




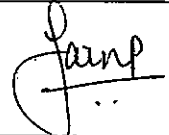
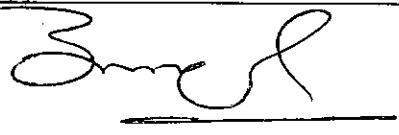

# Makers Laboratories Ltd.

Regd. Office : 54-D, Kandivli Indl. Estate, Kandivli (West), Mumbai - 400 067

CIN:L24230MH1984PLC033389, website: [www.makerslabs.com](http://www.makerslabs.com), e-mail: [makers@makerslabs.com](mailto:makers@makerslabs.com)

## FORM A

### FORMAT OF COVERING LETTER OF THE ANNUAL AUDIT REPORT TO BE FILED WITH THE STOCK EXCHANGES

1.	Name of the Company	Makers Laboratories Limited
2.	Annual financial statements for the year ended	31 <sup>st</sup> March, 2014
3.	Type of Audit observation	Un-qualified
4.	Frequency of observation	Not Applicable
5.	To be signed by:	
	• CEO / Managing Director	
	• CFO	
	• Auditor of the Company	
	• Audit Committee Chairman	



**ANNUAL REPORT 2013-14**

**MAKERS LABORATORIES LIMITED**



## Five Years' Highlights

(₹ Lacs)

	2009-10	2010-11	2011-12	2012-13	<b>2013-14</b>
Total Income*	4631.33	5466.37	6300.23	6314.16	<b>6892.03</b>
Profit/(Loss) Before Tax	464.27	513.20	(64.52)	348.83	<b>118.75</b>
Profit/(Loss) After Tax	279.74	345.44	(57.21)	244.14	<b>59.56</b>
Share Capital	434.55	491.70	491.70	491.70	<b>491.70</b>
Reserves & Surplus	978.23	1552.12	1494.91	1739.05	<b>1798.61</b>
Net Worth	1412.78	2043.82	1986.61	2230.75	<b>2290.31</b>
Net Block	620.29	1212.16	1238.08	1226.78	<b>1385.05</b>
Earnings Per Share (₹)	6.44	7.03	(1.16)	4.97	<b>1.21</b>
Book Value Per Share (₹)	32.51	41.57	40.40	45.37	<b>46.58</b>

\*Net of Excise Duty and Sales Tax

**BOARD OF DIRECTOS**

K. C. Jain - Director  
Sudarshan Loyalka - Director  
Dr. Rajeshwar Singh - Director  
Purnima Jain - Wholetime Director  
Saahil Parikh - Wholetime Director

**COMPANY SECRETARY**

Khushbu Thakkar

**AUDITORS**

Agarwal & Mangal  
Chartered Accountants  
34, Upper Basement, Dheeraj Heritage,  
S.V. Road, Near Milan Junction,  
Santacruz (W), Mumbai - 400 054

**COST AUDITORS**

Kale & Associates  
Cost Accountants  
703, Sushila CHS,  
Kaka Sohni Marg,  
Off Gadkari Marg,  
Thane (West) 400 602

**BANKERS**

Axis Bank Ltd.

**REGISTERED AND ADMINISTRATIVE OFFICE**

54-D, Kandivli Industrial Estate,  
Charkop, Kandivli (West),  
Mumbai 400 067.

**REGISTRAR & SHARE TRANSFER AGENT**

Link Intime India Pvt. Ltd.  
C-13, Pannalal Silk Mills Compound,  
L.B.S. Marg, Bhandup (West),  
Mumbai-400 078.

**WORKS**

1. A-163, Phase-1,  
MIDC, Dombivli (E) - 421 203,  
Dist. Thane,  
Maharashtra.
2. Plot No. 29/3, Phase III,  
GIDC Industrial Estate,  
Naroda, Ahmedabad 382 330  
Gujarat.

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NOTICE is hereby given that the 29<sup>th</sup> ANNUAL GENERAL MEETING of Makers Laboratories Limited will be held at Plot No. 47, Kandivli Industrial Estate, Opposite Anand Mangal Hall, Charkop, Kandivli (West), Mumbai-400 067 on Monday, 28<sup>th</sup> July, 2014 at 4.00 p.m. to transact the following business.

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Balance Sheet as at 31<sup>st</sup> March, 2014 and the Statement of Profit & Loss Account for the year ended on that date together with the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Mrs. Purnima Jain (DIN 00937041) who retires by rotation and being eligible, offers herself for re-appointment.
3. To appoint Auditors until the conclusion of the next Annual General Meeting and to fix their remuneration.

