

The Company has prepared the Standalone and Consolidated Financial Statements in accordance with the Companies (Indian Accounting Standards) Rules, 2015 prescribed under Section 133 of the Companies Act, 2013. The Company has adopted the Indian Accounting Standards (Ind AS) from 1st April, 2016. The comparative financial information of the Company for the year ended 31st March, 2016 have also been restated to comply with Ind AS.

2. Transfer to Reserves:

An amount of ₹300 Crores from the net profits for the financial year under review is proposed to be carried to General Reserves.

3. Dividend:

Your Directors recommend Dividend on Equity Shares at ₹4.00 per share (i.e. 200%) of face value ₹2/- per share for the financial year ended 31st March, 2017 as against ₹4.00 per share (i.e. 200%) for the financial year ended 31st March, 2016.

4. Management Discussion and Analysis Report:

The Management Discussion and Analysis Report as required under Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is included in this Annual Report. Certain Statements in the said report may be forward looking. Many factors may affect the actual results, which could be different from what the Directors envisage in terms of the future performance and outlook.

5. Subsidiaries, Associates and Joint Venture:

In accordance with third proviso of Section 136(1) of the Companies Act, 2013, the Annual Report of the Company, containing therein its standalone and the consolidated financial statements has been placed on the website of the Company, www.alembicpharmaceuticals.com. Further, as per fourth proviso of the said section, audited annual accounts of each of the subsidiary companies have also been placed on the website of the Company, www.alembicpharmaceuticals.com. Shareholders interested in obtaining a physical copy of the audited annual accounts of the subsidiary companies may write to the Company Secretary at the Company's registered office.

6. Directors:

In accordance with the provisions of the Companies Act, 2013 and the Articles of Association of the Company, Mr. Pranav

Amin, Managing Director of the Company, will retire by rotation at the ensuing Annual General Meeting and is eligible for re-appointment.

7. Key Managerial Personnel:

Mr. Chirayu Amin, Executive Chairman & CEO, Mr. Pranav Amin, Managing Director, Mr. Shaunak Amin, Managing Director, Mr. R. K. Baheti, Director - Finance & CFO and Mr. Ajay Kumar Desai, Vice President - Finance & Company Secretary are Key Managerial Personnel of the Company.

8. Meetings of the Board:

Four (4) Board Meetings were held during the financial year ended 31st March, 2017. The details of the Board Meetings with regard to their dates and attendance of each of the Directors thereat have been provided in the Corporate Governance Report.

9. Independent Directors:

The Independent Directors of the Company have given the declaration to the Company that they meet the criteria of independence as provided in of Section 149(6) of the Companies Act, 2013.

10. Performance Evaluation:

Pursuant to the provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out the annual performance evaluation of the Directors individually as well as evaluation of the working of the Board and of the Committees of the Board, by way of individual and collective feedback from Directors.

The following were the Evaluation Criteria:

(a) For Independent Directors:

- Knowledge and Skills
- Professional conduct
- Duties, Role and functions

(b) For Executive Directors:

- Performance as Team Leader/Member
- Evaluating Business Opportunity and analysis of Risk Reward Scenarios
- Key Set Goals and Achievements
- Professional Conduct and Integrity
- Sharing of Information with the Board

The Directors expressed their satisfaction with the evaluation process.