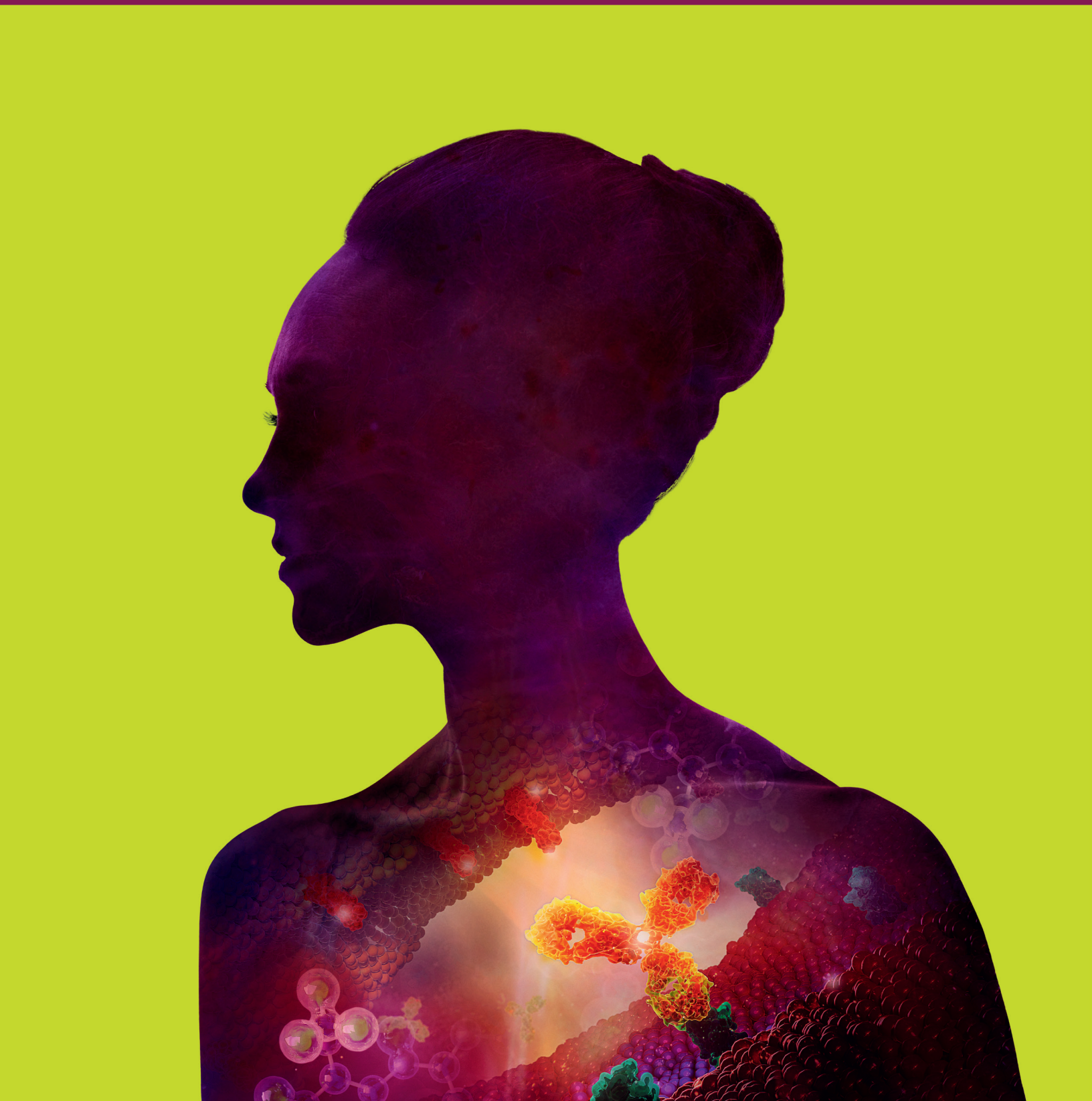
AstraZeneca

What science can do

AstraZeneca Pharma India Limited
Annual Report 2014-15



AstraZeneca

Welcome to the AstraZeneca Pharma India Limited Annual Report 2014-15

At AstraZeneca, each and every one of us is bold in the belief that science should be at the centre of everything we do.

