
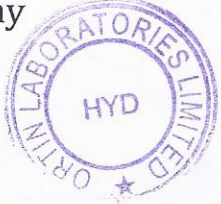








FORM A
Format of covering letter of the annual audit report to be filed with the
Stock Exchange

1.	Name of the company	Ortin Laboratories Limited
2.	Annual financial statements for the year ended	31st March 2015
3.	Type of Audit observation	Un-qualified
4.	Frequency of observation	Nil
5.	To be signed by-	
	Managing Director	Mr. S. Murali Krishna Murthy  
	CFO	Mr. B. Satyanarayana Raju  
	Mathesh & Ramana Auditor of the company	Mr. B.V. Ramana Reddy  
	Audit Committee Chairman	Mr. K. Pradyumna Teja  



ORTIN LABORATORIES LIMITED

Flat No.502, Palem Towers, Barkatpura, Hyderabad-500 027,
Telangana, India

Ph : +91 40 27562055, Fax : +91 40 66103055

E-mail : info@ortinlabsindia.com

Website : www.ortinlabsindia.com

28th ANNUAL REPORT 2014-2015

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CORPORATE INFORMATION

Board of Directors:

1.	Mr. S. Murali Krishna Murthy	--	Managing Director	(DIN: 00540632)
2.	Mr. G. Venkata Ramana	-	Joint Managing Director	(DIN: 00031873)
3.	Mr. S. Mohan Krishna Murthy	--	Whole Time Director	(DIN: 00540705)
4.	Mr. S. Balaji Venkateswarlu	--	Whole Time Director	(DIN: 02010148)
5.	Mr. S. Srinivas Kumar	-	Whole Time Director	(DIN: 02010272)
6.	Mr. B. Satyanarayana Raju	--	Whole Time Director cum CFO	(DIN: 02697880)
7.	Ms. D. Lakshmi Sravani	--	Non Executive Director	(DIN: 03118833)
8.	Mr. J. R. K. Panduranga Rao	--	Independent Director	(DIN: 00294746)
9.	Mr. M. Tippayya	-	Independent Director	(DIN: 00306985)
10.	Mr. K. Pradyumna Teja	--	Independent Director	(DIN: 03074013)
11.	Mr. T Seshagiri	-	Independent Director	(DIN: 06715818)
12.	Mr. B. Gopal Reddy	-	Independent Director	(DIN: 06716560)

Company Secretary :

Ms. Sharvari Suhas Khadke

Registered Office :

Flat No. 502, Palem Towers, Barkathpura,
Hyderabad – 500027
Ph: 040-27562055, Fax: 040-66103055
email: info@ortinlabsindia.com

Auditors:

M/s. Mathesh & Ramana, Chartered Accountants,
3-6-145, Himayath Nagar, Hyderabad-500029. (INDIA)

Works:

Unit 1 :

Plot No.275 & 278, I.D.A
Pashamylaram, Medak Dist. (Telangana) (INDIA)

Unit 2 :

Sy. No. 300, Malkapur Village, Choutuppal
Mandal, Nalgonda District (Telangana) (INDIA)

Audit Committee:

1)	Mr. K. Pradyumna Teja	Chairman
2)	Mr. J.R.K. Pandu Ranga Rao	Member
3)	Dr. B. Gopal Reddy	Member

Nomination & Remuneration Committee:	1) Mr. K. Pradyumna Teja 2) Mr. T. Seshagiri 3) Dr. B. Gopal Reddy	Chairman Member Member
Stakeholder Relationship Committee:	1) Mr. J.R.K. Pandu Ranga Rao 2) Mr. K. Pradyumna Teja 3) Mr. Tippayya	Chairman Member Member
Risk Management Committee:	1. Dr. B. Gopal Reddy 2. Mr. K. Pradyumna Teja 3. Mr. S. Mohan Krishna Murthy	Chairman Member Member
Independent Director Committee	Mr. T Seshagiri Mr. M. Tippayya Mr. K. Pradyumna Teja Mr. J. R. K. Panduranga Rao Dr. B. Gopal Reddy	Chairman Member Member Member Member
Bankers:	Karnataka Bank Ltd., Nampally Station Road, Hyderabad- 500001	
Listing:	BSE Limited National Stock Exchange Limited	
Registrar & Share Transfer Agents:	M/s. Karvy Computershare Private Ltd, Plot No. 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad – 500008. Ph No. 040 – 67161500	
ISIN:	INE749B01012	
Website:	www.ortinlabsindia.com	
Investor Email-Id:	info@ortinlabsindia.com	
Corporate Identity Number:	L24110AP1986PLC006885	

NOTICE

Notice is hereby given that the 28th Annual General Meeting of the Shareholders of M/s. Ortin Laboratories Limited will be held on Wednesday, the 30th September, 2015 at 11.00 A.M. at the Registered office of the Company at Flat No. 502, Palem Towers, Barkatpura, Hyderabad – 500 027, Telangana to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at March 31, 2015, the Statement of Profit & Loss and Cash Flow Statement for the year ended on that date together with the Notes attached thereto, along with the Reports of Auditors and Directors thereon.
2. To appoint a director in place of Mr. S. Mohan Krishna Murthy (holding DIN: 00540705) who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a director in place of Mr. S. Balaji Venkateswarlu (holding DIN: 02010148) who retires by rotation and being eligible, offers himself for re-appointment.
4. To ratify the appointment of M/s. Mathesh & Ramana, Chartered Accountants, Hyderabad as Statutory Auditors of the Company to hold office from the conclusion of this meeting till the conclusion of the next Annual General Meeting at remuneration as may be fixed by the Board of Directors of the Company.

“RESOLVED THAT pursuant to the provisions of Section 139(2) and 142 of the Companies Act, 2013 and rules made there under and pursuant to recommendation of Audit Committee, and pursuant to the resolution passed by the Members at the Annual General Meeting (AGM) held on 30th September, 2014 for the appointment of M/s. Mathesh & Ramana (Firm Registration No. 002020S) as Statutory Auditors of the Company to hold office till the conclusion of the AGM to be held in the year 2017, be and is hereby ratified and that the Board of Directors be and is hereby authorized to fix the remuneration payable to them for the financial year ending 31st March, 2016 as may be determined by the Audit Committee in consultation with the Auditor from time to time.”

SPECIAL BUSINESS:

5. **APPOINTMENT OF MS. D. LAKSHMI SRAVANI (DIN 03118833) AS DIRECTOR OF THE COMPANY:**

To consider and if thought fit, to pass, with or without modification(s) the following resolution as an Ordinary Resolution:

“**RESOLVED THAT** pursuant to the provisions of Section 149 of the Companies Act, 2013 and the Rules made there under and the Articles of Association of the Company, Ms. D. Lakshmi Sravani (DIN 03118833), who was appointed as an Additional Director of the Company by the Board of Directors with effect from 31.03.2015 and who holds office until the date of the ensuing AGM, in terms of Section 161 of the Companies Act, 2013, and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 signifying his intention to propose Ms. D. Lakshmi Sravani as a candidate for the office of a director of the Company, be and is hereby appointed as a director of the Company liable to retire by rotation.

6. RE-APPOINTMENT OF MR. S. MOHAN KRISHNA MURTHY (DIN 00540705) AS A WHOLE-TIME DIRECTOR:

To consider and if thought fit, to pass, with or without modification(s) the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof), read with Schedule V of the Companies Act, 2013 and pursuant to Articles of Association of the Company, the consent of the Company be and is hereby accorded to the appointment of Mr. S. Mohan Krishna Murthy as Whole-time Director of the Company, for a period of 3 years commencing from 01.04.2015 on the remuneration, as may be decided by the Board and with liberty to the Board of directors to fix, alter or vary from time to time the terms and conditions of the said appointment including the remuneration in such manner as it may deem fit within the limits in that behalf contained in Schedule V of the said Act including any Statutory modification(s) in force or that may hereinafter be made thereto by the Central Government in that behalf or any amendments thereto as may be agreed by the Board of Directors and Mr. S. Mohan Krishna Murthy in this behalf.

“FURTHER RESOLVED THAT pursuant to Schedule V and other applicable provisions, if any, of the Act and subject to such approvals as may be necessary, the Company be and is hereby authorized to pay the minimum remuneration to Mr. S. Mohan Krishna Murthy, for that financial year, in which there is inadequacy or absence of profits, during the period of 3 years from the effective date of his appointment.”

“FURTHER RESOLVED THAT any one of the Directors of the Company be and are hereby authorized to do all necessary acts, deeds and things, which may be usual, expedient or proper to give effect to the above resolution.”

7. RE-APPOINTMENT OF MR. BALAJI VENKATESWARLU SANKA (DIN 02010148) AS A WHOLE-TIME DIRECTOR:

To consider and if thought fit, to pass, with or without modification(s) the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof), read with Schedule V of the Companies Act, 2013 and pursuant to Articles of Association of the Company, the consent of the Company be and is hereby accorded to the appointment of Mr. Balaji Venkateswarlu Sanka as Whole-time Director of the Company, for a period of 3 years commencing from 01.04.2015 on the remuneration, as may be decided by the Board and with liberty to the Board of directors to fix, alter or vary from time to time the terms and conditions of the said appointment including the remuneration in such manner as it may deem fit within the limits in that behalf contained in Schedule V of the said Act including any Statutory modification(s) in force or that may hereinafter be made thereto by the Central Government in that behalf or any amendments thereto as may be agreed by the Board of Directors and Mr. Balaji Venkateswarlu Sanka in this behalf.

“FURTHER RESOLVED THAT pursuant to Schedule V and other applicable provisions, if any, of the Act and subject to such approvals as may be necessary, the Company be and is hereby authorized to pay the minimum remuneration to Mr. Balaji Venkateswarlu Sanka, for that financial year, in which there is inadequacy or absence of profits, during the period of 3 years from the effective date of his appointment.”

“FURTHER RESOLVED THAT any one of the Directors of the Company be and are hereby authorized to do all necessary acts, deeds and things, which may be usual, expedient or proper to give effect to the above resolution.”

8. RE-APPOINTMENT OF MR. SRINIVAS KUMAR SANKA (DIN 02010272) AS A WHOLE-TIME DIRECTOR:

To consider and if thought fit, to pass, with or without modification(s) the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof), read with Schedule V of the Companies Act, 2013 and pursuant to Articles of Association of the Company, the consent of the Company be and is hereby accorded to the appointment of Mr. Srinivas Kumar Sanka as Whole-time Director of the Company, for a period of 3 years commencing from 01.04.2015 on the remuneration, as may be decided by the Board and with liberty to the Board of directors to fix, alter or vary from time to time the terms and conditions of the said appointment including the remuneration in such manner as it may deem fit within the limits in that behalf contained in Schedule V of the said Act including any Statutory modification(s) in force or that may hereinafter be made thereto by the Central Government in that behalf or any amendments thereto as may be agreed by the Board of Directors and Mr. Srinivas Kumar Sanka in this behalf.

“FURTHER RESOLVED THAT pursuant to Schedule V and other applicable provisions, if any, of the Act and subject to such approvals as may be necessary, the Company be and is hereby authorized to pay the minimum remuneration to Mr. Srinivas Kumar Sanka, for that financial year, in which there is inadequacy or absence of profits, during the period of 3 years from the effective date of his appointment.”

“FURTHER RESOLVED THAT any one of the Directors of the Company be and are hereby authorized to do all necessary acts, deeds and things, which may be usual, expedient or proper to give effect to the above resolution.”

9. RE-APPOINTMENT OF MR. SATYANARAYANA RAJU BHUPATHIRAJU (DIN 02697880) AS A WHOLE-TIME DIRECTOR CUM CFO:

To consider and if thought fit, to pass, with or without modification(s) the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof), read with Schedule V of the Companies Act, 2013 and

pursuant to Articles of Association of the Company, the consent of the Company be and is hereby accorded to the appointment of Mr. Satyanarayana Raju Bhupathiraju as Whole-time Director cum CFO of the Company, for a period of 3 years commencing from 01.04.2015 on the remuneration, as may be decided by the Board and with liberty to the Board of directors to fix, alter or vary from time to time the terms and conditions of the said appointment including the remuneration in such manner as it may deem fit within the limits in that behalf contained in Schedule V of the said Act including any Statutory modification(s) in force or that may hereinafter be made thereto by the Central Government in that behalf or any amendments thereto as may be agreed by the Board of Directors and Mr. Satyanarayana Raju Bhupathiraju in this behalf.

“FURTHER RESOLVED THAT pursuant to Schedule V and other applicable provisions, if any, of the Act and subject to such approvals as may be necessary, the Company be and is hereby authorized to pay the minimum remuneration to Mr. Satyanarayana Raju Bhupathiraju, for that financial year, in which there is inadequacy or absence of profits, during the period of 3 years from the effective date of his appointment.”

“FURTHER RESOLVED THAT any one of the Directors of the Company be and are hereby authorized to do all necessary acts, deeds and things, which may be usual, expedient or proper to give effect to the above resolution.”

10. Amendment of Article of Association of the Company

To consider and if thought fit, to pass, with or without modification(s) the following resolution as a Special Resolution:

“RESOLVED THAT pursuant to provisions of Section 5 read with Section 14 and all other applicable provisions of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and the new draft Articles as contained in the Articles of Association submitted be and are hereby approved and adopted in substitution, and to the entire exclusion of the regulations contained in the existing Articles of Association of the Company.”

“RESOLVED FURTHER THAT the Board of Directors of the Company (which term shall be deemed to include any Committee of the Board constituted to exercise its powers, including the powers conferred by this resolution), be and are hereby severally authorised to take all such steps as may be necessary, proper and expedient to give effect to this resolution.”

For and on behalf of the Board of
for Ortin Laboratories Limited

Sd/-
S. Murali Krishna Murthy
Managing Director
DIN: 00540632

Place: Hyderabad
Date: 14.08.2015

NOTES:**1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON HIS / HER BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**

Pursuant to the provisions of Section 105 of the Companies Act, 2013, a person can act as a proxy on behalf of not more than fifty members and holding in aggregate not more than ten percent of the total Share Capital of the Company. Members holding more than ten percent of the total Share Capital of the Company may appoint a single person as proxy, who shall not act as a proxy for any other Member. The instrument of Proxy, in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not later than 48 hours before the commencement of the meeting. A Proxy Form is annexed to this Report. Proxies submitted on behalf of limited companies, societies, etc., must be supported by an appropriate resolution / authority, as applicable.

2. Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, in respect of the Special Business to be transacted at the Annual General Meeting as set out in the Notice is annexed hereto.
3. The Register of Members and Share Transfer Books of the Company will remain closed from 26.09.2015 to 30.09.2015 (Both days inclusive).
4. As per the provisions of the Companies Act, 2013, Independent Directors are required to be appointed for a term of up to five consecutive years and are not liable to retire by rotation.
5. The relevant details of Directors seeking appointment / re-appointment under item no. 5, 6, 7, 8 and 9 of this Notice are provided in the Annual Report.
6. Members holding shares in the electronic form are requested to inform any changes in address/bank mandate directly to their respective Depository Participants. The address/bank mandate as furnished to the Company by the respective Depositories viz., NSDL and CDSL will be printed on the dividend warrants.
7. Members are requested to hand over the enclosed Attendance Slip, duly signed in accordance with their specimen signature(s) registered with the Company for admission to the meeting hall. Members who hold shares in dematerialized form are requested to bring their Client ID and DP ID Numbers for identification.
8. Corporate Members are requested to send to the Company's Registrar & Transfer Agent, a duly certified copy of the Board Resolution authorizing their representative to attend and vote at the Annual General Meeting.
9. 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 Participant with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company.
10. As a measure of austerity, copies of the annual report will not be distributed at the Annual General Meeting. Members are therefore, requested to bring their copies of the Annual Report to the Meeting.
11. Members holding shares in the same name under different ledger folios are requested to apply for Consolidation of such folios and send the relevant share certificates to M/s. Karvy Computershare Pvt. Ltd., Share Transfer Agents of the Company for their doing the needful.

12. Electronic copy of the Annual Report for 2014-2015 is being sent to all the members whose email IDs are registered with the Company/Depository Participants(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 2014-2015 is being sent in the permitted mode.
13. Members may also note that the Notice of the 28th Annual General Meeting and the Annual Report for 2014-2015 will also be available on the Company's website **www. ortinlabsindia.com** for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office 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 shareholders may also send requests to the Company's investor email id info@ortinlabsindia.com.

14. Voting through electronic means

In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members facility to exercise their right to vote at the 28th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by Karvy Computershare Private Limited.

The instructions for e-voting are as under:

(A) In case of members receiving e-mail:

Procedure of E-Voting In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, your Company is pleased to provide members facility to exercise their right to vote at the 28th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by Karvy Computershare Private Limited

The instructions for E-voting are as follows:

- i. To use the following URL for e-voting: <http://evoting.karvy.com>
- ii. Shareholders of the Company holding shares either in physical form or in dematerialized form, as on the record date, may cast their vote electronically.
- iii. Enter the login credentials. Your Folio No/DP ID Client ID will be your user ID
- iv. After entering the details appropriately, click on LOGIN.
- v. You will reach the Password change menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A-Z), one lower case (e-z), one numeric value (0-9) and a special character. The system will prompt you to change your password and update any contact details like mobile, email etc on first login. You may also enter the secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- vi. You need to login again with the new credentials.
- vii. On successful login, the system will prompt you to select the EVENT i.e., Ortin Laboratories Limited
- viii. On the voting page, enter the number of shares as on the cutoff date under FOR/AGAINST or alternately you may enter partially any number in FOR and partially in AGAINST but the total

number in FOR/AGAINST taken together should not exceed the total shareholding. You may also choose the option ABSTAIN.

- ix. Shareholders holding multiple folios / demat account shall choose the voting process separately for each folios / demat account.
 - x. Cast your vote by selecting an appropriate option and click on SUBMIT. A confirmation box will be displayed. Click OK to confirm else CANCEL to modify. Once you confirm, you will not be allowed to modify your vote. During the voting period, shareholders can login any number of times till they have voted on the resolution.
 - xi. Once the vote on the resolution is cast by the shareholder, he shall not be allowed to change it subsequently.
 - xi. The Portal will be open for voting from: 27.09.2015 to 29.09.2015 (being 3 days before the date of Annual General Meeting).
 - xii. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for shareholders and e-voting User Manual for shareholders available at the download section of <http://evoting.karvy.com> or contact Toll Free No. 18003454001
- (B) In case of members receiving the Physical copy of Notice of AGM [for members whose e-mail IDs are not registered with the company/ depository participant(s) or requesting physical copy]:
- (i) Please follow all steps from sl. no. (i) to sl. no. (xii) above, to cast vote.
- (C) The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date for e voting purpose i.e., 25.09.2015.
- (D) Mr. S. Sarveswar Reddy, Practicing Company Secretary, C.P. No. 7478 has been appointed as the Scrutinizer to scrutinize the e-voting process.
- (E) The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
- (F) The Results shall be declared on or after the AGM of the Company. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website www.ortinlabsindia.com and on the website of Karvy Computershare Private Limited within two(2) days of passing of the resolutions at the AGM of the Company and communicated to the BSE Limited and National Stock Exchange limited.
- (G) Since the Company is required to provide members facility to cast their vote by electronic means, shareholders of the Company holding shares either in physical form or in dematerialized form, as on the cut-off date of 25.09.2015 and not casting their vote electronically, may only cast their vote at the Annual General Meeting.

