previous year ₹ 1.82 lacs)	185.10	163.06
Power and Fuel	44.88	36.94
Travelling & Conveyance	17.92	15.96
Other Misc Expenses including payment to auditors ₹ 0.13 lacs (previous year ₹ 0.17 lacs)	12.31	15.07
Total Revenue Expenses	846.66	592.38
Capital Expenditure	58.18	98.11
Total amount spent on Research and Development	904.84	690.49

(₹ in Lacs)

23 OTHER EXPENSES

	Year ended 31 March 2015	Year ended 31 March 2014
Consumption of stores and spare parts	608.46	368.65
Power and Fuel	1,251.06	1,026.39
Job Work Charges	3,161.38	2,753.92
Other Manufacturing Expenses	66.30	31.94
Repairs to Building	36.49	19.98
Repairs to Machinery	372.71	484.60
Repairs to Others	35.31	27.03
Excise Duty on closing stock	12.85	13.11
Insurance (Net)	70.85	46.89
Rent	98.32	32.81
Rates, Taxes & Fee	55.96	47.41
Wealth tax	2.86	2.15
Travelling & Conveyance	445.76	405.64
Legal & Professional Fees	524.14	844.74
Auditors' Remuneration	19.26	15.63
Commission and Sitting Fees to Non-executive Directors	65.30	10.00
Donations	67.74	45.33
Loss on fixed assets sold/discarded (previous year Net off of gain of ₹ 0.76 lacs)	-	0.06
Bank Charges	195.48	146.57
Loss on Foreign Exchange Fluctuation (net)	-	433.42
Telephone & Fax Charges	58.86	51.40
Printing & Stationary	29.90	24.01
Postage & Courier	41.08	32.65
Advertisement	6.20	5.86
Commission on sales	390.79	264.81
Freight & Forwarding (Net)	551.96	385.38
Business Promotion	225.51	131.16
Exhibition Expenses	158.01	137.75
Rebate, Discounts & Claims	62.80	49.60
Provision for Doubtful debts / Advances	0.61	-
Bad debts written off	-	1.52
Provision for diminution in value of investment in subsidiary	-	130.33
Other Miscellaneous Expenses	140.07	112.38
Total	8,756.02	8,083.12

24 FINANCE COST

	Year ended 31 March 2015	Year ended 31 March 2014
Interest expense	636.19	436.57
Other borrowing costs	6.41	7.50
Exchange difference to the extent considered as an adjustment to borrowing costs	180.05	350.80
Total	822.65	794.87

(₹ in Lacs)

25 DEPRECIATION AND AMORTISATION EXPENSES

	Year ended 31 March 2015	Year ended 31 March 2014
Depreciation of tangible assets	1,744.29	1,301.58
Less: Transfer to Pre-operative expenses	(1.28)	(0.43)
Amortisation of intangible assets	69.56	53.49
Gross Total	1,812.57	1,354.64
Less: Amortisation of Government Grants (refer note no. 2)	(3.58)	(3.58)
Net Total	1,808.99	1,351.06

26 CONTINGENT LIABILITIES AND COMMITMENTS

Particulars	Year ended 31 March 2015	Year ended 31 March 2014
a Contingent liabilities not provided for:		
Show Cause notices from excise department	58.78	29.39
Compensation for enhanced cost of Land contested in Punjab & Haryana High Court (Amount paid ₹ 2.33 lacs, Previous year ₹ 2.33 lacs)	9.34	9.34
Liabilities against legal case filed under Industrial Dispute Act 1947	-	1.85
b Obligations and commitments outstanding:		
Unexpired letters of credit ₹ 808.41 lacs (Previous year ₹ 336.78 lacs) and Guarantees including for issuing stand by letter of credit issued by bankers ₹ 1051.26 lacs (Previous year ₹ 571.78 lacs), (Net of margins)	1,859.67	908.56
Bills discounted but not matured	1,196.13	1,499.46
Custom duty against import under Advance Licence Scheme	330.18	11.17
Custom duty against import under EPCG Scheme	275.91	50.99
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances given)	2,313.77	2,644.36

27 FOREIGN CURRENCY FORWARD CONTRACTS REMAINING UNADJUSTED & OUTSTANDING :

Category	Purpose	Currency / Pair of currency	31 March 2015		31 March 2014	
			Amount in foreign currency	Amount in INR	Amount in foreign currency	Amount in INR
Sell	Hedging	USD INR	40.50	2,667.89	33.29	2,011.27
		EURO INR	5.00	372.86	5.00	393.83
Buy	Hedging	JPY INR	94.00	53.23	198.60	118.38
		JPY USD	-	-	2.26	222.73
		USD INR	-	-	8.67	547.55

28 PARTICULARS OF UNHEDGED FOREIGN CURRENCY EXPOSURE:

Particulars	Currency	31 March 2015		31 March 2014	
		Amount in foreign currency	Amount in INR	Amount in foreign currency	Amount in INR
Trade Receivable	GBP	0.54	50.08	0.73	72.44
	EURO	8.93	563.54	-	-
	USD	25.83	1,941.96	-	-
	JPY	-	-	7.27	4.25
Other Receivable	USD	20.94	1308.59	0.71	42.54
	EURO	3.65	245.38	-	-
	EGP	5.68	46.35	6.49	52.94
	JPY	15.47	8.06	-	-

(₹ in Lacs)

Other Payable	USD	7.63	477.04	-	-
	EURO	5.32	357.42	-	-
	GBP	0.26	24.10	-	-
Import Payables	USD	35.11	2,194.03	1.15	68.63
	EURO	1.12	74.98	1.36	111.80
	JPY	274.68	138.92	-	-
Patents	USD	0.34	21.00	0.29	17.25
	EURO	0.33	22.47	0.02	2.00
	SGD	0.03	1.32	0.01	0.24
	JPY	9.03	4.71	1.52	0.89
	GBP	0.01	0.24	0.16	16.06
	AUD	0.03	1.46	0.02	1.35
Legal and Professional Charges	USD	-	-	0.09	5.97
	AUD	2.01	95.49	3.65	202.23
	EURO	0.57	38.20	0.70	57.85
Commission Payable	USD	2.28	142.53	0.50	29.72
	EURO	0.03	1.72	0.09	7.56
Freight Payable	USD	-	-	0.03	1.59
Borrowings	USD	63.89	3,993.04	21.98	1,287.67
Lendings including interest	USD	2.87	179.42	-	-

- 29** Inventories, loans & advances, trade receivables / payables and other current / non-current assets are reviewed annually and in the opinion of the Management do not have a value on realization in the ordinary course of business, less than the amount at which they are stated in the Balance Sheet.

The response to letters sent by the Company requesting confirmation of balances has been insignificant. In the management's opinion, in the event of any disparity in the balances, any consequential adjustments required on reconciliation of the balances will not be material in relation to the financial statements of the Company and the same will be adjusted in the financial statements as and when the reconciliation is completed.

30 RELATED PARTY DISCLOSURES

Related party disclosures as required by Accounting Standard (AS)-18 of The Institute of Chartered Accountants of India.

A List of related parties and relationships

a Subsidiaries and Associate

Subsidiaries

- 1 US Safety Syringes Co. LLC, USA
- 2 Poly Medicure (Laiyang) Co. Ltd., China

Associate

Ultra For Medical Products (UMIC), Egypt

b Key Management Personnel

- 1 Mr. Himanshu Baid (Managing Director)
- 2 Mr. Rishi Baid (Executive Director)
- 3 Mr. J. K. Oswal (VP (Finance) and CFO)
- 4 Mr. Vinay Gujral (Company Secretary), upto 30th April 2015
- 5 Mr. Avinash Chandra (Company Secretary), w.e.f. 01st May 2015

c Relatives of Key Management Personnel

- 1 Mr. J.K. Baid (Director- Relative of Managing Director and Executive Director)
- 2 Mr. Vishal Baid (President - relative of Managing Director & Executive Director)
- 3 Mrs. Mukulika Baid (Director - relative of Director) w.e.f. 30th July, 2014

d Enterprises over which key management personnel and their relatives exercise significant influence

- 1 Vitromed Healthcare
- 2 Jai Polypan Pvt. Ltd.
- 3 Stilocraft
- 4 PolycureMartech Ltd.
- 5 Jaichand Lal Hulasi Devi Baid Charitable Trust

B Transactions with related parties

Description	Subsidiaries and Associate		Key Management personnel & their relatives		Enterprises controlled by key management personnel and their relatives	
	Current Year	Previous year	Current Year	Previous Year	Current Year	Previous Year
Sales of Goods	742.59	622.70			1,206.46	1,360.61
Ultra for Medical Products Egypt Vitromed Healthcare	742.59	622.70			1,206.46	1,360.61
Purchases of Goods					141.01	97.98
Vitromed Healthcare					141.01	97.98
Job work					2,976.15	2,620.68
Vitromed Health Care					2,976.15	2,620.68
Rent received					0.24	0.24
Vitromed Healthcare					0.24	0.24
Rent paid					1.41	1.48
Jai Polypan Pvt. Ltd.					1.41	1.48
Interest received on Loan	10.68	2.93				
Poly Medicure (Laiyang) Co. Ltd., China	10.68	2.93				
Directors / Key Managerial Personnels' Remuneration			685.10	587.44		
Mr. Himanshu Baid			327.01	284.17		
Mr. Rishi Baid			321.44	278.79		
Mr. J. K. Oswal			33.48	24.48		
Mr. Vinay Gujral			3.17	-		
Salary and perquisites			32.57	29.15		
Mr. Vishal Baid			32.57	29.15		
Commission and Sitting fees			16.80	1.00		
Mr. J. K. Baid			8.70	1.00		
Mrs. Mukulika Baid			8.10	-		
Dividend / Share Governing Council due	6.27	42.54				
Ultra for Medical Devices	6.27	42.54				
Donation Paid					1.50	6.50
Jaichand Lal Hulasi Devi Baid Charitable Trust					1.50	6.50
Outstanding Balances at the year end						
Loan outstanding	168.74	-				
Poly Medicure (Laiyang) Co. Ltd., China	168.74	-				
Dividend / Share Governing Council outstanding	46.35	52.94				
Ultra for Medical Products	46.35	52.94				
Interest outstanding	10.68	-				
Poly Medicure (Laiyang) Co. Ltd., China	10.68	-				

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				(₹ in Lacs)
Remuneration / Salary payable		280.96	238.84	
Mr. Himanshu Baid		138.70	118.40	
Mr. Rishi Baid		139.27	118.25	
Mr. Vishal Baid		1.69	1.45	
Mr. J. K. Oswal		0.86	0.74	
Mr. Vinay Gujral		0.44	-	
Commission Payable		13.50		
Mr. J.K. Baid		6.75		
Mrs. Mukulika Baid		6.75		
Debtors	226.03	272.69		
Ultra for Medical Products	226.03	272.69		

31 EARNINGS PER SHARE (EPS) OF ₹ 5 EACH

Particulars	Year ended 31 March 2015	Year ended 31 March 2014
Net profit after tax available for equity share holders (₹ In lacs)	6,101.72	4,303.21
Basic Earnings per Share		
Number of shares considered as Basic weighted average shares outstanding during the year	44,092,927	44,057,738
Basic Earnings per Share (in ₹)	13.83	9.77
Diluted Earnings per Share		
Weighted Average no. of equity shares outstanding during the year	44,092,927	44,057,738
Effect of dilutive issue of stock options	-	45,906
Weighted average no. of equity shares outstanding for Diluted EPS	44,092,927	44,103,644
Diluted Earnings per Share (in ₹)	13.83	9.76

With effect from 3rd February 2015, Face value of the company's equity share has been sub-divided from ₹ 10 each to 2 (two) equity shares of ₹ 5 each fully paid up in compliance with Accounting Standard 20-Earnings per share (EPS), the Company has given effect to sub-division of shares in computing the earning per share for all comparative periods.