Science compels us to push the boundaries of what is possible. We trust in the potential of ideas and pursue them, alone and with others, until we have transformed the treatment of disease.

AstraZeneca. What science can do.

See what science can do…

The future of treatment for many of today's diseases lies in uncovering mechanisms that are newly emerging or are still to be discovered. We believe the best way to help patients is to focus on breakthrough science to discover these mechanisms and develop novel, targeted therapies that interact with them.

This is at the heart of our business and our purpose as a company: to push the boundaries of science to deliver life-changing medicines.



AstraZeneca

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Updation of Register of Members



AstraZeneca Pharma India Limited

Board of Directors

Mr. D. E. Udwadia, Chairman
Mr. K. S. Shah
Mr. Narayan K Seshadri
Mr. Ian Brimicombe
Mr. Justin Ooi
Mr. Sanjay Murdeshwar, Managing Director
Mr. Robert Ian Haxton, Whole Time Director (upto December 14, 2014)
Ms. Rebekah Martin (from November 3, 2014)

Auditors

BSR & Co. LLP, Bangalore

Legal Advisors

Udwadia & Udeshi, Mumbai

Bankers

The Hongkong and Shanghai Banking Corporation Limited

Corporate and Registered Office

Block N1, 12th Floor, Manyata Embassy Business Park, Rachenahalli, Outer Ring Road, Bangalore 560045

Factory

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

Sales Outlets

Ahmedabad, Bangalore, Chennai, Cuttack, Dehradun, Delhi*, Guwahati, Hyderabad, Indore, Jaipur, Kochi, Kolkata, Lucknow, Mumbai, Patna, Ranchi, Chandigarh, Panchkula and Zirakhpur.
*Company outlets (only Delhi)

Committees of Directors

Audit Committee

Mr. K. S. Shah, Chairman
Mr. D. E. Udwadia
Mr. Justin Ooi

Nomination & Remuneration Committee

Mr. Narayan K Seshadri, Chairman
Mr. D. E. Udwadia
Mr. K. S. Shah
Mr. Ian Brimicombe

Stakeholders' Relationship Committee

Mr. K. S. Shah, Chairman
Mr. Sanjay Murdeshwar

Corporate Social Responsibility Committee

Mr. Ian Brimicombe, Chairman
Mr. D. E. Udwadia
Mr. Sanjay Murdeshwar

Risk Management Committee

Mr. K. S. Shah, Chairman
Mr. Justin Ooi
Ms. Rebekah Martin
Mr. Sanjay Murdeshwar

Chief Financial Officer

Mr. Rajesh Marwaha (From Aug 4, 2014)

Legal Counsel & Company Secretary

Mr. Anantha Murthy N (From Aug 1, 2014)

Annual General Meeting
at 11.00 a.m. on Wednesday, September 2, 2015
at Vivanta by Taj, MG Road, Bangalore 560 001

AstraZeneca Pharma India Limited

Registered Office: Block N1, 12th Floor, Manyata Embassy Business Park, Rachenahalli, Outer Ring Road, Bangalore - 560045
CIN: L24231KA1979PLC003563, Web: www.astrazeneca.com/india
Email: comp.secy@astrazeneca.com, Tel: +91 80 67748000, Fax: +91 80 67748557

NOTICE

NOTICE is hereby given that the 36th Annual General Meeting of the Members of AstraZeneca Pharma India Limited will be held on **Wednesday, September 2, 2015 at 11.00 a.m. at Vivanta by Taj Hotel, MG Road, Bangalore 560001**, to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the financial statements viz., the Audited Balance Sheet as at March 31, 2015, the Audited Profit & Loss Account and the Cash Flow Statement of the Company and Explanatory Note annexed thereto or forming part of the above documents, for the financial year ended on that date and the Reports of the Directors and Auditors thereon.

2. To appoint a Director in place of Mr. Ian Brimicombe (holding DIN 00764601) who retires by rotation, and being eligible, offers himself for re-appointment.