For and on behalf of the Board of
For Ortin Laboratories Limited

Sd/-
S. Murali Krishna Murthy
Managing Director
DIN:00540632

Place: Hyderabad
Date: 14.08.2015

EXPLANATORY STATEMENT

[Pursuant to Section 102(2) of the Companies Act, 2013]

ITEM NO. 5

The members may note that Ms. D. Lakshmi Sravani (DIN- 03118833) was inducted into Board as Additional Director of the company, with effect from 31.03.2015 pursuant to the provisions of Section 161(1) of the Companies Act, 2013 and holds the office as such up to the date of ensuing Annual General Meeting. The company has received notice in writing from member of the company along with the requisite deposit under Section 160 of the Companies Act, 2013 proposing the candidature of the above said person for the Office of Director whose period of office is determinable by retirement of Directors by rotation.

As per the provisions of section 160 of the Act, any such proposal ought to be approved by the members in the General Meeting.

Hence, the Board recommends the resolution for your approval.

None of the Directors or Key Managerial Personnel of the Company, their relatives and Independent Director is concerned or interested, financially or otherwise, in the Resolution set out at item no. 5 for approval of the Members.

ITEM NOs. 6,7, 8 & 9:

The Board of Directors in its meeting held on 31.03.2015, subject to the approval of the Shareholders, and upon the recommendation of Nomination and Remuneration committee appointed Mr. S. Mohan Krishna Murthy, Mr. S. Balaji Venkateswarlu & Mr. S. Srinivasa Kumar as Whole – time directors & Mr. Satyanarayana Raju Bhupathiraju as a Whole Time Director cum CFO of the Company with effect from 01.04.2015 for a period of 3 years on the remuneration, as may be decided by the Board and with liberty to the Board of directors to fix, alter or vary from time to time the terms and conditions of the said appointment including the remuneration in such manner as it may deem fit within the limits in that behalf contained in Schedule V of the said Act including any Statutory modification(s) in force or that may hereinafter be made thereto by the Central Government in that behalf or any amendments thereto as may be agreed by the Board of Directors and the appointees in this behalf.

Brief profile:

The Board is of the opinion that their services should continue to be available to the Company to meet all the challenges are being faced by the company. The terms and conditions of the appointment of Mr. S. Mohan Krishna Murthy, Mr. S. Balaji Venkateswarlu, Mr. S. Srinivasa Kumar & Mr. Satyanarayana Raju Bhupathiraju subject to approval of the shareholders.

Hence, the Board recommends the resolutions for your approval.

None of the Directors or Key Managerial Personnel of the Company, their relatives and Independent Director, except Mr. S. Mohan Krishna Murthy, S. Murali Krishna Murthy, S. Balaji Venkateswarlu, Mr. S. Srinivas Kumar & Mr. Satyanarayana Raju Bhupathiraju is concerned or interested, financially or otherwise, in the Resolutions set out at item nos. 6 to 9 for approval of the Members. Remuneration to the said directors shall remain unchanged.

ITEM NO. 10:

The Articles of Association of the Company (“Articles”) as currently in force was adopted pursuant to the provisions under the Companies Act, 1956. The Companies Act, 1956 has been superseded by the Companies Act, 2013. The references to specific sections of the Companies Act, 1956 in the existing Articles of Association is hence to be amended to align the extant Articles with the provisions of the Companies Act, 2013 and rules thereunder.

Salient aspects of the proposed amended Articles

Under the proposed amended Articles, salient aspects of sections of Table-F of Schedule I to the Companies Act, 2013 which sets out the model Articles of Association for a Company limited by shares have been adopted. As mentioned in the previous para, changes that are required to be carried out pursuant to the Companies Act, 2013 and rules thereunder coming into force have been duly carried out. A copy of the amended proposed Articles is enclosed to this Notice for consideration / approval of the Members.

The resolution as set out in item no. 10 has been recommended by the Board of Directors for approval of the Members by special resolution.

The proposed new draft of Articles of Association is also available for inspection by the Members at the Registered Office of the Company on any working day excluding public holidays and Sunday from the date here upto September 30, 2015.

None of the Directors or Key Managerial Personnel of the Company or their relatives are in any way are concerned or interested, financially or otherwise, in the Special Resolution set out at item No. 10 of the Notice.

For and on behalf of the Board of
For Ortin Laboratories Limited

Sd/-

S. Murali Krishna Murthy

Managing Director

DIN:00540632

Place: Hyderabad

Date: 14.08.2015

DIRECTORS' REPORT

To

The Members of Ortin Laboratories Limited,

We have pleasure in presenting the 28th Annual report together with Audited accounts for the year ended 31st March, 2015.

FINANCIAL SUMMARY/HIGHLIGHTS, OPERATIONS, STATE OF AFFAIRS:

The performance during the period ended 31st March, 2015 has been as under:

FINANCIAL RESULTS:

(Rupees in Lakhs)

Particular	2014-2015	2013-2014
Total Income	6063.27	6795.09
Total Expenditure	5929.94	6626.81
Profit Before Tax	133.33	168.28
Provision for Tax	43.54	49.64
Profit/(Loss) after Tax	89.79	118.64
Transfer to General Reserves	-	-
Profit available for appropriation	89.79	118.64
Provision for Proposed Dividend	-	-
Provision for Corporate Tax	48.72	37.64
Balance Carried to Balance Sheet	89.79	118.64

PERFORMANCE REVIEW:

The Company has recorded a turnover of Rs. 6041.26 Lakhs and the Profit of Rs. 89.79 Lakhs in the current year against the turnover of Rs. 6713.64 Lakhs and the profit of Rs. 118.64 Lakhs in the previous financial year ending 31.03.2014.

EVENTS SUBSEQUENT TO THE DATE OF FINANCIAL STATEMENTS:

There were no material changes and commitments affecting financial position of the company between 31st March and the date of Board's Report.

CHANGE IN THE NATURE OF BUSINESS:

During the year the Company has not changed its business activities.

DIVIDEND:

Keeping the Company's expansion and growth plans in mind, your Directors have decided not to recommend dividend for the year.

BOARD MEETINGS:

The Board of Directors met 7 times during the year on 30.05.2014, 01.06.2014, 14.08.2014,

01.09.2014, 14.11.2014, 14.02.2015 and 31.03.2015 and the maximum gap between any two meetings was less than four months, as stipulated under Clause 49.

DIRECTORS AND KEY MANAGERIAL PERSONNEL:

Mr. D. Jagannadha Raju has resigned from the office of Directorship citing personal reasons during the year. The Board placed on record its sincere appreciation for the valuable services rendered by them during their tenure as directors of the Company.

In accordance with the Companies Act, 2013 read with Articles of Association of the company the Director namely Mr. S. Mohan Krishna Murthy and Mr. S. Balaji Venkateswarlu retires by rotation and being eligible, offers themselves for re-appointment at this ensuing Annual General Meeting. Your Directors recommend their re-appointment.

During the year, Ms. Lakshmi Sravani Dasari was appointed as additional director of the Company and Ms. Sharvari Suhas Khadke was appointed as Company Secretary.

POLICY FOR SELECTION OF DIRECTORS AND DETERMINING DIRECTORS' INDEPENDENCE:

1. Scope:

This policy sets out the guiding principles for the Nomination & Remuneration Committee for identifying persons who are qualified to become Directors and to determine the independence of Directors, in case of their appointment as independent Directors of the Company.

2. Terms and References:

2.1 **“Director”** means a director appointed to the Board of a Company.

2.2 **“Nomination and Remuneration Committee** means the committee constituted in accordance with the provisions of Section 178 of the Companies Act, 2013 and clause 49 of the Equity Listing Agreement.

2.3 **“Independent Director”** means a director referred to in sub-section (6) of Section 149 of the Companies Act, 2013 and Clause 49(II)(B) of the Equity Listing Agreement.

3. Policy:

Qualifications and criteria

3.1.1 The Nomination and Remuneration Committee, and the Board, shall review on annual basis, appropriate skills, knowledge and experience required of the Board as a whole and its individual members. The objective is to have a board with diverse background and experience that are relevant for the Company's operations.

3.1.2 In evaluating the suitability of individual Board member the Nomination and Remuneration Committee may take into account factors, such as:

- General understanding of the company's business dynamics, global business and social perspective;
- Educational and professional background
- Standing in the profession;

- Personal and professional ethics, integrity and values;
- Willingness to devote sufficient time and energy in carrying out their duties and responsibilities effectively.

3.1.3 The proposed appointee shall also fulfill the following requirements:

- shall possess a Director Identification Number;
- shall not be disqualified under the companies Act, 2013;
- shall Endeavour to attend all Board Meeting and Wherever he is appointed as a Committee Member, the Committee Meeting;
- shall abide by the code of Conduct established by the company for Directors and senior Management personnel;
- shall disclose his concern or interest in any company or companies or bodies corporate, firms, or other association of individuals including his shareholding at the first meeting of the Board in every financial year and thereafter whenever there is a change in the disclosures already made;
- Such other requirements as any be prescribed, from time to time, under the companies Act, 2013, Equity listing Agreements and other relevant laws.

3.1.4 The Nomination & Remuneration Committee shall evaluate each individual with the objective of having a group that best enables the success of the company's business.

3.2 **Criteria of independence**

3.2.1 The Nomination & Remuneration Committee shall assess the independence of Directors at time of appointment/ re-appointment and the Board shall assess the same annually. The Board shall re-assess determinations of independence when any new interest or relationships are disclosed by a Director.

3.2.2 The criteria of independence shall be in accordance with the guidelines as laid down in companies Act, 2013 and Clause 49 of the Equity Listing Agreement.

3.2.3 The independent Director shall abide by the "code for independent Directors "as specified in Schedule IV to the companies Act, 2013.

3.3 other directorships/committee memberships

3.3.1 The Board members are expected to have adequate time and expertise and experience to contribute to effective Board performance Accordingly, members should voluntarily limit their directorships in other listed public limited companies in such a way that it does not interfere with their role as director of the company. The Nomination and Remuneration Committee shall take into account the nature of, and the time involved in a director service on other Boards, in evaluating the suitability of the individual Director and making its recommendations to the Board.

3.3.2 A Director shall not serve as director in more than 20 companies of which not more than 10 shall be public limited companies.

3.3.3 A Director shall not serve an independent Director in more than 7 listed companies and not more than 3 listed companies in case he is serving as a whole-time Director in any listed company.

3.3.4 A Director shall not be a member in more than 10 committee or act chairman of more than 5 committee across all companies in which he holds directorships.

For the purpose of considering the limit of the committee, Audit committee and stakeholder's relationship committee of all public limited companies, whether listed or not, shall be included and all other companies including private limited companies, foreign companies and companies under section 8 of the companies Act, 2013 shall be excluded.

Remuneration policy for Directors, key managerial personnel and other employees

1. Scope:

1.1 This policy sets out the guiding principles for the Nomination and Remuneration committee for recommending to the Board the remuneration of the directors, key managerial personnel and other employees of the company.

2. Terms and Reference:

In this policy the following terms shall have the following meanings:

2.1 **“Director”** means a director appointed to the Board of the company.

2.2 **“key managerial personnel”** means

(i) The Chief Executive Officer or the managing director or the manager;

(ii) The company secretary;

(iii) The whole-time director;

(iv) The chief financial Officer; and

(v) Such other office as may be prescribed under the companies Act, 2013

2.3 **“Nomination and Remuneration committee”** means the committee constituted by Board in accordance with the provisions of section 178 of the companies Act, 2013 and clause 49 of the Equity Listing Agreement.

3. Policy:

3.1 Remuneration to Executive Director and key managerial personnel

3.1.1 The Board on the recommendation of the Nomination and Remuneration (NR) committee shall review and approve the remuneration payable to the Executive Director of the company within the overall approved by the shareholders.

3.1.2 The Board on the recommendation of the Nomination and Remuneration committee shall also review and approve the remuneration payable to the key managerial personnel of the company.

3.1.3 The remuneration structure to the Executive Director and key managerial personnel shall include the following components:

(i) Basic pay

(ii) Perquisites and Allowances

- (iii) Stock Options
- (iv) Commission (Applicable in case of Executive Directors)
- (v) Retrial benefits
- (vi) Annual performance Bonus

3.1.4 The Annual plan and Objectives for Executive committee shall be reviewed by the NR committee and Annual performance Bonus will be approved by the committee based on the achievement against the Annual plan and Objectives.

3.2 Remuneration to Non – Executive Directors

3.2.1 The Board, on the recommendation of the NR Committee, shall review and approve the remuneration payable to the Non – Executive Directors of the Company within the overall limits approved by the shareholders as per the provisions of Companies Act, 2013.

3.2.2 Non – Executive Directors shall be entitled to sitting fees attending the meetings of the Board and the Committees thereof. The Non- Executive Directors shall also be entitled to profit related commission in addition to the sitting fees.

3.3 Remuneration to other employees

3.3.1. Employees shall be assigned grades according to their qualifications and work experience, competencies as well as their roles and responsibilities in the organization. Individual remuneration shall be determined within the appropriate grade and shall be based on various factors such as job profile skill sets, seniority, experience and prevailing remuneration levels for equivalent jobs.

DECLARATION FROM INDEPENDENT DIRECTORS ON ANNUAL BASIS:

The Company has received necessary declarations from Mr. J. R. K. Panduranga Rao, Mr. M. Tippayya, Mr. K. Pradyumna Teja, Mr. T. Seshagiri and Dr. B. Gopal Reddy Independent Directors of the Company under Section 149(7) of the Companies Act, 2013 that they as Independent Directors of the Company meet with the criteria of their Independence laid down in Section 149(6). **(Annexure II)**

VIGIL MECHANISM:

Vigil Mechanism Policy has been established by the Company for directors and employees to report genuine concerns pursuant to the provisions of section 177(9) & (10) of the Companies Act, 2013. The same has been placed on the website of the Company.

DIRECTORS RESPONSIBILITY STATEMENT:

Pursuant to the provisions of Sec. 134(5) of the Companies Act, 1956 the Board of Directors of your Company hereby certifies and confirms that:

- a. In the preparation of the Annual Accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- b. The Directors have selected such accounting policies and applied them consistently and made judgment and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;

ORTIN LABORATORIES LIMITED

- c. The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the Assets of the Company and for preventing and detecting fraud and other irregularities;
- d. The Directors have prepared the Annual accounts on a going concern basis.
- e. The Directors of the Company had laid down internal financial controls and such internal financial controls are adequate and were operating effectively.
- f. The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

STATUTORY COMPLIANCE:

The Company has complied with the required provisions relating to statutory compliance with regard to the affairs of the Company in all respects.

SUBSIDIARY COMPANY:

Your Company does not have any subsidiary.

EXTRACT OF ANNUAL RETURN:

As required pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014, an extract of annual return in MGT 9 as a part of this Annual Report (ANNEXURE I)

AUDITORS:

M/s. Mathesh & Ramana, Chartered Accountants, Statutory Auditors of the Company retire at the ensuing Annual General Meeting and being eligible, have expressed their willingness for re-appointment. Your directors propose the appointment of M/s. Mathesh & Ramana, Chartered Accountants, as statutory auditors to hold office until the conclusion of the next Annual General Meeting of the company.

INTERNAL AUDITORS:

There is no Internal Auditor appointed in the Company.

SECRETARIAL AUDIT:

Pursuant to the provisions of Section 134(3)(f) & Section 204 of the Companies Act, 2013, Secretarial audit report as provided by M/s. S. S. Reddy & Associates, Practicing Company Secretaries is annexed to this Report as annexure.

AUDIT REPORTS:

- (a) Statutory Auditors Report:

The Board has duly reviewed the Statutory Auditor's Report on the Accounts for the year ended March 31, 2015 and has noted that the same does not have any reservation, qualification or adverse remarks. However, the Board decided to further strengthen the existing system and procedures to meet all kinds of challenges and growth in the market expected in view of the robust capital market in the coming years.

(b) Secretarial Audit Report:

As per the provisions of Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, the Board had appointed S. S. Reddy & Associates, Practicing Company Secretaries as Secretarial Auditor to conduct Secretarial audit of the Company for the financial year ended on March 31, 2015. Secretarial Audit Report issued by S. S. Reddy & Associates, Practicing Company Secretaries in form MR-3 is enclosed herewith.

Secretarial auditors have observed that, the Company Secretary was appointed on 01.01.2015 and internal auditors were not appointed. CFO was appointed on 31.03.2015. It was also observed that the unsecured loans were taken from the other parties including directors of the Company. The Board has decided to ensure all the compliances scrupulously henceforth.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE EARNINGS AND OUT GO:

The required information as per Sec.134 of the Companies Act 1956 is provided hereunder:

A. Conservation of Energy

Adequate measures have been taken to reduce energy consumption, wherever possible. Total energy consumption and energy consumption per unit of production is not applicable as company is not included in the industries specified in the schedule.

B. Technology Absorption

- | | | |
|---|---|-----|
| 1. Research and Development (R&D) | : | Nil |
| 2. Technology absorption, adoption and innovation | : | Nil |

C. Foreign Exchange Earnings and Out Go

- | | | |
|---------------------------|---|---------------|
| Foreign Exchange Earnings | : | Nil |
| Foreign Exchange Outgo | : | Rs. 23,06,752 |

PUBLIC DEPOSITS:

Your Company has not accepted any deposits falling within the meaning of Sec.73 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014 during the financial year under review.

SIGNIFICANT & MATERIAL ORDERS PASSED BY THE REGULATORS:

During the period under review there were no significant and material orders passed by the regulators or Courts or Tribunals impacting the going concern status and the company's operations in future.

INSURANCE:

The company's properties have been adequately insured against major risks. All the insurable interests of your Company including inventories, buildings, plant and machinery, stock and liabilities under legislative enactments are adequately insured.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

The company has not given loans, Guarantees or made any investments during the year under review.

