

1.19	Taxes on income
	<p>Provision for current Tax is made on the basis of estimated taxable income for the current accounting period in accordance with the provisions of the Income Tax Act, 1961</p> <p>Deferred Tax resulting from timing difference between book and taxable profit for the year is accounted for using the Tax rates and laws that are applicable as on the Balance sheet Date .The deferred Tax asset is recognized and carried forward only to the extent there is a reasonable certainty of its realization in future.</p> <p>Minimum Alternative Tax (MAT) paid in accordance with the provisions of Income Tax Act 1961, which gives rise to future economic benefits in the form of adjustment of future income tax liability, is considered as asset in the balance sheet.</p>
1.20	Research and development expenses
	Capital expenditure on Research and Development is treated in the same manner as Fixed Assets. The revenue expenditure on Research and development is charged off in the year in which it is incurred.
1.21	Provisions and contingencies
	<p>A provision is recognized when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates.</p> <p>Contingent liabilities are disclosed separately. Contingent assets are neither recognized nor disclosed in financial statement.</p>
1.22	Prepaid Expenses
	Prepaid expenses of items of ₹10000/- each and below are charged off to the revenue.
1.23	Prior Period Expenses/Income
	Income and expenditure relating to prior period exceeding ₹25000/- in each case only is accounted under prior period.
1.24	General Stores/Spares/ Raw Materials/ Finished Products
	The provision for loss if any in respect of slow moving items of materials/finished products are accounted after obtaining the technical opinion regarding the usability/marketability.
1.25	Classification of Assets and Liabilities as Current and Non-Current
	All assets and liabilities are classified as current or non-current as per the company's normal operating cycle and other criteria set out in schedule III to the Companies Act, 2013. Based on the nature of products and time between acquisition of assets for processing and their realization in cash and cash equivalents, 12 months has been considered by the Company for the purpose of current or non-current classification of assets and Liabilities.

2	EXPLANATORY/ CLARIFICATORY NOTES			
2.1	Authorized Share capital of the Company was increased from ₹20 Cr to ₹300 Cr during the year 2012-13. The expenditure amounting to ₹140 Lacs incurred towards the same is amortized over a period of five years.			
2.2	HLL BioTech Limited, 100% subsidiary of HLL Lifecare Limited, has allotted Rs.968.80 lakh shares of ₹. 10/- during the period against the capital infusion of Rs. 96.88 Cr.			
2.3	Disclosures required by the Micro, Small and Medium Enterprises Development [MSMED] Act, 2006 are as under :			
			(₹ in lacs)	
	Sl No.			
		31.03.2016	31.03.2015	
	(a)	The principal amount remaining unpaid at the end of the year.	256.85	238.03
	(b)	The delayed payments of principal amount paid beyond the appointed date during the year.	Nil	Nil
	(c)	Interest actually paid under Section 16 of the MSMED Act .	Nil	Nil
	(d)	Normal interest due and payable during the year, for all the delayed payments, as per the agreed terms.	Nil	Nil
	(e)	Total interest accrued during the year and remaining unpaid .	Nil	Nil
	This information has been determined to the extent such parties have been identified on the basis of information available with the Company.			
2.4	The extent of ownership in Subsidiary/Joint Venture Companies are as follows:			
	Name of the Company	Country of Incorporation	Relationship	Ownership Interest as on 31.03.2016
	HLL Biotech Limited (HBL)	India	Subsidiary	100%
	Goa Antibiotics and Pharmaceuticals Limited (GAPL)	India	Subsidiary	74%
	HLL InfraTech Services Limited (HITES)	India	Subsidiary	100%
	Life Spring Hospitals Pvt. Ltd	India	Joint Venture	50%

2.5	Matured fixed deposit of ₹10000/- has not been paid due to dispute in claim from the legal heirs of the deceased deposit holder. Interest does not accrue beyond maturity date and hence not provided for.			
2.6	The Company had received from M/s. Female Health Company (UK) equipment's valuing ₹89.27 Lakhs on loan basis for the manufacture of female condom FC2 Nitrile version at its unit located in Cochin Export Processing Zone. No accounting entries have been passed as the property & title of the equipment supplied vests with M/s. Female Health Company, U.K. Further, rental charges on the said assets are recognized on actual utilization basis.			
2.7	Borrowing costs capitalised during the year is ₹ 80.23 lakhs (Previous Year is ₹154.64lacs)			
2.8	<p>During the year to fall in line with the requirement as per Schedule II of the Companies Act, 2013 for charging of depreciation, the Company has identified and determined separate useful life for each major component of the fixed asset, if they have a useful life that is materially different from that of the principal asset based on technical advice. The Company has considered 10% of original cost to the principal asset as threshold limit to determine the component is material or not.</p> <p>The additional depreciation charged in the statement of Profit and Loss for the year on account of the above is ₹. 13.31 lacs.</p>			
2.9	The Company has spent ₹76.18 lakhson CSR for the year 2015-16.			
		In cash (₹lacs)	Yet to be paid in cash (₹lacs)	Total (₹lacs)
(i)	Construction/acquisition of any asset	2.95	-	2.95
(ii)	On purposes other than (i) above	69.04	4.19	73.23
	Total	71.99	4.19	76.18
2.10	Basic and Diluted Earnings per share *			
		31.03.2016	31.03.2015	
	Numerator Net Profit ₹. In Lacs			
	Profit after Tax as per Statement of Profit & Loss	2888.27	3155.14	
	Denominator- Average number of equity shares outstanding during the year	25,53,08,333	193535000	
	No. of Shares - Basic & Diluted	290415000	193535000	
	Earnings per share (₹)			
	Basic (Face Value of ₹ 10/- per share)	1.13	1.63	
	Diluted (Face Value of ₹ 10/- per share)	1.13	1.63	

2.11	Disclosure in respect of Related Party transactions and Segment Reporting are presented in Annexure I & II respectively.		
2.12	Insurance premium includes instalment of medical insurance premium paid for post-retirement medical benefits		
2.13	During the year there was no payment towards voluntary retirement scheme.		
2.14	The cash and bank balances held by the Company under trust and the corresponding liabilities are disclosed as contra items in the Balance Sheet in accordance with the opinion of the Expert Advisory Committee of the Institute of Chartered Accountants of India. The Assets & Liabilities of the Procurement Projects, & Infrastructure Development Projects are disclosed in Annexure III.		
2.15	Employee Benefits		
	a) Gratuity		
	The Fund disclosures/assumptions	31.03.2016	31.03.2015
	Discount rate	8%	8%
	Salary Escalation	5%	5%
	Fund value (₹Lacs)	4701.23	4043.17
	Valuation Method	Projected unit	Projected unit
		Credit method	Credit method
	Withdrawal rate	1% to 3%	1% to 3%
		Depending on age	Depending on age
	Valuation (₹Lacs)	5043.76	4654.73
	Provision made in the books (₹Lacs)	357.55	626.32
	Interest earned actual (₹Lacs)	355.17	319.76
	Upper limit for Gratuity	10.00	10
	Sum insured per employee under Group Gratuity Policy (₹Lacs)	10.00	10
	b) Leave Encashment		
	The Fund disclosure/assumptions	31.03.2016	31.03.2015
	Discount rate	8%	8%
	Salary escalation	5%	5%
	Fund value (₹Lacs)	1457.84	1265.87
	Valuation method	Projected unit	Projected unit
		Credit method	Credit method
	Withdrawal rate	1% to 3%	1% to 3%
		Depending on age	Depending on age

	Valuation (₹Lacs)	1629.07	1474.92
	Provision made in books (₹Lacs)	171.96	209.75
	Interest earned actual (₹Lacs)	110.33	99.31
	Upper limit for earned leave	300 days	300 days
2.16	Pending forward contracts as on 31.03.2016 for hedging Foreign Currency receivables/payables amounts to EURO 9.67 lacs and USD 92.11lacs. (Previous year :EURO 13.80 lacs and USD 27.45 lacs).		
2.17	<p>M/s. LifeSpring Hospitals (P) Limited was formed in February 2008 as a Joint Venture entity with 50:50 equity shareholding between HLL Lifecare Ltd. [HLL] and M/s Acumen Fund Inc., USA [Acumen]. HLL had contributed `783.42 Lacs towards the equity Share Capital of the Joint Venture Company, as per the terms of Shareholders agreement entered into with Acumen. This JV was formed with the objective of providing High Quality, Affordable Maternal Health Care for Low-Income Women across India. It operates small-sized (20 bed) maternity hospitals in the proximity of urban slums. The hospitals also provide pediatric care (including immunizations), diagnostic and pharmacy services, and health care education to the communities in which its hospitals are located.</p> <p>Presently, the JV is running a cluster of 12 hospitals in Hyderabad and one hospital at Vishakhapatnam in Andhra Pradesh. The JV's performance at the enterprise level also has been steadily improving.</p> <p>During April 2013, HLL and Acumen had provided further financial assistance of ₹ 125.00 Lacs each to LifeSpring, in the form of Unsecured Compulsorily Convertible Debentures carrying interest of 12.5% compounded per annum and convertible to equity shares latest by seven (7) years. The net worth of the JV Company will improve further on conversion of these debentures. LifeSpring business model has been well appreciated both in national and international forums and earned prestigious awards. LifeSpring has earned a good brand value over the years and the Joint Venture fetches good valuation.</p> <p>HLL has decided to sell its entire holding in the JV to a prospective buyer and has received an offer for purchase of the investments for a consideration exceeding the carrying cost. Therefore the investment has been classified as current investment during the year. HLL has accepted the offer and the same is pending for</p>		