32 PAYMENT TO AUDITORS:

Particulars	Year ended 31 March 2015	Year ended 31 March 2014
Audit Fee	9.50	8.50
Tax audit Fee	1.00	1.00
Limited Review of Results	1.50	1.20
In other capacity		
(a) For Taxation matters	3.50	3.50
(b) For Certification work	2.77	0.59
Reimbursement of expenses	1.12	1.01
Total	19.39	15.80

33 EMPLOYEE BENEFIT:

The disclosure of employees benefit as defined in the Accounting Standard - 15 (revised) on "Employee Benefits" are as follows:

I Defined Contribution Plan - Provident Fund

During the period, the company has recognised the following amount in statement of profit and loss

Particulars	Year ended		(₹ in Lacs)
	31 March 2015	31 March 2014	
Employers' contribution to provident fund * #	300.41	253.77	
* included in "contribution to provident fund and others" under employee benefit expenses (refer note no. 21)			
# excluding contribution to provident fund transferred to tangible capital work in progress ₹ 1.87 lacs (₹ 0.23 lacs) and to Research and Development Expenses ₹ 5.38 lacs (₹ 4.36 lacs).			

a) As per Accounting Standard (AS15) "Employee Benefits", the disclosure of employee benefits is as under:

Particulars	For the Year ended 31 March 2015		For the Year ended 31 March 2014	
	Gratuity (Unfunded)	Leave encashment /Compensated Absences (Unfunded)	Gratuity (Unfunded)	Leave encashment /Compensated Absences (Unfunded)
Obligations at beginning of the year	123.14	59.27	102.57	52.93
Service Cost - Current	27.95	18.39	23.49	16.42
Interest Cost	10.47	5.04	8.71	4.50
Actuarial (gain) loss	0.35	17.47	(2.03)	8.20
Benefit Paid	(9.37)	(27.01)	(9.60)	(22.78)
Obligations at end of the year	152.54	73.16	123.14	59.27
Liability recognised in the Balance Sheet	152.54	73.16	123.14	59.27
Expenses recognised in statement of Profit & Loss	38.77	40.90	30.18	29.12
Expected amount of contribution for the next year	53.02	25.20	45.64	21.90

b) Movement in liability recognised in the Balance Sheet

Particulars	For the Year ended 31 March 2015		For the Year ended 31 March 2014	
	Gratuity (Unfunded)	Leave encashment/Compensated Absences (Unfunded)	Gratuity (Unfunded)	Leave encashment /Compensated Absences (Unfunded)
Obligations at beginning of the year	123.14	59.27	102.57	52.93
Expenses recognised in the statement of profit & Loss	38.77	40.90	30.18	29.12
Benefit Paid	(9.37)	(27.01)	(9.60)	(22.78)
Obligations at end of the year	152.54	73.16	123.15	59.27

c) The principal assumptions used in determining post-employment benefit obligations are as below:

Particulars	Gratuity 2015 (in%)	Leave Encashment 2015 (in%)	Gratuity 2014(in%)	Leave Encashment 2014 (in%)
Discount Rate	8.5	8.5	8.5	8.5
Future salary increases	6	6	6	6

- 34** In view of option allowed by the Ministry of Corporate Affairs vide its notification dated 29th December 2011 on AS 11, the exchange differences arising on reporting of long term foreign currency monetary items at rates different from those at which they were initially recorded have been accumulated in a "Foreign Currency Monetary Items Translation Difference Account" to be amortised over the balance period of such long term assets or liabilities. Pursuant to such adoption, a sum of ₹ 49.69 lacs is remained to be amortised over the balance period of such assets or liabilities (including current year impact of gain amounting to ₹ 78.37 lacs). Had the option not being exercised, the profits of the company would have been higher by ₹ 78.37 lacs.

(₹ in Lacs)

- 35** Borrowing cost of ₹ 56.19 Lacs (previous year ₹ 72.04 Lacs) have been included in capital work in progress.
- 36** The company is primarily engaged in a business of manufacturing and sale of "Medical Devices" and, hence, there is no reportable segments as per Accounting Standard-17.

37 LEASES : OPERATING LEASES

- i) The Company has taken six premises under cancellable operating lease. These lease agreements are normally renewed on expiry.
- ii) Lease rental expenses in respect of operating leases: ₹ 96.33 lacs (previous year ₹ 29.74 lacs)
- iii) The Company has taken certain premises on non-cancellation operating lease. The future minimum lease payments in respect of which as at 31st March 2015 are as follows:

Particulars	Year ended 31 March 15	Year ended 31 March 14
Payable not later than one year	106.35	-
Payable later than one year and not Later than five year	35.73	-
Total	142.08	-

- 38** Effective from 1st April, 2014, the Company has revised estimated useful life of all of its fixed assets as per the Schedule II Of the Companies Act, 2013. Based of current estimates, after retaining the residual value, the carrying amount of the fixes assets is ₹ 39.67 lacs (net of deferred tax assets of ₹ 20.99 lacs) on account of fixed assets whose useful life has already exhausted as on 1st April, 2014 have been adjusted to retained earnings. Had there not been any change in the useful life of the fixed assets, there would not have been any material change in the amount of depreciation for the year ended 31st March, 2015.

39 DETAILS OF EXPENDITURE INCURRED ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES AND SHORT FALL IN SPENDING CSR:

Sr. No.	Particulars	Amount Spent in Current year
1	On Providing Food / vehicle for food distribution	18.48
2	On promotion of education including provision for scholarship	15.22
3	On welfare for disabled persons	10.00
4	On provision for sanitation	5.94
5	On food relief activity	5.29
6	On making available safe drinking water	1.00
7	On promotion of health care	0.31
	Total	56.24
Total amount to be spent on CSR activities in accordance with the provision of section 135 of the Companies Act, 2013		84.19
Total Amount spent		56.24
Unspent amount on CSR activities		27.95

40 (a) Disclosure as required under section 186 (4) of Companies Act, 2013

Sr. No.	Name of the Company to whom Loan Granted	Relationship	Amount granted	Amount Outstanding	Purpose for which loan is proposed to be utilized	Terms and conditions
1	Poly Medicure(Laiyang) Co. Ltd	100% Subsidiary	163.56	168.74	The Company has granted unsecured loan to wholly owned subsidiary company for working capital and acquiring capital assets	The loan has been granted for initial period of two years which can be extended with mutual consent but not exceeding three years. The loan carries interest rate of 7% p.a. payable along with repayment of installment.

(b) Particulars in respect of Loans and Advances in the nature of loans as required by the Listing Agreements:

Loans and advance to subsidiary companies:

Particulars	Balance as at		Max. balance O.S. during the year	
	31 March 2015	31 March 2014	2014-15	2013-14
Poly Medicure (Laiyang) Co. Ltd., China	168.74	-	170.53	133.53

41 EMPLOYEE STOCK OPTION SCHEME:

The compensation committee formed by the company in terms of resolution of the Board of Directors, created in accordance with SEBI (Guidelines and any other applicable Rules,) Regulations, a ESOS Scheme called the "Poly Medicure Employee Stock Option Scheme, 2011 (ESOS 2011)" which was further amended in the shareholding meeting held on 27th September 2013. Whereby employees who were granted ESOP under original scheme of 2011 were granted options in addition to the options already granted by reducing exercise price from ₹ 50 to ₹ 25. The terms and conditions of the grant as per the amended Employee Stock Option Scheme, 2011 (ESOS 2011) are as under:

- A) Vesting period
- I Original scheme
- On completion of 24 months from the date of grant of options 50%
- On completion of 30 months from the date of grant of options for remaining 50%
- ii Under amended scheme for additional shares granted to the employee to whom the options were granted under the earlier scheme.
- On completion of 12 months from the date of grant of options 100%
- B) Exercise period
- I Original scheme
- Commences from the date of vesting of the options and expires at the end of three months from the date of such vesting
- ii Under amended scheme for additional shares granted to the employee to whom the options were granted under the earlier scheme.
- Commences from the date of vesting of the options and expires at the end of three months from the date of such vesting.
- C) Exercise Price
- The exercise price was reduced to ₹ 25 for options granted earlier and for additional options granted in pursuance of amended scheme.

(₹ in Lacs)

The details of options granted, lapsed and exercised in accordance with amended ESOS 2011 are as under:

Particulars	Year ended 31 March 2015	Year ended 31 March 2014
I Grant price (₹)	25.00	25.00
II Grant Date - for options granted in the original scheme	9-Sep-11	9-Sep-11
III Grant Date - for additional options granted in the amended scheme	27-Sep-13	27-Sep-13
IV Option Granted (No. of equity shares) - original	-	20,440
V Option Granted (No. of equity shares) - additional	-	16,730
VI Option Lapsed (No. of equity shares) - original	-	4,020
VII Option Lapsed (No. of equity shares) - additional	1,118	312
VIII Option exercised and shares allotted (No. of equity shares) - original	8,209	8,211
IX Option exercised and shares allotted (No. of equity shares) - additional	15,300	-
X Option exercised but pending to be allotted (No. of equity shares) - original	-	1,685
XI Option Outstanding (No. of equity shares) - original	-	6,524
XII Option Outstanding (No. of equity shares) - additional	-	16,418

The number of shares granted / lapsed / exercised and allotted were having face value of ₹ 10 each, which were subsequently sub divided into two equity share of face value of ₹ 5 each.

42 VALUE OF IMPORTS CALCULATED ON CIF BASIS IN RESPECT OF :

Particulars	Year ended 31 March 2015	Year ended 31 March 2014
I Raw Materials	8,325.85	5,174.20
II Traded Goods	710.88	525.24
III Stores, Spares & Packing Materials	1,358.06	896.20
IV Capital Items	2,827.64	3,162.75
Total	13,222.43	9,758.39

43 EXPENDITURE IN FOREIGN CURRENCY (ON ACCRUAL BASIS) :

Particulars	Year ended 31 March 2015	Year ended 31 March 2014
I Interest	93.34	148.10
II Traveling Expenses	29.95	32.56
III Legal & Professional Charges	363.28	649.89
IV Commission	217.65	100.42
V Bank Charges	31.68	34.00
VI Exhibition Expenses	87.30	94.47
VII Rates Taxes & Fees	3.01	1.78
VIII Freight and Forwarding	21.16	9.33
Total	847.37	1,070.55

(₹ in Lacs)

44 VALUE OF IMPORTED & INDIGENOUS RAW MATERIALS AND STORES & SPARES AND PACKING MATERIALS CONSUMED AND PERCENTAGE OF EACH OF THE TOTAL CONSUMPTION:

Particulars	Year ended 31 March 2015		Year ended 31 March 2014	
	Value	%	Value	%
1 Raw materials				
Imported	8,094.40	81.59	5,417.86	71.11
Indigenous	1,826.81	18.41	2,200.90	28.89
Total	9,921.21	100.00	7,618.76	100.00
2 Stores, Spares & Packing Material				
Imported	1,305.36	34.22	898.95	31.70
Indigenous	2,509.02	65.78	1,936.61	68.30
Total	3,814.38	100.00	2,835.56	100.00

The above does not include material consumed for research and development activities.

45 EARNING IN FOREIGN EXCHANGE (ON ACCRUAL BASIS):

Particulars	Year ended 31 March 2015	Year ended 31 March 2014
I FOB Value of Exports During the Year	25,138.52	20,101.72
II Others (Freight, settlement amount, Insurance, Commission, Interest, fees etc. recovered)	2,988.79	1,295.83
III Dividend / Governing Council share from Associates	6.27	42.54
Total	28,133.58	21,440.09

46 THE TOTAL AMOUNT REMITTED IN FOREIGN CURRENCY ON ACCOUNT OF DIVIDEND IN RESPECT OF SHARES HELD BY NON-RESIDENTS ARE GIVEN HERE UNDER:

Particulars	Year ended 31 March 2015	Year ended 31 March 2014
I Number of Non Resident Shareholders	3	3
II Number of Equity Shares held by them	168,000	84,000
III Amount of Dividend paid (Gross) (₹ In lacs)	3.36	1.68
IV Amount of Dividend paid (Gross) (In USD)	-	-
V Tax Deducted at Sources	-	-
VI Year to which dividend relates	2013-14	2012-13

47 Exceptional items in statement of profit and loss represents one time income of ₹ 1957.80 lacs (previous year ₹ 991.46 lacs) from one of its customer towards settlement of a contract.

48 Previous year figures have been regrouped / rearranged, wherever necessary to confirm current year classifications.

As per our report of even date annexed

For DOOGAR & ASSOCIATES (Reg no.000561N)

Chartered Accountants

M.S. Agarwal

Partner

Membership No.86580

Place: New Delhi

Date: 04.05.2015

For and on behalf of the Board

Himanshu Baid

Managing Director

DIN:00014008

J. K. Oswal

VP (F) and CFO

Rishi Baid

Executive Director

DIN:00048585

Avinash Chandra

Company Secretary

Independent Auditor's Report

To the Members of Poly Medicure Limited

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of **Poly Medicure Limited** ("the Holding Company"), and its subsidiaries (the holding company and its subsidiaries together referred to as "the Group") and its associate comprising of the consolidated Balance Sheet as at 31 March 2015, the consolidated Statement of Profit and Loss, the consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

Management's Responsibility for the Consolidated Financial Statements

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

Auditor's Responsibility

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the holding company has an adequate internal financial controls system over financial reporting in place and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, its associates as at 31 March 2015, and their consolidated profit and their consolidated cash flows for the year ended on that date.

Other Matters

- a) We did not audit the financial statements / financial information of one foreign subsidiary, whose financial statements / financial information reflect total assets of Rs 1403.44 lacs as at 31st March, 2015, total revenues of Rs. 1665.87 lacs and net cash flows amounting to Rs. 10.86 lacs for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net profit of Rs. 66.99 lacs for the year ended 31st December, 2014 as considered in the consolidated financial statements, in respect of the associates, whose financial statements / financial information have not been audited by us. These financial statements / financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and associates, and our reports in terms of sub-sections (3) and (11) of Section 143 of the Act, insofar as it relates to the aforesaid subsidiaries, and associates, is based solely on the reports of the other auditors.
- b) We did not audit the financial statements/ financial information of one subsidiary namely U.S. Safety Syringes Co., LLC, whose financial statements/financial information reflect total assets of Rs. (0.98 lacs) as at 31st March 2015, total revenues of Rs. Nil and net cash flows amounting to Rs. Nil for the year ended on that date, as considered in the consolidated financial statements. These financial statements/ Financial information are unaudited and have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, and our report in

terms of sub-sections (3) and (11) of Section 143 of the Act in so far as it relates to the aforesaid subsidiary, is based solely on such unaudited financial statements/ financial information. In our opinion and according to the information and explanations given to us by the Management, these financial statements/financial information are not material to the Group.

