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CORPORATE OVERVIEW

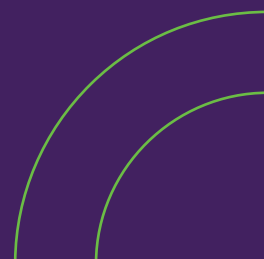
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FORWARD-LOOKING STATEMENT

In this Annual Report, we have disclosed forward looking information to enable investors to comprehend our prospects and take investment decisions. This report and other statements - written and oral - that we periodically make contain forward looking statements that set out anticipated results based on the management's plans and assumptions. We have tried, wherever possible, to identify such statements by using words such as 'anticipate', 'estimate', 'expects', 'projects', 'intends', 'plans', 'believes', and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward looking statements will be realised, although we believe we have been prudent in our assumptions. The achievements of results are subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialize, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Readers should keep this in mind. We undertake no obligation to publicly update any forward looking statement, whether as a result of new information, future events or otherwise.



SETTING THE STAGE

We are setting the stage for a higher growth trajectory and value creation by helping our clients and improving the access to quality and affordable healthcare globally.

In a rapidly evolving pharmaceutical sector, we have grown consistently to become one of the leading manufacturers of Active Pharmaceutical Ingredients (APIs) for anti-retroviral (ARV), oncology, cardio-vascular and anti-diabetic segments. Our vision is to emerge as one of the leading pharmaceutical players globally, which is why we are creating the foundation to support our ambition for accelerated growth.

During FY2014-15, we took multiple initiatives in this direction.

We enhanced our capacities, enriched our product portfolio, strengthened our talent pool and reinforced our financial sustainability.

We also forayed into unexplored markets and strengthened the confidence of our existing clients for more businesses.

The confidence that investors have reposed in us vindicate the strength of our business model and the ability to grow sustainably. Our balanced portfolio has the potential to drive our future growth. Nevertheless, we are consistently innovating to serve unmet industry needs, while at the same time maintaining the highest standards of quality, integrity, ethics and compliance.

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GAINING MOMENTUM

Starting our journey in FY2005, we have had encouraging progress in a decade. Today, we are among the world's leading manufacturers of active pharmaceutical ingredients (API), catering to the requirements of several Indian and global pharmaceutical companies. We produce quality products and services across various therapeutic areas, helping thousands of people across the world to lead a healthy life.

Our headquarters are in Hyderabad, with two manufacturing facilities in India (Visakhapatnam) and a state-of-the-art R&D Centre at IKP Knowledge Park, Hyderabad. We employ more than 1,800 people, who help us in our pursuit to achieve faster growth, while maintaining the highest level of integrity, ethics and compliance.

Consistent innovation helps us create differentiated value for our customers. Our strong focus on Research & Development (R&D) is reflected in our R&D Centre with 50+ laboratories. Our R&D backbone helps us develop products and solutions to serve unmet patient needs.



VALUE PARADIGM

- State-of-the-art infrastructure and facilities with highly capable personnel
- Strong work ethic driven by sound systems and best practices, high quality standards; and emphasis on delivery and a strong focus on IP
- Robust business model built on being a strategic partner to the client and not merely a service provider
- Value creation through innovative science, customer-centric approach and cost effectiveness

50+

Number of R&D laboratories

₹ 4,020^{mn}

Of investment made by private equity players in the last three years

500+

Members in the R&D team

1,800+

Team size

32

Countries in which we are present

47

Number of APIs manufactured

The figures are as on March 31, 2015.

OUR BUSINESS DIVISIONS

Generics API

We are one of the global leaders in manufacturing the in-house range of APIs and related intermediates. Our qualitative and diverse portfolio covers therapies like anti-retrovirals, oncology, cardiovascular and anti-diabetic, among others.

Ingredients

We are developing and manufacturing pure, well-characterised specialty ingredients in nutraceutical or dietary supplements and cosmeceutical segment.

Generics FDF

We are forward integrating into finished dosage forms (FDF) to create more value. It is generated through our cost-effective processes and large capacities in the API business for our customers.

Synthesis

This represents an integral part of our business, where our offering covers process commercialisation, improvement, optimisation and other process chemistry related services for New Chemical Entities (NCEs).



FINANCIAL PERFORMANCE

Laurus Labs has positive momentum across its portfolio and is delivering value for all stakeholders - society, vendors, customers and shareholders. We integrate economic success with responsible business conduct to achieve sustainable financial performance and ensure transparency and reliability of financial information. We are committed to fair, timely and on-going disclosures as a means to achieve high levels of management transparency.

14%
Growth in
gross income

NET SALES (₹ million)



The Net Sales grew from ₹ 11,597 million in FY2013-14 to ₹ 13,263 in FY2014-15 showing a growth of 14%.