**SPECIAL BUSINESS:**

4. 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 149, 152 and any other applicable provisions of the Companies Act, 2013 (Act) and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr. K C Jain (DIN 00021239), a non-executive Director of the Company who has submitted a declaration that he meets the criteria of independence as provided in Section 149 (6) of the Act and who is eligible for appointment be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years up to 31<sup>st</sup> March, 2019.”

5. 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 149, 152 and any other applicable provisions of the Companies Act, 2013 (Act) and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr. S.V. Loyalka (DIN 00016533), a non-executive Director of the Company who has submitted a declaration that he meets the criteria of independence as provided in Section 149 (6) of the Act and who is eligible for appointment be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years up to 31<sup>st</sup> March, 2019.”

6. 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 149, 152 and any other applicable provisions of the Companies Act, 2013 (Act) and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Dr. Rajeshwar Singh (DIN 00347864), a non-executive Director of the Company who has submitted a declaration that he meets the criteria of independence as provided in Section 149 (6) of the Act and who is eligible for appointment be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years up to 31<sup>st</sup> March, 2019.”

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

“RESOLVED THAT in supersession of the resolutions earlier passed in this regard and subject to the provisions of sub-section (i) (a) and (c) of Section 180 of the Companies Act, 2013, the consent of the Company be and is hereby accorded to the Board of Directors to borrow any sum or sums of money from time to time which together with the monies already borrowed by the Company (apart from temporary loans obtained from the Company’s bankers in the ordinary course of business) may exceed at any time the aggregate of the paid-up capital of the Company and its free reserves (that is to say,

reserves not set apart for any specific purpose), provided that the total amount so borrowed shall not at any time exceed the limit of ₹ 25 crores (Rupees Twenty Five Crores).

RESOLVED FURTHER that the consent of the Company be and is hereby also accorded to the Board of Directors of the Company to mortgage and/or charge the whole or substantially the whole of the undertakings of the Company to secure the borrowings on such terms and conditions as the Board of Directors of the Company may consider to be in the interest of the Company.

RESOLVED FURTHER that the Board of Directors of the Company be and are hereby authorised to do all such acts, deeds, matters and things that may be necessary, desirable or expedient for giving effect to this resolution”.

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

“RESOLVED THAT M/s. Kale & Associate, Cost Accountants (ICWA Registration No. 17869) who have been appointed as the Cost Auditors of the Company to conduct the audit of the cost records for the financial year 2014-15 be paid remuneration of ₹ 60,000 (Rupees Sixty Thousand Only) plus service tax and reimbursement of traveling and other out of pocket expenses.”

## **NOTES**

- (1) **A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and a proxy need not be a member of the Company. Proxies, in order to be effective must be received at the registered office of the Company not less than 48 hours before the commencement of the meeting. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company. In case a proxy is proposed to be appointed by a member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.**
- (2) The Register of Members and Share Transfer Books of the Company will remain closed from Tuesday, 22<sup>nd</sup> July, 2014 to Monday, 28<sup>th</sup> July, 2014 both days inclusive.
- (3) The information required to be provided under Clause 49 of the Listing Agreement with the Stock Exchanges regarding the directors retiring by rotation and eligible for re-appointment as well as directors being appointed is furnished in the Report on Corporate Governance.
- (4) Members are requested to:
  - (a) intimate to the Company / their Depository Participant (“DP”), changes, if any, in their registered address at an early date;
  - (b) quote their Registered Folio No. and/or DP Identity and Client Identity number in their correspondence;
  - (c) bring their copy of the Annual Report and the Attendance Slip with them at the Annual General Meeting.
  - (d) The Ministry of Corporate Affairs (MCA) on 10<sup>th</sup> May, 2012 notified the IEPF (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012 (IEPF Rules) which is applicable to the Company. The objective of the IEPF Rules is to help the shareholders ascertain status of the unclaimed amounts. In terms of the said IEPF Rules, the Company has uploaded the information of the unclaimed dividends, on the website of the Company, viz. [www.makerslabs.com](http://www.makerslabs.com)
- (5) All documents referred in the notice will be available for inspection by the members at the Registered Office of the Company during working hours on all working days (excluding Saturday) upto the date of the Annual General Meeting and shall also be placed before the members at the said Annual General Meeting.