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order"), issued by the Central Government of India in terms of sub- section (11) of Section 143 of the Act, based on the comments in the auditor's reports of the Holding company, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements.

(b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

(c) The consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

(d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards

specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

(e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2015 taken on record by the Board of Directors of the Holding Company, none of the directors of the Holding Company incorporated in India is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164(2) of the Act.

(f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i) The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group and its associates – Refer note no. 26 to the consolidated financial statements.

ii) The Group and its associate entity did not have any material foreseeable losses on long-term contracts including derivative contracts.

iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company incorporated in India.

For **Doogar & Associates**
 Chartered Accountants
 Firm's Reg. No. 000561N
M. S. Agarwal

Place of Signature: New Delhi
 Date: 4th May 2015

Partner
 M. No. 86580

ANNEXURE REFERRED TO IN OUR REPORT OF EVEN DATE

- i. a. The Holding Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- b. The Holding Company has a regular program of physical verification of its fixed assets. A major portion of the fixed assets has been physically verified by the management of holding company during the year pursuant to a program for physical verification of fixed assets, which in our opinion, is

reasonable having regard to the size of the Holding Company and the nature of its assets. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

- ii. a. The inventory has been physically verified during the year by the management of Holding Company. In our opinion, the frequency of verification is reasonable.
- b. The procedures of physical verification of inventories followed by the management of Holding Company are reasonable and adequate in relation to the size of the Holding Company and the nature of its business.
- c. The Holding Company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and the book records were not material and the same have been properly dealt with in the books of account.
- iii. a. According to the information and explanations given to us, the Holding Company has not taken any loans, secured or unsecured from companies, firms or other parties covered in the register maintained under Section 189 of the Companies Act, 2013.
- b. The Holding Company has granted unsecured loan to its wholly owned Subsidiary Company covered in the register maintained under section 189 of the Companies Act, 2013. The Holding Company is regular in receipt of the principal amount as well as interest as per stipulation made. There is no overdue amount.

- iv. In our opinion and according to the information and explanations given to us, there exists an adequate internal control system commensurate with the size of the Holding Company and the nature of its business with regard to purchases of inventory, fixed assets and with regard to the sale of goods and services. During the course of our audit, we have neither observed nor have been informed of any continuing failure to correct major weaknesses in internal control system in respect of these areas.

- | | |
|--|--|
| <p>v. According to the information and explanations given to us, the Holding Company has not accepted any deposit from the public within the meaning of provisions of section 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under.</p> | <p>there under has been transferred to such fund within time.</p> |
| <p>vi. According to the information and explanations given to us, the cost records have been maintained by the Holding Company pursuant to section 148 (1) of the Companies Act 2013 and are of the opinion that, prima facie, the prescribed cost records have been made and maintained, however, we have not made a detailed examination of such cost records.</p> | <p>viii. The Holding Company does not have any accumulated losses at the end of the financial year. The Holding Company has not incurred cash losses in the financial year covered by our audit and in the immediately preceding financial year.</p> |
| <p>vii. a. According to the information and explanations given to us, the Holding Company is generally regular in depositing with the appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues applicable to it and there are no undisputed amounts payable in respect of these dues which have remained outstanding as at March 31, 2015 for a period of more than six months from the date they became payable.</p> | <p>ix. In our opinion and according to the information and explanations given to us, we are of the opinion that the Holding Company has not defaulted in repayment of dues to a financial institution or bank. The Holding Company has not issued any debentures</p> |
| <p>b. According to the records of the Holding Company, there are no statutory dues related to income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess outstanding which has not been deposited on account of any dispute.</p> | <p>x. According to the information and explanations given to us, the Holding Company has not given any guarantee for loans taken by others from bank or financial institutions.</p> |
| <p>c. According to the information and explanation given to us, the amount required to be transferred by Holding Company to Investor Education and Protection Fund in accordance with the relevant provisions of Companies Act, 1956 and rules made</p> | <p>xi. In our opinion, and according to the information and explanations given to us, term loans obtained by Holding Company have been applied for the purposes for which they were raised.</p> |
| | <p>xii. To the best of our knowledge and belief and according to the information and explanations given to us, no fraud on or by the Holding Company has been noticed or reported during the course of our audit.</p> |

For **Doogar & Associates**
Chartered Accountants
Firm's Reg. No. 000561N
M. S. Agarwal
Partner
M. No. 86580

Place of Signature: New Delhi
Date: 4th May 2015

Poly Medicure Limited
Annual Report 2014-15



Poly Medicure Limited
Consolidated Balance Sheet as at 31 March, 2015

(₹ in Lacs)

Particulars	Note No.	As at 31 March 2015		As at 31 March 2014	
I EQUITY AND LIABILITIES					
1 Shareholders' funds					
(a) Share capital	1	2,205.67		2,203.32	
(b) Reserves and surplus	2	17,412.03		12,442.33	
(c) Money Received Against Share Options		-	19,617.70	0.42	14,646.07
2 Minority Interest			(0.25)		(0.24)
3 Non-current liabilities					
(a) Long-term borrowings	3	4,024.56		3,864.67	
(b) Deferred tax liabilities (Net)	4	1,028.48		797.25	
(c) Other Long term liabilities	5	280.90		240.76	
(d) Long-term provisions	6	203.83	5,537.77	165.17	5,067.85
4 Current liabilities					
(a) Short-term borrowings	7	2,105.02		1,010.13	
(b) Trade payables	8	3,932.88		2,970.79	
(c) Other current liabilities	9	3,850.29		3,862.53	
(d) Short-term provisions	6	1,358.33	11,246.52	1,050.50	8,893.95
TOTAL			36,401.74		28,607.63
II ASSETS					
1 Non-current assets					
(a) Fixed assets	10				
(i) Tangible assets		16,066.46		11,975.87	
(ii) Intangible assets		480.37		333.53	
(iii) Capital work-in-progress		415.14		1,335.11	
(iv) Intangible assets under development		565.29		631.25	
(b) Non-current investments	11	395.48		343.11	
(c) Long-term loans and advances	12	2,193.07		1,782.90	
(d) Other non-current assets	13	324.04	20,439.85	166.90	16,568.67
2 Current assets					
(a) Inventories	14	5,762.24		4,201.04	
(b) Trade receivables	15	6,280.73		4,575.37	
(c) Cash and bank balances	16	1,998.30		1,382.53	
(d) Short-term loans and advances	12	1,162.40		1056.32	
(e) Other current assets	13	758.22	15,961.89	823.70	12,038.96
TOTAL			36,401.74		28,607.63
Significant accounting policies					
Notes on consolidated financial statements	1 - 48				

The Notes referred to above forms an integral part of the Consolidated Balance Sheet

As per our report of even date annexed

For **DOOGAR & ASSOCIATES** (Reg No.000561N)

Chartered Accountants

For and on behalf of the Board of Directors

M. S. Agarwal
Partner
Membership No. 86580

Himanshu Baid
Managing Director
DIN: 00014008

Rishi Baid
Executive Director
DIN: 00048585

Place : New Delhi
Date : 04.05.2015

J.K.Oswal
VP (F) and CFO

Avinash Chandra
Company Secretary

Poly Medicure Limited
Annual Report 2014-15



Poly Medicure Limited
Consolidated Statement of Profit and Loss for the Year ended 31 March, 2015

			(₹ in Lacs)
Particulars	Note No.	Year ended 31 March 2015	Year ended 31 March 2014
INCOME			
Revenue from operations (Gross)	17	39,513.69	32,700.66
Less: Excise Duty		(478.99)	(475.84)
Revenue from operations (Net)		39,034.70	32,224.82
Other income	18	812.05	105.11
Total Revenue (I)		39,846.75	32,329.93
EXPENDITURE			
Cost of raw materials including packing materials consumed	19	14,002.88	10,543.31
Purchases of Stock-in-Trade		652.53	575.91
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	20	(397.94)	(332.42)
Employee benefits expense	21	6,499.18	5,278.52
Research and development expenses	22	846.66	592.38
Other expenses	23	9,019.11	8,142.58
Total (II)		30,622.42	24,800.28
Earnings before Interest, tax, depreciation and amortisation (EBITDA) (I) - (II)		9,224.33	7,529.65
Finance cost	24	829.85	800.73
Depreciation and amortization expense	25	1,877.09	1,405.50
Profit before exceptional items and tax (III)		6,517.39	5,323.42
Exceptional Items (IV)		1,957.80	991.46
Profit before tax (V) (III + IV)		8,475.19	6,314.88
Tax expense:			
(1) Current tax		2,055.34	1766.47
(2) Tax adjustment for earlier years (net)		2.35	1.75
(3) Deferred tax		252.21	168.31
(4) Minimum Alternative Tax Credit Entitlement for earlier years		-	(24.65)
Total tax expenses (VI)		2,309.90	1,911.88
Profit for the year (V - VI)		6,165.29	4,403.00
Add: Share of profit from associates		66.99	106.38
Net Profit for the year		6,232.28	4,509.38
Earnings per equity share: (Face value ₹ 5 each) in rupees	31		
Basic		14.12	10.24
Diluted		14.12	10.22
Significant accounting policies			
Notes on consolidated financial statements	1 - 48		

The Notes referred to above form an integral part of the Consolidated Statement of Profit and Loss

As per our report of even date annexed

For **DOOGAR & ASSOCIATES** (Reg No.000561N)

Chartered Accountants

M. S. Agarwal
Partner
Membership No. 86580

Place : New Delhi
Date : 04.05.2015

For and on behalf of the Board of Directors

Himanshu Baid
Managing Director
DIN: 00014008

Rishi Baid
Executive Director
DIN: 00048585

J.K.Oswal
VP (F) and CFO

Avinash Chandra
Company Secretary

Poly Medicure Limited
Consolidated Cash Flow Statement for the year ended 31 March 2015

(₹ in Lacs)

Particulars	Year ended	
	31 March 2015	31 March 2014
A CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax and exceptional items	6,517.39	5,323.42
Adjusted for:		
Exceptional Items	1,957.80	991.46
Depreciation and amortisation	1,877.09	1,405.50
Interest expense	829.85	800.73
Interest income	(216.51)	(26.67)
Dividend on non-trade investments	-	(32.98)
Loss/(profit) on sale of fixed assets, net	(213.12)	0.06
Debts/advances written off	-	1.52
Provision for doubtful debts and advances	0.61	-
Credit balances no longer required, written back	(1.02)	(4.28)
Provision for Wealth tax	2.86	2.15
Deferred employee compensation expenses	14.93	34.35
Unrealised foreign exchange (gain) /loss	(44.34)	67.08
Other adjustments including minority	87.08	52.67
Operating profit before working capital changes	10,812.62	8,615.01
Movement in working capital		
Decrease/ (increase) in sundry debtors	(1,701.72)	(342.21)
Decrease/(Increase) in loans and advances	26.10	(540.69)
Decrease/(increase) in inventories	(1,561.20)	(664.82)
Increase/ (decrease) in current liabilities and provisions	1,140.78	1,317.58
Cash generated from operations	8,716.58	8,384.87
Direct taxes paid (net of refunds)	(2,329.87)	(1,770.39)
Appropriation towards CSR expenditure	(56.24)	-
Net cash from operating activities	6,330.47	6,614.48
B CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of fixed assets (including capital advances)	(5,435.41)	(5,851.57)
Proceeds from / (Investment in) Fixed Deposits (net)	(948.27)	(62.37)
Proceeds from sale of fixed assets	359.41	11.21
Dividend and Interest income	91.34	57.43
Net cash used for investing activities	(5,932.93)	(5,845.30)
C CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from term loans (net of repayment)	1,262.57	1,843.14
Proceeds from ESOPs	5.46	2.06
Money Received Against Share Options	-	0.42
Dividend and tax thereon Paid	(1,031.48)	(515.36)
Interest / Finance charges paid	(825.28)	(790.85)
Net cash from (used for) financing activities	588.73	539.41
Net increase in cash and cash equivalents (A+B+C)	(191.19)	1,308.59
Cash and cash equivalents at the beginning of the year	1,376.74	68.15
Cash and cash equivalents at the end of the year	1,185.55	1,376.74

Notes

The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in Accounting Standard - 3 cash Flow Statement
This is the Cash Flow Statement referred to in our report of even date.

For **DOOGAR & ASSOCIATES** (Reg No.000561N)
Chartered Accountants

M. S. Agarwal
Partner
Membership No. 86580

Place : New Delhi
Date : 04.05.2015

For and on behalf of the Board of Directors

Himanshu Baid
Managing Director
DIN: 00014008

Rishi Baid
Executive Director
DIN: 00048585

J.K.Oswal
VP (F) and CFO

Avinash Chandra
Company Secretary

SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON CONSOLIDATED FINANCIAL STATEMENTS

a) BASIS OF ACCOUNTING

- i) Financial Statements have been prepared under the historical cost convention in accordance with the generally accepted accounting principles and to comply with Accounting Standards referred to in Section 133 of the Companies Act 2013 read with Rule 7 of Company (Accounts) Rules 2014, to the extent applicable.
- ii) The Company follows the mercantile system of accounting & recognizes the income & expenditure on accrual basis.
- iii) All assets and liabilities have been classified as Current or Non-current as per Company's normal operating cycle. Based on the nature of products and time between acquisition of assets/materials for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle being a period of one year for the purpose of classification of assets and liabilities as current and non-current.

b) USE OF ESTIMATES

The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognised in the period in which the results are known / materialised.

c) PRINCIPLES OF CONSOLIDATION

The Consolidated Financial Statements represent consolidation of accounts of the Company and its subsidiaries and Associates.