RISK MANAGEMENT POLICY:

Your Company follows a comprehensive system of Risk Management. Your Company has adopted a procedure for assessment and minimization of probable risks. It ensures that all the risks are timely defined and mitigated in accordance with the well structured risk management process.

CORPORATE SOCIAL RESPONSIBILITY POLICY:

Since your Company does not has the net worth of Rs. 500 crores or more, or turnover of Rs. 1000 crores or more, or a net profit of Rs. 5 crores or more during the financial year, so section 135 of the Companies Act, 2013 relating to Corporate Social Responsibility is not applicable to the Company and hence the Company need not adopt any Corporate Social Responsibility Policy

RELATED PARTY TRANSACTIONS:

During the year, the Company had entered into the contract/arrangement/transaction with related parties which could be considered material in accordance with the policy of the company on materiality of related party transactions.

The Policy on materiality of related party transactions and dealing with related party transactions as approved by the Board may be accessed on the Company's website at www.ortinlabsindia.com.

FORMAL ANNUAL EVALUATION:

As per section 149 of the Companies Act, 2013 read with clause VII (1) of the schedule IV and rules made thereunder, the independent directors of the company had a meeting on 31.03.2015 without attendance of non-independent directors and members of management. In the meeting the following issues were taken up:

- (a) Review of the performance of non-independent directors and the Board as a whole;
- (b) Review of the performance of the Chairperson of the company, taking into account the views of executive directors and non-executive directors;
- (c) Assessing the quality, quantity and timeliness of flow of information between the company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

The meeting also reviewed and evaluated the performance of non-independent directors. The company has 7 (Seven) non-independent directors namely:

- i.) Mr. S. Murali Krishna Murthy
- ii.) Mr. G. Venkata Ramana
- iii.) Mr. S. Mohan Krishna Murthy
- iv.) Mr. Balaji Venkateswarlu
- v.) Mr. S. Srinivasa Kumar
- vi.) Mr. B. Satyanarayana Raju
- vii) Ms. Lakshmi Sravani Dasari

The meeting recognized the significant contribution made by non-independent directors in the shaping up of the company and putting the company on accelerated growth path. They devoted more time and attention to bring up the company to the present level.

The meeting also reviewed and evaluated the performance of the Board as whole in terms of the following aspects:

- Preparedness for Board/Committee meetings
- Attendance at the Board/Committee meetings
- Guidance on corporate strategy, risk policy, corporate performance and overseeing acquisitions and disinvestments.
- Monitoring the effectiveness of the company's governance practices
- Ensuring a transparent board nomination process with the diversity of experience, knowledge, perspective in the Board.
- Ensuring the integrity of the company's accounting and financial reporting systems, including the independent audit, and that appropriate systems of control are in place, in particular, systems for financial and operational control and compliance with the law and relevant standards.

It was noted that the Board Meetings have been conducted with the issuance of proper notice and circulation of the agenda of the meeting with the relevant notes thereon.

DISCLOSURE ABOUT COST AUDIT:

Cost Audit is applicable to your Company. M/s. KJU & Associates are the Cost Auditors of your Company.

INDUSTRY BASED DISCLOSURES AS MANDATED BY THE RESPECTIVE LAWS GOVERNING THE COMPANY:

The Company is not a NBFC, Housing Company etc., and hence Industry based disclosures is not required.

SECRETARIAL STANDARDS

EVENT BASED DISCLOSURES

1. Issue of sweat equity share: NA
2. Issue of shares with differential rights: NA
3. Issue of shares under employee's stock option scheme: NA
4. Disclosure on purchase by company or giving of loans by it for purchase of its shares: NA
5. Buy back shares: NA
6. Disclosure about revision: NA
7. Preferential Allotment : NA

EMPLOYEE RELATIONS:

Your Directors are pleased to record their sincere appreciation of the contribution by the staff at all levels in the improved performance of the Company.

None of the employees is drawing Rs 5,00,000/- and above per month or Rs. 60,00,000/- and above in aggregate per annum, the limits prescribed under Section 134 of the Companies Act, 2013

DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has in place an Anti Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013. Internal Complaint Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees are covered under this policy.

The following is the summary of sexual harassment complaints received and disposed during the calendar year.

No. of complaints received: Nil

No. of complaints disposed off: Nil

ACKNOWLEDGMENTS:

Your directors would like to express their grateful appreciation for assistance and co-operation received from clients, banks, investors, Government, other statutory authorities and all others associated with the company. Your directors also wish to place on record their deep sense of appreciation for the excellent contribution made by the employees at all levels, which enabled the company to achieve sustained growth in the operational performance during the year under review.

DECLARATION BY MANAGING DIRECTOR OF AFFIRMATION BY DIRECTORS AND SENIOR MANAGEMENT PERSONNEL OF COMPLIANCE WITH THE CODE OF CONDUCT:

The shareholders

I, S. Murali Krishna Murthy, managing Director of the Company do hereby declare that the directors and senior management of the Company have exercised their authority and powers and discharged their duties and functions in accordance with the requirements of the code of conduct as prescribed by the company and have adhered to the provisions of the same.

For and on behalf of the Board of
For Ortin Laboratories Limited

Sd/-

S. Murali Krishna Murthy
Managing Director
DIN:00540632

Place: Hyderabad
Date: 14.08.2015

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

INDUSTRY OVERVIEW & OUTLOOK:

The pharmacy sector in India is highly regulated, yet the sector suffers from circulation of sub standard and counterfeit drugs which hampers the retail segment of the business. Measures are being taken by the pharmacy regulatory bodies of the country to control the menace as it hampers the revenue earning drastically. The government is also taking major initiatives to provide medicines at subsidized rates as well as engage in tele consultation services and distribution of medicines in the rural belt.

The pharmacy retail industry in India operates predominantly in the unorganized format and is currently having approximately 12 major players operating in organized format. However, most organized players are operative regionally and are far from having a pan India presence. A variety of value added services are being incorporated by the organized players to attract a larger market share and initiatives are being taken to engage customers in brand loyalty.

Risk and concerns:

Our risk management framework is intended to ensure that risks are identified in a timely manner. We have implemented an integrated risk management framework to identify, assess, prioritize, manage/mitigate, monitor and communicate the risk across the county.

Senior management personnel meet at regular intervals to identify various risks, assess, and prioritize the risks. After due deliberations, appropriate strategies are made for managing/mitigating the risks. The company takes the help of independent professional firms to review the risk management structure and implementation of risk management policies. Audit Committee on a quarterly basis, review the adequacy and effectiveness of the risk management strategies, implementation of risk management/mitigation policies, It advises the board on matters of significant concerns for redressal.

Internal audit System:

The Company maintains a system of well established policies and procedures for internal control of operations and activities, and these are continually reviewed for effectiveness.

The internal control system is supported by qualified personnel and a continuous program of internal audit. The prime objective of such audits is to test the adequacy and effectiveness of all internal control systems laid down by the management and to suggest improvements. We believe that the company's overall system of internal control is adequate given the size and nature of operations and effective implementation of internal control self assessment procedures and ensure compliance to policies, plans and statutory requirements.

The internal control system of the company is also reviewed by the Audit Committee periodically. The Management duly considers and takes appropriate action on the recommendations made by the statutory auditors, and the independent Audit Committee.

Human Resources:

During the year under review the company has taken several HR initiatives to train and develop talent pool. The company has also taken up a root cause analysis on bringing down the attrition rates. In order to improve the performance of management and to scale up the business operations, the

company has recruited experienced personnel at senior level apart from strengthening other departments with competent people.

Cautionary Statement:

Statements in this Management Discussion and Analysis Report may be “forward looking statements: within the meaning of applicable securities laws and regulations. These statements are based on certain assumption and expectations of future events. Actual results could differ materially from those expressed or implied. Important facts that could make a difference at the Company's operations include economic conditions affecting domestic demand and supply conditions, finished goods prices, changes in government regulations and tax regime etc. The Company assumes no responsibility to publicly amend, modify or revise any forward looking statements on the basis of subsequent developments, information or events.

Corporate Governance Report for the year 2014-15: Company's Philosophy on Code of Governance

Effective corporate governance practices constitute the strong foundation on which successful commercial enterprises are built to last. The Company's philosophy on corporate governance ensures fiscal accountability, ethical corporate behavior and fairness to all stakeholders comprising regulators, employees, customers, vendors, investors and the society at large.

The Company has a strong legacy of fair, transparent and ethical governance practices. The Company has adopted a code of conduct for its employees including the managing director and the executive directors. In addition, the Company has adopted a code of conduct for its non-executive directors and independent directors. These codes are available on the Company's website. The Company's corporate governance philosophy has been further strengthened by adoption of Code of Conduct for prevention of insider trading and the code of corporate disclosure practices under new PIT Regulation 2015

The Company is in compliance with the requirements stipulated under Clause 49 of the Listing Agreements entered into with the stock exchanges with regard to corporate governance.

DATE OF REPORT

The information provided in the report on Corporate Governance for the purpose of unanimity is as on 31st March, 2015. The Report is updated as on date of the report wherever applicable.

1. Board of Directors

- i. As on March 31st, 2015, the Company has twelve directors i.e. one is Non- executive director, six Executive Directors and five independent directors. The composition of the board is in conformity with Clause 49 of the Listing Agreements entered into with the stock exchanges.
- ii. None of the directors on the board hold directorships in more than ten public companies. Further, none of them is a member of more than ten committees or chairman of more than five committees across all the public companies in which he is a director. Necessary disclosures regarding committee positions in other public companies as on March 31, 2015 have been made by the directors.

- iii. Independent directors are non-executive directors as defined under Clause 49(II) (B)(1) of the Listing Agreements entered into with the Stock Exchanges. The maximum tenure of the independent directors is in compliance with the Companies Act, 2013 (“Act”). All the Independent Directors have confirmed that they meet the criteria as mentioned under clause 49 of the Listing Agreement and Section 149 of the Act.
- iv. The names and categories of the directors on the board, their attendance at board meetings held during the year and the number of directorships and committee chairmanships / memberships held by them in other public companies as on March 31st, 2015 are given herein below. Other directorships do not include directorships of private limited companies, Section 8 companies and of companies incorporated outside India. Chairmanships / memberships of board committees shall include only audit committee and stakeholders' relationship committee.

S. No	Name of the Directors	Category	Attendance Particulars			No. of other Directorships and Committee memberships/ chairmanships			No. of Shares
			No. of Board meetings held during the tenure of the Director			Other Directorships	Committee Memberships	Committee Chairmanships	
			Held	Attended	Last AGM				
1.	Mr. S. Murali Krishna Murthy	Managing Director - Executive	7	7	Yes	Nil	Nil	Nil	166796
2.	Mr. G. Venkata Ramana	Joint Managing Director - Executive	7	7	Yes	Nil	Nil	Nil	948470
3.	Mr. S. Mohan Krishna Murthy	Whole Time Director	7	7	Yes	Nil	Nil	Nil	60816
4.	Mr. S. Balaji Venkateswarlu	Whole Time Director	7	7	Yes	Nil	Nil	Nil	157827
5.	Mr. S. Srinivas kumar	Whole Time Director	7	7	Yes	Nil	Nil	Nil	271723
6.	Mr. B. Satyanarayana Raju	Whole Time Director cum CFO	7	7	Yes	Nil	Nil	Nil	546130
7.	Ms. D. Lakshmi Sravani	Non Executive Director	1	1	-	Nil	Nil	Nil	97500
8.	Mr. J.R.K. Panduranga Rao	Non Executive & Independent Director	7	7	Yes	Nil	Nil	Nil	Nil
9.	Mr. M. Tippayya	Non Executive & Independent Director	7	7	Yes	Nil	Nil	Nil	Nil
10.	Mr. K. Pradyumna Teja	Non Executive & Independent Director	7	7	Yes	Nil	Nil	Nil	Nil
11.	*Mr. T Seshagiri	Non Executive & Independent Director	6	6	Yes	Nil	Nil	Nil	Nil
12.	*Mr. B. Gopal Reddy	Non Executive & Independent Director	6	6	Yes	Nil	Nil	Nil	Nil
13.	#Mr. D. Jagannadha Raju	Whole –time director	4	4	Yes	Nil	Nil	Nil	131198

* Appointment w.e.f 1.06.2014

Resigned w.e.f 30.09.2014

- v. Seven board meetings were held during the year and the gap between two meetings did not exceed one hundred and twenty days. The dates on which the said meetings were held: 30.05.2014, 01.06.2014, 14.08.2014, 01.09.2014, 14.11.2014, 14.02.2015 and 31.03.2015.

The necessary quorum was present for all the meetings.

- vi. The terms and conditions of appointment of the independent directors are disclosed on the website of the Company.
- vii. During the year a separate meeting of the independent directors was held inter-alia to review the performance of non-independent directors and the board as a whole.
- viii. The Board periodically reviews compliance reports of all laws applicable to the Company, prepared by the Company.

2. **Audit committee**

- i. The Audit Committee of the Company is constituted in line with the provisions of Clause 49 of the Listing Agreements with the Stock Exchanges read with Section 177 of the Companies Act, 2013.
- ii. The terms of reference of the Audit Committee include a review of the following:
 - Overview of the Company's financial reporting process and disclosure of its financial information to ensure that the financial statements reflect a true and fair position and that sufficient and credible information is disclosed.
 - Recommending the appointment and removal of external auditors, fixation of audit fee and also approval for payment for any other services.
 - Discussion with external auditors before the audit commences, of the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
 - Reviewing the financial statements and draft audit report including quarterly / half yearly financial information.
 - Reviewing with management the annual financial statements before submission to the Board, focusing on:
 1. Any changes in accounting policies and practices;
 2. Qualification in draft audit report;
 3. Significant adjustments arising out of audit;
 4. The going concern concept;
 5. Compliance with accounting standards;
 6. Compliance with stock exchange and legal requirements concerning financial statements and
 7. Any related party transactions
 - Reviewing the company's financial and risk management's policies.
 - Disclosure of contingent liabilities.
 - Reviewing with management, external and internal auditors, the adequacy of internal control systems.

- Reviewing the adequacy of internal audit function, including the audit character, the structure of the internal audit department, approval of the audit plan and its execution, staffing and seniority of the official heading the department, reporting structure, coverage and frequency of internal audit.
 - Discussion with internal auditors of any significant findings and follow-up thereon.
 - Reviewing the findings of any internal investigations by the internal auditors into the matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
 - Looking into the reasons for substantial defaults in payments to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
 - Reviewing compliances as regards the Company's Whistle Blower Policy.
- iii. The previous Annual General Meeting of the Company was held on 30.09.2014 and Chairman of the Audit Committee, attended previous AGM.
- iv. The composition of the Audit Committee and the attendance of each member of the Audit Committee are given below:

The Company has complied with all the requirements of Clause 49 (II) (A) of the Listing Agreement relating to the composition of the Audit Committee. During the financial year 2014-2015, (4) four meetings of the Audit Committee were held on the 30.05.2014, 14.08.2014, 14.11.2014 and 14.02.2015.

The details of the composition of the Committee and attendance of the members at the meetings are given below:

Name	Designation	Category	No. of Meeting held during their tenure	No. of Meeting attended during their tenure
Mr. K. Pradyumna Teja	Chairman	NED (I)	4	4
Mr. J.R.K. Pandu Ranga Rao	Member	NED (I)	4	4
*Dr. B. Gopal Reddy	Member	NED (I)	3	3

NED (I): Non Executive Independent Director

ED (P): Executive Director Promoter

*Appointment w.e.f. 01.06.2014

3. NOMINATION & REMUNERATION COMMITTEE:

The Committee comprises of three non-executive independent Directors as on 31st March, 2015

i. BRIEF DESCRIPTION OF TERMS OF REFERENCE

- To approve the fixation/revision of remuneration of Executive Directors of the Company and while approving:
 - a. to take into account the financial position of the Company, trend in the industry, appointee's qualification, experience, past performance, past remuneration etc.

- b. to bring out objectivity in determining the remuneration package while striking a balance between the interest of the Company and the Shareholders.
 - To identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down and to recommend to the Board their appointment and /or removal.
 - To carry out evaluation of every Director's performance.
 - To formulate the criteria for determining qualifications, positive attributes and independence of a Director, and recommend to the Board a policy, relating to the remuneration for the Directors, key managerial personnel and other employees.
 - To formulate the criteria for evaluation of Independent Directors and the Board.
 - To recommend/review remuneration of the Managing Director and Whole-time Director(s) based on their performance and defined assessment criteria.
- ii. The details of composition of the Committee are given below:

Name	Designation	Category
Mr. Pradyumna Teja	Chairman	NED(I)
*Mr. T. Seshagiri	Member	NED(I)
*Dr. B. Gopal Reddy	Member	NED (I)

NED (I): Non Executive Independent Director

ED (P): Executive Director Promoter

***Appointment w.e.f. 01.06.2014**

iii. REMUNERATION POLICY:

The objectives of the remuneration policy are to motivate Directors to excel in their performance, recognize their contribution and retain talent in the organization and reward merit.

The remuneration levels are governed by industry pattern, qualifications and experience of the Directors, responsibilities shouldered and individual performance.

POLICY FOR SELECTION OF DIRECTORS AND DETERMINING DIRECTORS' INDEPENDENCE

A. Scope:

This policy sets out the guiding principles for the Nomination & Remuneration Committee for identifying persons who are qualified to become Directors and to determine the independence of Directors, in case of their appointment as independent Directors of the Company.

B. Terms and References:

B.1 **“Director”** means a director appointed to the Board of a Company.

B.2 **“Nomination and Remuneration Committee** means the committee constituted in accordance with the provisions of Section 178 of the Companies Act, 2013 and clause 49 of the Equity Listing Agreement.

B.3 **“Independent Director”** means a director referred to in sub-section (6) of Section 149 of the Companies Act, 2013 and Clause 49(II)(B) of the Equity Listing Agreement.

C. Policy:

Qualifications and criteria

C.1.1 The Nomination and Remuneration Committee, and the Board, shall review on annual basis, appropriate skills, knowledge and experience required of the Board as a whole and its individual members. The objective is to have a board with diverse background and experience that are relevant for the Company's operations.

C.1.2 In evaluating the suitability of individual Board member the NR Committee may take into account factors, such as:

- General understanding of the company's business dynamics, global business and social perspective;
- Educational and professional background
- Standing in the profession;
- Personal and professional ethics, integrity and values;
- Willingness to devote sufficient time and energy in carrying out their duties and responsibilities effectively.