- (6) Explanatory statement under Section 102 of the Companies Act, 2013 in respect of special business at item 4, 5, 6, 7 & 8 is annexed hereto.
- (7) Electronic copy of the Notice of the 29<sup>th</sup> Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip, Proxy Form and Ballot Form is being sent to all the members whose e-mail IDs are registered with the Company / Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the notice of the 29<sup>th</sup> Annual General Meeting of the Company inter alia indicating the process and manner of e-voting alongwith Attendance Slip, Proxy Form and Ballot Form is being sent in the permitted mode.
- (8) Voting through electronic means:

- I. 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 29<sup>th</sup> Annual General Meeting (AGM) by electronic means and the business may be transacted through e-voting system provided by National Securities Depository Limited (NSDL):

The instructions for e-voting are as under:

- A. In case a Member receives an email from NSDL [for members whose email IDs are registered with the Company/Depository Participants]:
  - (a) Open email and open PDF file viz; “Makers Laboratories e-voting.pdf” with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for e-voting. Please note that the password is an initial password.
  - (b) Launch internet browser by typing the following URL: <https://www.evoting.nsd.com/>
  - (c) Click on Shareholder – Login
  - (d) Put user ID and password as initial password/PIN noted in step (a) above. Click Login.
  - (e) Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
  - (f) Home page of e-voting opens. Click on e-Voting: Active Voting Cycles.
  - (g) Select “EVEN” (E-Voting Event Number) of Makers Laboratories Ltd.
  - (h) Now you are ready for e-voting as Cast Vote page opens.
  - (i) Cast your vote by selecting appropriate option and click on “Submit” and also “Confirm” when prompted.
  - (j) Upon confirmation, the message “Vote cast successfully” will be displayed
  - (k) Once you have voted on the resolution, you will not be allowed to modify your vote.
  - (l) Institutional shareholders (i.e. other than individuals, HUF, NRI, etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to [scrutinizer@makerslabs.com](mailto:scrutinizer@makerslabs.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
- B. In case a Member receives physical copy of the Notice of AGM [for members whose email IDs are not registered with the Company/ Depository Participants or who request physical copy of notice:
  - a. Initial password will be mailed to you separately :  
EVEN (E-Voting Event Number) USER ID PASSWORD/PIN
  - b. Please follow all steps from SI. No. (b) to SI. No. (l) above, to cast vote.



- II. 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 Downloads section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com)
- III. If you are already registered with NSDL for e-voting, then you can use your existing user ID and password/PIN for casting your vote.
- IV. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- V. The e-voting period commences on Tuesday, 22<sup>nd</sup> July, 2014 (9:00 am) and ends on Thursday, 24<sup>th</sup> July, 2014 (6:00 pm). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 20<sup>th</sup> June, 2014, may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
- VI. As the voting would be through electronic means, the Members who do not have access to e-voting, may send their assent or dissent in writing on the Ballot Form enclosed with the Annual Report. You are required to complete and sign the Ballot Form and send it so as to reach the Scrutinizer appointed by the Board of Directors of the Company - Mrs. Jigyasa N. Ved, Practicing Company Secretary, Scrutinizer, Makers Laboratories Limited, 54D Kandivli Industrial Estate, Kandivli (West), Mumbai – 400 067 not later than Thursday, 24<sup>th</sup> July, 2014 (6.00 p.m. IST). Ballot Form received after this date will be treated as invalid.  

Members have an option to request for physical copy of the ballot form by sending an email to [investors@makerslabs.com](mailto:investors@makerslabs.com) by mentioning their folio / DP ID and Client ID. However, such completed and signed ballot form shall duly reach the Scrutinizer not later than Thursday, 24<sup>th</sup> July, 2014 (6.00 p.m. IST).

A Member can opt for only one mode of voting, i.e. either through e-voting or by Ballot. If a Member casts votes by both modes, then voting done through e-voting shall prevail and Ballot shall be treated as invalid.
- VII. 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 of 20<sup>th</sup> June, 2014.
- VIII. Mrs. Jigyasa N. Ved (FCS No. 6488), of M/s. Parikh & Associates, Practising Company Secretaries has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- IX. 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, and send it to the Chairman of the Company.
- X. The Results shall be declared at or after the Annual General Meeting (AGM) of the Company. The Results declared alongwith the Scrutinizer's Report shall be placed on the Company's website [www.makerslabs.com](http://www.makerslabs.com) and on the website of NSDL within two (2) days of passing of the resolutions at the AGM of the Company and also communicated to the Bombay Stock Exchange Limited (BSE) and Ahmedabad Stock Exchange Limited (ASE).

Registered Office:  
54-D, Kandivli Industrial Estate  
Kandivli (West)  
Mumbai – 400 067  
Tel : 022 – 6111 2800  
E-mail: [investors@makerslabs.com](mailto:investors@makerslabs.com)  
Website: [www.makerslabs.com](http://www.makerslabs.com)  
CIN: L24230MH1984PLC033389

By Order of the Board  
For Makers Laboratories Limited

Purnima Jain  
Wholetime Director

Mumbai  
27<sup>th</sup> May, 2014

**EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013****Item No. 4**

Mr. K. C. Jain aged 79 years is the Non-Executive Independent Director of your Company since October, 1989. By qualification, he is M. Pharma and has extensive and diverse experience of primary and secondary pharmaceutical manufacturing, project establishment and other general management services.