The Consolidated Financial statements relate to the Poly Medicure Group. In the preparation of these Consolidated Financial Statements, investments in Subsidiary have been accounted for in accordance with Accounting Standard (AS) 21. The "Consolidated Financial Statements" are prepared on the following basis:

- i) The Financial Statements of the Company and its Subsidiaries are consolidated on a line-by-line basis by adding together the book values of the like items of assets, liabilities income and expenses after eliminating all significant intra-group balances and intra-group transactions and also unrealized profits or losses in accordance with Accounting Standard (AS) 21. The items of income and expenses are consolidated only for the period from which the companies became the company's subsidiary.
- ii) The Consolidated Financial Statements are prepared using uniform accounting policies for like transactions or other events in similar circumstances and are presented, to the extent possible, in the same manner as the Company's separate financial statements. The Financial Statements of the Foreign Subsidiaries are adjusted for the accounting principles and policies followed by the Company.
- iii) The difference between the costs to the Company of its investment in Subsidiaries over its proportionate share in the equity of the investee company at the time of acquisition of shares in the Subsidiaries is recognized in the financial statements as Goodwill or Capital Reserve, as the case may be. Goodwill is tested for impairment by the management on annual basis.
- iv) Companies considered in the consolidated financial statements are:

Name of the Company	Country of incorporation	Holding as on 31 March 2015	Financial year ends on
Subsidiary			
U.S.Safety Syringes Co., LLC	USA	75%	31-Mar-15
Poly Medicure (Laiyang) Company Limited	China	100%	31-Mar-15
Associates			
Ultra For Medical Products Company (Ultra Med)	Egypt	23%	31-Dec-14

The financial results of one of the subsidiary namely U.S.Safety Syringes Co., LLC for the year ended 31.03.2015 are unaudited and have been given effect in the consolidated financial statement as certified by the management.

d) FIXED ASSETS

Fixed assets are stated at their cost of acquisition or construction less accumulated depreciation. Cost of acquisition or construction is inclusive of direct cost, incidental expenses and borrowing cost related to such acquisition or construction.

e) INVESTMENTS

Investments are classified into current and non-current investments. Current investments are stated at the lower of cost and fair value. Non-current investments are valued at cost. A provision for diminution is made to recognize a decline, other than temporary, in the value of non-current investments.

f) DEPRECIATION AND AMORTISATION

- i) Depreciation on fixed assets for the year ended 31st March 2014, is provided for on the Straight Line method in the manner and at the rates specified in Schedule XIV to the Companies Act, 1956 except on fixed assets with 100% rate of depreciation which are fully depreciated in the year of addition.

Effective from 01st April 2014, depreciation is charged on the basis of useful life of the fixed assets. The Company has adopted useful life of fixed assets as given in Part 'C' of Schedule II of the Companies Act, 2013 in respect of all fixed assets.

- ii) Premium on Leasehold land is amortised over the period of lease.
iii) Intangible assets are amortised on straight line basis over their estimated useful life. In respect of Patents & Trademarks, useful life has been estimated by the Management as 10 years unless otherwise stated in the relevant documents and in case of Specialized Software as 3 years. Depreciation Charge/Amortisation on impaired assets is provided by adjusting in the future/remaining periods so as to allocate the asset's revised carrying amount over its remaining useful life.

g) INVENTORIES

Inventories have been valued at lower of cost or net realisable value. In respect of stores and spares, packing material and raw material, cost has been arrived at on FIFO basis. In case of work in progress and finished goods, cost has been arrived at on standard cost basis. Scrap has been valued at estimated realisable value.

h) REVENUE RECOGNITION

- i) Revenue from sales is recognised on despatch of goods in accordance with the terms of sale.
ii) Sales and purchases are exclusive of inter-unit transfers.
iii) Export Incentives and benefits are accounted for on accrual basis when virtual certainty and their probable use within reasonable time in the normal course of business, is established.
iv) Revenue from Services is recognized when the related services are performed.
v) Interest is recognized using the time proportion method. Dividend income is recognized when the company's right to receive dividend is established.
vi) Other items of Income are accounted as and when right to receive arise.
vii) Non-compete fees received are apportioned proportionately over the period of such agreement.

i) EXTRAORDINARY AND EXCEPTIONAL ITEMS

Income or expenses that arise from events or transactions that are clearly distinct from the ordinary activities of the company are classified as extraordinary items. Specific disclosure of such events/transactions is made in the financial statements. Similarly, any external events beyond the control of the company, significantly impacting income or expense, is also treated as extraordinary item and disclosed as such.

On certain occasions, the size, type or incidence of an item of income or expense, pertaining to the ordinary activities of the company, is such that its disclosure improves an understanding of the performance of the company. Such income or expense is classified as an exceptional items and accordingly disclosed in the notes to accounts.

j) FOREIGN CURRENCY TRANSACTIONS, FORWARD CONTRACTS AND DERIVATIVES

- i) Transactions denominated in the foreign currencies are normally recorded at the exchange rates prevailing at the time of the transaction.
- ii) Monetary items denominated in foreign currencies other than those covered by forward exchange contracts are transferred into rupees equivalent at the rate of exchange prevailing on the Balance Sheet date. Non-monetary items, which are carried at historical costs denominated in a foreign currency are reported using the exchange rate at the date of the transaction. Exchange differences that arise on settlement of monetary items or on reporting date are recognized as income or expense in the period in which they arise.
- iii) Non-monetary items, which are carried at historical costs denominated in a foreign currency are reported using the exchange rate at the date of the transactions.
- iv) Exchange difference arising on Forward Contracts are recognized in the period in which they arise and the premium paid/received is accounted as expense/income over the period of the contract.
- v) The company intends to adopt Accounting Standard (AS-30), "Financial Instruments, Recognition and Measurement" in due course. Till the adoption of AS 30, Mark to Market losses or gains on un-expired Forward Contracts entered into to hedge the risk of changes in Foreign Currency Exchange Rate on future export sales against the existing long term contracts are accounted for on maturity of the contracts so as to safe guard against considerable volatility in foreign exchange rates during the intervening period.
- vi) In accordance with Accounting Standard - 11 "Accounting for the effects of changes in foreign exchange rate", exchange differences arising in respect of long term foreign currency monetary items:
 - used for acquisition of depreciable capital assets are added to or deducted from the cost of assets and are depreciated over the balance life of assets.
 - used for purpose other than acquisition of depreciable assets are accumulated in "foreign currency monetary items translation differences account" and amortised over the balance period of such assets or liabilities.

k) GOVERNMENT GRANTS

Capital subsidy under 15% central investment subsidy scheme of Government of uttarakhand is recognised on a systematic and rational basis by adopting deferred income approach in proportion of the applicable depreciation over the remaining useful life of the respective assets and is adjusted against the depreciation in statement of profit and loss.

l) RETIREMENT BENEFITS

- i) Retirement benefits in the form of Provident fund is accounted on accrual basis and charged to the Statement of Profit & Loss.
- ii) Provision for liability towards gratuity and unavailed earned leaves benefits to employees is made on the basis of actuarial valuation.

m) EMPLOYEE STOCK COMPENSATION COST

In respect of employees option granted by the company, the excess of market price of the share over the exercise price of the option at the grant date is treated as employee compensation cost and is amortised over the vesting period.

n) BORROWING COSTS

Borrowing costs that are directly attributable to the acquisition or construction of the qualifying assets are capitalised as part of the cost of such assets, till the assets are ready for use. All other borrowing costs are charged to revenue in the period in which they are incurred.

o) LEASES

- i) Finance leases or similar arrangement, which effectively transfer to the company substantially all the risks and benefits incidental to ownership of the leased items, are capitalized and disclosed as leased assets. Finance charges are charged directly against income.
- ii) Each lease rental paid is allocated between the liability and the interest cost, so as to obtain a constant periodic rate of interest on the outstanding liability for each period.
- iii) Assets acquired on leases where a significant portion of the risks and rewards of the ownership are retained by the lessor are classified as operating leases. Lease rentals are charged to the Statement of Profit and Loss on accrual basis.

p) EARNINGS PER SHARE (EPS)

The earnings considered in ascertaining the company's EPS comprise the Net Profit or Loss for the period after tax and extra ordinary items. The basic EPS is computed on the basis of weighted average number of equity shares outstanding during the year. The number of shares for computation of diluted EPS comprises of weighted average number of equity shares considered for deriving basic EPS and also the weighted average number of equity shares which could be issued on the conversion of all dilutive potential equity shares.

q) TAXES ON INCOME

- i) Tax expense for the year comprises of Current Tax, and Deferred Tax. Current taxes are measured at the current rate of tax in accordance with provisions of the Income Tax Act, 1961.
- ii) Deferred tax Assets and Liabilities are recognized for future tax consequences attributable to the timing differences that result between taxable profit and the profit as per the financial statements. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date,
- iii) Deferred tax assets are recognized on unabsorbed depreciation and carry forward of losses under tax laws to the extent there is virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.
- iv) The effect on deferred tax assets and liabilities of a change in tax rates is recognized in the Statement of Profit and Loss in the year of change.

r) IMPAIRMENT OF ASSETS

The carrying values of fixed assets and other assets of a cash generating unit are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable, if any such indication exists and where the carrying value exceeds the estimated recoverable amount, the assets of the cash generating units are written down to their recoverable amount. The recoverable amount is the greater of the net selling price and value in use. In assessing value in use the estimated future cash flows are discounted to their present value using the pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate largely independent cash flows, the recoverable amount is determined for the cash generating unit to which the assets belongs Impairment losses are recognised in the Statement of Profit and Loss.

s) PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognised but are disclosed in the notes.

Contingent liability is disclosed in case of:

- a. a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation,
- b. a present obligation arising from past events, when no reliable estimate is possible,
- c. a possible obligation arising from past events where the probability of outflow of resources is not remote.

Contingent Assets are neither recognised nor disclosed in the financial statements.

t) MEASUREMENT OF EBITDA

The company has elected to present earnings before interest, tax, depreciation and amortization (EBITDA) as a separate line item on the face of the statement of profit and loss. The company measures EBITDA on the basis of profit from continuing operations. In its measurement, the company does not include depreciation and amortization expense, finance costs, exceptional items and tax expense.

u) CASH AND CASH EQUIVALENTS

For the purpose of cash Flow Statement, cash and cash equivalents includes cash in hand, demand deposits with banks, other short term highly liquid investments with original maturities of three months or less.

	(₹ in Lacs)	
	As at 31 March 2015	As at 31 March 2014
1 SHARE CAPITAL		
Authorised share Capital		
60,000,000 (Previous Year 30,000,000) Equity Shares of ₹ 5 (Previous Year ₹ 10) each	3,000.00	3,000.00
Issued, subscribed & paid up shares		
44,113,440 (Previous Year 22,033,211) Equity Shares of ₹ 5 (Previous Year ₹ 10) each fully paid up	2,205.67	2,203.32
Total	2,205.67	2,203.32

1.1 Reconciliation of the shares outstanding at the beginning and at the end of the reporting year

Particulars	As at 31 March 2015		As at 31 March 2014	
	No. of Shares	₹ in Lacs	No. of Shares	₹ in Lacs
At the beginning of the year	22,033,211	2,203.32	11,012,500	1,101.25
Add: Issued during the year by way of Bonus Shares	-	-	11,012,500	1,101.25
Add: Issued during the year by way of ESOS	23,509	2.35	8,211	0.82
Add: Addition on account of share split from ₹ 10 to ₹ 5	22,056,720	-	-	-
Less: Bought back during the year	-	-	-	-
Outstanding at the end of year	44,113,440	2,205.67	22,033,211	2,203.32

Pursuant to the approval of the members through postal ballot result of which was declared on 10th January 2015, the Equity shares of the company of nominal face value of ₹ 10 each was sub-divided to 2 (two) Equity Shares of ₹ 5 each. The effective date for the said sub-division was 3rd February 2015.

1.2 Terms/rights attached to equity shares

The company has only one class of equity shares having a par value of ₹ 5 (previous year ₹ 10). Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

During the year ended 31st March 2015, the amount of per share dividend recognised as distribution to equity shareholders is ₹ 2.5 per equity share of ₹ 5 each (previous year ₹ 4 per equity share of ₹ 10 each)

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.

1.3 Details of shareholders' holding more than 5% shares in the company

	As at 31 March 2015		As at 31 March 2014	
	No. of Shares	% of Holding	No. of Shares	% of Holding
Equity Share of ₹ 5 each (previous Year ₹ 10 each)				
M/s Allegeny Finlease private Limited	6,181,593	14.01%	3,142,339	14.26%
Shri Rishi Baid	4,913,024	11.14%	2,456,512	11.15%
M/s BS Trade Invest Private Limited	4,202,094	9.53%	2,398,560	10.89%
Shri Himanshu Baid	4,037,312	9.15%	2,018,656	9.16%

The aforesaid disclosure is based upon percentages computed separately for class of shares outstanding, as at the balance sheet date. As per records of the company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

1.4 Shares allotted for consideration other than cash

Particulars

Equity Shares :

Aggregate number of equity shares allotted as fully paid bonus shares by capitalisation of Securities Premium Account and General Reserves during the financial year 2013-14 and also in preceding five financial years.