	<p>completion of legal due diligence by the prospective buyer.</p> <p>Considering all the above, the diminution if any, in the carrying value of the investment in the JV company is purely of temporary nature only and hence management is of the view that no provisioning towards diminution in value of investment is required as on 31.03.2016.</p>
2.18	<p>The Company is in possession of 430.10 acres of land since January 2008, allotted on lease for a period of 99 years from the Central Leprosy Teaching Research Institute (CLTRI), Tamil Nadu, under directives from Ministry of Health & Family Welfare, Govt. of India. The Public Investment Board (PIB), Ministry of Finance, Govt. of India in its meeting held on 10.02.2012 had recommended to earmark 100 acres of land out of the 430.10 acres in possession with the Company at Chengalpattu for setting up of the Integrated Vaccine Complex (IVC), for a value of ₹10.12 crores (56 acres @ ₹ 16.50 lacs per acre and 44 acres of hillock @ ₹ 2 lacs per acre).</p> <p>The recommendations of the PIB are approved by the Cabinet Committee of Economic Affairs (CCEA). The Company in March 2012 has formed a fully owned subsidiary company, M/s HLL Biotech Limited (HBL), for setting up the IVC, in line with the PIB recommendations. As the legal formalities of transfer of 100 acres of land in the name of HLL and in turn to HBL are yet to be completed, the Company has, on 20th February 2014, sub-leased the 100 acres identified for the purpose, in favour of HBL @ 1/- for 94 years.</p> <p>Out of 430.10 acres in possession, 3.38 Acres of land is to be given on lease to Tamilnadu Generation and Distribution Corporation Ltd [TANGEDCO] (Subsidiary of TNEB Ltd.) for a period of 92 years, on an annual lease rent of 1/- only. However, the sub-lease deed between HBL and TANGEDCO is yet to be executed.</p>
2.19	<p>Govt. of India has accorded “captive status” to HLL vide Order dated 26.08.2005 for the supply of condoms and other Contraceptive products to the Ministry of Health & Family Welfare. The Company has been supplying Contraceptive products (Condoms, Oral Contraceptive Pills, EC Pills, Copper-T and Tubal Rings), Pregnancy Test Kits and Sanitary Napkins to the Ministry. As per the Cabinet order and its subsequent amendments, the Ministry shall place the supply orders on HLL in the beginning of the year at the provisional rates based on the L1 rates of the previous year. Subsequently, the L1 rates determined through the open tender shall be made applicable to HLL as the final rate for its supplies during the same financial year. In the absence of L1 rate determination through the tender process, reference shall be made either to Tariff Commission (TC) of the Ministry of commerce & Industry or Cost & Accounts Branch (CAB) of the Ministry of Finance for determining the fair price for the supplies from HLL.</p>

	<p>Ministry could not either finalise the tender or notify the final rate concluded in the tender/fair rates determined through cost study by TC/CAB, to be made applicable for HLL supplies for different years in the past during the same financial year, as per the Cabinet Order. Hence, Condom supplies for the current year and past 3 years (2012-13 to 2014-15) and Emergency Contraceptive Pills for the current year and past seven years (2008-09 to 2014-15) were billed at provisional rates. Ministry had floated open tender for procurement of condoms during 2015-16 and concluded the same in March 2016. However, the rates finalised if any, are yet to be notified. The Oral Contraceptive Pills, Copper T and Tubal Ring supplied during the year 2015-16 were provisionally billed at L1 rate of 2014-15. PTK supplies were billed at the L1 rate of 2014-15 tender, concluded during 2015-16.</p> <p>Ministry has recently sought recovery from HLL towards rate difference, amounting Rs.19.56 crore towards condoms for the years 2012-13 & 2013-14, Rs.5.22 crore towards Emergency Contraceptive Pills for the years 2008-09 to 2011-12 and Rs.5.87 crore towards Pregnancy Test Kit for the year 2014-15. Since the conditions of cabinet order to finalize the rates in the respective financial year had not been compiled by the MOHFW and the accounts of the company pertaining to these years have been finalized and closed, the company has raised objections against the recovery and in view of the above no provision has been considered in the books of accounts. However this has been disclosed in contingent liability under the head claims against the company not acknowledged as debt.</p> <p>The Ministry has also referred to Tariff Commission for determining prices to be paid for Sanitary Napkin supplies made during 2011-12 & 2012-13. Tariff commission has submitted their report in Jun 2014 indicating higher price for HLL supplies. However Ministry is yet to decide on the implementation of the Report and the final price payable to HLL. Hence the pricing benefit on the same is not recognised In the books of accounts.</p>
2.20	<p>During the year, the company has received insurance claim of ₹ 3.19 Cr against the assets damaged at Kakkanad factory due to fire . The net income of Rs.0.74 Cr is recognised in P&L Account under the head other income.</p>

2.21	Details of Contract Revenue and costs		
		(₹ lacs)	
		31.03.2016	31.03.2015
	Contract revenue recognised during the year	8,197.62	13,288.24
	Aggregate of amount of costs incurred upto reporting date	49,960.12	41,565.39
	Recognized profits up to reporting date	17,544.86	15,547.37
	Advances received for contracts in progress	13,188.88	57.07
	Retention money for contracts in progress	-	-
	Gross amount due from customers for contractwork (asset)	16,745.34	19,376.38
2.22	<p>The Public Investment Board (PIB), Ministry of Finance, Govt. of India in its meeting held on 10.02.2012 had given its recommendations for setting up of the Integrated Vaccine Complex (IVC), with an investment of ₹594 crores, wherein the Equity portion shall be ₹285 crores from Govt. of India. The recommendations of the PIB were approved by the Cabinet Committee of Economic Affairs (CCEA) and accordingly HLL had formed a fully owned Subsidiary Company, HLL Biotech Limited (HBL), in line with the PIB recommendation. Govt. of India has been infusing funds into HLL for the investment in Integrated Vaccine Complex and HLL in turn has been investing the same funds into the Equity capital of HLL Biotech Limited.</p> <p>Till date GoI has released Rs.274.88 Crs to HLL and equity shares were issued to GoI towards the same. In line with the decision of Cabinet Committee on Economic Affairs 100 acres of land is earmarked out of the 430.10 acres in possession, for HBL valued @ `10.12 crore. Upon transfer of land by GoI, HLL will issue equivalent equity shares to GOI towards its consideration.</p>		
2.23	<p>Capital Work in Progress includes investments made in UniPill plant, a WHOcGMP(Geneva) compliant facility being set up by the company at Kanagala, Belgaum. An amount of Rs.64.02crore is invested till date in the project, as against the budgeted cost of Rs.40crore. The project was scheduled to be commissioned in January 2012. The increase in project cost is largely due to higher product development & validation costs and other expenses incurred till date. Capitalisation of the project is pending as the product development complying the WHO standards were progressing. The Dossier developed for the first product (unipill)</p>		

	from the plant is accepted by WHO in May 2016 and the facility audit is now awaited. On completion of the audit, the project will become WHO cGMP compliant, which is a pre-requisite for most of the regulated markets outside India. Company expects to recover the increased cost of the project, by introducing more products from this facility.																																																
2.24	<p>Pursuant to the Accounting Standard (AS-29)- Provisions, Contingent Liabilities and Contingent Assets, the disclosure relating to provisions made in the accounts for the year ended 31st March 2016 is as follows:</p> <p style="text-align: right;">(₹lacs)</p> <table border="1"> <thead> <tr> <th rowspan="2"></th> <th colspan="2">Provision against Inventories*</th> <th colspan="2">Provision for Trade Receivables**</th> <th colspan="2">Provision for Loans and Advances**</th> </tr> <tr> <th>15-16</th> <th>14-15</th> <th>15-16</th> <th>14-15</th> <th>15-16</th> <th>14-15</th> </tr> </thead> <tbody> <tr> <td>Opening Balance</td> <td>89.32</td> <td>95.96</td> <td>1062.69</td> <td>987.92</td> <td>1018.70</td> <td>441.96</td> </tr> <tr> <td>Additions</td> <td>20.23</td> <td>23.15</td> <td>152.78</td> <td>210.05</td> <td>-</td> <td>620.94</td> </tr> <tr> <td>Utilisations</td> <td>12.40</td> <td>3.65</td> <td>62.14</td> <td>130.61</td> <td>0.23</td> <td>44.20</td> </tr> <tr> <td>Reversals</td> <td>29.78</td> <td>26.14</td> <td>-</td> <td>4.67</td> <td>35.00</td> <td>-</td> </tr> <tr> <td>Closing Balance</td> <td>67.37</td> <td>89.32</td> <td>1153.33</td> <td>1062.69</td> <td>983.47</td> <td>1018.70</td> </tr> </tbody> </table> <p>*Provision created against obsolete inventories **Provision created against receivables & loans and advances outstanding for more than 3 years</p>		Provision against Inventories*		Provision for Trade Receivables**		Provision for Loans and Advances**		15-16	14-15	15-16	14-15	15-16	14-15	Opening Balance	89.32	95.96	1062.69	987.92	1018.70	441.96	Additions	20.23	23.15	152.78	210.05	-	620.94	Utilisations	12.40	3.65	62.14	130.61	0.23	44.20	Reversals	29.78	26.14	-	4.67	35.00	-	Closing Balance	67.37	89.32	1153.33	1062.69	983.47	1018.70
	Provision against Inventories*		Provision for Trade Receivables**		Provision for Loans and Advances**																																												
	15-16	14-15	15-16	14-15	15-16	14-15																																											
Opening Balance	89.32	95.96	1062.69	987.92	1018.70	441.96																																											
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Utilisations	12.40	3.65	62.14	130.61	0.23	44.20																																											
Reversals	29.78	26.14	-	4.67	35.00	-																																											
Closing Balance	67.37	89.32	1153.33	1062.69	983.47	1018.70																																											
2.25	<p>Company has entered into a lease agreement with Thiruvananthapuram Development Authority (TRIDA) to lease out two floors of their building at Sopanam Complex, Medical College Junction, Thiruvananthapuram for a period of 20 years from December 2015.</p> <p>An interest free refundable security deposit of Rs 500 lakhs has also been paid during the year 2015-16, which is disclosed under Long Term Loans and Advances.</p>																																																
2.26	Balance in Debtors, Creditors and loans and advances are subject to confirmation / reconciliation. Receivable in Foreign Currency out of Export sales is subject to reconciliation and consequently Foreign Currency Valuation gain or loss may vary.																																																
2.27	Figures for the previous year have been rearranged and regrouped wherever necessary.																																																