C.1.3 The proposed appointee shall also fulfill the following requirements:

- shall possess a Director Identification Number;
- shall not be disqualified under the companies Act, 2013;
- shall endeavor to attend all Board Meeting and Wherever he is appointed as a Committee Member, the Committee Meeting;
- shall abide by the code of Conduct established by the company for Directors and senior Management personnel;
- shall disclose his concern or interest in any company or companies or bodies corporate, firms, or other association of individuals including his shareholding at the first meeting of the Board in every financial year and thereafter whenever there is a change in the disclosures already made;
- Such other requirements as may be prescribed, from time to time, under the companies Act, 2013, Equity listing Agreements and other relevant laws.

C.1.4 The Nomination & Remuneration Committee shall evaluate each individual with the objective of having a group that best enables the success of the company's business.

C.2 Criteria of independence

C.2.1 The Nomination & Remuneration Committee shall assess the independence of Directors at time of appointment/ re-appointment and the Board shall assess the same annually. The Board shall re-assess determinations of independence when any new interest or relationships are disclosed by a Director.

C.2.2 The criteria of independence shall be in accordance with guidelines as laid down in companies Act, 2013 and Clause 49 of the Equity Listing Agreement.

C.2.3 The independent Director shall abide by the “code for independent Directors “as specified in Schedule IV to the companies Act, 2013.

C.3 Other directorships/ committee memberships

C.3.1 The Board members are expected to have adequate time and expertise and experience to contribute to effective Board performance. Accordingly, members should voluntarily limit their directorships in other listed public limited companies in such a way that it does not interfere with their role as director of the company. The NR Committee shall take into account the nature of and the time involved in a director service on other Boards, in evaluating the suitability of the individual Director and making its recommendations to the Board.

C.3.2 A Director shall not serve as director in more than 20 companies of which not more than 10 shall be public limited companies.

C.3.3 A Director shall not serve as an independent Director in more than 7 listed companies and not more than 3 listed companies in case he is serving as a whole-time Director in any listed company.

C.3.4 A Director shall not be a member in more than 10 committees or act as chairman of more than 5 committee across all companies in which he holds directorships.

For the purpose of considering the limit of the committee, Audit committee and stakeholder's relationship committee of all public limited companies, whether listed or not, shall be included and all other companies including private limited companies, foreign companies and companies under section 8 of the companies Act, 2013 shall be excluded.

D. Remuneration policy for Directors, key managerial personnel and other employees:

Scope:

D.1 This policy sets out the guiding principles for the Nomination and Remuneration committee for recommending to the Board the remuneration of the directors, key managerial personnel and other employees of the company.

D.2. Terms and Reference:

In this policy the following terms shall have the following meanings:

D.2.1 “Director” means a director appointed to the Board of the company.

D.2.2 “key managerial personnel” means

(i) The Chief Executive Office or the managing director or the manager;

(ii) The Company Secretary;

(iii) The Whole-time Director;

(iv) The Chief Financial Officer; and

(v) Such other office as may be prescribed under the companies Act, 2013

D.2.3 “Nomination and Remuneration committee” means the committee constituted by Board in accordance with the provisions of section 178 of the companies Act,2013 and clause 49 of the Equity Listing Agreement.

D.3. Policy:

D.3.1 Remuneration to Executive Director and key managerial personnel

D.3.1.1 The Board on the recommendation of the Nomination and Remuneration (NR) committee shall review and approve the remuneration payable to the Executive Director of the company within the overall limit approved by the shareholders.

D.3.1.2 The Board on the recommendation of the NR committee shall also review and approve the remuneration payable to the key managerial personnel of the company.

D.3.1.3 The remuneration structure to the Executive Director and key managerial personnel shall include the following components:

(i) Basic pay

(ii) Perquisites and Allowances

(iii) Stock Options

(iv) Commission (Applicable in case of Executive Directors)

(v) Retrial benefits

(vi) Annual performance Bonus

D.3.1.4 The Annual plan and Objectives for Executive committee shall be reviewed by the NR committee and Annual performance Bonus will be approved by the committee based on the achievement against the Annual plan and Objectives.

D.3.2 Remuneration to Non – Executive Directors

D.3.2.1 The Board, on the recommendation of the NR Committee, shall review and approve the remuneration payable to the Non – Executive Directors of the Company within the overall limits approved by the shareholders.

D.3.2.2 Non – Executive Directors shall be entitled to sitting fees attending the meetings of the Board and the Committees thereof. The Non- Executive Directors shall also be entitled to profit related commission in addition to the sitting fees.

D.3.3. Remuneration to other employees

D.3.3.1. Employees shall be assigned grades according to their qualifications and work experience, competencies as well as their roles and responsibilities in the organization. Individual remuneration shall be determined within the appropriate grade and shall be based on various factors such as job profile skill sets, seniority, experience and prevailing remuneration levels for equivalent jobs.

iv. REMUNERATION TO DIRECTORS PAID DURING THE FINANCIAL YEAR 2014-15 AND OTHER DISCLOSURES

Name of the Director	Designation	Salary (Rs in Lakhs)
Mr. S. Murali Krishna Murthy	Managing Director	15.00
Mr. G. Venkata Ramana	Joint Managing Director	15.00
Mr. B. Satyanarayana raju	Whole Time Director	9.60
Mr. S. Mohan Krishna Murthy	Whole Time Director	9.60
Mr. S. Srinivas kumar	Whole Time Director	9.60
Mr. S. Balaji venkateswarlu	Whole Time Director	9.60
Mr. J. R. K. Panduranga Rao	Director	Nil
Mr. M. Tippayya	Director	Nil
Mr. K. Pradyumna Teja	Director	Nil
Mr. B Gopal Reddy	Director	Nil
Mr. T. Seshagiri	Director	Nil

v. FORMAL ANNUAL EVALUATION:

As per section 149 of the Companies Act, 2013 read with clause VII (1) of the schedule IV and rules made thereunder, the independent directors of the company had a meeting on 31.03.2015 without attendance of non-independent directors and members of management. In the meeting the following issues were taken up:

- (a) Review of the performance of non-independent directors and the Board as a whole;
- (b) Review of the performance of the Chairperson of the company, taking into account the views of executive directors and non-executive directors;
- (c) Assessing the quality, quantity and timeliness of flow of information between the company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

The meeting also reviewed and evaluated the performance of non-independent directors.

The meeting also reviewed and evaluated the performance the Board as whole in terms of the following aspects:

- Preparedness for Board/Committee meetings
- Attendance at the Board/Committee meetings
- Guidance on corporate strategy, risk policy, corporate performance and overseeing acquisitions and disinvestments.
- Monitoring the effectiveness of the company's governance practices

- Ensuring a transparent board nomination process with the diversity of experience, knowledge, perspective in the Board.
- Ensuring the integrity of the company's accounting and financial reporting systems, including the independent audit, and that appropriate systems of control are in place, in particular, systems for financial and operational control and compliance with the law and relevant standards.

It was noted that the Board Meetings have been conducted with the issuance of proper notice and circulation of the agenda of the meeting with the relevant notes thereon.

4. STAKEHOLDER RELATIONSHIP COMMITTEE (SHAREHOLDERS/INVESTOR GRIEVANCE AND SHARE TRANSFER COMMITTEE):

Composition, meetings and the attendance during the year:

The Shareholders/Investors Grievance Committee was constituted to look into the redressing of Shareholders and Investors complaints concerning transfer of shares, non receipt of Annual Reports, and non receipt of Dividend and other allied complaints.

A. The details of composition of the Committee are given below:

Name	Designation	Category
Mr. J. R. K. Panduranga Rao	Chairman	NED (I)
Mr. K. Pradyumna Teja	Member	NED(I)
Mr. M. Tippayya	Member	NED (I)

NED (I): Non Executive Independent Director

ED (P): Executive Director Promoter

B. Powers:

The Committee has been delegated with the following powers:

- to redress shareholder and investor complaints relating to transfer of shares, De-materialization of Shares, non-receipt of Annual Reports, non-receipt of declared dividend and other allied complaints.
- to approve, transfer, transmission, and issue of duplicate / fresh share certificate(s)
- Consolidate and sub-division of share certificates etc.
- To redress, approve and dispose off any, other complaints, transactions and requests etc., received from any shareholder of the company and investor in general.

The Board has delegated the power to process the transfer and transmission of shares to the Registrar and Share Transfer Agents, who process share transfers within a week of lodgment in the case of shares held in physical form.

The Board has designated Ms. Sharvari Suhas Khadke, Company Secretary of the Company as the Compliance Officer.

The Company has designated an e-mail ID called info@ortinlabsindia.com for redressal of shareholders' complaints/grievances.

5. RISK MANAGEMENT COMMITTEE
A.) Composition:

The Details of composition of the Committee are given below:

Name	Designation	Category
*Dr. B. Gopal Reddy	Chairperson	NED(I)
Mr. Mr. K. Pradyumna Teja	Member	NED(I)
Mr. S. Mohan Krishna Murthy	Member	ED

NED (I) : Non Executive Independent Director **NED (NI)**: Non Executive Non-Independent

***Appointment w.e.f. 01.06.2014**

Role and Responsibilities of the Committee includes the following:

- Framing of Risk Management Plan and Policy
- Overseeing implementation of Risk Management Plan and Policy
- Monitoring of Risk Management Plan and Policy
- Validating the process of risk management
- Validating the procedure for Risk minimization.
- Periodically reviewing and evaluating the Risk Management Policy and practices with respect to risk assessment and risk management processes.
- Continually obtaining reasonable assurance from management that all known and emerging risks have been identified and mitigated or managed.

6. General Body Meeting
A. General Meeting
i) Annual General Meeting

Financial Year	Date	Time	Venue	Special Resolution
2013-2014	30.09.2014	11:00	Flat no. 502, Palem towers, Barkatpura, Hyderabad-500 027	Amendment of Article
2012-2013	30.09.2013	11:00	Flat no. 502, Palem towers, Barkatpura, Hyderabad - 500 027	Nil
2011-2012	29.09.2012	11:00	Flat no. 502, Palem towers, Barkatpura, Hyderabad-500 027	1.Appointment of Mr. D. Jagannadha Raju as Whole-time Director. 2. Amendment of Article to permit participation by the Directors and the Shareholders in the meeting through Electronic mode including video conferencing

ii. Extraordinary general meeting:

No extraordinary general meeting of the members was held during the year 2014-15.

B. Details of special resolution passed through postal ballot, the persons who conducted the postal ballot exercise and details of the voting pattern.

During the year under review, no special resolution has been passed through the exercise of postal ballot.

None of the items to be transacted at the ensuing meeting is required to be passed by postal ballot.

7. DISCLOSURES

A. RELATED PARTY TRANSACTIONS

All material transactions entered into with related parties as defined under the Act and Clause 49 of the Listing Agreement during the financial year were in the ordinary course of business. These have been approved by the audit committee. The board has approved a policy for related party transactions which has been uploaded on the Company's website at the following www.ortinlabsindia.com

B. VIGIL MECHANISM:

Vigil Mechanism Policy has been established by the Company for directors and employees to report genuine concerns pursuant to the provisions of section 177(9) & (10) of the Companies Act, 2013. The same has been placed on the website of the Company i.e. www.ortinlabsindia.com

C. COMPLIANCE WITH MANDATORY REQUIREMENTS AND ADOPTION OF THE NON MANDATORY REQUIREMENT

All mandatory requirements of clause 49 of Listing Agreement have been appropriately complied with and the status of non mandatory requirements is given below

- i. The statutory financial statements are free from any Audit Qualifications.
- ii. Mr. S. Murali Krishna Murthy is the Managing Director of the Company. The Company has complied with the requirement of having separate persons to the post of Chairman and Managing Director.

8. MEANS OF COMMUNICATION

The Company's quarterly/ Annual Financial Results are generally published in newspapers and displayed on the website of the Company www.ortinlabsindia.com During the Year under review, the official news had also been displayed on the website.

9. GENERAL SHAREHOLDER INFORMATION

A. ANNUAL GENERAL MEETING:

Date : September 30th, 2015

Time : 11.00 am.

Venue : Flat No. 502, Palem Towers, Barkatpura, Hyderabad – 500 027

As required under Clause 49(VIII)(E)(1) of the Listing Agreements entered into with the stock exchanges, particulars of directors seeking appointment / re-appointment at the forthcoming AGM are given in the Annexure to the notice of the AGM to be held on 30.09.2015

ORTIN LABORATORIES LIMITED

B. FINANCIAL YEAR AND FINANCIAL YEAR CALENDAR 2015-16 (TENTATIVE SCHEDULE)

Financial year to which the Annual General Meeting relates: 2014-15

Financial calendar: 2015-16

Adoption of Quarterly results for the Quarter ending

- 30th June, 2015 : 14th August, 2015
- 30th September, 2015 : 1st/2nd Week of November, 2015
- 31st December, 2015 : 1st/2nd Week of February, 2016
- 31st March, 2016 : on or before 30th May 2016

Annual General Meeting (Next year) : August / September, 2016

C. DATE OF BOOK CLOSURE / RECORD DATE

26.09.2015 to 30.09.2015

D. LISTING ON STOCK EXCHANGES

BSE Limited (BSE)

25th Floor, P. J. Towers, Dalal Street, Mumbai 400 001

National Stock Exchange Limited

Exchange Plaza, Plot no. C/1, G Block, Bandra-Kurla Complex, Bandra (E), Mumbai - 400 051.

E. STOCK CODES / SYMBOL

BSE Code : 539287 BSE Symbol: ORTINLAABS NSE Symbol: ORTINLABSS
Listing Fees as applicable have been paid.

F. CORPORATE IDENTITY NUMBER (CIN) OF THE COMPANY

L24110AP1986PLC006885

G. REGISTRARS AND TRANSFER AGENTS NAME AND ADDRESS

M/s. Karvy Computershare Private Ltd,
Plot No. 31 - 32, Gachibowli, Financial District, Nanakramguda, Hyderabad - 500 008.

H. SHAREHOLDING AS ON MARCH 31, 2015:

i. Distribution of equity shareholding as on March 31, 2015:

Range (Rs.)	No of Shareholders	% of Total Shareholders	No of Shares	% of Total Shareholding
Upto - 5000	1725	58.47	334390	1.97
5001 - 10000	465	15.76	421371	2.49
10001 - 20000	292	9.90	472178	2.79
20001 - 30000	123	4.17	321623	1.90
30001 - 40000	52	1.76	187974	1.11
40001 - 50000	76	2.58	364727	2.15
50001 - 100000	78	2.64	564018	3.33
100001 & Above	139	4.71	14274119	84.26
TOTAL	2950	100.00	16940400	100.00

ii. Categories of equity shareholders as on March 31, 2015:

Si. No	Name of the Shareholders	No. of Equity Shares held	% of holding
A	Promoter and Promoter Group	67,66,361	39.94
	Sub- Total A	67,66,361	39.94
B	Public Shareholding		
1.	Institutions	NIL	NIL
2.	Non - Institutions		
a	Bodies Corporate	12,92,384	7.63
b	Indian Public and others	83,91,957	49.54
c	Any others		
	i. NRI's	4,70,416	2.78
	ii. Clearing Members	19,282	0.11
	iii. Employee	NIL	NIL
	Sub - Total	1,01,74,039	60.06
	Grand Total (A + B)	1,69,40,400	100

I. DEMATERIALIZATION OF SHARES AND LIQUIDITY:

The Company's shares are compulsorily traded in dematerialized form. Equity shares of the Company representing 98.06 of the Company's equity share capital are dematerialized as on March 31, 2015.

The Company's equity shares are regularly traded on BSE, in dematerialized form.

Under the depository system, the international securities identification number (ISIN) allotted to the Company's shares are INE749B01012.

J. STOCK MARKET PRICE DATA AT BSE LIMITED DURING THE FINANCIAL YEAR 2014-2015

Months	BSE	
	High (Rs)	Low (Rs)
April	14.54	10.11
May	13.45	10.20
June	18.00	10.91
July	14.50	11.00
August	14.85	11.11
September	19.00	11.54
October	16.35	13.50
November	16.70	12.40
December	14.00	10.24
January	13.00	10.40
February	11.89	9.01
March	10.60	7.55

K. OUTSTANDING CONVERTIBLE INSTRUMENT

As of 31st March, 2015, there are no outstanding Convertible Instruments.

L. Address for correspondence

Ms. Sharvari Suhas Khadke
Company Secretary & Compliance Officer
Anand Apartment, Jadhavwadi, Shahu Market, Kolhapur, 416005, Maharashtra, India

M. OTHER DISCLOSURES AS PER CLAUSE 49 OF THE LISTING AGREEMENT**i. Code of Conduct**

The Company has formulated and implemented a Code of Conduct for Board Members and Senior Management of the Company. Requisite annual affirmations of compliance with the respective Codes have been made by the Directors and Senior Management of the Company.

Certificate of Code of Conduct for the year 2014-15

Ortin Laboratories is committed for conducting its business in accordance with the applicable laws, rules and regulations and with highest standards of business ethics. The Company has adopted a "Code of Ethics and Business Conduct" which is applicable to all directors, officers and employees.

I hereby certify that all the Board Members and Senior Management have affirmed the compliance with the Code of Ethics and Business Conduct, under a certificate of Code of Conduct for the year 2014-15.

Place : Hyderabad
Date : 14.08.2015

Sd/-
S. Murali Krishna Murthy
Managing Director
DIN: 00540632

ii) Disclosure of Accounting Treatment

The Company has complied with the appropriate accounting policies and has ensured that they have been applied consistently. There have been no deviations from the treatment prescribed in the Accounting Standards.

iii) Non-Executive Directors' Compensation and Disclosures

None of the Independent / Non-Executive Directors has any pecuniary relationship or transactions with the Company which in the Judgment of the Board may affect the independence of the Directors.

iv) CEO/CFO Certification

The Managing Director and CEO/ CFO certification of the financial statements for the year 2014-15 is provided elsewhere in this Annual Report.