No. of Shares

16,518,750

2 RESERVES AND SURPLUS

	As at 31 March 2015	As at 31 March 2014
Capital Reserves		
Surplus on re-issue of forfeited shares	13.19	13.19
Application money received on Preferential Warrants issued to promoters forfeited	33.79	33.79
Capital reserve on change in interest in equity of associates	215.91	128.49
Securities Premium Account		
Balance at the beginning of the year	23.98	6.77
Less: Utilised for issue of Bonus Shares during the year	-	(6.77)
Add: Additions during the year	59.62	23.98
Closing Balance	83.60	23.98
Foreign Currency Monetary Translation Account		
Balance at the beginning of the year	(128.06)	(148.68)
Add: Additions during the year	78.37	20.62
Closing Balance	(49.69)	(128.06)
Employees Stock Option Outstanding Account (net of options lapsed)	38.27	45.49
Add: Additional options granted	-	36.25
Less: Transferred to Share premium Account on allotment of options	(38.27)	(22.74)
Less: Deferred Employee Compensation Expenses	-	(17.83)
	-	41.17
General Reserve		
Balance at the beginning of the year	6,756.90	6,351.38
Less: Utilised for issue of Bonus Share during the year	-	(1,094.48)
Add: Additions during the year	2,000.00	1,500.00
Closing Balance	8,756.90	6,756.90
Foreign Currency Fluctuation Reserve	122.12	139.81
Surplus in statement of Profit and Loss		
Balance at the beginning of the year	5,401.26	3,422.99
Less: Adjustment in opening balance on adoption of Schedule II of the Companies Act, 2013 (Net Deferred Tax)	(39.67)	-
Less: Dividend and tax thereon paid for previous year	(0.37)	-
Add: Additions during the year	6,232.28	4,509.38
Less: Proposed Dividend	(1,102.84)	(881.33)
Less: Tax on Proposed Dividend	(230.76)	(149.78)
Less: Appropriation towards CSR spend	(56.24)	-
Less: Transferred to General Reserve	(2,000.00)	(1,500.00)
Closing Balance	8,203.66	5,401.26

(₹ in Lacs)

Shares in reserves in associates

23.90 19.57

Government Grants (Deferred Income Approach)

Capital Investment Subsidy

Balance at the beginning of the year

12.23 15.81

Add: Additions during the year

- -

Less: Adjusted against depreciation (Refer Note no. 25)

(3.58) (3.58)

Closing Balance

8.65 12.23

Grand Total

17,412.03 12,442.33

3 LONG TERM BORROWINGS

**Non-current portion
As at 31 March**

**Current maturities
As at 31 March**

2015 2014 2015 2014

Secured

(i) Term loans

from banks

3,718.09 3,426.21 1,468.37 1,567.60

(ii) Others - Vehicle Loan

from banks

3.84 20.63 16.79 32.31

From others

32.06 0.24 7.95 2.74

(iii) Deferred payment liabilities

270.57 417.59 257.89 218.93

Amount disclosed under the head "other current liabilities" (note 9)

- - 1,751.00 1,821.58

Total

4,024.56 3,864.67 - -

3.1 Term loan comprise of the following:

From Bank

Rupee Loan

1,501.46 2,414.22 586.50 877.80

Foreign Currency Loan

2,216.63 1,011.99 881.87 689.80

3.2 Terms of repayment:

Particulars	Weighted average Rate of interest (P.A.)	Installments	Outstanding as at 31 march 2015	Annual repayment schedule			
				2015-16	2016-17	2017-18	2018-19 to 2019-20
Rupee Loan	11.42%	Qtr	2,087.96	586.50	800.00	586.36	115.10
Foreign Currency Loan	3.59%	Qtr	3,098.50	881.87	982.44	982.44	251.75
Others - Vehicle Loan	9.99%	Monthly	60.64	24.74	10.78	11.00	14.12
Deferred Payment Liabilities	-	2 in year	528.46	257.89	196.65	73.92	-

(₹ in Lacs)

3.3 Details of security:

- A** Term Loans from State Bank of India are secured by way of first charge over entire fixed assets both present & future including equitable mortgage of factory land & buildings and are further secured by way of extension of charge on entire current assets of the company both present & future and are guaranteed by Managing Director & Executive Director of the company.
- B** Vehicle Loans are secured by hypothecation / lien of the respective vehicles.
- C** Deferred payment liabilities represents assets acquired on deferred credit terms.

4 DEFERRED TAX LIABILITY (NET)

In accordance with Accounting Standard 22 "Accounting for taxes on Income" (AS-22), the company has accounted for deferred taxes during the year as under:

Following are the major components of Deferred Tax Liabilities and Deferred Tax Assets:

Component	As at 31 March 2015	As at 31 March 2014
Deferred Tax Liabilities:		
(i) Difference in depreciation between Accounting books and tax Return (Net of adjustment in opening balance on account of initial adoption of Schedule II of The Companies Act, 2013)	1,126.99	886.80
Total	1,126.99	886.80
Deferred Tax Assets:		
(i) Provision for retirement benefits	(78.11)	(62.00)
(ii) Provision for Bonus	(3.69)	(0.34)
(iii) Provision for doubtful debts and advances	(15.25)	(14.77)
(iv) On others	(1.46)	(12.44)
Total	(98.51)	(89.55)
Net Deferred Tax liability (Assets)	1,028.48	797.25

Deferred tax Assets of ₹ 20.99 lacs has been created as on 1st April 2014 on account of adoption of Schedule II of the Companies Act, 2013, accordingly balance of net deferred tax liability as at 1st April 2014 is ₹ 776.26 lacs (refer note no. 39)

5 OTHER LONG TERM LIABILITIES

	As at 31 March 2015	As at 31 March 2014
Security Deposits from Agents	280.90	240.76
Total	280.90	240.76

6 PROVISIONS

	Long Term As at 31 March		Short term As at 31 March	
	2015	2014	2015	2014
Provision for employee benefits				
Gratuity	137.46	111.05	15.08	12.09
Leave Encashment	66.37	54.12	6.79	5.15
Other provisions				
Provision for Wealth tax	-	-	2.86	2.15
Proposed dividend	-	-	1,102.84	881.33
Tax on proposed dividend	-	-	230.76	149.78
Total	203.83	165.17	1,358.33	1,050.50

(₹ in Lacs)

7 SHORT-TERM BORROWINGS

	As at 31 March 2015	As at 31 March 2014
Secured - from banks		
Cash / Export Credit Loan	2,105.02	1,010.13
Total	2,105.02	1,010.13

Cash/Export credit limits from State Bank of India and Citibank N.A. including stand by letter of credit from Citi Bank for extending working capital limits to subsidiary through Citi Bank, China are secured by way of first pari-passue charge both present & future on the company's entire stock of Raw materials, stores spares, Stock in process, Finished goods etc. lying in factory, godowns, elsewhere and including goods in transit, trade receivables and are further secured by way of extension of second pari-passu charge on entire fixed assets of the company both present & future and are guaranteed by Managing Director & Executive Director of the company.

8 TRADE PAYABLES

	As at 31 March 2015	As at 31 March 2014
Trade payables (including acceptances)	3,932.88	2,970.79

The information as required to be disclosed under The Micro, Small and Medium Enterprises Development Act, 2006 ("the Act") has been determined to the extent such parties have been identified by the company, on the basis of information and records available with them. This information has been relied upon by the auditors.

Particulars

	As at 31 March 2015	As at 31 March 2014
I Principal amount remaining unpaid as at end of the year	-	-
II Interest due on above	-	-
1 Total of (i) & (ii)	-	-
2 Interest paid on delayed payment of principal, paid along with such interest during the year	-	-
3 Interest due on delayed payment of principal, paid without such interest during the year	-	-
4 Interest accrued but not due, in respect of delayed payments of principal due as at end of the year	-	-
5 Total interest due and payable together with that from prior year(s)	-	-

9 OTHER CURRENT LIABILITIES

	As at 31 March 2015	As at 31 March 2014
Current maturities of long-term borrowings (Refer note no. 3)	1,751.00	1,821.58
Interest accrued but not due on borrowings	30.32	18.13
Interest accrued and due on borrowings	37.32	44.94
Advance from customers	738.05	996.27
Unpaid dividends	6.38	5.59
Other payables		
Statutory dues	300.95	259.81
Employees related liabilities	762.29	621.96
Payables for capital goods	149.78	84.96
Others	74.20	9.29
Total	3,850.29	3,862.53

There are no outstanding dues to be paid to Investor Education and Protection Fund.

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NOTE No. 10: FIXED ASSETS

(₹ in lacs)

Sr. No.	Particulars	Gross Block				Depreciation/Amortisation					Net Block	
		As at 1 April 2014	Additions	Sales / adjustment	As at 31 March 2015	As at 1 April 2014	For the Year	Adjustments \$	On Sales / adjustments	As at 31 March 2015	As at 31 March 2015	As at 31 March 2014
A	Tangible Assets											
1	Freehold Land	1,171.77	199.96	25.65	1,346.08	-	-	-	-	-	1,346.08	1,171.77
2	Leasehold Land	425.17	432.68	-	857.85	18.01	4.58	-	-	22.59	835.26	407.16
3	Building	2,248.03	608.97	6.07	2,850.93	552.09	93.36	-	-	645.45	2,205.48	1,695.94
4	Plant & Machinery	14,605.56	4,628.23	166.98	19,066.81	6,557.49	1,542.43	14.95	52.42	8,062.45	11,004.36	8,048.07
5	Furniture & Fixtures	261.07	49.92	-	310.99	104.92	30.22	1.86	-	137.00	173.99	156.15
6	Office Equipment	279.96	46.70	-	326.66	129.39	59.70	41.77	-	230.86	95.80	150.57
7	Vehicles	476.81	141.78	0.35	618.24	130.60	82.10	0.40	0.35	212.75	405.49	346.21
B	Intangible Assets											
1	Software	110.72	28.01	-	138.73	83.07	21.18	1.59	-	105.84	32.89	27.65
2	Patent & Trade Marks	408.36	190.07	-	598.43	102.48	48.38	0.09	-	150.95	447.48	305.88
	Total	19,987.45	6,326.32	199.05	26,114.72	7,678.05	1,881.95	60.66	52.77	9,567.89	16,546.83	12,309.40
	Previous Year	15,681.35	4,545.95	239.85	19,987.45	6,497.13	1,409.50	-	228.58	7,678.05	12,309.40	-

Note: 1. Addition during the year includes Fixed Assets for Research and Development

Particulars	Additions during the year	Depreciation for the year	Net Block As at 31 March 2015
Tangible Assets			
Plant & Machinery	38.25	11.88	176.60
Furniture & Fixtures	2.40	0.42	3.99
Office Equipment	5.59	3.74	6.86
Intangible Assets			
Software	11.94	2.10	9.93
Total	58.18	18.14	197.38

2. Borrowing cost of ₹ 52.33 lacs (previous year ₹ 28.73 lacs) have been included in additions to Fixed Assets.

3. Additions during the year in leasehold land includes land purchased amounting to ₹ 432.68 lacs for which conveyance deed is pending for execution.

\$ refer note no. 39

(₹ in Lacs)

11 NON-CURRENT INVESTMENT

	As at 31 March 2015	As at 31 March 2014
Trade investments (valued at cost unless stated otherwise)		
Unquoted equity instruments - fully paid		
Investment in associates		
46,000 (previous year 34,500) shares of 100 L.E (Egyptian Pound) each in Ultra for Medical Products (U.M.I.C) S.A.E., Egypt	395.48	343.11
Total (Aggregate amount of Unquoted Investment)	395.48	343.11

12 LOANS AND ADVANCES

	Long Term As at 31 March		Short term As at 31 March	
	2015	2014	2015	2014
(Unsecured, considered good unless stated otherwise)				
Capital Advances	1,689.57	1,594.55	-	-
Security Deposits				
Considered good	96.10	49.75	26.15	37.07
Considered doubtful	-	-	4.85	5.34
Less: Provision for doubtful deposits	-	-	(4.85)	(5.34)
Other loans and advances				
Advance for goods / services				
Considered Good	-	-	301.87	115.52
Considered Doubtful	-	-	2.56	2.40
Less: Provision for doubtful advances	-	-	(2.56)	(2.40)
Loans and advance to employees	1.40	4.78	18.69	24.61
Prepaid Expenses	-	-	101.59	98.13
Balance with revenue authorities	-	-	637.03	717.79
Service tax and VAT refundable	-	-	77.07	63.20
Advance tax/ tax deducted at source (net of provision)	406.00	133.82	-	-
Total	2,193.07	1,782.90	1,162.40	1,056.32

13 OTHER ASSETS

	Non-current As at 31 March		Current As at 31 March	
	2015	2014	2015	2014
Export benefits receivable	-	-	485.85	468.56
Interest accrued on bank deposits	18.10	2.27	112.97	3.63
Premium on forward contracts	-	-	92.80	85.85
Dividend / Governing council share from associates	-	-	46.35	52.94
Other receivable	-	-	20.25	212.72
Non-current bank balances (refer note 16)	305.94	164.63	-	-
Total	324.04	166.90	758.22	823.70

Other receivable includes ₹ 2.33 lacs paid under protest for enhanced cost of land, contested in hon'ble Punjab and Haryana High Court.