ANNEXURE I - Referred to in Note No.2.11

Disclosure in respect of related party pursuant to Accounting Standard 18

Description of relationship	Names of related parties
Subsidiaries	HLL Biotech GAPL HITES
Joint Venture	Life Spring Hospital Private Ltd
Associates	Hindustan Latex Family Planning Promotion Trust HLL Management Academy (HMA)
Key Management Personnel (KMP)	Dr. M.Ayyappan - Chairman & Managing Director Mr.R.P.Khandelwal - Director (Finance) Dr. KRS Krishnan - Director (Technical & Operations) Dr. Babu Thomas - Director (Marketing) Mr. P.Sreekumar - Company Secretary & SVP(HR) Mr.R.Ganesan - SVP(F) & CFO
Remuneration to Key Managerial Personnel	Rs.147.36 lakhs (Previous period - Rs.153.68 lakhs)

Details of related party transactions during the year ended 31.03.2016 and balances outstanding as at 31st March 2016

Name of Entity	Hindustan Latex Family Planning Promotion Trust (A Trust under the Travancore - Kochi Literary Scientific Charitable Societies Regulation Act)		Life Spring Hospital Private Ltd (A company registered under the Indian Companies Act 1956)		HLL Biotech Ltd. (Wholly owned subsidiary of HLL Lifecare Ltd)		Goa Antibiotics & Pharmaceuticals Ltd (GAPL)		HLL InfraTech Services Limited (Wholly owned subsidiary of HLL Life Care Ltd)		HLL Management Academy (HMA) (A Society under the Travancore - Kochi Literary Scientific Charitable Societies Regulation Act)	
	100%*		50%		100%		74%		100%		100%*	
	31.03.2016	31.03.2015	31.03.2016	31.03.2015	31.03.2016	31.03.2015	31.03.2016	31.03.2015	31.03.2016	31.03.2015	31.03.2016	31.03.2015
Whether Control exist	₹ lacs	₹ lacs	₹ lacs	₹ lacs	₹ lacs	₹ lacs	₹ lacs	₹ lacs	₹ lacs	₹ lacs	₹ lacs	₹ lacs
i) Income												
Sales	846.21	1,741.02										
Sales Commission	17.72				0.06	0.02						
Profit/ Loss on sales of Assets												
Course Fee											-	-
Rental Income	42.69	39.58							63.54			
Consultancy/Service					78.49	60.62	36.32		1,096.20			
Debenture Interest			19.34	17.38								
ii) Expenses												
Sales Commission												
Management Fee												
Sales Promotion				1.00								
Salaries & Allowances												
Other expenses	531.00	10.00	0.25	-	50.12	232.07	6.72	685.81			27.61	-
iii) Assets												
Sundry Debtors	334.84	634.57	58.55	47.82	238.83		92.55		413.26	5.71	87.01	
Advance against Investments					-	4,000.00						
Investment in Shares			783.42	783.42	27,489.00	17,801.00	708.75	708.75	5.00	5.00		
Investment in Debentures			125.00	125.00								
iv) Liabilities												
Provision for Expenses												
Other Liabilities					-	40.83	-	314.22				

* Note: Managed through Board of Trustees from HLL

For and on behalf of the Board

Vide our report of even date attached
For M/s Abraham & Jose
Chartered Accountants
Firm No. 000010S

sd/-

sd/-

sd/-

sd/-

sd/-

Dr. M.Ayyappan
Chairman
& Managing Director

Dr. Babu Thomas
Director (Marketing)

P. Sreekumar
Company Secretary
& SVP(HR)

R. Ganesan
SVP(F) & CFO

CA. Mukesh KP
Partner
Membership No: 214773

Annexure II -- Referred to in Note No 2.11

Disclosure Under Accounting Standard - 17 SEGMENT REPORTING

	Particulars					₹ lacs
1. Primary Segment Information						
Segment Revenue						
	Contraceptives	Health Care	Trading	Procurement and consultancy services	Contract Services	Total
Net Sales & Services	42,058.43	23,131.52	15,394.50	17,899.48	6,538.72	105,022.64
Other Unallocable Revenue						2,145.44
Total					6,542.79	107,168.08
Capital Employed	Contraceptives	Health Care	Trading	Procurement and consultancy services	Contract Services	Total
						-
Profit before Interest & Tax	7,009.94	435.09	1,029.16	1,866.61	1,328.18	11,669.07
Less:- Interest	1,845.65	483.68	352.27	108.60	1.19	2,872.39
Less: Other unallocable expenditure		-				5,095.49
Prior period items						17.43
Add:-Other unallocable income						119.28
Profit before tax	5,266.61	-49.06	676.88	1,758.00	1,326.99	3,803.04
	Contraceptives	Health Care	Trading Products	Procurement and consultancy services	Contract Services	Total
Capital Employed						
Allocated Fixed Assets (a)	17,289.44	6,182.69	1,114.22	1,990.88	0.74	26,577.97
Allocated Current Assets (b)	42,672.69	23,469.36	15,619.33	18,160.90	6,634.21	106,556.51
(a+b)	59,962.13	29,652.05	16,733.55	20,151.79	6,634.95	133,134.48
Allocated Current Liabilities	18,502.72	10,176.23	6,772.49	7,874.50	2,876.57	46,202.50
Capital Employed Allocation	41,459.41	19,475.83	9,961.07	12,277.29	3,758.38	86,931.98
Unallocable portion of Capital Employed						(55,822.11)
Total Capital Employed						31,109.87
2. Secondary Segment Information - Geographical Revenue						
India						96,335.68
Outside India						10,832.40
						107,168.08
Capital Employed						
India						30,485.71
Outside India						624.16
						31,109.87

For and on behalf of the Board

Vide our report of even date attached

For M/s Abraham & Jose
Chartered Accountants
Firm No. 000010S

sd/-
Dr. M.Ayyappan
Chairman &
Managing Director

sd/-
Dr.Babu Thomas
Director (Marketing)

sd/-
P. Sreekumar
Company Secretary
& SVP(HR)

sd/-
R.Ganesan
SVP(F) & CFO

sd/-
CA.Mukesh K.P
Partner
Membership No: 214773

New Delhi
26.05.2016

ANNEXURE III - Referred to in Note No. 2.14

Assets and Liabilities of projects under implementation as on 31st March 2016

(₹ in lacs)