He is the Chairman of the Audit Committee, Stakeholders Relationship Committee and Nomination and Remuneration Committee of the Board of Directors of the Company.

He is also Director of Gangwal Chemicals Pvt. Ltd. He holds 600 equity shares in the Company.

His period of office of Director is liable to determination by retirement of directors by rotation under the erstwhile applicable provisions of Companies Act, 1956. In terms of Section 149 and any other applicable provisions of the Companies Act, 2013, Mr. K. C. Jain being eligible and offering himself for appointment, is proposed to be appointed as an Independent Director for five consecutive years term upto 31<sup>st</sup> March, 2019. A notice has been received by the Company from a member proposing Mr. K. C. Jain as a candidate for the office of Director of the Company.

In the opinion of the Board, Mr. K. C. Jain fulfils the conditions specified in the Companies Act, 2013 and rules made thereunder for his appointment as an Independent Director of the Company and is independent of the Company's management. Copy of the draft letter for appointment of Mr. K. C. Jain as an Independent Director setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day, excluding Saturday.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Mr. K. C. Jain as an Independent Director. Accordingly, the Board recommends the resolution in relation to appointment of Mr. K. C. Jain as an Independent Director, for the approval by the shareholders of the Company.

Except Mr. K. C. Jain, being an appointee himself, none of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the resolution set out at Item No.4.

This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing agreement with the Stock Exchange.

**Item No. 5**

Mr. S. V. Loyalka aged 66 years is the Non-Executive Independent Director of your Company since April, 1988. He holds a Bachelor of Science degree in Mechanical Engineering (USA), Bachelor of Science in Industrial Engineering (USA), Diploma in Publishing from Stanford University (USA).

He is a businessman and has experience of over 35 years in manufacturing, finance, import & export business and general management.

He is the member of Audit Committee and Nomination and Remuneration Committee of the Board of Directors of the Company.

He does not hold any equity shares in the Company.

He is also Director of the following companies:

1	Vasant Investment Corporation Ltd.	2	Colaba Land & Mill Co. Ltd.
3	Ruby Trading Co. Pvt. Ltd.	4	Bharat Estates Pvt. Ltd.
5	Magudee Trading & Invt. Pvt. Ltd.	6	Megumak Trading & Investment Private Ltd.
7	Sushil Trading Company Pvt. Ltd.		

His period of office of Director is liable to determination by retirement of directors by rotation under the erstwhile applicable provisions of Companies Act, 1956. In terms of Section 149 and any other applicable provisions of the Companies Act, 2013, Mr. S. V. Loyalka being eligible and offering himself for appointment, is proposed to be appointed as an Independent Director for five consecutive years term upto 31<sup>st</sup> March, 2019. A notice has been received by the Company from a member proposing Mr. S. V. Loyalka as a candidate for the office of Director of the Company.

In the opinion of the Board, Mr. S. V. Loyalka fulfils the conditions specified in the Companies Act, 2013 and rules made thereunder for his appointment as an Independent Director of the Company and is independent of the Company's management. Copy of the draft letter for appointment of Mr. S. V. Loyalka as an Independent Director setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day, excluding Saturday.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Mr. S. V. Loyalka as an Independent Director. Accordingly, the Board recommends the resolution in relation to appointment of Mr. S. V. Loyalka as an Independent Director, for the approval by the shareholders of the Company.

Except Mr. S. V. Loyalka, being an appointee himself, none of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the resolution set out at Item No.5.

This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing agreement with the Stock Exchange.

**Item No. 6**

Dr. Rajeshwar Singh aged 76 years is a Non-Executive Independent Director of the Company since May 2004. He has a degree in Veterinary Medicine/ Medical Sciences. Dr. Rajeshwar Singh has worked with several multinational companies like Pfizer, Roussel Pharmaceuticals, Warner Hindustan and also with J Walter Thompson, an international advertising agency. Since 1976, he is running his independent consultancy firm. He has a vast experience of nearly 48 years in the pharmaceutical industry. He was also the consulting Editor of Express Pharma Pulse.

He is the member of the Audit Committee, Stakeholders Relationship Committee and Nomination and Remuneration Committee of the Board of Directors of the Company.

He is not a Director in any other Company. He does not hold any equity shares in the Company.

His period of office of Director is liable to determination by retirement of directors by rotation under the erstwhile applicable provisions of Companies Act, 1956. In terms of Section 149 and any other applicable provisions of the Companies Act, 2013, Dr. Rajeshwar Singh being eligible and offering himself for appointment, is proposed to be appointed as an Independent Director for five consecutive years term upto 31<sup>st</sup> March, 2019. A notice has been received by the Company from a member proposing Dr. Rajeshwar Singh as a candidate for the office of Director of the Company.