		(₹ in Lacs)	
		As at 31 March 2015	As at 31 March 2014
14 INVENTORIES			
(Valued at lower of cost and net realisable value)			
Raw Materials including packing materials		4,125.63	2,562.88
Goods-in transit		40.86	383.28
Work-in-progress		818.49	402.10
Finished Goods		653.02	670.74
Stock-in-trade		16.22	16.95
Goods-in transit		-	23.90
Stores and spares		108.02	141.19
Total		5,762.24	4,201.04
Additional disclosure regarding inventories			
Raw Materials including packing materials			
Plastic granules		1,211.63	596.89
PVC Sheet		118.93	31.45
SS Tube		140.37	103.45
Boxes		76.53	74.52
Medical paper		428.87	262.50
Other miscellaneous items		2,149.30	1,494.07
		4,125.63	2,562.88
Work-in-progress			
I V Cannula		254.29	142.33
Blood Bag		226.01	11.99
Others		338.19	247.78
		818.49	402.10
Finished Goods			
I V Cannula		147.63	115.28
Blood Bag		50.84	148.45
Others		454.55	407.01
		653.02	670.74
Stock in trade			
Others		16.22	16.95
15 TRADE RECEIVABLES			
		As at 31 March 2015	As at 31 March 2014
Trade Receivables outstanding for a period less than six months from the date they are due for payment			
Unsecured, considered good		6,167.84	4,499.46
Trade Receivables outstanding for a period exceeding six months from the date they are due for payment			
Unsecured, considered good		112.89	75.91
Unsecured, considered doubtful		36.67	35.73
Less: Provision for doubtful debts		(36.67)	(35.73)
Total		6,280.73	4,575.37

(₹ in Lacs)

	Outstanding As at 31 March		Maximum balance outstanding during the year ended	
	2015	2014	2015	2014
Trade receivable includes:				
Due from Vitromed Healthcare, a partnership firm in which promoter directors and their relatives are partners	-	-	387.57	420.15
Due from Ultra For Medical Products (UMIC), being associate company	226.03	272.69	434.61	370.01

16 CASH AND BANK BALANCES

	Non-current As at 31 March		Current As at 31 March	
	2015	2014	2015	2014
Cash and cash equivalent				
Balances with Banks				
In current and cash credit accounts	-	-	63.89	1,368.15
In deposit accounts, with less than 3 months maturity period	-	-	1,101.33	0.13
Cheques, drafts on hand	-	-	6.79	0.17
Cash on hand (including foreign currency notes)	-	-	13.54	8.29
Other Bank balances				
Balance with Banks in unpaid dividend accounts	-	-	6.38	5.59
Held as margin money	303.55	156.69	-	-
Deposits with more than 3 months but less than 12 months maturity period	-	-	806.37	0.20
Deposits with more than 12 months maturity period	2.39	7.94	-	-
Amount disclosed under the head "other assets" (Refer note 13)	(305.94)	(164.63)	-	-
Total	-	-	1,998.30	1382.53

17 REVENUE FROM OPERATIONS

	Year ended 31 March 2015	Year ended 31 March 2014
Sale of products		
Manufactured goods	38,155.11	31,247.29
Traded Goods	720.08	703.14
Other operating revenues		
Export Incentives	538.16	574.62
Sale of scrap	100.34	57.59
Others	-	118.02
Less: Excise duty	(478.99)	(475.84)
Total	39,034.70	32,224.82
Additional disclosures in respect of sale of products		
Finished goods sold		
I V Cannula	15,377.92	14,919.76
Blood Bag	2,231.29	938.72
Others	20,545.90	15,388.81
	38,155.11	31,247.29

(₹ in Lacs)

Traded goods sold		
Safety scalp vein set	136.00	130.92
Others	584.08	572.22
	720.08	703.14

18 OTHER INCOME

	Year ended 31 March 2015	Year ended 31 March 2014
Interest Income	216.51	26.67
Dividend Income	-	32.98
Other non-operating income		
Provisions / Liabilities no longer required written back (net)	1.02	4.28
Gain on fixed assets sold/discarded	213.12	-
Gain on Foreign Exchange Fluctuation (net)	308.03	-
Miscellaneous Income	73.37	41.18
Total	812.05	105.11

19 COST OF RAW MATERIALS INCLUDING PACKING MATERIALS CONSUMED

	Year ended 31 March 2015	Year ended 31 March 2014
Raw Material Consumed		
Inventory at the beginning of the year	2,034.93	2,046.56
Add: Purchases during the year	12,153.82	8,064.77
Less: Inventory at the end of the year	3,391.79	2,034.93
Cost of raw material consumed (A)	10,796.96	8,076.40
Packing Material Consumed		
Inventory at the beginning of the year	527.96	533.49
Add: Purchases during the year	3,411.80	2,461.38
Less: Inventory at the end of the year	733.84	527.96
Cost of packing material consumed (B)	3,205.92	2,466.91
Total (A+B)	14,002.88	10,543.31

The above consumption figures are disclosed on the basis of derived figures and are after adjusting excesses and shortages ascertained on physical count, unserviceable items, etc.

Additional disclosures in respect of raw material and packing material consumed

Raw Material Consumed		
Plastic granules	4,057.45	3,798.47
PVC Sheet	440.48	211.01
SS Tube	402.34	458.54
Other miscellaneous items	5,896.69	3,608.38
	10,796.96	8,076.40
Packing Material Consumed		
Boxes	815.65	642.70
Medical paper	706.23	561.11
Others	1,684.04	1,263.10
	3,205.92	2,466.91

(₹ in Lacs)

20 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE

	Year ended 31 March 15	Year ended 31 March 2014	(Increase) / Decrease
Inventories at the end of year			
Finished Goods and Stock in Trade	669.24	687.69	18.45
Work in progress	818.49	402.10	(416.39)
	1,487.73	1,089.79	(397.94)
Inventories at the beginning of year			
Finished Goods and Stock in Trade	687.69	429.01	(258.68)
Work in progress	402.10	328.36	(73.74)
	1,089.79	757.37	(332.42)

21 EMPLOYEE BENEFITS EXPENSES

	Year ended 31 March 2015	Year ended 31 March 2014
Salaries, wages and bonus	5,956.67	4,823.19
Gratuity Expenses	36.62	28.36
Contributions to Provident Fund and others	424.33	366.19
Staff Welfare Expenses	81.56	60.78
Total	6,499.18	5,278.52

22 RESEARCH AND DEVELOPMENT EXPENSES

	Year ended 31 March 2015	Year ended 31 March 2014
Revenue Expenditure charged to statement of profit and loss		
Cost of components and Material Consumed (Net)	586.45	361.35
Employee benefits expenses including gratuity of ₹ 2.15 lacs (previous year ₹ 1.82 lacs)	185.10	163.06
Power and Fuel	44.88	36.94
Travelling & Conveyance	17.92	15.96
Other Misc Expenses including payment to auditors ₹ 0.13 lacs (previous year ₹ 0.17 lacs)	12.31	15.07
Total Revenue Expenses	846.66	592.38
Capital Expenditure	58.18	98.11
Total amount spent on Research and Development	904.84	690.49

23 <u>OTHER EXPENSES</u>	(₹ in Lacs)	
	Year ended 31 March 2015	Year ended 31 March 2014
Consumption of stores and spare parts	608.46	368.65
Power and Fuel	1,315.63	1,074.75
Job Work Charges	3,161.38	2,753.92
Other Manufacturing Expenses	66.30	31.94
Repairs to Building	41.24	21.41
Repairs to Machinery	372.71	484.60
Repairs to Others	47.66	35.04
Excise Duty on closing stock	12.85	13.11
Insurance (Net)	132.47	83.20
Rent	130.27	67.05
Rates, Taxes & Fee	56.52	47.71
Wealth tax	2.86	2.15
Travelling & Conveyance	462.63	416.10
Legal & Professional Fees	527.09	852.43
Auditors' Remuneration	20.12	16.55
Directors' Sitting Fees	65.30	10.00
Donations	67.74	45.33
Loss on fixed assets sold/discarded (Previous Year Net off of gain of ₹ 0.76 lacs)	-	0.06
Bank Charges	195.48	146.57
Loss on Foreign Exchange Fluctuation (net)	-	433.42
Telephone & Fax Charges	62.34	53.89
Printing & Stationary	29.90	24.01
Postage & Courier	41.08	32.65
Advertisement	6.20	5.86
Commission on sales	392.90	264.81
Freight & Forwarding (Net)	577.62	409.01
Business Promotion	230.52	132.66
Exhibition Expenses	158.01	137.75
Rebate, Discounts & Claims	62.80	49.60
Provision for Doubtful debts / Advances	0.61	-
Bad debts written off	-	1.52
Other Miscellaneous Expenses	170.42	126.83
Total	9,019.11	8,142.58

24 <u>FINANCE COST</u>		
	Year ended 31 March 2015	Year ended 31 March 2014
Interest expense	643.39	442.43
Other borrowing costs	6.41	7.50
Exchange difference to the extent considered as an adjustment to borrowing costs	180.05	350.80
Total	829.85	800.73

		(₹ in Lacs)	
		Year ended 31 March 2015	Year ended 31 March 2014
25	<u>DEPRECIATION AND AMORTISATION EXPENSES</u>		
	Depreciation of tangible assets	1,812.39	1,354.48
	Less: Transfer to Pre-operative expenses	(1.28)	(0.43)
	Amortisation of intangible assets	69.56	55.03
	Impairment of Goodwill on consolidation	-	-
	Gross Total	1,880.67	1,409.08
	Less: Amortisation of Government Grants (refer note no. 2)	(3.58)	(3.58)
	Net Total	1,877.09	1,405.50

26 **CONTINGENT LIABILITIES AND COMMITMENTS**

Particulars		Year ended 31 March 2015	Year ended 31 March 2014
a	Contingent liabilities not provided for:		
	Show Cause notices from excise department	58.78	29.39
	Compensation for enhanced cost of Land contested in Punjab & Haryana High Court (Amount paid ₹ 2.33 lacs, Previous year ₹ 2.33 lacs)	9.34	9.34
	Liabilities against legal case filed under Industrial Dispute Act 1947	-	1.85
b	Obligations and commitments outstanding:		
	Unexpired letters of credit ₹ 808.41 lacs (Previous year ₹ 336.78 lacs) and Guarantees including for issuing stand by letter of credit issued by bankers ₹ 426.26 lacs (Previous year ₹ 571.78 lacs), (Net of margins)	1,234.67	908.56
	Bills discounted but not matured	1,196.13	1,499.46
	Custom duty against import under Advance Licence Scheme	330.18	11.17
	Custom duty against import under EPCG Scheme	275.91	50.99
	Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances given)	2,313.77	2,644.36

27 **FOREIGN CURRENCY FORWARD CONTRACTS REMAINING UNADJUSTED & OUTSTANDING :**

Category	Purpose	Currency / Pair of currency	31 March 2015		31 March 2014	
			Amount in foreign currency	Amount in INR	Amount in foreign currency	Amount in INR
Sell	Hedging	USD INR	40.50	2,667.89	33.29	2,011.27
		EURO INR	5.00	372.86	5.00	393.83
Buy	Hedging	JPY INR	94.00	53.23	198.60	118.38
		JPY USD	-	-	2.26	222.73
		USD INR	-	-	8.67	547.55

(₹ in Lacs)

28 PARTICULARS OF UNHEDGED FOREIGN CURRENCY EXPOSURE:

Particulars	Currency	31 March 2015		31 March 2014	
		Amount in foreign currency	Amount in INR	Amount in foreign currency	Amount in INR
Trade Receivable	GBP	0.54	50.08	0.73	72.44
	EURO	8.93	563.54	-	-
	USD	25.83	1,941.96	-	-
	JPY	-	-	7.27	4.25
Other Receivable	USD	20.94	1308.59	0.71	42.54
	EURO	3.65	245.38	-	-
	EGP	5.68	46.35	6.49	52.94
	JPY	15.47	8.06	-	-
Other Payable	USD	7.63	477.04	-	-
	EURO	5.32	357.42	-	-
	GBP	0.26	24.10	-	-
Import Payables	USD	35.11	2,194.03	1.15	68.63
	EURO	1.12	74.98	1.36	111.80
	JPY	274.68	138.92	-	-
Patents	USD	0.34	21.00	0.29	17.25
	EURO	0.33	22.47	0.02	2.00
	SGD	0.03	1.32	0.01	0.24
	JPY	9.03	4.71	1.52	0.89
	GBP	0.01	0.24	0.16	16.06
	AUD	0.03	1.46	0.02	1.35
Legal and Professional Charges	USD	-	-	0.09	5.97
	AUD	2.01	95.49	3.65	202.23
	EURO	0.57	38.20	0.70	57.85
Commission Payable	USD	2.28	142.53	0.50	29.72
	EURO	0.03	1.72	0.09	7.56
Freight Payable	USD	-	-	0.03	1.59
Borrowings	USD	63.89	3,993.04	21.98	1,287.67

- 29** Inventories, loans & advances, trade receivables / payables and other current / non-current assets are reviewed annually and in the opinion of the Management do not have a value on realization in the ordinary course of business, less than the amount at which they are stated in the Balance Sheet.