Projects	ASSETS						LIABILITIES		Total	
	Cash & Bank balances held under trust with HLL		Other Current Assets		Total Assets		Current Liabilities			
	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15
ID North										
Acharya Barihar RGL Cancer Care Cuttak	119.27	852.65	3.43	(101.95)	122.70	750.69	122.70	750.69	122.70	750.69
Aigrah Medical College (PMSSY)	1,796.89	790.74	99.06	20.10	1,895.94	810.84	1,895.94	810.84	1,895.94	810.84
CGHS	253.83	257.05	136.52	110.65	390.35	367.69	390.35	367.69	390.35	367.69
IPC (Gaziabad)	248.15	11.39	125.00	1.20	373.15	12.59	373.15	12.59	373.15	12.59
NEFM Pasighat under AYUSH	858.28	1,000.29	151.61	267.61	1,009.88	1,267.90	1,009.88	1,267.90	1,009.88	1,267.90
NIPS / RIPS	10,232.27	9,548.63	742.45	709.85	10,974.72	10,258.48	10,974.72	10,258.48	10,974.72	10,258.48
PGIMS Rohtak	1,285.44	158.14	(27.02)	389.57	1,258.42	547.71	1,258.42	547.71	1,258.42	547.71
PMSSY Residential project (Rishikesh & Patna)	1,090.94	523.89	68.65	163.10	1,159.59	687.00	1,159.59	687.00	1,159.59	687.00
ID North Total	15,885.06	13,142.78	1,299.69	1,560.13	17,184.75	14,702.91	17,184.75	14,702.91	17,184.75	14,702.91
ID South										
HBL	-	158.07	874.01	3,300.64	874.01	3,458.71	874.01	3,458.71	874.01	3,458.71
IID-PULAYANARKOTTA	188.74	396.80	103.92	28.60	292.65	425.40	292.65	425.40	292.65	425.40
IMHANS	101.21	129.79	35.69	45.02	136.90	174.81	136.90	174.81	136.90	174.81
JIPMER	3,105.14	573.42	453.29	1,753.76	3,558.43	2,327.18	3,558.43	2,327.18	3,558.43	2,327.18
JN TBGRI	240.38		24.21		264.58		264.58		264.58	
Kerala projects	2,543.15	1,658.96	1,020.08	793.80	3,563.23	2,452.76	3,563.23	2,452.76	3,563.23	2,452.76
Kozhikode Tertiary Cancer Care Center	706.93		180.28		887.21		887.21		887.21	
KSSTM	355.36	128.01	101.62	3.71	456.98	131.72	456.98	131.72	456.98	131.72
Malabar Cancer Center	29.91	108.11	90.35	(14.84)	120.27	93.28	120.27	93.28	120.27	93.28
MMC	2,584.53	972.71	988.02	994.52	3,572.55	1,967.23	3,572.55	1,967.23	3,572.55	1,967.23
NIIST	124.57	4.13	0.02	0.02	124.59	4.14	124.59	4.14	124.59	4.14
NRHM	315.17	503.76	828.16	658.18	1,143.33	1,161.94	1,143.33	1,161.94	1,143.33	1,161.94
Other Projects	59.78	77.27	75.28	13.35	135.05	90.62	135.05	90.62	135.05	90.62
Social Welfare Department	1.06	1.06	17.07	17.07	18.12	18.12	18.12	18.12	18.12	18.12
Trivandrum MC	754.06	1,629.23	542.06	236.84	1,296.12	1,866.07	1,296.12	1,866.07	1,296.12	1,866.07
ID South Total	11,109.98	6,341.32	5,334.05	7,830.67	16,444.03	14,171.99	16,444.03	14,171.99	16,444.03	14,171.99

PCD										
AIIMS LIKE INSTITUTE	19,883.00	24,341.62	2,265.85	352.49	22,148.85	24,694.10	22,148.85	24,694.10	22,148.85	24,694.10
Central drug standard control organisation	492.06	1,031.88	3.93	175.87	495.99	1,207.75	495.99	1,207.75	495.99	1,207.75
GMC&H NAGPUR	3,064.76	1,778.81	143.25	2.78	3,208.01	1,781.59	3,208.01	1,781.59	3,208.01	1,781.59
GMSD_COLD PCD	898.85	1,667.57	25.17	38.49	924.03	1,706.06	924.03	1,706.06	924.03	1,706.06
Govt. National capital territory, delhi	3,321.88	290.87	311.63	53.09	3,633.51	343.96	3,633.51	343.96	3,633.51	343.96
IMMUNIZATION	214.34	33.39	83.64	81.45	297.97	114.84	297.97	114.84	297.97	114.84
International Institute of Population Sciences	443.10	468.93	13.06	-15.65	456.16	453.28	456.16	453.28	456.16	453.28
Jammu & Kashmir PCD	114.65	52.69	100.33	97.74	214.97	150.43	214.97	150.43	214.97	150.43
Municipal corporation of delhi	1,360.43	605.21	117.29	61.76	1,477.71	666.97	1,477.71	666.97	1,477.71	666.97
NACO PCD	355.32	341.98	103.56	103.56	458.88	445.54	458.88	445.54	458.88	445.54
National disaster management association	785.86	11,314.72	961.40	3.41	1,747.26	11,318.13	1,747.26	11,318.13	1,747.26	11,318.13
National Rural Health Mission, Haryana	222.52	263.49	29.84	31.48	252.35	294.97	252.35	294.97	252.35	294.97
OTHERS PROJECTS	508.91	5,124.92	485.17	657.91	994.08	5,782.84	994.08	5,782.84	994.08	5,782.84
PGIMS Rohtak	2,884.04	99.60	27.04	8.01	2,911.08	107.61	2,911.08	107.61	2,911.08	107.61
PMSSY PHASE 2	7,007.15	3,293.23	9.27	85.28	7,016.42	3,378.51	7,016.42	3,378.51	7,016.42	3,378.51
PMSSY PCD	8,042.39	4,612.69	7,532.55	7,497.48	15,574.94	12,110.17	15,574.94	12,110.17	15,574.94	12,110.17
Regional Institute of Medical Sciences, Imphal	629.17	512.86	15.61	21.20	644.79	534.06	644.79	534.06	644.79	534.06
PCD Total	50,228.41	55,834.46	12,228.59	9,256.36	62,457.00	65,090.81	62,457.00	65,090.81	62,457.00	65,090.81
Vaccine Projects	410.13	47.53	268.59	331.67	678.72	379.20	678.72	379.20	678.72	379.20
Grand Total	77,633.58	75,366.09	19,130.92	18,978.83	96,764.50	94,344.91	96,764.50	94,344.92	96,764.50	94,344.92

For and on behalf of the Board

sd/-
Dr. M.Ayyappan
Chairman
& Managing Director

sd/-
Dr. Babu Thomas
Director (Marketing)

sd/-
P. Sreekumar
Company Secretary
& SVP(HR)

sd/-
R. Ganesan
SVP(F) & CFO

Vide our report of even date attached
For M/s Abraham & Jose
Chartered Accountants
Firm No. 000010S

sd/-
CA. Mukesh KP
Partner
Membership No: 214773

New Delhi
26.05.2016



HLL Lifecare Limited

Innovating for Healthy Generations

Poojappura, Thiruvananthapuram

CONSOLIDATED FINANCIAL STATEMENTS 2015-16

INDEPENDENT AUDITORS' REPORT

To the Members of HLL Lifecare Limited

Report On Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of **HLL LIFECARE LIMITED** (hereinafter referred to as the "Holding Company"), its subsidiaries (The Holding company and its subsidiaries together referred to as the "Group") and jointly controlled entity, comprising of the Consolidated Balance Sheet as at 31st March, 2016, 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 Jointly controlled entities 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 its jointly controlled entities 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 there under.

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. 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 the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our qualified audit opinion on the consolidated financial statements.

Basis For Qualified Opinion

In the case of Goa Antibiotics and Pharmaceuticals Ltd. (GAPL), a subsidiary, due to the absence of sufficient appropriate audit evidence, it was unable to determine whether any adjustments might have been necessary on the accounts in respect of the following cases:

- a) Adequacy of provision maintained against outstanding receivables in the absence of an age wise analysis report with customer wise analysis of outstanding;
- b) Inadequate internal controls and accounting procedures followed by the company in respect of certain units as stated in Note No. C.8 and inability to obtain proper records and documents from certain units not visited by the statutory auditors of the subsidiary;

The management of GAPL has revised the financial statements of the company in order to rectify the discrepancies pointed out by the Comptroller and Auditor General (C&AG) of India in their supplementary audit. C&AG vide their letter dated 08th July 2016 directed the holding company to revisit the consolidated financial statements to include the impact of the revision of financial statements by GAPL on the consolidated financial statements. The overall impact of the revision on various items of consolidated financial statements is considered not material by the management and hence the effect of such revision has not been incorporated in the consolidated financial statements. Had the revised financial statements of GAPL been incorporated in the consolidated financial

statements, the effect on various items of consolidated financial statements would have been as under:

Sl.No.	Particulars	Impact (%)	Increase/(Decrease) (Rs. in Lacs)
1	Profit Before Tax (PBT)	-2.32 %	(-)97.69
2	Profit After Tax (PAT)	-1.55%	(-)48.03
3	Reserves & Surplus	-0.19%	(-)48.02
4	Minority Interest	-2.72%	(-)4.11
5	Deferred Tax Liabilities	0.60%	6.59
6	Current Liabilities	0.03%	28.64
7	Non-Current Assets	0.00%	(-)0.18
8	Current Assets	0.02%	17.08

In view of the observation of C&AG, our audit report dated 30th May 2016 has been revised.

Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the Basis for Qualified Opinion paragraphs above 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 and jointly controlled entity as at March 31, 2016 and their consolidated profit and their consolidated cash flows for the year ended on that date.

Emphasis Of Matter

We draw attention to the following:

- 1) There is an uncertainty on final prices applicable for supplies made by the Holding Company to Government of India, during the year 2015-16, as the same is yet to be notified by the Government and accordingly the effect of the same has not been considered in the financial statements; and in respect of supplies for the previous years, though the Government has sought recovery of price difference from the Holding Company to the extent of Rs. 30.65 crores, the Company has raised objections and has not provided for the same in the financial statements.
- 2) There is a delay in capitalization of the Uni -pill Plant being setup by the Holding Company at Kanagala, Belgaum which was scheduled to be commissioned in January 2012. There is also a cost overrun of Rs.24.02 crores, the recoverability of the same has been assessed by the management of the Holding Company and not provided for.

Our opinion is not modified in respect of the above matters.