In the opinion of the Board, Dr. Rajeshwar Singh fulfils the conditions specified in the Companies Act, 2013 and rules made thereunder for his appointment as an Independent Director of the Company and is independent of the Company's management. Copy of the draft letter for appointment of Dr. Rajeshwar Singh as an Independent Director setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day, excluding Saturday.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Dr. Rajeshwar Singh as an Independent Director. Accordingly, the Board recommends the resolution in relation to appointment of Dr. Rajeshwar Singh as an Independent Director, for the approval by the shareholders of the Company.

Except Dr. Rajeshwar Singh, being an appointee himself, none of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the resolution set out at Item No.6.

This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing agreement with the Stock Exchange.

**Item No. 7**

Section 180 (i) (a) and (c) of the Companies Act, 2013 requires the Board of Directors of Company to obtain members' approval to create mortgage/ charge on the immovable property of the Company and to borrow monies in excess of the aggregate of the paid-up share capital and its free reserves, that is to say reserves not set apart for any specific purpose (excluding temporary loans obtained from the Company's bankers in the ordinary course of business).

In view of proposed capital expenditure plans and also to meet the future long term working capital requirements, the Board considers it necessary to have the mortgage and borrowing powers of ₹ 25 crores (Rupees Twenty Five Crores).

The Board of Directors recommend the resolution as set out in item 7 of the accompanying notice for the consideration and approval of the members. None of the directors and Key Managerial Personnel of the Company or their relatives are concerned or interested in this item of business.

**Item No. 8**

The Board of Directors on the recommendation of the Audit Committee have appointed, M/s. Kale & Associates, Cost Accountants (ICWA Registration No. 17869) as the Cost Auditors of the Company for the financial year 2014-15. A Certificate issued by the above firm regarding their eligibility for appointment as Cost Auditors will be available for inspection at the registered office of the Company during normal business hours on any working day, excluding Saturday.

As per Rule 14 of the Companies (Audit and Auditors) Rules 2014, the remuneration payable to the Cost Auditors is to be ratified by the Shareholders. The Board has decided the remuneration payable to M/s. Kale & Associates as Cost Auditors on the recommendation of the Audit Committee. Hence this resolution is put for the consideration of the shareholders.

None of the Directors and Key Managerial personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the resolution set out at Item No. 8.

The Board of Directors accordingly recommend the resolution set out at Item No. 8 of the accompanying Notice for the approval of the members.

Registered Office:  
54-D, Kandivli Industrial Estate  
Kandivli (West)  
Mumbai – 400 067  
Tel : 022 – 6111 2800  
E-mail: investors@makerslabs.com  
Website: www.makerslabs.com  
CIN: L24230MH1984PLC033389

By Order of the Board  
For Makers Laboratories Limited

Purnima Jain  
Wholetime Director

Mumbai  
27<sup>th</sup> May, 2014

## DIRECTORS' REPORT

### TO THE MEMBERS

Your Directors have pleasure in presenting the 29<sup>th</sup> Annual Report and Audited Accounts for the year ended 31<sup>st</sup> March, 2014.

### FINANCIAL RESULTS

	For the year ended 31.3.2014 (₹ Lacs)	For the year ended 31.3.2013 (₹ Lacs)
<b>Sales and other Income</b> (net of excise duty & sales tax)	<b>6892.03</b>	6314.16
Profit before financial cost, Depreciation and taxation	<b>258.98</b>	543.97
Less : Financial Cost	<b>42.88</b>	94.03
Depreciation & Amortisation	<b>97.35</b>	101.11
<b>Profit/(Loss) before tax</b>	<b>118.75</b>	348.83
Provision for taxation		
Current	<b>58.00</b>	82.00
Deferred	<b>1.59</b>	22.69
Tax provision for earlier years	<b>(0.40)</b>	-
<b>Net Profit/(Loss) after Tax</b>	<b>59.56</b>	244.14
<b>YOUR DIRECTORS RECOMMEND THE FOLLOWING APPROPRIATIONS</b>		
Surplus in Statement of Profit & Loss as per last Balance Sheet	<b>427.65</b>	183.51
Net Profit /(Loss) for the year	<b>59.56</b>	244.14
Balance as at year end	<b>487.21</b>	427.65

### MANAGEMENT DISCUSSION AND ANALYSIS

#### (a) Financial Performance and Operations Review

Sales and other income for the financial year under report amounted to ₹ 6892.03 lacs as compared with ₹ 6314.16 lacs for the previous year, a growth of 9%.

During the financial year under report, the operations of the Company resulted in a net profit of ₹ 59.56 lacs as compared to a net profit of ₹ 244.14 lacs in the previous financial year.