The response to letters sent by the Company requesting confirmation of balances has been insignificant. In the management's opinion, in the event of any disparity in the balances, any consequential adjustments required on reconciliation of the balances will not be material in relation to the financial statements of the Company and the same will be adjusted in the financial statements as and when the reconciliation is completed.

30 RELATED PARTY DISCLOSURES

Related party disclosures as required by Accounting Standard (AS)-18 of The Institute of Chartered Accountants of India.

A List of related parties and relationships

a Associate

Ultra For Medical Products (UMIC), Egypt

b Key Management Personnel

- 1 Mr. Himanshu Baid (Managing Director)
- 2 Mr. Rishi Baid (Executive Director)
- 3 Mr. J. K. Oswal (VP (Finance) and CFO)

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(₹ in Lacs)

- 4 Mr. Vinay Gujral (Company Secretary), upto 30th April 2015
- 5 Mr. Avinash Chandra (Company Secretary), w.e.f. 01st May 2015

C Relatives of Key Management Personnel

- 1 Mr. J. K. Baid (Director - relative of Managing Director & Executive Director)
- 2 Mr. Vishal Baid (President - relative of Managing Director & Executive Director)
- 3 Mrs. Mukulika Baid (Director - relative of Director) w.e.f. 30th July, 2014

d Enterprises over which key management personnel and their relatives exercise significant influence

- 1 Vitromed Healthcare
- 2 Jai Polypan Pvt. Ltd.
- 3 Stilocraft
- 4 PolycureMartech Ltd.
- 5 Jaichand Lal Hulasi Devi Baid Charitable Trust

B Transactions with related parties

Description	Subsidiaries and Associate		Key Management personnel & their relatives		Enterprises controlled by key management personnel and their relatives	
	Current Year	Previous year	Current Year	Previous Year	Current Year	Previous Year
Sales of Goods	742.59	622.70			1,206.46	1,360.61
Ultra for Medical Products Egypt	742.59	622.70				
Vitromed Healthcare					1,206.46	1,360.61
Purchases of Goods					141.01	97.98
Vitromed Healthcare					141.01	97.98
Job work					2,976.15	2,620.68
Vitromed Health Care					2,976.15	2,620.68
Rent received					0.24	0.24
Vitromed Healthcare					0.24	0.24
Rent paid					1.41	1.48
Jai Polypan Pvt. Ltd.					1.41	1.48
Directors / Key Managerial Personnels' Remuneration			685.10	587.44		
Mr. Himanshu Baid			327.01	284.17		
Mr. Rishi Baid			321.44	278.79		
Mr. J. K. Oswal			33.48	24.48		
Mr. Vinay Gujral			3.17	-		
Salary and perquisites			32.57	29.15		
Mr. Vishal Baid			32.57	29.15		
Commission and Sitting fees			16.80	1.00		
Mr. J. K. Baid			8.70	1.00		
Mrs. Mukulika Baid			8.10	-		
Dividend / Share Governing Council due	6.27	42.54				
Ultra for Medical Devices	6.27	42.54				
Donation Paid					1.50	6.50
Jaichand Lal Hulasi Devi Baid Charitable Trust					1.50	6.50

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(₹ in Lacs)

Outstanding Balances at the year end				
Dividend / Share Governing Council outstanding	46.35	52.94		
Ultra for Medical Products	46.35	52.94		
Remuneration / Salary payable			280.96	238.84
Mr. Himanshu Baid			138.70	118.40
Mr. Rishi Baid			139.27	118.25
Mr. Vishal Baid			1.69	1.45
Mr. J. K. Oswal			0.86	0.74
Mr. Vinay Gujral			0.44	-
Commission Payable			13.50	
Mr. J.K. Baid			6.75	
Mrs. Mukulika Baid			6.75	
Debtors	226.03	272.69		
Ultra for Medical Products	226.03	272.69		

31 EARNINGS PER SHARE (EPS) OF ₹ 5/- EACH

Particulars	Year ended 31 March 2015	Year ended 31 March 2014
Net profit after tax available for equity share holders (₹ In lacs)	6,232.28	4,509.38
Basic Earnings per Share		
Number of shares considered as Basic weighted average shares outstanding during the year	44,092,927	44,057,738
Basic Earnings per share(in ₹)	14.12	10.24
Diluted Earnings per Share		
Weighted Average no. of equity shares outstanding during the year	44,092,927	44,057,738
Effect of dilutive issue of stock options	-	45,906
Weighted average no. of equity shares outstanding for Diluted EPS	44,092,927	44,103,644
Diluted Earnings per Share (in ₹)	14.12	10.22

With effect from 3rd February 2015, Face value of the company's equity share has been sub-divided from ₹ 10 each to 2 (two) equity shares of ₹ 5 each fully paid up. In compliance with Accounting Standard 20-Earnings per share (EPS), the Company has given effect to sub-division of shares in computing the earning per share for all comparative periods.

32 ADDITIONAL INFORMATION PURSUANT TO SCHEDULE III OF THE COMPANIES ACT 2013:

Name of the entity	Net Assets		Share in profit	
	As % of consolidated net assets	Amount	As % of consolidated Profit	Amount
Subsidiary Companies				
Poly Medicure (Laiyang) Co., Ltd, China	3.51%	689.47	2.36%	147.19
US Safety Syringes Co., LLC, USA	-0.01%	(0.98)	-	-
Associate Company				
Ultra for Medical Products, Egypt	-	-	1.07%	66.99
Minority Interest in US Safety Syringes Co., LLC, USA				(0.25)

(₹ in Lacs)

33 PAYMENT TO AUDITORS:

Particulars	Year ended 31 March 2015	Year ended 31 March 2014
Audit Fee	10.36	9.42
Tax audit Fee	1.00	1.00
Limited Review of Results	1.50	1.20
In other capacity		
(a) For Taxation matters	3.50	3.50
(b) For Certification work	2.77	0.59
Reimbursement of expenses	1.12	1.01
Total	20.25	16.72

34 EMPLOYEE BENEFIT:

The disclosure of employees benefit as defined in the Accounting Standard - 15 (revised) on "Employee Benefits" are as follows:

I Defined Contribution Plan - Provident Fund

During the period, the company has recognised the following amount in statement of profit and loss

Particulars	Year ended 31 March 2015	Year ended 31 March 2014
Employers' contribution to provident fund * #	300.41	253.77

* included in "contribution to provident fund and others" under employee benefit expenses (refer note no. 21)

excluding contribution to provident fund transferred to tangible capital work in progress ₹ 1.87 lacs (₹ 0.23 lacs) and to Research and Development Expenses ₹ 5.38 lacs (₹ 4.36 lacs).

a) As per Accounting Standard (AS15) "Employee Benefits", the disclosure of employee benefits is as under:

Particulars	For the Year ended 31 March 2015		For the Year ended 31 March 2014	
	Gratuity (Unfunded)	Leave encashment /Compensated Absences (Unfunded)	Gratuity (Unfunded)	Leave encashment /Compensated Absences (Unfunded)
Obligations at beginning of the year	123.14	59.27	102.57	52.93
Service Cost - Current	27.95	18.39	23.49	16.42
Interest Cost	10.47	5.04	8.71	4.50
Actuarial (gain) loss	0.35	17.47	(2.03)	8.20
Benefit Paid	(9.37)	(27.01)	(9.60)	(22.78)
Obligations at end of the year	152.54	73.16	123.14	59.27
Liability recognised in the Balance Sheet	152.54	73.16	123.14	59.27
Expenses recognised in statement of Profit & Loss	38.77	40.90	30.18	29.12
Expected amount of contribution for the next year	53.02	25.20	45.64	21.90

(₹ in Lacs)

b) Movement in liability recognised in the Balance Sheet

Particulars	For the Year ended 31 March 2015		For the Year ended 31 March 2014	
	Gratuity (Unfunded)	Leave encashment/Comp ensated Absences (Unfunded)	Gratuity (Unfunded)	Leave encashment /Compensated Absences (Unfunded)
Obligations at beginning of the year	123.14	59.27	102.57	52.93
Expenses recognised in the statement of profit & Loss	38.77	40.90	30.18	29.12
Benefit Paid	(9.37)	(27.01)	(9.60)	(22.78)
Obligations at end of the year	152.54	73.16	123.15	59.27

c) The principal assumptions used in determining post-employment benefit obligations are as below:

Particulars	Gratuity 2015 (in%)	Leave Encashment 2015 (in%)	Gratuity 2014(in%)	Leave Encashment 2014 (in%)
Discount Rate	8.5	8.5	8.5	8.5
Future salary increases	6	6	6	6

35 In view of option allowed by the Ministry of Corporate Affairs vide its notification dated 29th December 2011 on AS 11, the exchange differences arising on reporting of long term foreign currency monetary items at rates different from those at which they were initially recorded have been accumulated in a "Foreign Currency Monetary Items Translation Difference Account" to be amortised over the balance period of such long term assets or liabilities. Pursuant to such adoption, a sum of ₹ 49.69 lacs is remained to be amortised over the balance period of such assets or liabilities (including current year impact of gain amounting to ₹ 78.37 lacs). Had the option not being exercised, the profits of the company would have been higher by ₹ 78.37 lacs.

36 Borrowing cost of ₹ 56.19 Lacs (previous year ₹ 72.04 Lacs) have been included in capital work in progress.

37 The company is primarily engaged in a business of manufacturing and sale of "Medical Devices" and, hence, there is no reportable segments as per Accounting Standard-17.

38 LEASES : OPERATING LEASES

- i) The Company has taken six premises under cancellable operating lease. These lease agreements are normally renewed on expiry.
- ii) Lease rental expenses in respect of operating leases: ₹ 128.28 lacs (previous year ₹ 63.98 lacs)
- iii) The Company has taken certain premises on non-cancellation operating lease. The future minimum lease payments in respect of which as at 31st March 2015 are as follows:

Particulars	Year ended 31 March 15	Year ended 31 March 14
Payable not later than one year	106.35	-
Payable later than one year and not Later than five year	35.73	-
Total	142.08	-

(₹ in Lacs)

39 Effective from 01st April 2014, the Company has revised estimated useful life of all of its fixed assets as per the Schedule II Of the Companies Act, 2013. Based of current estimates, after retaining the residual value, the carrying amount of the fixes assets is ₹ 39.67 lacs (net of deferred tax assets of ₹ 20.99 lacs) on account of fixed assets whose useful life has already exhausted as on 1st April, 2014 have been adjusted to retained earnings. Had there not been any change in the useful life of the fixed assets, there would not have been any material change in the amount of depreciation for the year ended 31st March, 2015.

40 DETAILS OF EXPENDITURE INCURRED ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES AND SHORT FALL IN SPENDING CSR:

Sr. No.	Particulars	Amount Spent in Current year
1	On Providing Food / vehicle for food distribution	18.48
2	On promotion of education including provision for scholarship	15.22
3	On welfare for disabled persons	10.00
4	On provision for sanitation	5.94
5	On food relief activity	5.29
6	On making available safe drinking water	1.00
7	On promotion of health care	0.31
	Total	56.24
Total amount to be spent on CSR activities in accordance with the provision of section 135 of the Companies Act, 2013		84.19
Total Amount spent		56.24
Unspent amount on CSR activities		27.95

41 EMPLOYEE STOCK OPTION SCHEME:

The compensation committee formed by the company in terms of resolution of the Board of Directors, created in accordance with SEBI (Guidelines and any other applicable Rules,) Regulations, a ESOS Scheme called the "Poly Medicure Employee Stock Option Scheme, 2011 (ESOS 2011)" which was further amended in the shareholding meeting held on 27th September 2013. Whereby employees who were granted ESOP under original scheme of 2011 were granted options in addition to the options already granted by reducing exercise price from ₹ 50 to ₹ 25. The terms and conditions of the grant as per the amended Employee Stock Option Scheme, 2011 (ESOS 2011) are as under:

- A) Vesting period
- i Original scheme
 - On completion of 24 months from the date of grant of options 50%
 - On completion of 30 months from the date of grant of options for remaining 50%
 - ii Under amended scheme for additional shares granted to the employee to whom the options were granted under the earlier scheme.
 - On completion of 12 months from the date of grant of options 100%
- B) Exercise period
- i Original scheme
 - Commences from the date of vesting of the options and expires at the end of three months from the date of such vesting
 - ii Under amended scheme for additional shares granted to the employee to whom the options were granted under the earlier scheme.
 - Commences from the date of vesting of the options and expires at the end of three months from the date of such vesting.
- C) Exercise Price
- The exercise price was reduced to ₹ 25 for options granted earlier and for additional options granted in pursuance of amended scheme.

(₹ in Lacs)

The details of options granted, lapsed and exercised in accordance with amended ESOS 2011 are as under:

Particulars	Year ended 31 March 2015	Year ended 31 March 2014
I Grant price (₹)	25.00	25.00
II Grant Date - for options granted in the original scheme	9-Sep-11	9-Sep-11
III Grant Date - for additional options granted in the amended scheme	27-Sep-13	27-Sep-13
IV Option Granted (No. of equity shares) - original	-	20,440
V Option Granted (No. of equity shares) - additional	-	16,730
VI Option Lapsed (No. of equity shares) - original	-	4,020
VII Option Lapsed (No. of equity shares) - additional	1,118	312
VII Option exercised and shares allotted (No. of equity shares) - original	8,209	8,211
I		
IX Option exercised and shares allotted (No. of equity shares) - additional	15,300	-
X Option exercised but pending to be allotted (No. of equity shares) - original	-	1,685
XI Option Outstanding (No. of equity shares) - original	-	6,524
XII Option Outstanding (No. of equity shares) - additional	-	16,418

The number of shares granted / lapsed / exercised and allotted were having face value of ₹ 10 each, which were subsequently sub divided into two equity share of face value of ₹ 5 each.