**For and on behalf of the Board
For Ortin Laboratories Limited**

Sd/-

Sd/-

Place: Hyderabad
Date : 14.08.2015

S. Murali Krishna Murthy
Managing Director
DIN: 00540632

Bh. Satyanarayana Raju
Chief Financial Officer
DIN: 02697880

CERTIFICATE BY THE MANAGING DIRECTOR AND CFO OF THE COMPANY

To,

The Board of Directors
Ortin Laboratories Limited

Dear Sir,

As required under clause 49(IX) of the Listing agreement, we state that:

1. We have reviewed the financial statements and the cash flow statement for the year ended 31st March 2015 and to the best of our knowledge and belief;
 - a. These statements do not contain any materially untrue statement nor omit any material fact nor contain statements that might be misleading, **and**
 - b. These statements present a true and fair view of the company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations.
2. There are, to the best of my knowledge and belief, no transactions entered into by the company during the year, which are fraudulent, illegal or violative of the company's code of conduct.
3. We accept responsibility for establishing and maintaining internal controls, We have evaluated the effectiveness of the internal control systems of the company and we have disclosed to the auditors and the audit committee, deficiencies in the design or the operation of internal controls, if any, of which we were aware and the steps that we have taken or propose to take and rectify the identified deficiencies and,
4. That we have informed the auditors and the audit committee of:
 - a) Significant changes in the internal control during the year;
 - b) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - c) Instances of significant fraud of which we have become aware and the involvement of any employee having a significant role in the company's internal control system.

Yours Sincerely,

Place: Hyderabad
Date : 14.08.2015

S. Murali Krishna Murthy
Managing Director

B. Satyanarayana Raju
Chief Financial Officer

MGT 9

Extract of Annual Return

as on the Financial Year 31.03.2015

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

- i. CIN:- L24110AP1986PLC006885
- ii. Registration Date 27.10.1986
- iii. Name of the Company Ortin Laboratories Ltd.
- iv. Category / Sub-Category of the Company Company limited by shares/Non government company
- v. Address of the Registered office and contact details Flat No.502,Palem Towers Barkathpura, Hyderabad-500027, Telangana
- vi. Whether listed company Yes / No Yes
- vii. Name, Address and Contact details of Registrar and Transfer Agent, if any Karvy Computershare Private Ltd Plot No. 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad 500008. Ph No. 040 - 67161500

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

Sl. No.	Name and Description of main products /services	NIC Code of the Product / service	% to total turnover of the company
1.	(2S)-3-Methyl-2-(methyl-2(methyl-((2-(1-methyl ethyl)thiazole-4-yl)methyl) carbonyl)amino) butanoic acid (MTV)	2100	34.03
2.	2-(Chloro Methoxy)3, 4-Dimethoxy Pyridine Hydro Chloride	2100	14.69
3.	(s)-5-chloro-alfa (cyclo Propyl ethnyl)-2-(4-methoxy phenyl)methyl)amino)-a-(trifluoro methyl) benzene methanol	2100	18.59

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES: NA
IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)
i) Category-wise Share Holding:-

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A.Promoters									
(1) Indian									
Individual/ HUF	7533679	0	7533679	44.47	6765461	900	6766361	39.94	-4.53
Central Govt	0	0	0	0	0	0	0	0	0
State Govt (s)	0	0	0	0	0	0	0	0	0
Bodies Corp.	0	0	0	0	0	0	0	0	0
Banks / FI	0	0	0	0	0	0	0	0	0
Any Other....	0	0	0	0	0	0	0	0	0
Sub-total									
(A) (1) :-	7533679	0	7533679	44.47	6765461	900	6766361	39.94	-4.53
(2) Foreign									
a) NRIs-Individuals	0	0	0	0	0	0	0	0	0
b) Other-Individuals	0	0	0	0	0	0	0	0	0
c) Bodies Corp.	0	0	0	0	0	0	0	0	0
d) Banks / FI	0	0	0	0	0	0	0	0	0
e) Any Other....	0	0	0	0	0	0	0	0	0
Sub-total (A) (2):-	0	0	0	0	0	0	0	0	0
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	7533679	0	7533679	44.47	6765461	900	6766361	39.94	-4.53

B. Public Shareholding

1. Institutions	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	% Change during the year
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Banks / FI	0	0	0	0	0	0	0	0	0
c) Central Govt	0	0	0	0	0	0	0	0	0
d) State Govt(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIs	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital Fund	0	0	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0	0	0	0	0	0
2. Non Institutions									
a) Bodies Corp.	1821353	1800	1823153	10.76	1290584	1800	1290584	7.63	-3.13
i) Indian	0	0	0	0	0	0	0	0	0
ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals	0	0	0	0	0	0	0	0	0
i) Individual shareholders holding nominal share capital up to Rs.1 lakh	1181104	157459	1338563	7.90	2266380	155464	2421844	14.30	6.40
ii) Individual shareholders holding nominal share capital in excess of Rs.1 lakh	5653583	170400	5823983	34.38	5800613	169500	5970113	35.24	-0.86

B. Public Shareholding (Contd...)

1. Institutions	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	% Change during the year
c) Others (specify)	421022	0	421022	2.49	489698	0	489698	2.89	0
Clearing Members	2311	0	2311	0.01	19282	0	19282	0.11	0.10
Non Resident Indians	418711	0	418711	2.47	470416	0	470416	2.78	0.31
Sub-total (B)(2):- Total Public Shareholding (B)=(B)(1)+(B)(2)	9077062	0	9406721	55.53	9847275	326764	10174039	60.06	4.53
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	16610741	329659	16940400	100	16612736	327664	16940400	100	0

(ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	Nil
1.	Venkata Rama Gaddam	964600	Nil	964600	5.69	964600	Nil	964600	5.69	Nil
2.	Venkata Ramana Gaddam	948470	Nil	948470	5.60	948470	Nil	948470	5.60	Nil
3.	A Prabhakar Raju	565500	Nil	565500	3.34	556933	Nil	556933	3.29	Nil
4.	Satyanarayana Raju									
	Bhupathiraju	547130	Nil	547130	3.23	546130	Nil	546130	3.22	Nil
5.	Alluri Maithili	389175	Nil	389175	2.30	378810	Nil	378810	2.24	Nil
6.	Alluri Anantha Laxmi	354022	Nil	354022	2.09	354022	Nil	354022	2.09	Nil
7.	A Ranga Raju	351819	Nil	351819	2.08	337775	Nil	337775	1.99	Nil
8.	A Srinivasa Raju	338634	Nil	338634	2.00	338634	Nil	338634	2.00	Nil
9.	Ramavathi Datla	507110	Nil	507110	2.99	160778	Nil	160778	0.95	Nil
10.	Jagannadha Raju D	438790	Nil	438790	2.59	131198	Nil	131198	0.77	Nil
11.	Sanka Venkata Ratnamma	192389	Nil	192389	1.14	192389	Nil	192389	1.14	Nil
12.	Sanka Srinivas Kumar	182100	Nil	182100	1.07	271723	Nil	271723	1.60	Nil
13.	Sanka Murali Krishna Murthy	180734	Nil	180734	1.07	166796	Nil	166796	0.98	Nil
14.	Sanka Balaji Venkateswarlu	175927	Nil	175927	1.04	157827	Nil	157827	0.93	Nil
15.	Sanka Venkata Sujatha	122800	Nil	122800	0.72	122800	Nil	122800	0.72	Nil
16.	Sanka Sarath Kumar	120200	Nil	120200	0.71	120200	Nil	120200	0.71	Nil
17.	Sanka Srinivasa Kumar	111593	Nil	111593	0.66		Nil			Nil
18.	Sanka Hema Kumari	107700	Nil	107700	0.64	107700	Nil	107700	0.64	Nil
19.	Sanka Venkata Subbamma	101250	Nil	101250	0.60	101250	Nil	101250	0.60	Nil
20.	Lakshmi Sravani Dasari	97500	Nil	97500	0.58	97500	Nil	97500	0.58	Nil
21.	Sanka Naga Jyothi	97500	Nil	97500	0.58	100290	Nil	100290	0.59	Nil
22.	Sanka Satya Praveen Kumar	99500	Nil	99500	0.59	99500	Nil	99500	0.59	Nil
23.	Sanka Mohan Krishna Murthy	89016	Nil	89016	0.53	60816	Nil	60816	0.36	Nil
24.	Sanka Tandav Krishna	85650	Nil	85650	0.51	85650	Nil	85650	0.51	Nil
25.	Krishna Karthik Sanka	85000	Nil	85000	0.50	85000	Nil	85000	0.50	Nil
26.	Sanka Ravi Sankar	85000	Nil	85000	0.50	85000	Nil	85000	0.50	Nil
27.	Gaddam Srinivasa Rao	79680	Nil	79680	0.47	79680	Nil	79680	0.47	Nil
28.	Gaddam Balaji	75680	Nil	75680	0.45	75680	Nil	75680	0.45	Nil
29.	Sanka Rajeshwari	39110	Nil	39110	0.23	39110	Nil	39110	0.23	Nil
30.	S Pandari Krishna Murthy	100	Nil	100	0.00	100	Nil	100	0.00	Nil

(iii) Change in Promoters' Shareholding (please specify, if there is no change)

Sl. No.	Shareholder's Name	No. of Shares held at the beginning of the year		No. of Shares held at the end of the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	75,33,679	44.47	67,66,361	39.94
Date wise Increase /Decrease in Promoters Share holding during the years pacifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc): Due to purchase of shares.					
	At the end of the year	67,66,361	39.94	-	-

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No.	Shareholder's Name	No. of Shares held at the beginning of the year		No. of Shares held at the end of the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year				
1.	Progressive Share Brokers Pvt Ltd	432954	2.56	-	-
2.	Nalluri Chandra Shekaran Murthy	413939	2.44	413939	2.44
3.	Srinidhi Infin Ltd	405256	2.39	239316	1.41
4.	Loha Commodities Trading Ltd	400532	2.36	400532	2.36
5.	Rajesh Gaurishankar Poddar	350000	2.07	794724	4.69
6.	V Varapasada Rao	268423	1.58	268423	1.58
7.	P Kishore Raju	270697	1.60	270697	1.60
8.	Penmetsa Venkata Krishnam Raju	272150	1.61	272150	1.61
9.	Chakka Madhusudhana Gupta	257000	1.52	201605	1.19
10.	Vamsi Krishna Narendrula	255000	1.51	255000	1.51
Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):					
	At the End of the year				
1.	Suggula Srinivasa Rao	-	-	204000	1.20

(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	For Each of the Directors and KMP	No. of Shares held at the beginning of the year		Cumulative Shareholding during the year	
		No.of shares	% of total shares of the company	No.of shares	% of total shares of the company
1.	Mr. S. Murali Krishna Murthy				
	At the beginning of the year	1,80,734	1.07		
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	13938	0.09		
	At the End of the year	1,66,796	0.98		
2.	Mr. G. Venkata Ramana				
	At the beginning of the year	9,48,470	5.60		
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	Nil	Nil		
	At the End of the year	9,48,470	5.60		
3.	Mr. S. Mohan Krishna Murthy				
	At the beginning of the year	89,016	0.53		
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	28200	0.17		
	At the End of the year	60,816	0.36		
4.	Mr. S. Balaji Venkateswarlu				
	At the beginning of the year	1,75,927	1.04		
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	18100	0.11		
	At the End of the year	1,57,827	0.93		

(v) Shareholding of Directors and Key Managerial Personnel: (C0ntd...)

Sl. No.	For Each of the Directors and KMP	No. of Shares held at the beginning of the year		Cumulative Shareholding during the year	
		No.of shares	% of total shares of the company	No.of shares	% of total shares of the company
5.	Mr. Srinivas Kumar				
	At the beginning of the year	2,93,693	1.73		
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	21970	0.13		
	At the End of the year	2,71,723	1.60		
6.	Mr. B. Satyanarayana Raju				
	At the beginning of the year	5,47,130	3.23		
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	Transfer 1000	0.01		
	At the End of the year	5,46,130	3.22		
7.	Mr. D. Jagannadha Raju				
	At the beginning of the year	4,38,790	2.59		
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	Nil	Nil		
	At the End of the year	1,31,198	0.77		
8.	Ms. Lakshmi Shravani Dasari				
	At the beginning of the year	97,500	0.58		
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	Nil	Nil		
	At the End of the year	97,500	0.58		

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

Indebtedness at the beginning of the financial year	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
i) Principal Amount	16,59,91,865	2,08,19,488	Nil	18,68,11,353
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i+ii+iii)	16,59,91,865	2,08,19,488	Nil	18,68,11,353
Change in Indebtedness during the financial year				
Addition	3,07,34,239	1,04,35,400	Nil	4,11,69,639
Reduction	1,38,11,248	45,05,000	Nil	1,83,16,248
Net Change	1,69,22,991	59,30,400	Nil	2,28,53,391
Indebtedness at the end of the financial year				
I) Principal Amount	18,29,14,856	2,67,49,888	Nil	20,96,64,744
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i+ii+iii)	18,29,14,856	2,67,49,888	Nil	20,96,64,744

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Sl. no.	Particulars of Remuneration	Name of MD/WTD/ Manager			Total Amount
		MD	WTD	Manager	
		S. Murali Krishna Murthy and G. Venkata Ramana	B. Satyanarayana Raju, S. Mohan Krishna Murthy, S. Srinivas Kumar and S. Balaji Venkateswarlu	-	
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income tax Act, 1961	15,00,000 p.a Each Managing Director and Joint Managing Directors - -	9,60,000 p. a each Whole Time Director - -	- - -	68,40,000 - -
2.	Stock Option	Nil	Nil	Nil	
3.	Sweat Equity	Nil	Nil	Nil	
4.	Commission - as % of profit - Others, specify...	Nil	Nil	Nil	
5.	Others, please specify	Nil	Nil	Nil	
6.	Total (A)	30,00,000	38,40,000	Nil	68,40,000

B. Remuneration to other directors: Not Applicable

Particulars of Remuneration	Name of Director				Total Amount
Independent Directors Fee for attending board / committee meetings Commission Others, please specify	Nil	Nil	Nil	Nil	Nil
Total (1)	Nil	Nil	Nil	Nil	Nil
Other Non-Executive Directors Fee for attending board / committee meetings Commission Others, please specify	Nil	Nil	Nil	Nil	Nil
	Nil	Nil	Nil	Nil	Nil
Total (2)	Nil	Nil	Nil	Nil	Nil
Total (B)=(1+2)	Nil	Nil	Nil	Nil	Nil
Total Managerial Remuneration	Nil	Nil	Nil	Nil	Nil
Overall Ceiling as per the Act	Nil	Nil	Nil	Nil	Nil

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

S.No. Particulars of Remuneration	Key Managerial Personnel				
	Sharvari Suhas Khadke	CEO	Company Secretary	CFO	Total
1. Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961			20,000 p.m		20,000 p.m
2. Stock Option	Nil	Nil		Nil	
3. Sweat Equity	Nil	Nil		Nil	
4. Commission - as % of profit - others, specify...	Nil	Nil		Nil	
5. Others, please specify 2	Nil	Nil		Nil	
6. Total			20,000 p.m		20,000 p.m

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

There were no penalties / punishments / compounding of offences for the year ending March 31, 2015.

ANNEXURE II

DECLARATION FROM INDEPENDENT DIRECTORS ON ANNUAL BASIS

The Board of Directors
M/s Ortin Laboratories Limited

Dear Sir,

I undertake to comply with the conditions laid down in Sub-clause of Clause 49 read with section 149 and Schedule IV of the Companies Act, 2013 in relation to conditions of independence and in particular:

(a) I declare that upto the date of this certificate, apart from receiving director's remuneration, I did not have any material pecuniary relationship or transactions with the Company, its promoter, its directors, senior management or its holding Company, its subsidiary and associates as named in the Annexure thereto which may affect my independence as director on the Board of the Company. I further declare that I will not enter into any such relationship/transactions. However, if and when I intend to enter into such relationships/transactions, whether material or non-material I shall keep prior approval of the Board. I agree that I shall cease to be an independent director from the date of entering into such relationship/transaction.

(b) I declare that I am not related to promoters or persons occupying management positions at the Board level or at one level below the board and also have not been executive of the Company in the immediately preceding three financial years.

(c) I was not a partner or an executive or was also not partner or executive during the preceding three years, of any of the following:

- (i) the statutory audit firm or the internal audit firm that is associated with the Company and
- (ii) the legal firm(s) and consulting firm(s) that have a material association with the company

(d) I have not been a material suppliers, service provider or customer or lessor or lessee of the company, which may affect independence of the director, and was not a substantial shareholder of the Company i.e., owning two percent or more of the block of voting shares.

Thanking You.

Yours Faithfully,

Date : 31.03.2015
Place: Hyderabad

J. R. K. Panduranga Rao
DIN: 00294746

ANNEXURE II

DECLARATION FROM INDEPENDENT DIRECTORS ON ANNUAL BASIS

The Board of Directors

M/s Ortin Laboratories Limited

Dear Sir,

I undertake to comply with the conditions laid down in Sub-clause of Clause 49 read with section 149 and Schedule IV of the Companies Act, 2013 in relation to conditions of independence and in particular:

(a) I declare that upto the date of this certificate, apart from receiving director's remuneration, I did not have any material pecuniary relationship or transactions with the Company, its promoter, its directors, senior management or its holding Company, its subsidiary and associates as named in the Annexure thereto which may affect my independence as director on the Board of the Company. I further declare that I will not enter into any such relationship/transactions. However, if and when I intend to enter into such relationships/transactions, whether material or non-material I shall keep prior approval of the Board. I agree that I shall cease to be an independent director from the date of entering into such relationship/transaction.

(b) I declare that I am not related to promoters or persons occupying management positions at the Board level or at one level below the board and also have not been executive of the Company in the immediately preceding three financial years.

© I was not a partner or an executive or was also not partner or executive during the preceding three years, of any of the following:

- (i) the statutory audit firm or the internal audit firm that is associated with the Company and
- (ii) the legal firm(s) and consulting firm(s) that have a material association with the company

(d) I have not been a material suppliers, service provider or customer or lessor or lessee of the company, which may affect independence of the director, and was not a substantial shareholder of the Company i.e., owning two percent or more of the block of voting shares.

Thanking You.

Yours Faithfully,

Date: 31.03.2015
Place: Hyderabad

M. Tippayya
DIN: 00306985

ANNEXURE II

DECLARATION FROM INDEPENDENT DIRECTORS ON ANNUAL BASIS

The Board of Directors

M/s Ortin Laboratories Limited

Dear Sir,

I undertake to comply with the conditions laid down in Sub-clause of Clause 49 read with section 149 and Schedule IV of the Companies Act, 2013 in relation to conditions of independence and in particular:

(a) I declare that upto the date of this certificate, apart from receiving director's remuneration, I did not have any material pecuniary relationship or transactions with the Company, its promoter, its directors, senior management or its holding Company, its subsidiary and associates as named in the Annexure thereto which may affect my independence as director on the Board of the Company. I further declare that I will not enter into any such relationship/transactions. However, if and when I intend to enter into such relationships/transactions, whether material or non-material I shall keep prior approval of the Board. I agree that I shall cease to be an independent director from the date of entering into such relationship/transaction.