The reduction in the net profit is on account of all round increase in the input costs and overhead expenses all of which could not be passed on in the selling prices of the formulations marketed by the Company.

#### (b) Opportunities, Threats, Risk and Concerns

The Indian generic formulations market is currently in the growth phase. It is expected that use of generic formulations will gradually increase in India. However, cut throat competition, quality issues of generics manufactured in the country and non existence of organised generic formulations distribution and retailing system are a cause of concern and is hampering the growth of generic formulations market.

#### (c) Internal Control Systems

The Company has an adequate internal control system including suitable monitoring procedures commensurate with its size and the nature of the business. The internal control systems provide for all documented policies, guidelines, authorisation and approval procedures. The statutory auditors while conducting the statutory audit, review and evaluate the internal controls and their observations are discussed with the Audit Committee of the Board.

**(d) Human Resources**

Your Company continued to have cordial and harmonious relations with its employees at all levels.

Your Company has adopted TQM culture across the organisation in all Line and Staff functions at all the locations. The TQM culture has helped your Company in achieving productivity improvement, cost reduction and waste elimination through employee involvement at all levels.

Your Company has 158 permanent employees as at 31<sup>st</sup> March, 2014.

**(e) Cautionary Statement**

Certain statements in the Management Discussion and Analysis may be forward looking within the meaning of applicable securities law and regulations and actual results may differ materially from those expressed or implied. Factors that would make differences to Company's operations include competition, price realisation, changes in government policies and regulations, tax regimes and economic development within India.

**COMPLIANCE CERTIFICATE**

A compliance certificate under section 383A of the Companies Act, 1956, received from the Company Secretary in whole time practice is attached herewith.

**DIVIDEND**

Looking into the current business uncertainty in the generics market place and continuous inflationary trend in the economy putting pressure on input costs including wage bill as well as in order to conserve resources, no dividend payment has been proposed by the Board for the financial year under report.

**DIRECTORS**

Mrs. Purnima Jain retires as director by rotation at the ensuing Annual General Meeting and, being eligible, offers herself for re-appointment.

Mr. Prashant Godha resigned as a Director of the Company due to his other professional pre-occupation with effect from close of business hours on 27<sup>th</sup> May, 2014. The Board places on record its sincere appreciation for the services rendered to the Company by Mr. Prashant Godha during his tenure as Director.

A brief note on Director retiring by rotation and eligible for re-appointment as well as Independent Directors who will be appointed is furnished in the Report on Corporate Governance.

**DIRECTORS' RESPONSIBILITY STATEMENT**

Your Directors confirm:

- i. that in the preparation of the annual accounts, the applicable accounting standards have been followed alongwith proper explanation relating to material departures;
- ii. that your Directors have selected such accounting policies and applied them consistently and made judgments 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 March 31, 2014 and of the profit and loss of the Company for the year;
- iii. that your Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. that your Directors have prepared the annual accounts on a going concern basis;
- v. that your Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively;
- vi. that your Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**CORPORATE GOVERNANCE**

As per the requirement of listing agreement with the Stock Exchanges, your Company has complied with the requirements of Corporate Governance in all material aspects.

A report on Corporate Governance together with a certificate of its compliance from the Statutory Auditors, forms part of this report.

**FIXED DEPOSITS**

Your Company has not accepted any deposits from the public during the year under review.

**AUDITORS AND AUDIT REPORT**

M/s Agarwal & Mangal, Chartered Accountants, retire as auditors and being eligible, offer themselves for re-appointment.

The Auditors' Report read with the notes to the accounts referred to therein are self-explanatory and therefore, do not call for any further comments.

**COST AUDIT**

Pursuant to the provisions of Section 233B of the Companies Act, 1956 M/s. Kale & Associates, Cost Accountants (Regn. No. 101144) were appointed as the Cost Auditors to conduct audit of cost records for Bulk Drugs and Formulations activities of the Company for the financial year 2014-15.

The Cost Audit Report for the financial year 2012-13, which was due to be filed with the Ministry of Corporate Affairs was filed on 25<sup>th</sup> September, 2013.

**PARTICULARS OF EMPLOYEES**

There were no employees employed by the Company and covered under Section 217 (2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975.

**CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO**

In accordance with the requirements of Section 217(1) (e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, statement showing particulars with respect to conservation of energy, technology absorption and foreign exchange earnings and outgo is given in the enclosed Annexure.

**ACKNOWLEDGEMENTS**

Your Directors place on record their appreciation for the co-operation and support extended to the Company by Axis Bank Ltd. Your Directors also place on record their appreciation of the continued hard work put in by employees at all levels.