3. To appoint Messrs. BSR & Co. LLP, Chartered Accountants, (ICAI Registration No.101248W/W-100022) as Statutory Auditors of the Company to hold office from the conclusion of this meeting up to the conclusion of the next Annual General Meeting and to authorize the Board of Directors to fix their remuneration.

SPECIAL BUSINESS

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

   RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 ('the Act') read with the Companies (Audit and Auditors) Rules, 2014, as amended to date, payment of remuneration of ₹ 1,40,000/- (Rupees one lac forty thousand only) plus applicable service tax and reimbursement of out-of-pocket expenses, at actuals, to M/s. Rao, Murthy & Associates, Cost Accountants, Bangalore, (Firm Registration No.000065), appointed by the Board as Cost Auditors of the Company for conducting the cost audit of the accounts for the financial year ending March 31, 2016, be and is hereby confirmed, approved and ratified.

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

   RESOLVED THAT Ms. Rebekah Martin (holding DIN 06984155), who was appointed as an Additional Director of the Company under Section 161(1) of the Act read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and Article 116 of the Articles of Association of the Company, and who holds office upto the date of this Annual General Meeting and in respect of whom a notice in writing has been received by the Company from a member under the Act, signifying intention to propose Ms. Martin as a candidate for the office of Director, be and is hereby appointed as Director liable to retire by rotation.

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

   RESOLVED THAT subject to the provisions of Clause 49 (VII) of the Listing Agreement ("Clause 49") entered into by the Company with the stock exchanges where the equity shares of the Company are listed, as amended to date, the Formulation Packaging and Distribution Agreement dated 20th June 2005 ("the Agreement") entered into by the Company with AstraZeneca UK Limited, a Related Party as defined in Section 2(76) of the Act and in the said Clause 49, with regard to formulation, packaging and resale of the Related Party's products (as defined in the said Agreement), being of a material nature, be and is hereby approved.

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

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

RESOLVED THAT subject to the provisions of Clause 49 (VII) of the Listing Agreement ("Clause 49") entered into by the Company with the stock exchanges where the equity shares of the Company are listed, as amended to date, approval of the Members be and is hereby granted to the following Material Related Party Transactions entered into by the Company with AstraZeneca UK Limited ("AZ UK"), a Related Party as defined in Section 2(76) of the Act and in the said Clause 49, during the financial year 2014-15.

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

(₹ in Crores)

Sl. No.	Nature of Transactions	Transactions Value (FY 2014-15)
1	Purchase of raw materials and traded goods by the Company from AZ UK	86.21
2.	Amount received towards support for the distribution of products supplied by AZ UK - Reimbursement of marketing and promotional cost with respect to existing product and reimbursement of pre-launch cost for new launch products, on arm's length basis	61.90
3.	Reimbursement by AZ UK, the cost of employees deputed by the Company outside India	0.73
4.	Reimbursement by the Company to AZ UK, the cost related to overseas employees deputed in India	1.72
	Total	**150.56**

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

Place: Bangalore
Date: August 4, 2015

Anantha Murthy N
Legal Counsel & Company Secretary

NOTES:

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

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

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

2. The Register of Members and Share Transfer Books of the Company will remain closed for **10 days i.e., from August 24, 2015 to September 2, 2015** (both days inclusive) in connection with the Annual General Meeting.

3. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, which sets out details relating to Special Business at the meeting, is annexed hereto.

4. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address or demise of any member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified.

5. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company.

6. Details under Clause 49 of the Listing Agreement with the Stock Exchange in respect of Directors seeking appointment / re-appointment at the Annual General Meeting, forms integral part of the notice. The Directors have furnished the requisite declarations for their appointment/ re-appointment.

7. Electronic copy of the Annual Report for 2014-15 is being sent to all the members whose email IDs are registered with the Company/ Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report for 2014-15 is being sent in the permitted mode.

8. Electronic copy of the Notice of the 36th Annual General Meeting of the Company inter alia indicating the process and manner of e-Voting along with Attendance Slip and Proxy Form is being sent to all the members whose email IDs are registered with the Company / Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copy of the Notice of the 36th Annual General Meeting of the Company inter alia indicating the process and manner of e-Voting along with Attendance Slip and Proxy Form is being sent in the permitted mode.