(b) I declare that I am not related to promoters or persons occupying management positions at the Board level or at one level below the board and also have not been executive of the Company in the immediately preceding three financial years.

(c) I was not a partner or an executive or was also not partner or executive during the preceding three years, of any of the following:

(i) the statutory audit firm or the internal audit firm that is associated with the Company and

(ii) the legal firm(s) and consulting firm(s) that have a material association with the company

(d) I have not been a material suppliers, service provider or customer or lessor or lessee of the company, which may affect independence of the director, and was not a substantial shareholder of the Company i.e., owning two percent or more of the block of voting shares.

Thanking You.

Yours Faithfully,

Date: 31.03.2015
Place: Hyderabad

K. Pradyumna Teja
DIN: 03074013

ANNEXURE II

DECLARATION FROM INDEPENDENT DIRECTORS ON ANNUAL BASIS

The Board of Directors
M/s Ortin Laboratories Limited

Dear Sir,

I undertake to comply with the conditions laid down in Sub-clause of Clause 49 read with section 149 and Schedule IV of the Companies Act, 2013 in relation to conditions of independence and in particular:

(a) I declare that upto the date of this certificate, apart from receiving director's remuneration, I did not have any material pecuniary relationship or transactions with the Company, its promoter, its directors, senior management or its holding Company, its subsidiary and associates as named in the Annexure thereto which may affect my independence as director on the Board of the Company. I further declare that I will not enter into any such relationship/transactions. However, if and when I intend to enter into such relationships/transactions, whether material or non-material I shall keep prior approval of the Board. I agree that I shall cease to be an independent director from the date of entering into such relationship/transaction.

(b) I declare that I am not related to promoters or persons occupying management positions at the Board level or at one level below the board and also have not been executive of the Company in the immediately preceding three financial years.

(c) I was not a partner or an executive or was also not partner or executive during the preceding three years, of any of the following:

(i) the statutory audit firm or the internal audit firm that is associated with the Company and

(ii) the legal firm(s) and consulting firm(s) that have a material association with the company

(d) I have not been a material suppliers, service provider or customer or lessor or lessee of the company, which may affect independence of the director, and was not a substantial shareholder of the Company i.e., owning two percent or more of the block of voting shares.

Thanking You.

Date: 31.03.2015
Place: Hyderabad

Yours Faithfully,

T. Seshagiri
DIN: 06715818

ANNEXURE II

DECLARATION FROM INDEPENDENT DIRECTORS ON ANNUAL BASIS

The Board of Directors

M/s Ortin Laboratories Limited

Dear Sir,

I undertake to comply with the conditions laid down in Sub-clause of Clause 49 read with section 149 and Schedule IV of the Companies Act, 2013 in relation to conditions of independence and in particular:

(a) I declare that upto the date of this certificate, apart from receiving director's remuneration, I did not have any material pecuniary relationship or transactions with the Company, its promoter, its directors, senior management or its holding Company, its subsidiary and associates as named in the Annexure thereto which may affect my independence as director on the Board of the Company. I further declare that I will not enter into any such relationship/transactions. However, if and when I intend to enter into such relationships/transactions, whether material or non-material I shall keep prior approval of the Board. I agree that I shall cease to be an independent director from the date of entering into such relationship/transaction.

(b) I declare that I am not related to promoters or persons occupying management positions at the Board level or at one level below the board and also have not been executive of the Company in the immediately preceding three financial years.

(c) I was not a partner or an executive or was also not partner or executive during the preceding three years, of any of the following:

- (i) the statutory audit firm or the internal audit firm that is associated with the Company and
- (ii) the legal firm(s) and consulting firm(s) that have a material association with the company

(d) I have not been a material suppliers, service provider or customer or lessor or lessee of the company, which may affect independence of the director, and was not a substantial shareholder of the Company i.e., owning two percent or more of the block of voting shares.

Thanking You.

Date: 31.03.2015
Place: Hyderabad

Yours Faithfully,
Dr. B. Gopal Reddy
DIN: 06716560

ANNEXURE IV

FORM NO. AOC.2

This Form pertains to the disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto

Details of contracts or arrangements or transactions not at arm's length basis – There was no contracts or arrangements or transactions entered into during the year ended March 31, 2015, which were not at arm's length basis.

Details of material contracts or arrangements or transactions at arm's length basis for the year ended March 31, 2015 are as follows:

NAME(S) OF THE RELATED PARTY	NATURE OF RELATIONSHIP	NATURE OF TRANSACTIONS	VOLUME OF TRANSACTION (RS.)	AMOUNT IN RS.
SRI SAI KRISHNA MARKETING ASSOCIATES	ASSOCIATE FIRM	SALES PURCHASES	73,74,342/- 29,90,962/-	19,029/- DR.
ORTIN BIOTECH PRIVATE LIMITED	ASSOCIATE COMPANY	INTERCORPORATE DEPOSITS	12,53,000/-	NIL
WOHLER LABORATORIES PRIVATE LIMITED	ASSOCIATE COMPANY	SALES PURCHASES	1,64,096/- 3,10,87,902/-	1,59,74,477/- DR.
S. BALAJI VENKATESHWARLU	DIRECTOR	UNSECURED LOAN	7,00,000/-	16,90,500/- CR.
S. MOHAN KRISHNA MURTHY	DIRECTOR	UNSECURED LOAN	9,50,000/-	19,40,500/- CR.
S. MURALI KRISHNA MURTHY	MANAGING DIRECTOR	UNSECURED LOAN	22,56,000/-	30,21,500/- CR.
S. SRINIVAS KUMAR	DIRECTOR	UNSECURED LOAN	17,65,000/-	24,05,500/- CR.
BH. SATYANARAYANA RAJU	DIRECTOR	UNSECURED LOAN	27,59,400/-	13,43,245/- CR.

FORM MR - 3
SECRETARIAL AUDIT REPORT
(Pursuant to section 204(1) of the Companies Act, 2013 and
Rule 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2015

To
The Members of
M/s. Ortin Laboratories Limited

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s. Ortin Laboratories Limited (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's Books, Papers, Minute Books, Forms and Returns filed and other Records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the financial year commencing from 1st April, 2014 and ending on 31st March, 2015, complied with the statutory provisions listed hereunder and also that the Company has proper Board process and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

1. We have examined the books, papers, minutes books, forms and returns filed and other records maintained by "The Company" for the financial year ended on 31st March, 2015, according to the provisions of:
 - i. The Companies Act, 2013 (the Act) and the rules made there under for specified sections notified and came in to effect from 12th September, 2013 and sections and Rules notified and came in to effect from 1st April, 2014;
 - ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made there under;
 - iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
 - iv. Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under to the extent of Foreign Direct Investment (FDI) and Overseas Direct Investment and External Commercial Borrowings.
 - v. The Securities and Exchange Board of India Act, 1992 ('SEBI Act').
2. Provisions of the following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (SEBI Act) were not applicable to the Company under the financial year under report except yearly and event based disclosures in terms of SEBI Takeover Regulations & Insider Trading Regulations.
 - i. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - ii. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

- iii. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
- iv. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- v. The Securities and Exchange Board of India (Registrars to an issue and Share Transfer Agents) Regulations, 1993, regarding the Companies Act and dealing with client;
- vi. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008
- vii. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;

3. Other allied Laws as stated below:

The Company since engaged in the Pharmaceutical business covering manufacture of both bulk drugs (intermediates) and formulations is subjected to compliance of the Drugs and Cosmetics Act, 1940, the Drugs and Cosmetics Rules, 1945, the Pharmacy Act, 1948, Narcotic Drugs and Psychotropic Substances Act, 1985, the Patents Act, 1970 and the Labour laws like Payment of Wages, Bonus, Gratuity and the Tax Laws, the Pollution Control etc., and accordingly obtained requisite licenses from the respective authorities for carrying on operations of the Company.

4. We have also examined compliance with the applicable clauses of the following:

- i. Secretarial Standards issued by the Institute of Company secretaries of India complied though not applicable to the Company.
- ii. The Listing Agreements entered into by the Company with BSE Limited & MSE,.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that:-

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

We further report that the Company during the year 2014-15 has taken unsecured loans from directors of the Company and the others who are not the directors. During the audit period the Company has not appointed Internal Auditors and the Company Secretary was appointed on 01.01.2015. The CFO was appointed on 31.03.2015.

For S. S. Reddy & Associates

Sd/-

S. Sarveswar Reddy
Practicing Company Secretaries
C.P. No. 7478

Place: Hyderabad
Date: 14.08.2015

To
The Members of
M/s. Ortin Laboratories Limited

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices we followed provide a reasonable basis for our opinion.
3. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
4. The compliance of provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
5. The secretarial Audit report is neither an assurance as to future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

Place: Hyderabad
Date: 14.08.2015

For S. S. Reddy & Associates
Sd/-
S. Sarveswar Reddy
Practicing Company Secretaries
C.P. No. 7478

INDEPENDENT AUDITOR'S REPORT

To the Members of
ORTIN LABORATORIES LIMITED

Report on the Financial Statements:

We have audited the accompanying financial statements of **ORTIN LABORATORIES LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2015, the Statement of Profit and Loss and the Cash Flow Statement for the period then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements:

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and Cash Flows of the Company 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. This responsibility also includes maintenance of adequate accounting records in accordance with provisions of the Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities, selection and application of accounting policies; making judgments and estimates that are reasonable and prudent; and 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.

Auditor's Responsibility:

Our responsibility is to express an opinion on these financial statements based on our 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 financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation and fair presentation of the financial statements that give true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion:

In our opinion and to the best of our information and according to the explanations given to us, the 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:

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2015; and
- b) in the case of the Profit and Loss Account, of the profit for the period ended on that date.
- c) in the case of the cash flow statement, of the Cash Flows, for the period ended on that date.

Report on Other Legal and Regulatory Requirements:

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act and on the basis of such checks of the books and records of the company as we considered appropriate and according to the information and explanation given to us, we give in the Annexure a statement on the matters specified in the paragraphs 3 and 4 of the Order to the extent applicable to the company.
2. As required by section 143(3) of the Act, we report that:
 - a. we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b. in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - c. the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d. in our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement comply with the Accounting Standards specified under section 133 of the Companies Act, 2013 read with rule 7 of the Companies (Accounts) Rules, 2014.
 - e. on the basis of written representations received from the directors as on March 31, 2015, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015, from being appointed as a director in terms of section 164(2) of Act.
 - f. With respect to the other matters to be included in auditor's report in accordance with Rule 11 of Companies (Audit and Auditors) Rules 2014, in our opinion and to the best of our information and according to the explanation given to us;
 - i. The Company has disclosed the impact of pending litigation of its financial position in its financial statements.
 - ii. In our opinion and as per the information and explanations provided to us, the company not entered into any long term contracts including derivate contracts, requiring under applicable laws or accounting standards for material foreseeable losses, and
 - iii. There has been no delay in transferring to the Investor Education and Protection Fund by the Company.

For **MATHESH & RAMANA**
CHARTERED ACCOUNTANTS

Sd/-

B.V.RAMANA REDDY
M.No. 026967 Partner

Place: Hyderabad.
Date: 30/05/2015

ANNEXURE TO INDEPENDENT AUDITOR'S REPORT

Re: ORTIN LABORATORIES LIMITED

Referred to in Paragraph 1 under section (Report on other Legal and Regulatory Requirements of our Report of even date)

- (i) (a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) All the assets have been physically verified by the management during the year and there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. No material discrepancies were noticed on such verification.
- (ii) (a) The inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
- (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
- (c) In our opinion and according to the information and explanations given to us, the company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and the book records were not material.
- (iii) The company has not granted loans to the parties covered in the register maintained under section 189 of the Companies Act, 2013.
- (iv) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business with regard to purchases of inventory, fixed assets and with regard to the sale of goods. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal controls.
- (v) According to the information and explanations given to us, the Company has not accepted any deposits during the year in terms of directives issued by Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act 2013 and the rules framed there under. But the Company has taken unsecured loans from relatives of Directors before the enactment of the Companies Act 2013 and an amount of Rs. 139.79 Lacs was not repaid as on 31/03/2015. Also Advances received for supply of goods / job-works outstanding for more than 365 days amounts to Rs. 102.28 Lacs.
- (vi) In our opinion and according to the information and explanations given to us, the company is maintaining proper cost records, which has been prescribed by the Central Government under sub section (1) of section 148 of the Companies Act, 2013 for the activities of the Company.
- (vii) (a) The company is regular in depositing undisputed statutory dues including income tax, and other material statutory dues applicable with appropriate authorities except in case of Service Tax and Sales Tax. According to the information and explanations given to us,

no undisputed amounts payable in respect of income tax, excise duty and other material statutory dues applicable were in arrears, as at 31st March, 2015 for a period of more than six months from the date they became payable except in case of Service Tax of Rs. 31.29 Lacs and Sales Tax of Rs. 2.04 Lacs.

- (b) According to the information and explanation given to us, there are no dues of sales tax, service tax and other material statutory dues which have not been deposited on account of any dispute except in case of income tax of Rs. 1273.89 Lacs, Mumbai VAT of Rs. 76.74 Lacs and Excise of Rs. 10.03 Lacs.
 - (c) In our opinion and according to the information and explanations given to us, there are no amounts required to be transferred to investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and Rules made there under.
- (viii) In our opinion, the company did not have the accumulated loss as on 31st March, 2015. The Company has not incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.
- (ix) In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of dues to a financial institution and banks.
- (x) According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions, the terms and conditions whereof are prejudicial to the interest of the Company.
- (xi) According to the information and explanations given to us, term loans obtained during the period under audit were applied for the purpose for which the loans were obtained.
- (xix) Based upon the audit procedures performed and according to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the course of our audit.

For Mathesh & Ramana
Chartered Accountants
Firm Reg. No. 002020s

Sd/-

B.V. Ramana Reddy
Partner
Membership No. 026967

Place: Hyderabad
Date: 30.05.2015

AUDITOR'S CERTIFICATE

We have examined the attached Cash Flow Statement of **ORTIN LABORATORIES LIMITED**, Hyderabad for the period ended 31st March, 2015. The statement has been prepared by the Company in accordance with the requirements of listing agreement clause 32 with Bombay Stock Exchange and is based on and in agreement with the corresponding Profit and Loss Account and Balance Sheet of the Company covered by report of 30th May, 2015 to the members of the Company.

For Mathesh & Ramana
Chartered Accountants

Sd/-

B.V. Ramana Reddy
Partner
Membership No. 026967

Place: Hyderabad
Date: 30.05.2015

AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

To
The Members of Ortin Laboratories Limited

We have examined the compliance with conditions of Corporate Governance of M/s. Ortin Laboratories Limited, for the year ended March 31, 2015, as stipulated in Clause 49 of the Listing Agreement with stock exchanges.

The compliance with conditions of Corporate Governance is the responsibility of the management. Our examination has been limited to review the procedures and implementation thereof adopted by the Company for ensuring the compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statement of the Company.

In our opinion and to the best of our information and according to the explanations given to us and representations made by the directors and the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in clause 49 of the above mentioned Listing Agreements.

As required by the Guidance note issued by the Institute of Chartered Accountants of India, we have to state that no grievances of investors are pending for a period exceeding one month against the company as per the records maintained by the Company.

We further state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Mathesh & Ramana
Chartered Accountants

Sd/-

B.V. Ramana Reddy
Partner
Membership No. 026967

Place: Hyderabad
Date: 30.05.2015

Balance Sheet as at March 31, 2015

(All amounts in Indian Rupees except as otherwise stated)

PARTICULARS	Notes	As at 31/03/2015	As at 31/03/2014
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	3	169,404,000	169,404,000
Reserves and surplus	4	54,982,534	50,216,282
		224,386,534	219,620,282
Non - current liabilities			
Long-term borrowings	5	49,455,562	27,991,807
Deferred tax liabilities (Net)	6	29,215,741	29,775,241
Other Long term liabilities	7	20,650	20,650
Long-term provisions	8	1,427,266	1,107,363
		80,119,219	58,895,061
Current liabilities			
Short-term borrowings	9	148,021,215	152,165,860
Trade payable	10	168,482,065	263,868,560
Other current liabilities	11	51,571,422	30,237,804
Short-term provisions	8	98,714	884,656
		368,173,416	447,156,880
TOTAL		672,679,169	725,672,223
ASSETS			
Non-current assets			
Fixed assets			
Tangible assets	12	218,344,904	238,982,516
Intangible Assets		-	-
Capital Work in Progress		-	-
		218,344,904	238,982,516
Non-current investments	14	338,761	338,761
Long-term loans and advances	13	20,521,960	21,707,881
Other non-current assets	15	-	-
		239,205,625	261,029,158
Current assets			
Inventories	16	219,754,579	217,228,493
Trade receivables	17	171,362,327	214,239,042
Cash and Cash Equivalents	18	17,379,790	11,606,518
Short term loans and advances	13	24,634,559	20,913,089
Other current assets	15	342,289	655,923
		433,473,544	464,643,065
TOTAL		672,679,169	725,672,223
Summary of significant accounting policies	1	-	-

The accompanying notes are an integral part of the financial statements.
As per our report of even date.

For MATHESH & RAMANA

Chartered Accountants

Sd/-

B. V. Ramana Reddy

M. No. 26967 Partner

F. R. No: 002020S

Place: Hyderabad

For and on behalf of the Board

Sd/-

S. MURALI KRISHNA MURTHY

Managing Director

Sd/-

G. VENKATARAMANA

Statement of Profit and Loss as on March 31, 2015

(All amounts in Indian Rupees except as otherwise stated)

PARTICULARS	Notes	For the year ended 31/03/2015	For the year ended 31/03/2014
Income			
Revenue from operations	19	604,125,569	671,364,086
Other income	20	2,201,734	6,049,144
Total revenue (i)		606,327,303	677,413,230
Expenses			
Cost of material consumed	21	418,516,900	492,994,240
(Increase)/decrease in inventory	22	(1,322,461)	(6,376,654)
Employee benefits expenses	23	24,106,897	25,513,021
Other expenses	24	97,859,428	98,327,513
Finance expenses	25	35,214,707	37,173,046
Depreciation & amortisation	12	16,415,254	15,050,222
Total (ii)		590,790,725	662,681,388
Profit before tax (i-ii)		15,536,578	14,731,842
Prior Period Items		(2,203,466)	2,096,126
Total		13,333,112	16,827,968
Tax expenses			
Current tax		4,872,103	3,764,561
Deferred tax		(559,500)	1,630,097
Prior years' tax adjustment		41,275	(430,912)
Total tax expense		4,353,878	4,963,746
Profit for the year		8,979,234	11,864,222
Earnings per equity share			
- Basic		0.53	0.70
- Diluted		0.53	0.70
Nominal value of shares		10.00	10.00
Weighted average number of equity shares in calculating Basic and diluted EPS		-	-

The accompanying notes are an integral part of the financial statements.
As per our report of even date.