PROFIT BEFORE TAX (₹ million)



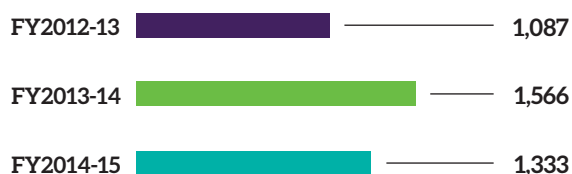
Profit before tax fell from ₹ 1,238 million in FY2013-14 to ₹ 720 million in FY2014-15.

PAT (₹ million)



Profit after tax fell from ₹ 991 million in FY2013-14 to ₹ 736 million in FY2014-15.

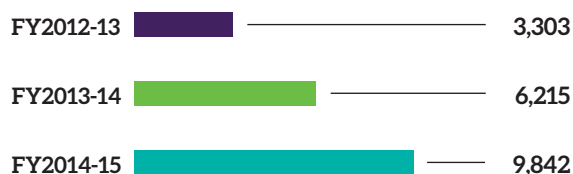
CASH PROFIT (₹ million)



Cash Profit stood at ₹ 1,333 million in FY2014-15 as compared to 1,566 million in FY2013-14.

GROSS BLOCK

(₹ million)



Gross block addition stood at ₹ 9,842 million in FY2014-15 from ₹ 6,215 million in FY2013-14.

DEBT-EQUITY RATIO

Debt-equity ratio stood at 1.13 in FY2014-15 as against 1.51 in FY2013-14.

EARNINGS PER SHARE

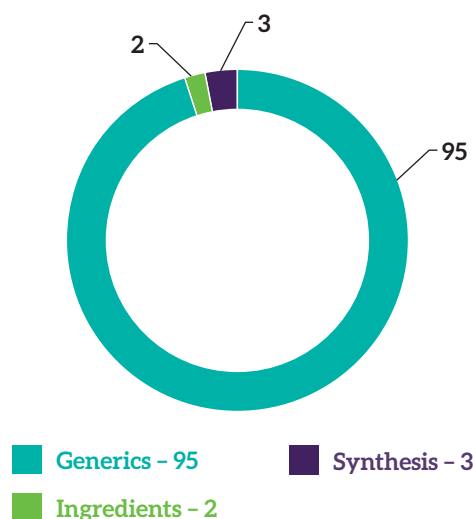
(₹)



EPS stood at ₹ 48 in FY2014-15 as against ₹ 65 in FY2013-14.

REVENUE MIX

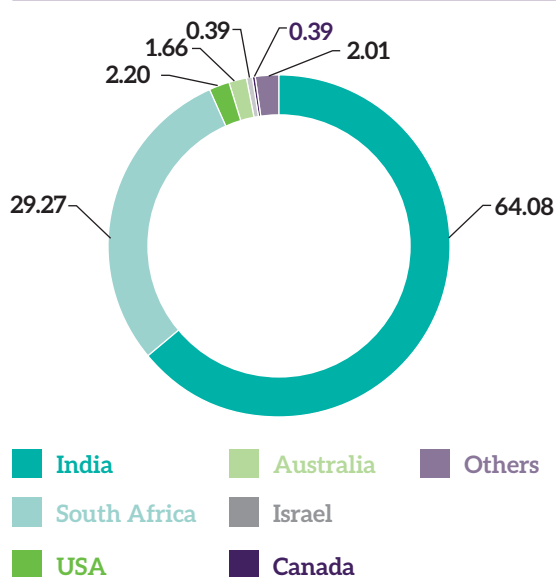
(%)



The Company derives around 95% of its revenue from Generics business. Ingredients and Synthesis segment contribute 2% and 3% respectively to the revenue mix.

GEOGRAPHY MIX

(%)



The Company derives around 64% of its revenue from India. South Africa contributes about 29% of the revenue mix.



STRENGTHS TO DELIVER VALUE



LEADING BRAND

We have developed brand strength in key generic **APIs** within two strong therapeutic segments - ARVs and oncology, manufactured at internationally approved cGMP plants.



STRATEGIC PRODUCT DEVELOPMENT

While identifying and developing new generic pharmaceutical products, we look for **products that have a strong market potential**. This strategy complements our focus on key therapeutic categories. We also **strive to identify products** for which we may have an API sourcing advantage, leveraging our expertise.



ENHANCED INTEGRATION

We **enhanced backward integration** into starting materials; also planning to forward integrate into finished dosage forms by FY2016.



STRONG PIPELINE

We have a strong product pipeline that focuses on key therapeutic areas. We have currently a 30 product pipeline across anti-retroviral (ARV), oncology, cardio-vascular, anti-diabetic and nutraceuticals, among others.



CUSTOMER CENTRICITY

We have a **strong and growing customer base**, which recognises the strength of partnerships and helps us generate new and expand existing businesses.



QUALIFIED PERSONNEL

R&D professionals account for nearly one third of our team. They help us **enhance our value proposition** to serve acute pharmaceutical needs globally.



GROWING CAPACITY

Our advanced **R&D capabilities powers** process optimisation and a service culture with one of the largest and most modern API facilities in the world.





DYNAMISM FOR A DECADE