9. Members may also note that the Notice of the 36th Annual General Meeting and the Annual Report for 2014-15 will also be available on the Company's website www.astrazeneca.com/india for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office in Bangalore for inspection during normal business hours on working days. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost. For any communication, the Members may also send requests to the Company's investor email ID: comp.secy@astrazeneca.com.

10. Voting Through Electronic Means

In compliance with the provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Clause 35B of the Listing Agreement, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by National Securities Depository Limited (NSDL).

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

The instructions for e-voting are as under:

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

i. Open e-mail and the attached PDF file titled "AZPIL remote e-Voting.PDF" with your Client ID (in case you are holding shares in demat mode) or Folio No. (in case you are holding shares in physical mode) as default password. The said PDF file contains your "User ID" and

"Password/PIN for remote e-voting". Please note that the password is an initial password.

ii. Open internet browser by typing the URL: https://www.evoting.nsdl.com/

iii. Click on "Shareholder / Member" - "Login".

iv. Type in your User ID and password as initial password / PIN as mentioned in step (i) above and click Login.

v. Password Change Menu appears. Change the password/ PIN with the new password of your choice with minimum 8 digits/characters or combination thereof.

vi. Please note your new password. It is strongly recommended that you do not share your new password and take utmost care to keep your password confidential.

vii. Home page of "remote e-voting" opens. Click on "remote e-voting-Active Voting Cycles".

viii. Select "EVEN" of AstraZeneca Pharma India Limited for casting your vote.

ix. You are now ready for "remote e-voting" as "Cast Vote" page opens.

x. Cast your vote by selecting appropriate option and click "Submit" and also "Confirm" when prompted. Upon confirmation, the message, "Vote cast successfully" will be displayed. Once voted on the resolution, you will not be allowed to modify your vote.

xi. Institutional Members (other than Individuals, HUF, NRI, etc.) are also required to send a scanned copy (PDF/JPG format) of the relevant Board Resolution/Authority Letter, etc., together with an attested specimen signature of the duly authorised signatory(ies) who are authorized to vote, to the Scrutinizer through email on vijaykt@vjkt.in with a copy marked to evoting@nsdl.co.in.

B. In case a Member receives physical copy of the Notice of AGM [for members case whose email IDs are not registered with the Company/ Depository Participants(s) or requesting physical copy]:

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

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

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

C. Other instructions:

(i) A member may participate in the meeting even after exercising his right through remote e-voting, but he / she will not be allowed to vote again at the meeting.

(ii) In case of any queries, you may refer to the Frequently Asked Questions (FAQs) for Members and remote E-voting User Manual for Members available at the "Downloads" section of www.evoting.nsdl.com or contact NSDL on toll free no. 1800-222-990.

(iii) If you are already registered with NSDL for e-voting then you can use your existing user ID and password/PIN for casting your vote.

(iv) You can also update your mobile number and e-mail Id in the user profile details of the folio which may be used for sending future communication(s).

(v) The remote e-voting period commences on August 28, 2015 (9.00 a.m. IST) and ends on September 1, 2015 (5.00 p.m. IST) for five days. During this period, Members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) August 25, 2015 may cast their vote through remote e-voting. The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently.

(vi) The voting rights of Members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date (record date) of August 25, 2015.

(vii) Any person, who acquires shares of the Company and become member of the Company after despatch of the notice and holding shares as of the cut-off date i.e. August 25, 2015, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or giri@integratedindia.in.

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

(viii) A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.

(ix) The Board of Directors has appointed Mr. K. T. Vijayakrishna, Practicing Company Secretary, (Membership No. FCS 1788) as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner. Mr. Vijayakrishna has conveyed to the Company his willingness to act as such.

(x) The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "Poling Paper" for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.

(xi) The Scrutinizer shall, immediately after the conclusion of voting at the meeting, first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and make not later than three (3) days of conclusion of the meeting, a consolidated Scrutinizer's Report of the total votes cast in favor or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the resolution of the voting, forthwith.

(xii) The Results declared alongwith the Scrutinizer's Report shall be placed on the Company's website www.astrazeneca/india.com and on the website of NSDL, immediately after the result is declared by the Chairman and communicated to the stock exchanges, where the equity shares of the Company are listed.