Other Matters

a) We did not audit the financial statements / financial information of three subsidiaries and one jointly controlled entity, whose financial statements / financial information reflect total assets (net assets) of Rs.28069.29 lacs as at 31st March, 2016, total revenues of Rs.7684.78 lacs and net cash outflows amounting to Rs.8722.96 lacs for the year ended on that date, as considered in the consolidated financial statements. 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 jointly controlled entity, 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 subsidiaries and jointly controlled entity, is based solely on the reports of the other auditors.

b) 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 Section 143(3) of the Act, we report, to the extent applicable, that:

(a) We have sought and, except for the possible effect of the matter described in the Basis for Qualified Opinion paragraph above, obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

(b) In our opinion, except for the effect of the matters described in the Basis for Qualified Opinion paragraph above, 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) Except for the effect of the matters described in the Basis for Qualified Opinion Paragraph relating to the effect of revision of financial statements by one subsidiary not being considered in the consolidated financial statements, 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, except for the effect of the matters described in the Basis for Qualified Opinion paragraph above, 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) The matters described in Basis for Qualified Opinion paragraphs above, in our opinion, may have an adverse effect on the functioning of the Group.

(f) In view of exemption given vide notification no. G.S.R 463(E) dated June 5, 2015, issued by Ministry of Corporate Affairs, provisions of Section 164(2) of the Act, are not applicable to the Holding Company and in case of other Companies, on the basis of report of the statutory auditors of the respective Companies of the Group and jointly controlled entity incorporated in India, none of the directors is disqualified as on March 31, 2016 from being appointed as a director in terms of Section 164(2) of the Act.

(g) The qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the Basis for Qualified Opinion paragraphs above.

(h) With respect to the adequacy of the internal financial controls over financial reporting of the Group and jointly controlled entity and the operating effectiveness of such controls, refer to our separate report in '**Annexure A**' and

(i) 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 Group and its jointly controlled entity have disclosed the impact of the pending litigations on its financial position in the Consolidated Financial Statements -Refer Note No. C.7 and C.9 to the Consolidated Financial Statements

ii. Except for the possible effect of the matter described in the Basis for Qualified Opinion paragraph above, the Group, and jointly controlled entity did not have any material foreseeable losses on long-term contracts including derivative contracts.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies and jointly controlled entity incorporated in India.

**For Abraham and Jose
Chartered Accountants
(FRN 000010S)**

Sd/-
**Mukesh K. P.
Partner(M. No. 214773)**

Place: Chennai
Date: 27.07.2016

ANNEXURE A TO INDEPENDENT AUDITORS' REPORT

[Referred to in paragraph 1(h) under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report of even date on the consolidated Financial Statements of HLL Lifecare Limited, its subsidiaries and jointly controlled entities]

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013("the Act")

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31st March 2016, we have audited the internal financial controls over financial reporting of **HLL LIFECARE LIMITED** ('The Holding Company') its subsidiary companies and jointly controlled entity which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The Respective Board of Directors of the Holding Company and its subsidiary companies and jointly controlled entity, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of the internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013("the Act").

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the 'Guidance Note') Standards on Auditing issued by the ICAI specified under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of

internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports preferred to the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on internal financial controls system over financial reporting of the Holding Company, its subsidiaries and jointly controlled entity, which are companies incorporated in India.

Meaning of Internal Financial Controls over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles.

A Company's internal financial control over financial reporting includes those policies and procedures that:

1. pertain to the maintenance of records that, in reasonable details, accurately and fairly reflect the transactions and dispositions of the assets of the Company;
2. provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and
3. provide reasonable assurance regarding the prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with policies or procedure may deteriorate.

Opinion

In our opinion, the Holding Company, its subsidiary companies and jointly controlled entity which are companies incorporated in India, have, in all material respects, an adequate internal financial controls over financial reporting and such internal financial control over financial reporting were operating effectively as at 31st March 2016, based on the internal control over financial reporting criteria established by the Holding Company, its subsidiaries and jointly controlled entity, which are companies incorporated in India, considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the ICAI.

Other Matters

Our aforesaid reports under section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relate to three subsidiaries and one jointly controlled entity, which are companies incorporated in India, is based on the corresponding report of the auditors of such companies incorporated in India.

Place: Chennai
Date: 27.07.2016

For **Abraham and Jose**
Chartered Accountants
(FRN 000010S)

Sd/-
Mukesh K. P.
Partner(M. No. 214773)

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2016				
Particulars	Note No.	AS AT	AS AT	
		31.03.2016	31.03.2015	
		₹ lacs	₹ lacs	
A EQUITY AND LIABILITIES				
1 Shareholders' funds				
(a) Share capital	3	29,041.50	19,353.50	
(b) Reserves and surplus	4	25,289.35	22,656.13	
		54,330.85	42,009.63	
2 Share application money pending allotment		-	4,000.00	
3 Minority Interest		151.07	87.12	
4 Non-current liabilities				
(a) Long-term borrowings	5	4,726.49	5,997.11	
(b) Deferred tax liabilities (net)	6	1,092.33	1,225.22	
(c) Long-term provisions	7	159.19	131.67	
		5,978.01	7,354.00	
5 Current liabilities				
(a) Short-term borrowings	8	44,417.78	37,669.84	
(b) Trade payables	9	23,848.73	23,420.14	
(c) Other current liabilities	10	18,213.09	21,198.83	
(d) Short-term provisions	11	1,782.58	1,809.98	
		88,262.18	84,098.79	
6 Advances Received for Projects Held under Trust as per contra		1,00,606.27	74,223.93	
TOTAL		2,49,328.38	2,11,773.47	
B ASSETS				
1 Non-current assets				
(a) Fixed assets	12			
(i) Tangible assets		24,245.94	23,380.35	
(ii) Intangible assets		735.96	886.99	
(iii) Capital work-in-progress		34,319.03	14,880.06	
(iv) Intangible asset under development		969.06	709.13	
(v) Goodwill on consolidation		481.55	541.74	
		60,751.54	40,398.27	
(b) Non-current investments	13	2.25	2.25	
(c) Long Term Loans and Advances	14	1,093.36	127.05	
(d) Other Non-current assets	15	386.85	711.93	
2 Current assets				
(a) Inventories	16	10,091.93	10,328.49	
(b) Trade receivables	17	61,887.02	64,071.85	
(c) Cash and cash equivalents	18	5,169.86	13,009.81	
(d) Short-term loans and advances	19	8,862.68	8,316.62	
(e) Other current assets	20	476.63	583.27	
		86,488.12	96,310.04	
3 Cash and Bank Balances of Projects Held under Trust as per contra		1,00,606.27	74,223.93	
TOTAL		2,49,328.38	2,11,773.47	
Significant Accounting Policies	1			
Explanatory Notes to Financial Statement	2			
For and on behalf of the Board		Vide our report of even date attached For M/s Abraham & Jose Chartered Accountants		
sd/-	sd/-	sd/-	sd/-	sd/-
Dr. M.Ayyappan Chairman & Managing Director	Dr.Babu Thomas Director (Marketing)	P. Sreekumar Company Secretary & SVP(HR)	R.Ganesan SVP(F) & CFO	CA.Mukesh K.P Partner Membership No: 214773
New Delhi 26.05.2016				

CONSOLIDATED STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH 2016

	Particulars	Note No.	Year ended 31.03.2016	Year ended 31.03.2015
			₹ lacs	₹ lacs
1	Revenue from operations (gross) Less: Excise duty Revenue from operations (net)	21	1,13,825.19 1,089.54 1,12,735.65	1,11,363.76 810.69 1,10,553.07
2	Other income	22	816.33	455.49
3	Total revenue (1+2)		1,13,551.98	1,11,008.56
4	Expenses			
	(a) Cost of materials consumed	23	24,613.21	22,178.93
	(b) Purchases of stock-in-trade	24	26,887.33	21,484.71
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	25	(175.35)	1,857.15
	(d) Employee benefits expense	26	16,740.84	15,913.83
	(e) Finance costs	27	2,940.78	2,583.88
	(f) Depreciation and amortisation expense	12	3,840.45	3,185.74
	(g) Other expenses	28	28,445.20	29,057.49
	(h) Contract Expenses		6,039.51	11,351.99
	Total expenses		1,09,331.96	1,07,613.72
5	Profit / (Loss) before Exceptional and extra ordinary items and tax (3 - 5)		4,220.01	3,394.84
6	Exceptional items		17.54	(508.28)
7	Profit / (Loss) before extra ordinary items and tax (6 - 7)		4,202.48	3,903.12
8	Extra - ordinary item		-	
9	Profit / (Loss) before tax (8-9)		4,202.48	3,903.12
10	Tax expense:			
	(a) Current tax expense for current year		1,334.55	980.11
	(b) Current tax expense relating to prior years		(169.23)	(157.67)
	(c) MAT Credit Entitlement		-	(157.43)
	(c) Deferred tax		(132.88)	(75.79)
			1,032.44	589.22
11	Profit / (Loss) for the year		3,170.04	3,313.90
12	Minority Interest on Net Income		63.95	46.82
13	Profit / (Loss) for the year after taxes & minority interest		3,106.09	3,267.08
14	Earnings per share (₹) - Basic (Face value of ₹10/- share)	C.1	1.22	1.69
	- Diluted	C.1	1.22	1.69

Significant Accounting Policies 1

Explanatory notes to financial statements 2

For and on behalf of the Board

Vide our report of even date attached
For M/s Abraham & Jose
Chartered Accountants
Firm No. 000010S

sd/-

sd/-

sd/-

sd/-

sd/-

Dr. M.Ayyappan
Chairman
& Managing Director

Dr.Babu Thomas
Director (Marketing)