For MATHESH & RAMANA
Chartered Accountants

Sd/-

B. V. Ramana Reddy
M. No. 26967 Partner
F. R. No: 002020S
Place: Hyderabad
Date: 30/05/2015

For and on behalf of the Board

Sd/-

S. MURALI KRISHNA MURTHY
Managing Director

Sd/-

G. VENKATA RAMANA
Joint Managing Director

Cash Flow from Operation Activities

(Amounts in Indian Rupees)

PARTICULARS	For the year ended 31/03/2015	For the year ended 31/03/2014
Net profit before tax	13,291,837	17,258,880
ADD: Depreciation	16,415,254	15,050,222
ADD: Misc. Expenses	206,656	206,656
ADD: Interest	35,214,707	37,173,046
Less: Interest received	1,238,925	1,260,568
Less: Misc. income	962,809	4,788,576
Operating Profit	62,926,720	63,639,660
Increase in inventories	(2,526,086)	(65,013,898)
Increase in debtors	42,876,715	60,337,651
Increase in loan & advances	(2,428,571)	(3,141,207)
Increase/Decrease in current liabilities	(74,518,916)	(32,489,686)
Cash generated from operations	26,329,862	23,332,519
Less: Tax expense	4,872,103	3,764,561
Less: Interest paid	35,214,707	37,173,046
Cash from operations	(13,756,948)	(17,605,088)
Increase in Investments	-	-
Add: Misc. Income	962,809	4,788,576
Add: Additions to Fixed Assets	9,376	(6,342,127)
Add: Interest Received	1,238,925	1,260,568
Net Cash Used in Investing	2,211,110	(292,983)
Receipts from share capital	-	-
Receipts from new borrowings	17,319,110	9,749,776
Net Cash Used in Financing Activity	17,319,110	9,749,776
Net cash Flow	5,773,272	(8,148,295)
Opening Balance	11,606,518	19,754,813
Add: Opening Balance of Vineet Laboratories on account of Merger	-	-
Net cash Flow	5,773,272	(8,148,295)
Cash and Cash Equivalents	17,379,790	11,606,518

As per our report of even date.

For MATHESH & RAMANA
 Chartered Accountants

Sd/-

B. V. Ramana Reddy
 M. No. 26967 Partner
 F. R. No: 002020S
 Place: Hyderabad
 Date: 30-05-2015

For and on behalf of the Board

Sd/-

S. MURALI KRISHNA MURTHY
 Managing Director
 Sd/-
G. VENKATARAMANA
 Joint Managing Director

NOTES FORMING PART OF FINANCIAL STATEMENTS:.**NOTE 1: CORPORATE INFORMATION:**

Ortin Laboratories Limited ("The Company") was incorporated on 27th October, 1986 and the CIN being L24110AP1986PLC006885. The Company is engaged in the business of Manufacturing and trading of Pharmaceuticals, Drugs and Intermediates.

NOTE 2: SIGNIFICANT ACCOUNTING POLICIES:**a) Basis of Accounting:**

The financial statements have been prepared and presented under the historic cost convention on accrual basis to comply in all material respects with the notified Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The Accounting Policies have been consistently applied by the Company and are consistent with those used in the previous year. All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III of the Companies Act, 2013.

b) Use of Estimates:

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets, and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of Assets or Liabilities in the Future periods.

c) Fixed Assets:

Fixed assets are stated at cost less depreciation. All costs (excluding CENVAT, VAT and Subsidy), including financing costs till commencement of commercial production and adjustments arising from exchange rate variations relating to borrowings attributable to the fixed assets are capitalized.

d) Depreciation:

The Company has provided depreciation for all the assets using straight line method as per the provisions specified in the Schedule II of the Companies Act, 2013.

e) Inventories:

Inventories have been taken as valued and certified by the Management. The basis of valuation is as under:

Raw materials, Stores & Spares - at cost or net realizable value whichever is lower.

Finished goods - at cost or net realizable value on FIFO basis whichever is lower.

f) Retirement benefits:

(i) Company's contribution to provident fund is charged to Profit & Loss Account.

(ii) Provision has been made in accounts for the future payment of gratuity to the employees

of the Company, Pursuant to the payment of Gratuity Act, 1972 however provision has not been made based on the actuarial valuation.

g) Revenue recognition:

Turnover is recognized on dispatch of products and is exclusive of Excise Duty.

Interest income is recognized on accrual basis.

Dividend income is recognized as and when the right to receive the amount is established.

h) Investments:

Current Investments are valued at cost or market price whichever is lower and in the absence of market quotation, cost price is adopted. Long Term Investments are valued at cost.

i) R&D Expenditure:

Capital expenditure is included in the fixed assets and depreciation as per Company's policy.

Revenue expenditure is charged to profit & loss account of the year in which they are incurred and included in the respective heads of expenditure.

j) Borrowing Costs:

Borrowings costs that are directly attributable to the acquisition of qualifying assets are capitalized as part of cost of such asset. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to revenue.

k) Cash Flow Statement:

The Cash Flow Statement has been compiled with and is based on the Balance Sheet as at 31st March, 2015 and the related Profit and Loss Account for the year ended on that date. The Cash Flow Statement has been prepared under the indirect method as set out in the Accounting Standard - 3 on Cash Flow statement issued by ICAI.

l) Accounting for Taxes on Income:

Current Tax: Provision for Current Income Tax is made on the basis of the taxable income for the year as determined in accordance with the provisions of Income Tax Act, 1961.

Deferred Tax: Deferred income tax is recognized, on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. The tax effect is calculated on the accumulated timing differences at the year end based on tax rates and laws. Enacted or substantially enacted as of the Balance Sheet date.

m) Employee Stock Option Scheme:

The company accounts for equity settled stock options as per the accounting treatment prescribed by Securities and Exchange Board of India (share based employee benefits) Regulations, 2014 and the Guidance Note on Employee Share-based Payments issued by the Institute of Chartered Accountants of India.

n) Impairment of Assets:

The management assesses using external and internal sources whether there is any indication that an asset may be impaired. Impairment of an asset occurs where the carrying

value exceeds the present value of cash flow expected to arise from the continuing use of the asset and its eventual disposal. The provision for impairment loss is made when recoverable amount of the asset is lower than the carrying amount.

o) Government Grants & Other Claims:

Revenue grants including subsidy/rebates, refunds, claims etc., are credited to profit & loss account under other income or deducted from the related expenses. Grants related to fixed assets are credited to capital reserves account or adjusted in the cost of such assets as the case may be, as and when the ultimate realisability of such grants etc., are established/realized.

p) Miscellaneous Expenses:

Miscellaneous expenses and expenditure in connection with Public issue and issue of shares are being written off over a period of five years.

q) Provisions and Contingent Liabilities and Contingent Assets:

Provisions in respect of present obligations arising out of past events are made in the accounts when reliable estimate can be made of the amount of obligations and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognized but if material, are disclosed in the notes to accounts. Contingent assets are not recognized or disclosed in the financial statements.

r) Cash and Cash Equivalents:

Cash and cash equivalents comprise of cash at bank and cash in hand. The Company considers all highly liquid investments with an original maturity of three months or less from date of purchase, to be cash equivalents.

s) Leases:

Lease rentals in respect of assets acquired under operating lease are charged to Statement of Profit and Loss.

t) Intangible Assets:

Intangible assets are stated at acquisition cost, net of accumulated amortization and accumulated impairment losses, if any. Intangible assets are amortized as per Accounting Standard 26.

u) Segment reporting:

The accounting policies adopted for segment reporting are in conformity with the accounting policies adopted for the company. Further,

- (i) Inter segment revenue has been accounted for based on the transaction price agreed to between segments which is primarily market based.
- (ii) Revenue and expenses have been identified to segments on the basis of their relationship to the operating activities of the segment. Revenue and expenses, which relate to the company as a whole and are not allocable to segments on a reasonable basis, have been included under "Un-allocated corporate expenses net of un-allocated income".

v) Earnings per share:

Basic earnings per share is calculated by dividing the net profit for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The number of shares used in computing diluted earnings per share comprises the weighted average number of shares considered for deriving basis earning per share and also the weighted average number of equity shares, which may be issued on the conversion of all dilutive potential shares, unless the results would be anti dilutive.

w) Foreign Currency Transactions:

Transactions in foreign currency are recorded at the exchange rate prevailing on the date of the transaction. Net exchange gain or loss resulting in respect of foreign exchange translations settled during period is recognized in the profit & loss account except for the net exchange gain or loss on account of imported fixed assets, which is adjusted in the carrying amount of the related fixed assets. Foreign currency denominated current assets and current liabilities at the period end are translated at the period end exchange rates and the resulting net gain or loss is recognized in the profit & loss account, except for exchange difference related to fixed assets purchased from foreign countries is adjusted in the carrying amount of related fixed assets.

NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31, 2015

(All amounts in Indian Rupees except as otherwise stated)

3. SHARE CAPITAL

	As at 31/03/2015	As at 31/03/2014
Authorised: 2,00,00,000 equity shares of Rs.10/-each	200,000,000	200,000,000
	200,000,000	200,000,000
Issued, subscribed and fully paid-up: 1,69,40,400 equity shares of Rs.10/- each fully paid-up	169,404,000	169,404,000
Total issued, subscribed and fully paid up share capital	169,404,000	169,404,000

(a) Reconciliation of the shares outstanding at the beginning and at the end of the year

	As at 31/03/2015		As at 31/03/2014	
	No's	Amount	No's	Amount
Equity shares of Rs. 10/-each fully paid				
At the beginning of the year	16,940,400	169,404,000	16,940,400	169,404,000
Issued during the year	-	-	-	-
Outstanding at the end of the year	16,940,400	169,404,000	16,940,400	169,404,000

(c) Details of share holders holding more than 5% shares in the Company

Name of the shareholder	As at 31/03/2015		As at 31/03/2014	
	No's	% holding	No's	% holding
Equity shares of Rs. 10/- each fully paid				
Venkata Ramana Gaddam	948,470	5.60%	948,470	5.60%
Venkata Rama Gaddam	964,600	5.69%	964,600	5.69%

4. RESERVES AND SURPLUS

	As at 31/03/2015	As at 31/03/2014
Share Forfeiture Reserve		
Balance, at the beginning of the year	6,452,500	6,452,500
Add: Amount received during the year	-	-
Balance, at the end of the year	6,452,500	6,452,500
Capital Reserve		
Balance, at the beginning of the year	2,122,500	2,122,500
Balance, at the end of the year	2,122,500	2,122,500
Surplus in the statement of profit and loss		
Balance, at the beginning of the year	41,641,282	29,777,060
Add: Excess provision written back	-	-
Add: Profit for the year	8,979,234	11,864,222
Less: Proposed Dividend	-	-
Less: Dividend Distribution tax on Proposed Dividend	-	-
Less: Adjustment to Fixed Assets on account of new provisions under chapter II of Companies Act, 2013	4,212,982	-
Net surplus in the statement of profit and loss	46,407,534	41,641,282
Total reserves and surplus	54,982,534	50,216,282

5. LONG TERM BORROWINGS

	Non-current portion		Current maturities	
	As at 31/03/2015	As at 31/03/2014	As at 31/03/2015	As at 31/03/2014
Term loan from Banks (Secured)	20,956,220	5,758,711	11,472,000	6,265,015
Term Loan from Financial Institutions (Unsecured)	-	-	-	-
Vehicle Loan from Banks (Secured)	1,749,454	1,413,608	715,967	388,671
Interest Free Sales Tax Loan from Govt. of A.P	1,115,966	1,115,966	-	-
Unsecured				
From Directors & their relatives	25,633,922	10,218,876	-	-
Loan from others	-	9,484,646	-	-
	49,455,562	27,991,807	12,187,967	6,653,686

Security Details

Term Loan from Bank is Secured by hypothecation of Fixed Assets and Personal Guarantee of directors of the company excluding Honorary directors. The Company availed Rs.62,08,841/- out of total Sanction of Rs.140 lakhs during the year 2013-14. The Loan is repayable in 80 equated monthly instalments of Rs 1,75,000/- each, due to short availment of term loan the due date may be much earlier. The Loan carried interest @ (BR+ 4.5%)% p.a. The Company also availed a fresh loan of Rs.270 lakhs during the year. The Loan is repayable in 54 equated monthly instalments of Rs 5,00,000/- each. The Loan carried interest @ (BR+ 4.5%)% p.a.

Vehicle Loan from Bank is secured by hypothecation of vehicle financed.

6. DEFERRED TAX LIABILITIES (NET)

	As at 31/03/2015	As at 31/03/2014
Opening Balance	29,775,241	28,145,144
Add: Deferred Tax for the year	(559,500)	1,630,097
Total	29,215,741	29,775,241

7. OTHER LONG-TERM LIABILITIES

	As at 31/03/2015	As at 31/03/2014
Security Deposit	20,650	20,650
	20,650	20,650

8. PROVISIONS

	Long Term		Short Term	
	As at 31/03/2015	As at 31/03/2014	As at 31/03/2015	As at 31/03/2014
Provision for Taxation				
Provision for Income Tax	-	-	4,872,103	3,764,561
Add: Interest on Income Tax	-	-	5,534	86,566
Less: MAT Credit Utilised	-	-	166,332	380,344
Less: TDS	-	-	4,627,281	2,600,818
	-	-	84,024	869,965
Provision for employee benefits (Gratuity)	1,427,266	1,107,363	-	-
Proposed Dividend	-	-	14,690	14,690
Dividend Distribution tax on Proposed Dividend	-	-	-	-
	1,427,266	1,107,363	98,714	884,655

9. SHORT-TERM BORROWINGS

	As at 31/03/2015	As at 31/03/2014
Secured		
Cash Credit from Banks (Secured)	148,021,215	152,165,860
Unsecured		
From Directors & their relatives	-	-
Loan from others	-	-
	148,021,215	152,165,860

- b) Cash Credit form Karnataka Bank Limited is secured by present and future raw materials, semi finished goods, finished goods, stores and secured second charge on Fixed Assets of the Company and further secured by personal guarantee of promoter Directors.

10. TRADE PAYABLES

	As at 31/03/2015	As at 31/03/2014
Trade payables	168,482,065	263,868,560
	168,482,065	263,868,560

11. OTHER CURRENT LIABILITIES

	As at 31/03/2015	As at 31/03/2014
Current maturities of secured long term borrowings (refer note 4)	12,187,967	6,653,686
Customers credit balance	23,560,917	12,178,108
Bills Payable	4,194,529	-
Staff Creditors	2,299,931	1,672,913
Outstanding Liability for Expenses	9,328,078	9,733,097
	51,571,422	30,237,804

**12. SCHEDULE FORMING PART OF ACCOUNTS
SCHEDULE - E: FIXED ASSETS**

S. No.	PARTICULARS	GROSS BLOCK			TRANSFER TO RETAINED EARNINGS	DEPRECIATION			NET BLOCK		
		Cost as on 01/04/2014 Rupees	Additions Rupees	Deletions Rupees		Cost as on 31/3/2015 Rupees	Upto 01/04/2014 Rupees	For the year Rupees	Deletions Rupees	Upto 31/3/2015 Rupees	As on 31-03-2014 Rupees
1	Land.	5,356,926	-	0	-	-	-	-	-	5,356,926	5,356,926
2	Factory building.	62,550,251	-	0	62,550,251	102,747	2,083,523	-	14,655,013	47,895,238	50,081,508
3	Administrative building.	1,072,658	-	0	1,072,658	-	18,011	-	270,360	802,298	820,309
4	Plant & machinery	208,461,035	528,652	0	208,989,687	3,028,140	10,675,032	-	61,610,755	147,378,931	160,553,451
5	Testing equipment.	7,739,205	20,000	0	7,759,205	21,500	383,563	-	2,682,253	5,076,952	5,462,035
6	Furniture & fixtures.	2,781,411	37,896	0	2,819,307	22,402	191,861	-	2,171,864	647,443	823,810
7	Electrical fittings	9,146,756	-	0	9,146,756	516,851	1,397,521	-	4,889,949	4,256,807	6,171,179
8	Vehicles.	11,729,352	2,123,671	474,4516	9,108,507	-	1,141,227	1,889,346	4,737,420	4,371,087	6,243,813
9	Other assets.	2,804,639	49,950	0	2,854,589	-	143,626	-	1,275,204	1,579,385	1,673,061
10	Computer.	3,986,453	85,625	0	4,072,078	442,173	110,671	-	3,974,230	97,848	565,067
11	Modiverox.	205,400	-	0	205,400	46,906	104,356	-	195,393	10,007	161,269
12	Generator Set	311,801	-	0	311,801	32,263	-	-	311,801	(0)	32,263
13	Air conditioner.	1,573,310	-	0	1,573,310	-	165,843	-	701,329	871,981	1,037,824
14	Capital Work in Progress	-	-	0	-	-	-	-	-	-	-
	TOTAL	317,719,196	2,845,794	474,4516	315,820,474	4,212,982	16,415,254	1,889,346	97,475,570	218,344,904	238,982,516
	PREVIOUS YEAR	312,276,596	7,652,460	1717316	318,211,740	-	15,050,222	406,983	79,229,224	238,982,516	247,690,610

13 LOANS AND ADVANCES

	Non-current (Long term)		Current (Short term)	
	As at 31/03/2015	As at 31/03/2014	As at 31/03/2015	As at 31/03/2014
Unsecured, considered good				
Trade and other deposit	3,247,909	3,201,381	1,721,447	2,131,776
Loan and advances to related parties	-	1,253,000	-	-
Prepaid Expenses	-	-	217,902	715,483
Other loans & Advances	17,274,051	17,253,500	22,695,210	18,065,830
	20,521,960	21,707,881	24,634,559	20,913,089

14 INVESTMENTS

	Non-current (Long term)		Current (Short term)	
	As at 31/03/2015	As at 31/03/2014	As at 31/03/2015	As at 31/03/2014
Investment in Equity Instruments(At cost)	38,761	38,761		
Investment in Mutual Funds (At Cost)	300,000	300,000	-	
	338,761	338,761	-	-

15 OTHER CURRENT ASSETS

	Non current		Current	
	As at 31/03/2015	As at 31/03/2014	As at 31/03/2015	As at 31/03/2014
Unsecured, considered good				
Interest Receivable	-	-	339,495	280,141
Excise Duty Claim Receivable on Export	-	-	2,794	2,794
Commercial Tax 2000-01	-	-	-	-
Commercial Tax 2001-02	-	-	-	-
MAT Credit	-	-	-	166,332
Preliminary Expenses to the extent not written off	-	-	-	206,656
	-	-	342,289	655,923