42 VALUE OF IMPORTS CALCULATED ON CIF BASIS IN RESPECT OF :

Particulars	Year ended 31 March 2015	Year ended 31 March 2014
I Raw Materials	8,325.85	5,174.20
II Traded Goods	710.88	525.24
III Stores, Spares & Packing Materials	1,358.06	896.20
IV Capital Items	2,827.64	3,162.75
Total	13,222.43	9,758.39

43 EXPENDITURE IN FOREIGN CURRENCY (ON ACCRUAL BASIS) :

Particulars	Year ended 31 March 2015	Year ended 31 March 2014
I Interest	93.34	148.10
II Traveling Expenses	29.95	32.56
III Legal & Professional Charges	363.28	649.89
IV Commission	217.65	100.42
V Bank Charges	31.68	34.00
VI Exhibition Expenses	87.30	94.47
VII Rates Taxes & Fees	3.01	1.78
VIII Freight and Forwarding	21.16	9.33
Total	847.37	1,070.55

(₹ in Lacs)

44 VALUE OF IMPORTED & INDIGENOUS RAW MATERIALS AND STORES & SPARES AND PACKING MATERIALS CONSUMED AND PERCENTAGE OF EACH OF THE TOTAL CONSUMPTION:

Particulars		Year ended 31 March 2015		Year ended 31 March 2014	
		Value	%	Value	%
Holding Company					
1 Raw materials					
	Imported	8,094.40	81.59	5,417.86	71.11
	Indigenous	1,826.81	18.41	2,200.90	28.89
	Total	9,921.21	100.00	7,618.76	100.00
2 Stores, Spares & Packing Material					
	Imported	1,305.36	34.22	898.95	31.70
	Indigenous	2,509.02	65.78	1,936.61	68.30
	Total	3,814.38	100.00	2,835.56	100.00
Subsidiary Company					
Raw Materials, Stores, Spares and Packing Material Consumed		875.76	100.00	457.64	100.00
Grand Total		14,611.34	100.00	10,911.96	100.00

The above does not include material consumed for research and development activities.

45 EARNING IN FOREIGN EXCHANGE (ON ACCRUAL BASIS):

Particulars		Year ended 31 March 2015	Year ended 31 March 2014
I	FOB Value of Exports During the Year	25,138.52	20,101.72
II	Others (Freight, settlement amount, Insurance, Commission, Interest, fees etc. recovered)	2,978.11	1,292.90
III	Dividend / Governing Council share from Associates	6.27	42.54
Total		28,122.90	21,437.16

46 THE TOTAL AMOUNT REMITTED IN FOREIGN CURRENCY ON ACCOUNT OF DIVIDEND IN RESPECT OF SHARES HELD BY NON-RESIDENTS ARE GIVEN HERE UNDER:

Particulars		Year ended 31 March 2015	Year ended 31 March 2014
I	Number of Non Resident Shareholders	3	3
II	Number of Equity Shares held by them	168,000	84,000
III	Amount of Dividend paid (Gross) (₹ In lacs)	3.36	1.68
IV	Amount of Dividend paid (Gross) (In USD)	-	-
V	Tax Deducted at Sources	-	-
VI	Year to which dividend relates	2013-14	2012-13

47 Exceptional items in statement of profit and loss represents one time income of ₹ 1957.80 lacs (previous year ₹ 991.46 lacs) from one of its customer towards settlement of a contract.

48 Previous year figures have been regrouped / rearranged, wherever necessary to confirm current year classifications.

As per our report of even date annexed

For DOOGAR & ASSOCIATES (Reg no.000561N)

Chartered Accountants

M.S. Agarwal

Partner

Membership No.86580

Place: New Delhi

Date: 04.05.2015

For and on behalf of the Board

Himanshu Baid

Managing Director

DIN:00014008

J. K. Oswal

VP (F) and CFO

Rishi Baid

Executive Director

DIN:00048585

Avinash Chandra

Company Secretary

Form AOC-I

Statement pursuant to first proviso to sub-section (3) of section 129 of the Companies Act 2013, read with rule 5 of Companies (Accounts) Rules, 2014

Statement containing salient features of the financial statement of subsidiaries

Part "A": Subsidiaries

(₹ in lacs)

1.	Sl. No.	1	2
2.	Name of the subsidiary	Poly Medicure (Laiyang) Co. Ltd., China	US Safety Syringes Co. LLC, USA
3.	Reporting period for the subsidiary concerned	31 st March 2015	31 st March 2015
4.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	CNY 1 CNY = 10.08 INR	USD 1 USD = 62.4950 INR
5.	Share capital	787.21	249.98
6.	Reserves & surplus	(97.74)	(250.96)
7.	Total assets	1,403.44	0.00
8.	Total Liabilities	713.97	0.98
9.	Investments	0.00	0.00
10.	Turnover	1,665.86	0.00
11.	Profit before taxation	147.19	0.00
12.	Provision for taxation	0.00	0.00
13.	Profit after taxation	147.19	0.00
14.	Proposed Dividend	0.00	0.00
15.	% of shareholding	100%	75%

Part "B": Associates

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

(₹ in lacs)

Name of Associates	Ultra For Medical Products (UMIC), Egypt
Latest audited Balance Sheet Date	31 st December 2014
Shares of Associate held by the company on the year end	
No.	46000
Amount of Investment in Associates	88.67
Extend of Holding %	23%
Description of how there is significant influence	Holding more than 20% of share capital and participation in decision making process.
Reason why the associate is not consolidated	N. A.
Net worth attributable to Shareholding as per latest audited Balance Sheet	2,055.04
Profit for the year	
Considered in Consolidation	66.99
Not Considered in Consolidation	N. A.

A map of the NCUI Auditorium area in Delhi. The map shows the NCUI Auditorium marked with a red pin. Surrounding landmarks include Gulmohar Park, Kamala Nehru College, Jijabai Industrial Training Institute for Women, Assn of Metropolitan Development Authorities, Shooting Range, Wall of Siri Fort, Siri Fort Indoor badminton court, Chopsticks, BHEL, PHD House, and Hauz Khas Market. Roads shown include Block D Hauz Khas Rd, August Kranti Marg, and Tabula Road. A search bar at the top left shows the search query "NCUI Auditorium, Siri Fort Road, Siri Fort, New De" and the phone number "011 2656 8408".

[illegible]



POLYMED

Medical Devices



Works:

Unit-I: Plot No. 104-105, Sector-59
HSI IDC Industrial Area, Ballabgarh,
Faridabad - 121004 (Haryana) INDIA

Unit-II: Plot No. 115-116, Sector-59,
HSI IDC Industrial Area, Ballabgarh,
Faridabad - 121004 (Haryana) INDIA

Unit-III: Plot No. 17, Sector-3, I.I.E. SIDCUL,
Haridwar - 249403 (Uttarakhand), INDIA

Unit-IV: Plot No. PA010 - 019, Mahindra World City
(SEZ) Jaipur - 302037 (Rajasthan), INDIA

If undelivered, please return to :

Registered Office:

Poly Medicure Limited

232B, 3rd Floor, Okhla Industrial Estate,
Phase - III, New Delhi - 110020, INDIA

Tel : +91-11-26321838 / 99 / 89 / 93 / 81

+91-11-33550700

Fax : +91-11-26321894 / 39

E-mail : investorcare@polymedicure.com

Web : www.polymedicure.com

POLY MEDICURE LIMITED

CIN : L40300DL1995PLC066923

Registered Office: 232-B, 3rd Floor, Okhla Industrial Estate, Phase-III, New Delhi-110020 (India)

Ph. : 011-26321838, 81, 89, 93, 99, Fax : 011-26321839, 94

E-mail : investorcare@polymedicure.com, Website : www.polymedicure.com

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ELECTRONIC VOTING PARTICULARS

EVEN (E-Voting Event Number)	USER ID	PASSWORD/PIN	NO. OF SHARES

The e-voting facility will be available during the following voting period:

Commencement of e-voting	From 10.00 a.m. (IST) on September 25, 2015
End of e-voting	Upto 05.00 p.m. (IST) on September 27, 2015

- The cut-off date (i.e. the record date) for the purpose of e-voting is 21st September, 2015.

----- TEAR HERE -----

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E-mail : investorcare@polymedicure.com, Website : www.polymedicure.com

ATTENDANCE SLIP

Regd. Folio No. / DP ID - Client ID : _____

Name & Address of First/Sole Shareholder : _____

No. of Shares held : _____

I/We hereby record my presence at the Annual General Meeting held on Monday, September 28th, 2015 at 10.00 a.m. at Alpha Hall, 2nd Floor, National Co-operative Union of India, 3, Siri Institutional Area, August Kranti Marg, New Delhi- 110016

Notes:

Signature of Member/Proxy

- Only Member/Proxy can attend the meeting. No minors would be allowed at the meeting.
- Member / Proxy wish to attend the meeting must bring this attendance slip to the meeting and handover at the entrance duly filled in and signed.

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PROXY FORM AGM 2015

[Pursuant to Section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

MGT 11

Folio / DP ID-Client ID No. :

Name of the Member(s) & Address :

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

- (1) Name :
Address:
E-mail id: Signature _____, or failing him;
- (2) Name :
Address:
E-mail id: Signature _____, or failing him;
- (3) Name :
Address:
E-mail id: Signature _____

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 20th Annual General Meeting of the Company, to be held on Monday, the 28th September, 2015 at 10.00 a.m. at Alpha Hall, 2nd Floor, National Co-operative Union of India, 3, Siri Institutional Area, August Kranti Marg, New Delhi- 110016, and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution Number	Description
1	Adoption of Audited Financial Statement of the Company for the Financial Year ended 31 st March, 2015 together with, the reports of the Board of Directors and Auditors thereon and the Audited Consolidated Financial Statement of the Company for the Financial Year ended 31 st March, 2015 together with the report of Auditors thereon.
2	To declare dividend on Equity Shares for the Financial Year ended 31 st March, 2015.
3	Appointment of Director in place of Smt. Mukulika Baid who retires by rotation and is eligible for re-appointment.
4	Ratification of appointment of M/s Doogar & Associates, Chartered Accountants (Firm Registration No. 000561N), as Auditors of the Company, to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company.
5	Approval of Employees Stock Option Scheme, 2015.
6	Approval for taking Land & Building on lease from M/s. Vitromed Healthcare, Jaipur.
7	Approval for purchasing certain Plant & Machinery from M/s. Vitromed Healthcare, Jaipur.
8	Approval of the remuneration payable to M/s Jai Prakash & Co., Cost Accountants, the cost auditors of the company.
9	Re-appointment of Shri Vishal Baid as President (Sales & Marketing) for a term of 3 years commencing from 1 st April, 2016.

Signed this----- day of----- 2015

Signature of Shareholder-----

Signature of Proxy holder(s) -----

Revenue
Stamp

Note : This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

The procedure and instructions for e-voting are given here under:

I. In case of Members receiving e-mail from NSDL (For those members whose e-mail addresses are registered with Company/Depositories):

- a. Open e-mail and open PDF file viz. "PML-remote e-Voting.pdf" with your client ID or Folio No. as password containing your user ID and password for remote e-voting. Please note that the password is an initial password.
- b. Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/>.
- c. Click on Shareholder-Login.
- d. Put user ID and password as initial password noted in step (i) above. Click Login.
- e. Password change menu appears. Change the password with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- f. Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.
- g. Select "EVEN" of "**Poly Medicure Limited**".
- h. Now you are ready for remote e-voting as Cast Vote page opens.
- i. Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
- j. Upon confirmation, the message "Vote cast successfully" will be displayed.
- k. Once you have voted on the resolution, you will not be allowed to modify your vote.
- l. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to sethibk.100@gmail.com with a copy marked to evoting@nsdl.co.in.

II. In case of Members receiving Physical copy of Notice of 20th Annual General Meeting (for members whose email IDs are not registered with the Company/Depository Participants(s) or requesting physical copy)

- a. Initial password is provided in the box overleaf.
- b. Please follow all steps from Sl. No. (b) to Sl. No. (l) above, to cast vote.

- A. In case of any queries, you may refer 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 call on toll free no.: 1800-222-990.
- B. If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password/PIN for casting your vote.
- C. 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).
- D. 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 of 21st September, 2015.
- E. Any person, who acquires shares and becomes member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 21st September, 2015, may also obtain the login ID and password by sending a request at evoting@nsdl.co.in or RTA, MAS Services Limited.

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 forgot your password, you can reset your password by using "Forgot User Details/Password" option available on www.evoting.nsdl.com or contact NSDL at the following toll free no.: 1800-222-990.

- F. A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.
- G. 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.
- H. Shri B.K. Sethi, Practicing Company Secretary (Membership No. FCS-853 & CP No. 913), has been appointed for as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.
- I. 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 scrutinizer, by use of "Ballot Paper" for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
- J. The Scrutinizer shall after the conclusion of voting at the AGM, will 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 shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- K. The Results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company www.polymedicure.com and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing and communicated to the NSE Limited and BSE Limited.