P. Sreekumar
Company Secretary
& SVP(HR)

R.Ganesan
SVP(F) & CFO

CA.Mukesh K.P
Partner
Membership No: 214773

New Delhi
26.05.2016

Consolidated Cash Flow Statement for the Year ended 31.03.2016

Particulars	Year ended 31.03.2016	Year ended 31.03.2015
	₹ lacs	₹ lacs
A. Cash flow from Operating Activities		
Profit before extraordinary items and tax and excluding minority interest	4,138.53	3,856.30
<u>Adjustments for:</u>		
Depreciation and amortisation	3,840.45	3,185.74
Exceptional items for Depreciation	-	(508.28)
Loss on sale of fixed assets	1.48	14.66
Profit on sale of fixed assets	(4.71)	(4.52)
Finance costs	2,940.78	2,583.88
Interest income	(150.03)	(92.78)
Operating profit / (loss) before working capital changes	10,766.49	9,035.00
<u>Changes in working capital:</u>		
<u>Adjustments for (increase) / decrease in operating assets:</u>		
Inventories	236.56	1,524.97
Trade receivables	2,184.83	(19,545.23)
Short-term loans and advances	(162.04)	1,837.56
Long-term loans and advances	(966.31)	2,063.09
Other current assets	106.64	(77.85)
<u>Adjustments for increase / (decrease) in operating liabilities:</u>		
Trade payables	428.59	11,931.64
Other current liabilities	(2,985.75)	2,945.30
Long-term provisions	27.52	19.60
Short-term provisions	(168.53)	454.06
	9,468.00	10,188.14
Cash flow from extraordinary items	-	
Cash generated from operations	9,468.00	10,188.14
Net income tax (paid) / refunds	(1,132.54)	(632.84)
Net cash flow from / (used in) operating activities (A)	8,335.47	9,555.30
B. Cash flow from Investing Activities		
Capital Work in Progress	(19,438.97)	(5,819.99)
Investments in Fixed Assets	(4,779.33)	(7,729.01)
Sale of fixed assets	27.80	8.42
Interest received	150.03	92.78
Changes in other non-current assets		
Investments in bank deposits (having original maturity of more than one year)	(49.05)	(41.90)
Net cash flow from / (used in) investing activities (B)	(24,047.09)	(13,534.54)
C. Cash flow from Financing Activities		
Proceeds from long-term borrowings	(1,270.62)	(2,790.26)
Payment to Minority interest	63.95	46.82
Proceeds from other short-term borrowings	6,747.94	3,800.61
Investment from Govt of India	5,688.00	4,000.00
Finance cost - Interest paid	(2,940.78)	(2,583.88)
Dividends paid	(387.07)	(387.07)
Tax on dividend	(78.80)	(78.80)
Net cash flow from / (used in) financing activities (C)	7,822.62	2,097.42
Net increase / (decrease) in Cash and cash equivalents (A+B+C)	(7,889.00)	(1,881.82)
Cash and cash equivalents at the beginning of the year	12,717.34	14,599.16
Cash and cash equivalents at the end of the year	4,828.34	12,717.34
Reconciliation of Cash and cash equivalents with the Balance Sheet:		
Cash and cash equivalents as per Balance Sheet (Refer Note 14)	5,169.86	13,009.81
Less: Bank balances not considered as Cash and cash equivalents as defined in AS 3 Cash Flow Statements	341.52	292.47
Net Cash and cash equivalents (as defined in AS 3 Cash Flow Statements) included in Note 18	4,828.34	12,717.34
Cash and cash equivalents at the end of the year *		
* Comprises:		
(a) Cash on hand	31.53	18.99
(b) Balances with banks		
(i) In Deposit Accounts	3,074.72	11,199.99
(i) In current accounts	1,501.06	1,167.35
(ii) In EEFC accounts	207.89	296.61
(iii) In OD accounts	13.14	34.40
	4,828.34	12,717.34

1) The above Cash Flow Statement has been prepared under the Indirect method set out in the AS-3 issued by the Institute of Chartered Accountants of India.

2) The previous year's figures have been re-grouped wherever necessary in order to conform to this year's presentation.

3) Transactions of project funds held under Trust and balance of ₹100,606.27 lacs (previous year ₹74,223.93 lacs) are not included in the Cashflow

Vide our report of even date attached
For M/s Abraham & Jose
Chartered Accountants
Firm No. 000010S

For and on behalf of the Board

sd/-

Dr. M.Ayyappan
Chairman
& Managing Director

sd/-

Dr. Babu Thomas
Director (Marketing)

sd/-

P. Sreekumar
Company Secretary
& SVP(HR)

sd/-

R. Ganesan
SVP(F) & CFO

sd/-

CA. Mukesh K.P
Partner
Membership No: 214773

New Delhi
26.05.2016

Note 3 Share capital (Consolidated)

Particulars	AS AT 31.03.2016	AS AT 31.03.2015
	₹ lacs	₹ lacs
(a) Authorised Share Capital		
Equity Shares of ₹ 10/- each - 30,00,00,000 Nos	30,000.00	30,000.00
(b) Issued Share Capital		
Equity shares of ₹ 10/- each - 29,04,15,000 Nos.	29,041.50	
Equity shares of ₹ 10/- each - 19,35,35,000 Nos.		19,353.50
(c) Subscribed and fully paid up Share Capital		
Equity shares of ₹ 10/- each - 29,04,15,000 Nos.	29,041.50	
Equity shares of ₹ 10/- each - 19,35,35,000 Nos.		19,353.50
Total	29,041.50	19,353.50

Reconciliation of Share Capital

Description	AS AT 31.03.2016		AS AT 31.03.2015	
	No of Shares	₹ lacs	No of Shares	₹ lacs
Equity Share Capital				
Authorized				
Opening Balance	30,00,000.00	30,000.00	30,00,000.00	30,000.00
Additions	-	-	-	-
Closing Balance	30,00,000.00	30,000.00	30,00,000.00	30,000.00
Issued				
Opening Balance	1935,35,000.00	19,353.50	1935,35,000.00	19,353.50
Additions	968,80,000.00	9,688.00	-	-
Closing Balance	29,04,15,000.00	29,041.50	19,35,35,000.00	19,353.50
Subscribed & Paid up				
Opening Balance	1935,35,000.00	19,353.50	1935,35,000.00	19,353.50
Additions	968,80,000.00	9,688.00	-	-
Closing Balance	29,04,15,000.00	29,041.50	19,35,35,000.00	19,353.50

Details of shares held by each shareholder holding more than 5% shares:

Name of shareholder	AS AT 31.03.2016		AS AT 31.03.2015	
	Number of shares held	% of Holding	Number of shares held	% of Holding
Govt. of India	29,04,15,000	100%	19,35,35,000	100%

Note 4 Reserves and surplus (Consolidated)

Particulars	AS AT	AS AT
	31.03.2016	31.03.2015
	₹ lacs	₹ lacs
(a) Corporate Social Responsibility (CSR) Reserve		
Opening balance	-	36.80
Add: Additions / transfers during the year	1.73	
Less: Transferred during the year to General Reserve	-	36.80
Closing balance	1.73	-
(b) Dividend Equalisation Reserve	129.74	129.74
(c) General reserve		
Opening balance	22,526.39	19,708.54
Add: Transferred from surplus in Statement of Profit and Loss	2,631.49	2,801.22
Add: Transferred during the year from CSR	-	36.80
Less: Depreciation adjustment - Schedule II of Companies Act, 2013	-	(20.17)
Closing balance	25,157.88	22,526.39
(d) Surplus / (Deficit) in Statement of Profit and Loss		
Opening balance	-	-
Add: Profit / (Loss) for the year	3,106.09	3,267.10
Less: Proposed Dividend		
Dividends proposed to equity shareholders (₹0.1333 per share of ₹10/- each, Previous year ₹0.20 per share of ₹10/- each)	387.07	387.07
Tax on Dividend	85.80	78.80
Transferred to:		
Reserves for CSR	1.73	-
General reserve	2,631.49	2,801.22
Closing balance		
Total	25,289.35	22,656.14

Note 5 Long-term borrowings (Consolidated)

Particulars	AS AT 31.03.2016	AS AT 31.03.2015
	₹ lacs	₹ lacs
(a) Term loans (Secured)		
Foreign currency loan -Secured	752.62	1,655.33
Rupee Loan	2,274.17	3,447.77
	-	-
(b) Term loans (Unsecured)	271.57	277.41
(c) Other loans and Advances		
(i) Foreign currency Buyers Credit	1,409.70	599.10
(ii) Security Deposits	16.39	15.46
(iii) Interest on security Deposits	2.04	2.04
Total	4,726.49	5,997.11

(i) Details of Security provided in respect of the secured long-term borrowings:			
Particulars	Details of security*	AS AT 31.03.2016	AS AT 31.03.2015
<u>Term loans from banks:</u>			
<u>Foreign Currency Loan</u>			
From State Bank of India	(a) First charge over the fixed assets of the company excluding Land & Buildings (HLL) (b) Equitable Mortgage over the land at Noida. (HLL) (c) Equitable Mortgage as collateral over the land with building at Poojappura.Trivandrum (HLL)	1,756.13	2,929.51
<u>Rupee Term Loan</u>			
From HDFC Bank	First charge over movable assets purchased out of the loan at Peroorkada Factory- Balaramapuram facility, Corporate R&D Centre at Akkulam, Sanitary Napkin Manufacturing Unit at Kanagala (HLL)	2,924.53	3,901.26
From State Bank of India	(d) Secured by an equitable mortgage of leasehold rights of the land, building and other structures on the land. Hypothecation of plant & machinery, laboratory equipments, electrical installations, furniture & fixtures, vehicles and other movable assets. (Goa Antibiotics & Pharmaceuticals Limited)	381.58	564.08
From State Bank of India	(e)Secured against Hypothecation of Lease Hold Rights & Hospital Equipments - Life Spring Hospitals (P) Ltd	107.30	167.02
Total - Term loans from banks		5,169.54	7,561.87
Less: Payable within next 12 months treated as Current Liabilities		2,142.75	2,458.77
Payable after 12 months		3,026.79	5,103.10
<u>Other loans and advances:</u>			
Buyers Credit	Secured by Project Deposits	14,149.94	10,441.18
Less: Short Term Borrowings		12,740.24	9,842.08
		1,409.70	599.10

Note: Foreign Currency Buyers Credit are for Capital item procurement, eligible for roll over upto three years subject to availability, or else shall be converted into sanctioned Term Loan.