16 INVENTORIES

	As at 31/03/2015	As at 31/03/2014
Finished goods & WIP	20,889,961	19,567,500
Raw material	195,856,396	194,524,041
Stores & Spares	3,008,222	3,136,952
	219,754,579	217,228,493

17 TRADE RECEIVABLES

	As at 31/03/2015	As at 31/03/2014
Unsecured, considered good		
Outstanding for a period not exceeding six months from the date they are due for payments	44,351,676	164,921,543
Others	127,010,651	49,317,499
	171,362,327	214,239,042

18 CASH AND BANK BALANCES

	Non current		Current	
	As at 31/03/2015	As at 31/03/2014	As at 31/03/2015	As at 31/03/2014
Cash and cash equivalents				
Balances with banks on current account	-	-	1,609,955	1,180,584
Balance with banks in Fixed Deposits/Term Deposit	-	-	856,124	791,905
Cash on hand	-	-	5,813,283	613,601
	-	-	8,279,362	2,586,090
Other bank balances				
Margin money deposits against Letter of Credit	-	-	9,100,428	9,020,428
	-	-	17,379,790	11,606,518
Less: Amount disclosed under non current assets	-	-	-	-
	-	-	17,379,790	11,606,518

19 REVENUE FROM OPERATIONS

	For the year ended 31/03/2015	For the year ended 31/03/2014
A) Sales(Net)		
Domestic sales	435,440,246	615,729,394
Export sales	-	-
	435,440,246	615,729,394
Less : Excise Duty	43,008,467	49,117,292
	392,431,778	566,612,102
B) Other operating revenues		
Job work Receipts	211,693,791	104,751,984
	211,693,791	104,751,984
	604,125,569	671,364,086

ORTIN LABORATORIES LIMITED

20 OTHER INCOME

	For the year ended 31/03/2015	For the year ended 31/03/2014
Interest Received	1,238,925	1,260,568
Profit on Foreign Exchange Fluctuation	-	-
Discount on Purchase	57,455	588,421
Sale of Scrap	2,000	30,000
Dividend	3,016	3,016
Service Charges Income	27,103	64,281
Subsidy on Electrical Charges	-	303,950
Commission on Sales	811,800	966,240
Miscellaneous Income	61,435	609,047
Insurance Claim Received	-	77,530
Waiver on Electricity Supplementary Charges	-	2,146,091
	2,201,734	6,049,144

21 COST OF MATERIALS CONSUMED

	For the year ended 31/03/2015		For the year ended As at 31/03/2014	
Inventory at the beginning of the year		194,524,041		135,658,254
Add: Purchases	420,045,828		552,155,503	
Less: Returns	196,573	419,849,255	295,476	551,860,027
		614,373,296		687,518,281
Less: inventory at the end of the year		195,856,396		194,524,041
		418,516,900		492,994,240

22 (INCREASE)/DECREASE IN INVENTORY

	For the year ended 31/03/2015	For the year ended 31/03/2014
Opening stock of inventories		
Work-in-Progress/Finished goods	19,567,500	13,190,846
	19,567,500	13,190,846
Closing stock of inventories		
Work-in-Progress/Finished goods	20,889,961	19,567,500
	20,889,961	19,567,500
	(1,322,461)	(6,376,654)

23 EMPLOYEE BENEFIT EXPENSES

	For the year ended 31/03/2015	For the year ended 31/03/2014
Salaries, wages and allowances	13,297,909	13,716,386
Directors Remuneration	6,755,920	7,605,834
Contribution to provident and other funds	1,586,890	1,639,803
Gratuity expense	319,903	216,178
Staff welfare expenses	2,146,275	2,334,820
	24,106,897	25,513,021

24 OTHER EXPENSES

	For the year ended 31/03/2015		For the year ended 31/03/2014	
Rates and taxes		450,925		389,192
Insurance		796,239		373,394
Legal and Professional charges		1,589,619		1,795,736
ROC Expenses		9,000		40,000
Stamp Duty		140,300		2,600
Communication expenses		689,988		909,535
Travel & conveyance expenses		1,297,698		2,141,435
Rent Office & Godown		227,928		304,504
Power & Fuel		45,453,677		38,489,198
Sales & Business Promotion		670,948		1,338,233
Payment to Auditors				
Statutory audit		250,000		250,000
Tax audit		30,000		30,000
Taxation and Other Matters		20,000		20,000
Cost Audit Fees		40,000		60,000
Repairs & Maintenance Expenses		7,464,916		8,878,835
Consumption of Stores				
Inventory at the beginning of the year		3,136,952		3,365,495
Add: Purchases		6,036,102		5,693,469
		9,173,054		9,058,964
Less: inventory at the end of the year		3,008,222	6,164,832	3,136,952
Discount & Rebate		1,172,460		1,389,970
Freight & Transportation		2,117,560		4,416,145
Labour Wages		21,353,033		23,353,578
Security Charges		1,803,059		1,894,247
Printing & Stationery		762,494		817,438
Miscellaneous expenses		4,028,219		3,664,400
Job Work Charges		1,076,630		1,640,405
Loss On Foreign exchange fluctuation		43,248		-
Customs Duty		-		-
Forfeited Land Advance		-		-
Miscellaneous expenses written off		206,656		206,656
		97,859,428		98,327,513

25 FINANCE COST

	For the year ended 31/03/2015	For the year ended 31/03/2014
Interest on fixed period loans	2,240,371	2,431,074
Interest on working capital loans	24,766,544	22,693,543
Interest on Late payment of Taxes	201,380	193,938
Interest - Others	321,768	20,935
Bank charges (including loan processing charges)	1,308,203	1,356,616
Interest on Income Tax	5,534	86,566
LC & Bill discounting Charges	6,370,907	10,390,374
	35,214,707	37,173,046

26. SALES TAX DEFERMENT:

The sales tax deferment liability amounting to Rs. 11,15,966/- shown under Unsecured Loans are due for repayment from the financial year 2019 onwards. The Government of Andhra Pradesh has granted Sales Tax Deferment for a period of 14 years.

27. FOREIGN EXCHANGE TRANSACTIONS:

Particulars	31 March 2015 Rupees
a. Value of imports	23,06,752

During the year, there was a foreign exchange loss of Rs. 43,248/- to the company.

28. MANAGERIAL REMUNERATION:

	31 March 2015 Rupees
1. Sri. S. MURALI KRISHNA MURTHY	15,00,000
2. Sri. S. MOHAN KRISHNA MURTHY	9,60,000
3. Sri. S. BALAJI VENKATESWARLU	9,60,000
4. Sri. S. SRINIVAS KUMAR	9,60,000
5. Sri. G. VENKATA RAMANA	15,00,000
6. Sri. B. H. SATYANARAYANARAJU	9,60,000

The above figures do not include Sitting fee paid and provision for gratuity and leave encashment.

29. REMUNERATION TO AUDITORS:

	31 March 2015 Rupees
Audit Fee	2,50,000
Tax Audit Fee	30,000
For taxation and other matters	20,000
TOTAL	3,00,000

30. CONTINGENT LIABILITIES:

- a) The contingent liabilities as on 31st March, 2015 are as follows:
- Letters of Credit worth Rs. 600.00 lacs were outstanding at the end of the year.
 - With respect to Income Tax Scrutiny Assessment, the department raised a demand of Rs. 12.74 Crores for the F. Y. 2011-12. The company has filed an appeal and the same is pending with the Income Tax Department.
 - Mumbai sales tax authorities raised a demand of Rs. 76.74 lacs for the F. Y. 2008-09. The company filed an appeal and the same is pending before the authorities.
 - Excise Department raised a demand of Rs. 10.03 lacs for the F.Y. 2010-11 and F.Y.2011-12. The company filed an appeal and the same is pending for disposal.
- b) Estimated amount of contracts remaining to be executed on Capital Accounts and not provided for - NIL

31. DEFERRED TAX :

	31 March 2015 Rupees
In Conformity with the Accounting Standard 22 on Accounting for Taxes on income issued by Institute of Chartered Accountants of India, during the year the Company has provided for the Net Deferred Tax Liability/ Assets in the books of account.	
Net Block as per Companies Act	21,83,44,904
Net Block as per Income Tax Act	12,82,97,928
Timing Difference	9,00,46,976
Net Tax Liability as on 31-03-2015	2,92,15,741
Less: Deferred Tax Liability as on 31-03-2014	2,97,75,241
Effect on Profit and Loss Account (Deferred Tax for the year)	(5,59,500)

Deferred tax liability represents timing differences in depreciation on fixed assets.

32. EARNINGS PER SHARE:
(A) BASIC EARNING PER SHARE

i. Number of equity shares outstanding at the beginning of the year.	1,69,40,400
ii. Number of equity shares issued during the year.	NIL
iii. Total number of equity shares outstanding at the end of the year.	1,69,40,400
iv. Profit available to share holders.	89,79,234
v. Basic Earning per Share. (face value Rs. 10/-)	0.53

(B) DILUTED EARNING PER SHARE

i. Number of equity shares outstanding as per Point No. iii above.	1,69,40,400
ii. Weighted average number of potential equity shares outstanding	NIL
iii. Weighted average number of shares outstanding	1,69,40,400
iv. Profit available to share holders	89,79,234
v. Basic Earning per Share (face value Rs. 10/-)	0.53

33. RELATED PARTY TRANSACTIONS:

Disclosure as required by Accounting Standard AS 18: Related party disclosures issued by the Institute of Chartered Accountant of India (ICAI) are as follows:

Sl. No.	Name of the Related Party	Relation	Nature of Transaction	Volume of Transaction (₹.)	Closing Balance Closing Balance as on 31/03/2015 (₹.)
1.	Sri Sai Krishna Marketing Associates	Associate Firm	Sales Purchases	73,74,342/- 29,90,962/-	19,029/- Dr.
2.	Ortin Biotech Private Limited	Associate Company	Intercompany Deposits	12,53,000/-	NIL
3.	Wohler Laboratories Private Limited	Associate Company	Sales Purchases	1,64,096/- 3,10,87,902/-	1,59,74,477/- Dr.
4.	S. Balaji Venkateshwarlu	Director	Unsecured Loan	7,00,000/-	16,90,500/- Cr.
5.	S. Mohan Krishna Murthy	Director	Unsecured Loan	9,50,000/-	19,40,500/- Cr.
6.	S. Murali Krishna Murthy	Managing Director	Unsecured Loan	22,56,000/-	30,21,500/- Cr.
7.	S. Srinivas Kumar	Director	Unsecured Loan	17,65,000/-	24,05,500/- Cr.
8.	Bh.Satyanarayana Raju	Director	Unsecured Loan	27,59,400/-	13,43,245/- Cr.

34. SEGMENT REPORTING:

The Company is engaged in the manufacture of Drug Intermediates and Pharmaceuticals. Accounting Standard 17 "Segment Reporting" issued by the Institute of Chartered Accountants of India is not applicable.

35. SHARE CAPITAL:

The authorized capital of the company is Rs. 20,00,00,000/- divided into 2,00,00,000 equity shares of Rs. 10/- each.

Shareholders' funds of Rs. 16,94,04,000/- are divided into 1,69,40,400 equity shares of Rs. 10/- each.

36. The cash balance as on 31/03/2015 amounts to Rs.58,13,283/- which given the nature of the business of the company is relatively on higher side. Since we could not undertake physical verification of cash on 31/03/2015, we have relied upon the certificate issued by the management in this regard.

37. In the view of Management, no event has taken place to trigger the need for testing its assets for impairment. Accordingly, as per the management's assessment, the carrying values of its assets as at the Balance sheet date are not higher than their corresponding recoverable amounts.

- 38.** In the opinion of the Board the Current assets, Loans and advances are approximately of the value stated if realized in the ordinary course of the business. The provision for depreciation and all known liabilities are adequate and not in excess of the amount considered reasonably necessary.
- 39.** Confirmation of balances has not been received from any of the Creditors, Debtors and for Loans & Advances, which are subject to reconciliation. Provision for doubtful debts, if any, in respect of the above and the consequential adjustment, if any, whether of revenue nature or otherwise, will be dealt accordingly.
- 40.** DISCLOSURE UNDER MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006:
As regards to the compliance of provisions relating to the dues to Micro, Small and Medium Enterprises in terms of Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006, the Company has sent letters to the Creditors to confirm whether they are Micro, Small and Medium Enterprises. The Company is yet to receive the confirmations from them. Hence, the Company could not quantify the dues, if any to the Micro, Small and Medium Enterprises.
- 41.** ADDITIONAL INFORMATION PURSUANT TO PARAGRAPHS 3 & 4 OF PART II OF SCHEDULE III TO THE COMPANIES ACT 2013, (AS CERTIFIED BY A DIRECTOR):
- A. PARTICULARS IN RESPECT OF GOODS MANUFACTURED:**
Since the products involved are voluminous, according to the management it is not possible to give product wise details.
- B. STOCKS, PURCHASES & SALES OF FINISHED GOODS:**
Since the products involved are voluminous, according to the management it is not possible to give product wise details.
- 42.** The company has not proposed any dividend for the year under review.
- 43.** During the year the company has amortized 20% of preliminary expenses i.e. Rs. 2,06,656/-.
- 44.** The undisputed statutory dues payable pending as at 31/03/2015 for more than six months are Service Tax of Rs. 31,29,376/-, Sales Tax of Rs. 2,03,704/-.
- 45.** An amount of Rs. 14,690/- is outstanding in the books under dividend payable account pertaining to the F.Y. 2012-13 which has to be transferred to unpaid dividend account of the concerned year.
- 46.** During the year the following provisions were made:

Particulars	Rupees
Current Tax	48,72,103
Previous Year's Tax adjustment	41,275

ORTIN LABORATORIES LIMITED

47. During the year the Company has made Rs.3,19,903/- towards Provision for Gratuity. The Company has not complied actuarial valuation referred in the Accounting Standard 15 "Accounting for Retirement Benefits in the financial Statement of Employers".

Particulars	Rupees
Opening Balance as on 01/04/2014	11,07,363
Add: Provision made during the year	3,19,903
Closing Balance as on 31/03/2015	14,27,266

48. The company's investments are stated at cost price in financial statements.

S. No	Name of the fund	No. of Shares	Cost In Rupees	Market price In Rupees
1.	Welcure Drugs	300	3,000	435
2.	Karnataka Bank Ltd	754	30,761	93,948
3.	Manikanta Bank	100	5,000	(unquoted)
4.	DSP Block Rock		3,00,000	6,04,723

Investments were stated at cost price in the financial statements.

49. Disclosure under clause 32 of the Listing Agreement:

(a) Loans and Advances in the nature of Loans to Subsidiary Company	NIL
(b) Loans and Advances in the nature of Loans to Associate Company	NIL
(c) Loans and Advances in the nature of Loans where there is:	
(i) No repayment schedule or repayment beyond 7 years	NIL
(ii) No interest or interest below section 186 of Companies Act	NIL
(d) Loans and Advances in the nature of Loans to firms/companies In which directors are interested	NIL
(e) Investment by the Loanee in the shares of the parent company And subsidiary company, when the company has made a loan Or advance in the nature of loan	NIL

50. Previous year figures have been regrouped and rearranged wherever necessary.

51. All the amounts are rounded off to the nearest rupee.

As per our attached report of even date

For MATHESH & RAMANA
CHARTERED ACCOUNTANTS

Sd/-

B.V. RAMANA REDDY
M. No. 26967
Partner

PLACE: HYDERABAD
DATED: 30-05-2015

On behalf of the Board

For ORTIN LABORATORIES LIMITED
Sd/-

S. MURALI KRISHNAMURTHY
Managing Director
Sd/-

G. VENKATA RAMANA
Joint Managing Director

Form No. MGT-11

Proxy form

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN: L24110AP1986PLC006885
Name of the company: Ortin Laboratories Limited
Registered office: Flat No.502, Palem towers, Barkatpura, Hyderabad-500 027. Telangana

I/We, being the member (s) of shares of the above named company, hereby appoint

1. Name :
Address :
E-mail Id :
Signature:, or failing him
2. Name :
Address :
E-mail Id :
Signature:, or failing him
3. Name :
Address :
E-mail Id :
Signature:

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 28th Annual General Meeting of the company, to be held on the Wednesday, the 30th September, 2015 at 11.00 A.M. at the Registered office of the Company at Flat No. 502, Palem Towers, Barkatpura, Hyderabad – 500 027 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.

1. Approval of financial statements for the year ended 31.03.2015.
2. Appointment of Mr. S. Mohan Krishna Murthy as Director who retires by rotation
3. Appointment of Mr. S. Balaji Venkateswarlu as Director who retires by rotation
4. Appointment of statutory auditors and fixation of their remuneration
5. Appointment of Ms. Lakshmi Sravani as a Director of the Company
6. Re-Appointment of Mr. S. Mohan Krishna Murthy as a Whole-time Director
7. Re-Appointment of Mr. S. Balaji Venkateswarlu as a Whole-time Director
8. Re-Appointment of Mr. S. Srinivasa Kumar as a Whole-time Director
9. Re-Appointment of Mr. Satyanarayana Raju Bhupatiraju as a Whole-time Director cum CFO
10. Adoption of new articles as per Table F of the Companies Act, 2013

Signed this day of..... 2015

Signature of shareholder

Signature of Proxy holder(s)

Affix
Revenue
Stamp

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.



ORTIN LABORATORIES LIMITED

Flat No. 502, Palem towers, Barkatpura, Hyderabad - 500 027, Telangana

ATTENDANCE SLIP

(Please present this slip at the Meeting venue)

I hereby record my presence at the 28th Annual General Meeting of the members of the company to be held on Wednesday, the 30th September, 2015 at 11.00 A.M. at the Registered office of the Company at Flat No. 502, Palem Towers, Barkatpura, Hyderabad – 500 027.

Shareholders/Proxy's Signature_____

Shareholders/Proxy's full name_____

(In block letters)

Folio No. / Client ID_____

No. of shares held_____

Note: Shareholders attending the meeting in person or by proxy are required to complete the attendance slip and hand it over at the entrance of the meeting hall.

Book Post

If undelivered, please return to :



ORTIN LABORATORIES LIMITED

Flat No.502, Palem Towers, Barkatpura, Hyderabad-500 027,
Telangana, India

Ph : +91 40 27562055, Fax : +91 40 66103055

E-mail : info@ortinlabsindia.com

Website : www.ortinlabsindia.com