11. All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company during normal hours (10.00 am to 12.00 noon) on all working days, up to and including the date of the Annual General Meeting of the Company.

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

Item No.4

In terms of Section 148 of the Act and the Rules made thereunder, the Company is required to maintain Cost Audit records and to have the same audited by a Cost Auditor.

Based on the recommendation of the Audit Committee, the Board of Directors at its meeting held on May 27, 2015, appointed M/s. Rao, Murthy & Associates, as Cost Auditor, for conducting the Cost Audit for the year 2015-16 on a remuneration of ₹ 1,40,000/- plus applicable service tax and reimbursement of out-of-pocket expenses at actuals.

Rule 14 of Companies (Audit and Auditors) Rules 2014, as amended, requires that the remuneration payable to the Cost Auditor be ratified by the Members. Hence the resolution at Item No.4 of the Notice.

The Company has received a Certificate from the Cost Auditor confirming its independence and arm's length relationship with the Company and their willingness to act as Cost Auditor of the Company.

The Board recommends that the remuneration payable to the Cost Auditor in terms of the resolution at Item No.4 of the Notice be ratified by the Members.

Item No.5

At the meeting of the Board of Directors of the Company held on November 3, 2014, Ms. Rebekah Martin was appointed as an Additional Director of the Company. Pursuant to Section 161(1) of the Act, she will hold office upto the date of the ensuing Annual General Meeting, but is eligible for appointment as a Director. The Company has received a notice pursuant to Section 160 of the Act from a member signifying intention to propose the appointment of Ms. Martin as a Director at the ensuing Annual General Meeting along with a deposit of ₹ 1,00,000/- which amount shall be refunded to the member if Ms. Martin is elected as a Director.

Ms. Martin is a Member of Risk Management Committee of the Board of Directors.

The Board considers that her association would be of great benefit to the Company. Accordingly, the Board recommends the resolution at item no.5 of the Notice, for approval by the Members of the Company.

A brief profile of Ms. Martin, is provided at the end of this Notice.

Ms. Martin is concerned or interested in the resolution at Item No.5 of the Notice since it relates to her appointment - as a Director liable to retire by rotation.

Item No.6

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

The Company had entered into a Formulation Packaging and Distribution Agreement dated 20th June 2005 ("the Agreement") with AstraZeneca UK Limited ("AZ UK"), a Related Party as defined in Section 2(76) of the Act and in the said Clause 49 with regard to formulation, packaging and resale of the Related Party's products (as defined in the said Agreement).The transactions covered by the said Agreement will exceed 10% of the annual turnover of the Company as per its last audited financial statements and would constitute material transaction as defined in the said Clause 49.

In terms of the requirements of SEBI Circular Ref:CIR/CFD/POLICY CELL/2/2014 dated April 17, 2014, the Agreement evidencing transactions of a material nature, will require the approval by the Members at the first general meeting held after 1st October, 2014 even though the Agreement referred to in the resolution at Item No.6 was entered into in June 2005 since it continues to be in force in accordance with its terms.

The ensuing Annual General Meeting will be the first general meeting after 1st October 2014. Accordingly, in terms of the above circular, the said Agreement will require approval of the Members at the ensuing Annual General Meeting, by special resolution. The Related Party in the above Agreement is not a member of the Company.

The following relevant information is provided to the Members:

Particulars	Information
Name of the Related Party	AstraZeneca UK Limited
Nature of relationship	AstraZeneca UK Limited is the Parent Company of AstraZeneca Treasury Limited, which is the Holding Company of AstraZeneca AB, Sweden, which in turn is the Holding Company of AstraZeneca Pharmaceuticals AB, Sweden and which in turn is the Holding Company of AstraZeneca Pharma India Limited
Name of Director(s) or Key Managerial Personnel who is related, if any	Mr. Sanjay Murdeshwar Mr. Ian Brimicombe Mr. Justin Ooi Ms. Rebekah Martin (being representatives of AstraZeneca Group on the Board of the Company)
Nature, material terms, monetary value and particulars of the contract or arrangement	Nature: Formulation Packaging and Distribution Agreement for formulation, packaging and resale of the products by the Company (as defined in the Agreement)