**Note 6. Disclosures under Accounting Standards - 22 Accounting for Taxes on Income
 (Consolidated)**

Note	Particulars	AS AT	AS AT
		31.03.2016	31.03.2015
		₹ lacs	₹ lacs
	Deferred tax (liability) / asset		
	Depreciation	(1842.91)	(2,013.53)
	Tax effect of items constituting deferred tax liability	(1842.91)	(2,013.53)
	<u>Tax effect of items constituting deferred tax assets</u>		
	V.R.S. Payment		
	Provision for doubtful debts	739.50	707.47
	Provision for Overtime arrear	-	29.42
	Provision for Bonus	20.78	14.28
	Others	(9.70)	37.14
	Tax effect of items constituting deferred tax assets	750.58	788.31
	Net deferred tax (liability) / asset	(1092.33)	(1225.22)

Note 7 Long-term provisions (Consolidated)

Particulars	AS AT 31.03.2016	AS AT 31.03.2015
	₹ lacs	₹ lacs
(a) Provision for employee benefits:		
(i) Provision for Performance related pay	121.78	131.67
(ii) Provision for gratuity	5.21	-
(iii) Provision for group EL Premium	32.20	-
	159.19	131.67

Note 8 Short-term borrowings (Consolidated)

Particulars	AS AT 31.03.2016	AS AT 31.03.2015
	₹ lacs	₹ lacs
(a) Loans repayable on demand (Cash Credit)		
From State Bank of India - Secured	8,299.04	13,765.84
From Canara Bank	3.26	4,811.89
From HDFC Bank	3,284.23	4,206.25
Total	11,586.53	22,783.98
(b) Short Term Loans from Banks - Secured - Overdraft		
From Canara Bank	7,500.00	2,500.00
From IndusInd Bank	-	-
From SBI	7,500.00	2,492.52
	15,000.00	4,992.52
(c) Other loans and advances - Secured		
Foreign Currency Buyers Credit	12,740.24	9,842.08
(d) Interest accrued and due		
State Bank of India	47.87	-
Canara Bank	35.35	15.40
HDFC Bank	-	35.86
Total (secured)	39,409.99	37,669.84
(e) Short Term Foreign Currency Loan from SBT (Unsecured)	5,007.79	-
Total	44,417.78	37,669.84

Notes:

(i) Details of security for the secured short-term borrowings:

Particulars	Nature of security	AS AT 31.03.2016	AS AT 31.03.2015
		₹ lacs	₹ lacs
<u>Loans repayable on demand</u>			
<u>from banks:</u>			
SBI	Parri passu charge over current assets of HLL . Equitable Mortgage as collateral over the land with building at Poojappura, Trivandrum towards State Bank of India	8,259.32	13,753.56
Canara Bank		3.26	4,827.29
HDFC Bank		3,284.23	4,242.11
From SBI		10.11	12.28
	Secured by Lease land of Goa Govt- Goa Antibiotics & Pharmaceuticals Ltd	29.61	
Short Term Loans from Banks - Secured Overdraft			
From Canara Bank	Secured by Project Deposits (HLL)	7,535.35	2,500.00
From IndusInd Bank		-	-
From SBI		7,547.87	2,492.52
		15,083.22	4,992.52
<u>Other loans and advances:</u>			
Buyers Credit	Secured by Project Deposits (HLL)	14,149.94	10,441.18
Less: Long Term Borrowings		1,409.70	599.10
		12,740.24	9,842.08
Total		39,409.99	37,669.84

Note 9 Trade payables (Consolidated)

Particulars	AS AT 31.03.2016	AS AT 31.03.2015
	₹ lacs	₹ lacs
Trade payables: for materials, services and expenses		
- Micro Small and Medium Enterprises	865.13	238.03
- Others	22,983.60	23,182.11
Total	23,848.73	23,420.14

Note 10 Other current liabilities (Consolidated)

Particulars	AS AT 31.03.2016	AS AT 31.03.2015
	₹ lacs	₹ lacs
(a) Current maturities of long-term debt (Refer Note (i) below)	2,142.75	2,458.77
(b) Others		
Advance from Customers/Clients	4,874.20	10,717.51
EMD & Security Deposits	3,526.28	2,611.20
Interest Accrued but not due	62.80	31.65
Fixed Deposit	0.10	0.10
Other Liabilities	7,604.27	5,346.93
Contributory Pension Scheme	-	29.23
Income Received in Advance	0.65	1.17
Deposits from laboratories & Pharmacies	2.04	2.27
Total	18,213.09	21,198.83
Note (i): Current maturities of long-term debt (Refer Notes (i) in Note 5 - Long-term borrowings for details of security)		
Particulars	AS AT 31.03.2016	AS AT 31.03.2015
	₹ lacs	₹ lacs
Term loans		
Rupee Term Loan	991.75	1,002.08
Foreign Currency Term Loan	1,151.00	1,456.69
Total	2,142.75	2,458.77

Note 11 Short-term provisions (Consolidated)

Particulars	AS AT	AS AT
	31.03.2016	31.03.2015
	₹ lacs	₹ lacs
(a) Provision for employee benefits:		
(i) Provision for bonus and incentive	244.13	129.91
(ii) Provision for Perks & Allowance	310.43	134.34
(iii) Provision for gratuity	423.20	822.19
(iv) Provision for group EL Premium	171.97	231.82
	1,149.73	1,318.26
(b) Provision - Others:		
(i) Provision for proposed equity dividend	387.07	387.07
(ii) Provision for tax on proposed dividends	85.78	78.80
(iii) Provision for taxation	160.00	25.85
	632.85	491.72
Total	1,782.58	1,809.98

HLL Lifecare limited
Notes to financial statements for the year ended 31 March 2016
Note 12 Consolidated Fixed assets

Fixed Assets	Gross block				Accumulated depreciation and impairment				Net block	
	1 April 2015	Additions	Disposals/ Adjustments	31 March 2016	1 April 2015	Depreciation / amortisation expense for the year	Disposals/ Adjustments	31 March 2016	31 March 2016	31 March 2015
	₹ lacs	₹ lacs	₹ lacs	₹ lacs	₹ lacs	₹ lacs	₹ lacs	₹ lacs	₹ lacs	₹ lacs
A. Tangible assets										
(a) Land										
Freehold	592.54	-	-	592.54	-	-	-	-	592.54	592.54
Leasehold	747.19	-	-	747.19	44.37	8.14	-	52.51	694.68	702.82
(b) Buildings	9,952.70	2,187.65	0.22	12,140.13	3,123.73	574.42	0.21	3,697.94	8,442.19	6,828.96
(c) Roads	84.65	-	-	84.65	73.52	4.79	-	78.31	6.34	11.13
(d) Plant and Machinery(30000)	22,010.57	1,296.62	61.90	23,245.29	10,629.80	1,575.25	102.04	12,103.01	11,142.28	11,380.76
(e) Electrical Installation & Eqpt.	2,801.97	114.10	8.46	2,924.53	1,517.79	401.12	8.31	1,910.60	1,013.93	1,284.18
(f) Furniture & Fixture	1,622.26	119.43	10.38	1,731.32	968.50	208.46	-1.20	1,178.16	553.16	653.77
(g) Motor Vehicles	127.24	13.09	10.06	130.27	84.97	17.29	8.49	93.77	36.50	42.27
(h) Computer Data Processing	1,541.36	231.32	57.14	1,715.53	1,217.45	237.40	52.10	1,402.75	312.78	323.91
(i) Office Equipment	732.20	40.00	16.52	755.68	540.21	102.78	16.60	626.39	129.29	191.99
(j) Lab Equipment	2,135.39	376.67	2.65	2,514.71	767.37	433.29	8.21	1,192.46	1,322.26	1,368.02
Total	42,348.07	4,378.87	167.32	46,559.62	18,967.72	3,562.96	194.75	22,335.91	24,245.94	23,380.35
Previous year	35,847.77	7,266.60	766.30	42,348.07	17,198.14	2,939.14	1,169.56	18,967.72	23,380.35	18,649.63
B Intangible assets										
Computer Software	1,510.40	88.74	0.07	1,599.07	706.63	239.24	0.07	945.80	653.27	803.77
Trademarks & Patents	61.43	28.37	-	89.80	19.77	14.60	-	34.37	55.43	41.66
Brand name "LifeSpring"	140.67	-	-	140.67	99.09	14.32	-	113.41	27.26	41.57
Art & Block/ R&D	34.38	-	-	-	34.38	-	-	-	-	-
Total	1,746.87	117.11	0.07	1,829.53	859.87	268.15	0.07	980.16	735.96	886.99
Previous year	1,557.66	189.39	0.18	1,746.87	627.46	232.60	0.18	859.88	886.99	930.20
C Capital Work In Progress										
(a) Assets Pending Commissioning	2,985.66	107.87	137.32	3,230.85					3,230.85	2,985.66
(b) Civil work in progress	8,530.04	7,932.72	2,668.35	13,794.40					13,794.40	8,530.04
(c) Consultancy Charges	251.49	15.02	27.17	239.34					239.34	251.49
(d) Incidental Expenses on New Projects	961.14	385.12	-	1,346.26					1,346.26	961.14
(e) Trademarks & Patents	0.87	-	-	0.87					0.87	0.87
(f) Machinery WIP	2,150.86	13,942.88	386.43	15,707.31					15,707.31	2,150.86
Total	14,880.06	22,383.61	3,219.27	34,319.03					34,319.03	14,880.06
Previous year	9,118.60	7,952.13	2,190.67	14,880.06					14,880.06	9,118.60
(a) Intangible Assets Under Development										
Expenses related to Research & Development	557.05	259.93	-	816.98					816.98	557.05
Technology Transfer Fees	152.08	-	-	152.08					152.08	152.08
Total	709.13	259.93	-	969.06					969.06	709.13
Previous year	310.48	398.65		709.13					709.13	310.48