For and on behalf of the Board

Mumbai  
27<sup>th</sup> May, 2014

Purnima Jain  
Wholetime Director

Saahil Parikh  
Wholetime Director



## Annexure I

Information pursuant to the Companies (Disclosure of particulars in Report of the Board of Directors) Rules, 1988

### 1. CONSERVATION OF ENERGY

#### i. Energy conservation measures taken :

During the year under review all possible efforts were made to ensure optimum conservation of electricity and fuel at the plants of the Company.

#### ii. Additional investments and proposals being implemented for reduction of energy consumption :

Presently none.

#### iii. Impact of the above measures :

The efforts put in have helped the Company in reducing power consumption and also improving power factor.

#### iv. A. Power and Fuel Consumption:

	2013-14	2012-13
<b>a) Electricity:</b>		
(i) Purchased :		
Units (KWH)	1235552	1308489
Amount (₹ in Lacs)	84.09	88.66
Rate/Unit (₹)	6.81	6.78
(ii) Own Generation :		
Through Diesel Generator		
Units (KWH)	14580	15047
Units per Ltr. of Diesel oil (in KWH)	2.53	2.61
Cost of Diesel per KWH (₹)	22.10	18.90
<b>b) Light Diesel Oil :</b>		
Quantity (K.Ltrs)	144.200	115.718
Amount (₹ in lacs)	92.16	69.73
Rate/Ltr (₹)	63.91	60.25
<b>c) Others:</b>		
High Speed Diesel		
Units	74367	100382
Amount (₹ in Lacs)	43.08	49.65
Rate/Ltr (₹)	57.93	49.46
LPG		
Units	1216	1613
Amount (₹ in Lacs)	1.09	1.37
Rate/Kg (₹)	89.64	84.93

#### B. Consumption per unit of Production:

In view of the varied nature of the products and packs, the compilation of accurate consumption per unit of production is not feasible.



**2. TECHNOLOGY ABSORPTION**

Research & Development

(A) Specific areas in which R&D work was carried out by the Company:

None

(B) Benefits derived as a result of the above R&D:

None

(C) Future Plan of Action :

Presently None

(D) Expenditure on R&D:

None

(E) Imported technology (imported during last 5 years):

The Company has not imported any technology during the last 5 years.

**3. FOREIGN EXCHANGE EARNINGS AND OUTGO**

Foreign Exchange Earnings – Nil. Foreign Exchange Expenditure details are furnished in the notes to the Accounts.

For and on behalf of the Board

Mumbai  
27<sup>th</sup> May, 2014

Purnima Jain  
Wholetime Director

Saahil Parikh  
Wholetime Director

CIN No:L24230MH1984PLC033389

Authorised Capital: ₹ 7,50,00,000/-

**Compliance Certificate**

To,  
The Members  
**MAKERS LABORATORIES LIMITED**  
54 D, Kandivli Industrial Estate,  
Kandivli (West), Mumbai- 400067

We have examined the registers, records, books and papers of **MAKERS LABORATORIES LIMITED** as required to be maintained under the Companies Act, 1956, (the Act) and the rules made thereunder and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended on **31<sup>st</sup> March, 2014**. In our opinion and to the best of our information and according to the examinations carried out by us and explanations furnished to us by the company, its officers and agents, we certify that in respect of the aforesaid financial year:

1. The Company has generally kept and maintained the registers as stated in Annexure 'A' to this certificate, as per the provisions of the Act and the rules made thereunder and the entries therein have been generally recorded.
2. The company has filed the forms and returns as stated in Annexure 'B' to this certificate, with the Registrar of Companies, Regional Director, Central Government, Company Law Board or other authorities within the time prescribed under the Act and the rules thereunder.
3. The Company being a Public Limited Company, comments that a Private Limited Company has minimum prescribed paid-up capital, maximum number of members, invitation to public to subscribe for shares and acceptance of deposits from persons other than its members, directors or their relatives, are not required.
4. The Board of Directors duly met 5 (Five) times on 29.05.2013, 02.08.2013, 23.08.2013, 13.11.2013 and on 04.02.2014 in respect of which meetings notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose. (No circular resolution was passed)
5. The Company has closed its Register of Members from Thursday, 25<sup>th</sup> July, 2013 to Friday, 2nd August, 2013 (both days inclusive) and necessary compliance of Section 154 of the Act has been made.
6. The annual general meeting for the financial year ended on 31<sup>st</sup> March, 2013 was held on 02.08.2013 after giving notice to the members of the company and the resolutions passed thereat were recorded in Minutes Book maintained for the purpose.
7. No extra ordinary general meeting was held during the financial year.
8. The Company has not advanced any loan to its Directors and / or persons or firms or companies referred to in the Section 295 of the Act during the financial year.
9. The Company has not entered into any contracts falling within the purview of Section 297 of the Act.
10. The Company has made necessary entries in the register maintained under section 301 of the Act.
11. As there were no instances falling within the purview of Section 314 of the Act, the company has not obtained any approvals from the Board of Directors, members or previous approval of the Central Government.
12. The company has not issued any duplicate share certificates during the financial year.
13. (i) The Company has delivered all the certificates on lodgment of securities for transfer/ transmission or any other purpose in accordance with the provisions of the Act. There was no allotment of securities during the year.  
(ii) The Company has not deposited any amount in a separate Bank Account as no dividend was declared during the financial year.  
(iii) The Company was not required to post warrants to any member of the Company as no dividend was declared during the financial year. There were no unpaid dividends in the Company.

