

Contents

Our culture in a story 04 -11	Chairman's Address 12-15		Highlights of Operations 2016-17 16-17		Management Discussion and Analysis - 2016-17 18-32		Business Responsibility Report 33-40		Directors' Report & relevant Annexures 41-73	
Corporate Auditor Report 74-89 90-9		ort	Balance Sheet 96		Statement of Profit and Loss 97		Cash Flow Statement 98-99		Statement of Change in Equity 100	
Notes to the Financial Statements 101-164		Consolidated Auditors' Report 165-169		Consolidated Financial Statements 170-239		Section 129 (3) Statement 240-241		Notice of Annual General Meeting 242-256		

Corporate Information

Founder Late Ramanbhai B. Patel Board of Directors
Pankaj R. Patel
Chairman & Managing Director
Dr. Sharvil P. Patel
Joint Managing Director

Registered and Corporate Office

"Zydus Tower", Satellite Cross Roads, Sarkhej-Gandhinagar Highway, Ahmedabad 380 015. Statutory Auditors
Mukesh M. Shah & Co.
Chartered Accountants
Ahmedabad

Directors
Mukesh M. Patel
Humayun R. Dhanrajgir
Nitin R. Desai
Dharmishta N. Rawal
Apurva S. Diwanji*
*[w.e.f. May 13, 2016]

Chief Financial Officer Nitin D. Parekh

Company Secretary Upen H. Shah

Zydus Research Centre Survey No. 396 / 403, Sarkhej-Bavla N.H. No. 8A, Moraiya, Ahmedabad 382 213.

Registrar and Share Transfer Agents

Link Intime India Private Limited 506-508, Amarnath Business Centre-1 (ABC-1), Besides Gala Business Centre, Off. C G Road, Ellisbridge, Ahmedabad 380 006.

SEZ Unit

Plot No. 1 / 1A & 2, "PHARMEZ" (Special Economic Zone) Matoda, Sarkhej-Bavla N.H. No. 8A, Taluka: Sanand, District: Ahmedahad 382 213 Works Formulation Units

Survey No. 417, 419 & 420, Sarkhei-Bavla N.H. No. 8A.

Village: Moraiya,

District: Ahmedabad 382 210.

Plot No.203-213, Kundaim Industrial Estate, Ponda, Goa 403 115.

Village : Swaraj Majra, Baddi, District : Solan, GIDC Estate, Ankleshwar 393 002, Gujarat

Block No. 265/266, Village:

Changodar, Sarkhej-Bavla N.H.

No. 8A, Ahmedabad 382 210.

API Units

Dabhasa, Taluka-Padra 391 440. District : Vadodara.

Block No. 162, Ekalbara Umraya Road, Village: Dabhasa Taluka: Padra 391 440. District: Vadodara. Topical Unit

Plot No. 254-255, Opp. Laxmi Narayan Petrol Pump, Sarkhej-Bavla N.H. No. 8A, Changodar Road, Taluka: Sanand, District: Ahmedahad 382 210.

Biologics Unit

Survey No. 40P, 23, 25P, 42, 37 Opp. Ramdev Masala, Sarkhej-Bavla N.H. No. 8A, Changodar, District: Ahmedabad 382 213.

Animal Health Unit

Plot No. F-1/1, Sector 6B, IIE SIIDCUL, Haridwar 249 403.



Mr. Ramanbhai B. PatelFounder Chairman, Zydus Cadila
August 19, 1925 - September 19, 2001

A first-generation pharma entrepreneur, our Founder Chairman, Shri Ramanbhai B. Patel always believed that people are the most essential part of any organisation as they provide the inspiration, creativity, vision and motivation that keep an organisation alive. Shri Ramanbhai Patel said that the workplace is where people spend most of their time in a day and a happy employee would be a catalyst translating the organisation's growth.

He also felt that the bedrock of a pharma enterprise should be, Innovation. His passion for innovation continues to inspire us at Zydus.

It is the collective passion and commitment of over 20,000 Zydans across the globe who work together to bring to fruition the 'purpose' that binds them all - to create healthier communities globally.

And that is how, the visionary's vision lives on.

People. Passion. Purpose.

In most companies, there could be a handful of reasons for success.

At Cadila Healthcare Limited, there are no less than

20,000.

Because each Zydan has been a reason why we have succeeded.

Their passion. Their pride. Their capabilities have fused into the corporate performance.

And that is how it becomes Our story.









You don't need thousands of words to describe Cadila Healthcare's culture.

Two-word *quotables* say it better.







Act now.

Build people.

What's new?

Think big.

Challenge yourself.

Improvement = Betterment

Daro mat.

Speak up.

OUR CULTURE IN A STORY

When a shop floor worker stopped the production line which affected the day's target, he was... Applauded.







'Daro mat. Khul ke bolo'.

Quality is the watchword; process integrity was strengthened; productivity improvement was a bonus.



- The principle message on the Company's shop floor is 'Daro mat!' (Do not fear)
- This message is a part of the QUEST programme that sensitises workers in employing the right processes and to speak up and report any deviation so that steps can be immediately initiated to address it
- The message: Doing the right thing is acceptable. No short cuts
- Each time workers did so, they became champions
- Cross-functional communication increased; managers began to understand workers better
- Workers suggested process modifications; continuous improvement became a shop floor reality
- Quality processes were strengthened; process integrity was strengthened; productivity improvement was a bonus

When our workers huddled for a morning dialogue at the start of the shift, the supervisor nodded approvingly saying: 'I want to see this kind of behaviour everyday at work'.



- Introduced a break out approach to raise the quality benchmark
- Instituted 30-minute brain storming sessions on quality
- 8,000 people across Zydus' manufacturing locations discuss a specific theme relevant to our quality ethic every morning
- These sessions are conducted at the start of every shift across every plant
- Supervisors turned into speakers and mentors; roles are periodically rotated
- Gradually, change room discussions have begun to revolve around workplace quality
- Workers are a part of the solution. Ideas have begun to
- When quality improved in one plant, others immediately replicated it
- Positive change agents are recognised
- Quality culture supports productivity