Note:

1. Cost of Free hold Land includes -
 - a) ₹ 2/- being the token value of 11.44 acres and 7.14 acres of land transferred by the Govt. of Kerala free of cost.
 - b) ₹ 3.76 lacs being the price of freehold land paid to Karnataka Industrial Area Development Board.
 - c) ₹ 567.92 lacs being the price of freehold land of 29.6 cents at Chennai.
2. Cost of Lease hold land includes the following
 - a) ₹. 130.46 lacs being the cost of 3 acres of leasehold land and building at Balramapuram, Kerala for 99 years.
 - b) ₹. 92.41 lacs being the allotment value of 1005.22 sq. mtrs plot in Mumbai on lease for 60 years.
 - c) ₹ 261.94 lacs being the value of 5000 Sq.Mtr. of leasehold land allotted in the New Okhla Industrial Development Authority (NOIDA), Uttar Pradesh for 90 years
 - d) ₹ 99/- being the value of 430.10 acres leasehold land allotted in Chengalpettu, Chennai, on lease for a period of 99 years, from Central Leprosy Training & Research Institute (CLTRI) in Chengalpettu, Tamil Nadu.
 - e) In line with the decision of the Cabinet Committee on Economic Affairs, 100 acres of land is earmarked out of the 430.10 acres in possession, for HLL Biotech Limited, valued @ 10.12 crores (56 acres @ Rs. 16.5 Lacs per acre and 44 acres of hillock @ Rs. 2.00 Lacs per acre).
 - f) 3.38 Acres of land, out of 430.10 acres in possession, to be given on lease for a period of 36 years @ ₹ 1/- per year to Tamil Nadu Electricity Board. However this transaction has so far not been effected.
 - g) Rs. 262.39 Lacs being the value of 306 Cents of land at rubber park, Irapuram, Perumbavoor, Kerala State for 90 years from Rubber Park India (P) LTD.
 - h) The Govt of Kerala has allotted on lease 4.783 acre of Land (Re-survey no. 34/146/1, 35/120/2,35/120/3) at Konni Taluk, Iravon Village, Pathanamthitta District, Kerala towards setting up of Green Field Blood Bag Project. The land has been handed over to the company. The land is allotted on Lease Rent @ Rs. 19400/- per year for a period of 30 years.
3. Methods of depreciation adopted are as follows.
 - a) Depreciation on tangible assets have been made in line with the requirement under schedule II of the Companies Act, 2013.
 - b) Depreciation has been charged on straight line method for all assets under Plant & Machinery and written down value method for other assets (except intangible asset and leasehold asset) so as to write off the cost of the assets after retaining residual value of 5% of the cost, over the useful lives of the assets prescribed in the Act.
 - c) Trade Mark/ Patents are amortised over a period of 5 years.
 - d) The cost of computer software other than ERP Software Solution is amortized equally over a period of 3 years, whereas ERP software solution is amortized over a period of 8 Years on pro-rata basis. Licence fee paid is amortized over the agreement period.
4. Notional foreign exchange fluctuation loss on Long Term Foreign Currency Loan currently estimated at Rs. 4.17 crs has been included in fixed assets in line with the Accounting policy based on notification no. GSR913(E) dtd 29.12.2011 of the Govt. of India.
5. Additions to fixed assets includes Original cost of the following Capital expenditure incurred in the approved R&D facility:

	<u>2015-16</u>	<u>2014-15</u>
	(Rs. in Lacs)	(Rs. in Lacs)
Building	147.65	4.62
Plant & Machinery	0.06	290.15
Lab Equipments	303.88	
Computer & Data Processing	0.37	7.91
Furniture	21.72	
Office Equipments	1.76	
Intangible assets	5.82	59.70
	<u>481.26</u>	<u>362.38</u>

Note 13. Non-current investments (Consolidated)

Particulars	AS AT 31.03.2016			AS AT 31.03.2015		
	Quoted	Unquoted	Total	Quoted	Unquoted	Total
	₹ lacs	₹ lacs	₹ lacs	₹ lacs	₹ lacs	₹ lacs
Investments (At cost):						
A. <u>Trade</u>						
Total - Trade (A)	-	-	-	-	-	-
B. <u>Other investments</u>						
(a) Investment in equity instruments (fully paid)						
(i) of subsidiary companies	-	-	-	-	-	-
(ii) of joint venture companies	-	-	-	-	-	-
(iii) of other entities	-	2.25	2.25	-	2.25	2.25
(b) Investment in debentures (fully paid)						
(i) of joint venture companies	-	-	-	-	-	-
Total - Other investments (B)	-	2.25	2.25	-	2.25	2.25
Total (A+B)	-	2.25	2.25	-	2.25	2.25
Less: Provision for diminution in value of investments	-	-	-	-	-	-
Total	-	2.25	2.25	-	2.25	2.25
Aggregate value of listed but not quoted investments			2.25			2.25
Aggregate amount of unquoted investments						

Note: Details of Other Investments

Sl. No.	Name of the Body Corporate	Subsidiary / Associate / JV/ Controlled Entity / Others	No. of Shares / Units		Quoted / Unquoted	Partly Paid / Fully paid	Extent of Holding (%)
			31.03.2016	31.03.2015			
(1)	(2)	(3)	(4)	(5)	(6)	(7)	
			31.03.2016	31.03.2015		31.03.2016	31.03.2016
(a)	Investment in Equity Instruments						
(a)	Kerala Enviro Infrastructures Ltd. (Face Value of ₹10/- per share)	Others	20,000	20,000	Unquoted	fully paid	0.16
(b)	Goa State Co-operative Bank Ltd (Face Value of ₹100/- per share)	Others	250	250	Unquoted	fully paid	-

Note 14. Long Term Loans & Advances (Consolidated)

Particulars	AS AT 31.03.2016	AS AT 31.03.2015
	₹ lacs	₹ lacs
LONG TERM LOANS & ADVANCES		
Unsecured, considered good		
Capital advances	1,001.08	40.83
Lease Building deposits	60.02	64.60
Security Deposits	32.26	21.62
	1,093.36	127.05

Note 15. Other Non Current Asset (Consolidated)

Particulars	AS AT 31.03.2016	AS AT 31.03.2015
	₹ lacs	₹ lacs
Fee for RoC for enhancing Authorised Share Capital to the extent not written off	28.00	56.00
ECB Loan Upfront charges	17.37	27.80
Preliminary Expenses	79.78	83.78
MAT Credit Entitlement	261.70	544.35
Total	386.85	711.93

Note 16 Inventories (Consolidated)

(At lower of cost and net realisable value)

Particulars	AS AT 31.03.2016		AS AT 31.03.2015	
	₹ lacs		₹ lacs	
a. Raw Materials (Valued at cost)	1,623.65		2,294.33	
Raw Materials with others (Valued at cost)	1,623.65		2,294.33	
b.Packing Materials (Valued at cost)	1,365.21		1,014.60	
	1,365.21		1,014.60	
c. Work-in-progress (Valued at Actual Process Cost)	2,366.02		1,516.16	
	2,366.02		1,516.16	
d. Finished goods (Valued at Lower of cost or NRV)				
Manufactured Products	1,612.48		2,554.84	
Social Marketing Products	95.88		36.79	
Trading Products	1,588.20		1,391.12	
Goods-in transit	35.64		23.96	
	3,332.20		4,006.71	
e.General Stores and Consumables (Valued at cost)	233.55		148.37	
	233.55		148.37	
f. Other materials, machinery, spare parts, building materials etc. (Valued at cost)	1,064.85		1,232.29	
	1,064.85		1,232.29	
g. Tools revalued & certified by management	9.52		5.11	
	9.52		5.11	
h. Others				
Scrapped/Surplus Assets (at lesser of cost or net realisable value)	57.90		28.89	
Gift items (at cost)	47.98		105.21	
Stationery (at cost)	58.42		66.14	
	164.30		200.24	
	10,159.30		10,417.81	
Less : Closing Provision for Obsolete Stock	67.37		89.32	
Total	10,091.93		10,328.49	