- (iv) There are no unpaid dividends, application money due for refund, matured deposits, matured debentures or the interest accrued thereon which have remained unclaimed or unpaid for a period of seven years.
- (v) The Company has complied with the requirements of section 217 of the Act.
14. The Board of Directors of the Company is duly constituted. There was no appointment of Directors, additional Directors, alternate Directors and Directors to fill casual vacancy during the financial year.
15. The Company has not appointed any Managing Director/ Whole time Director/ Manager during the financial year.
16. The Company has not appointed any sole selling agents during the financial year.
17. The Company was not required to obtain any approvals of the Central Government, Company Law Board, Regional Director, Registrar and/or such other authorities prescribed under the various provisions of the Act during the financial year.
18. The directors have disclosed their interest in other firms/ companies to the Board of Directors pursuant to the provisions of the Act and the rules made thereunder.
19. The Company has not issued any shares, debentures or other securities during the financial year.
20. The Company has not bought back any shares during the financial year.
21. The Company has not issued any Preference Shares/ Debentures.
22. There were no transactions necessitating the company to keep in abeyance the rights to dividend, rights shares and bonus shares pending registration of transfer of shares.
23. The Company has not invited/accepted any deposits including any unsecured loans falling within the purview of Section 58A during the financial year.
24. The Company has not made any borrowings during the financial year ended 31<sup>st</sup> March, 2014.
25. The company has not made any loans and investments or given guarantees or provided securities to other bodies corporate during the financial year.
26. The Company has not altered the provisions of the Memorandum with respect to situation of the Company's registered office from one state to another during the year under scrutiny.
27. The Company has not altered the provisions of the Memorandum with respect to the objects of the Company during the year under scrutiny.
28. The Company has not altered the provisions of the Memorandum with respect to name of the Company during the year under scrutiny.
29. The Company has not altered the provisions of the Memorandum with respect to share capital of the Company during the year under scrutiny.
30. The Company has not altered its Articles of Association during the year under scrutiny.
31. We are informed that there were no prosecution initiated against or show cause notices received by the Company and no fines or penalties or any other punishment was imposed on the company during the financial year, for offences under the Act.
32. The Company has not received any money as security from its employees during the financial year.
33. The Company has deposited both employees' and employer's contribution to Provident Fund with prescribed authorities pursuant to Section 418 of the Act.

For **Parikh Parekh & Associates**

Place: Mumbai  
27<sup>th</sup> May, 2014

Signature:  
Name of Company Secretary: **Shalini Bhat**  
(Partner)  
C. P. No. : 6994

## **Annexure 'A'**

### **Statutory Registers as maintained by the Company**

1. Register of Members u/s 150 of the Act. (Maintained with RTA)
2. Minutes Book of Board Meetings u/s 193 of the Act. (In loose leaf)
3. Minutes Book of General Meetings u/s 193 of the Act. (In loose leaf)
4. Books of Accounts u/s 209 of the Act are being audited by the Statutory Auditors of the Company.
5. Register of Contracts u/s 301 of the Act.
6. Register of particulars of Directors etc. u/s 303 of the Act.
7. Register of Disclosure of Interest u/s 301 of the Act.
8. Register of Directors' Shareholding u/s 307 of the Act.
9. Register of loans/ Investments u/s 372A of the Act.
10. Register of Charges.

### **Other Registers**

1. Attendance Register of Board Meetings
2. Attendance Register of General Meetings

For **Parikh Parekh & Associates**

Place: Mumbai  
27<sup>th</sup> May, 2014

Signature:  
Name of Company Secretary: **Shalini Bhat**  
(Partner)  
C. P. No. : 6994

### Annexure 'B'

Forms and Returns as filed by the Company with the Registrar of Companies during the financial year ended on March 31, 2014:

Sr. No.	Form No./ Return	Filed under sections of the Companies Act, 1956	For	Date of filing	Whether filed within prescribed time Yes/No	If delay in filing whether requisite additional fee paid. Yes/No
1.	Form 62	205C	Quarterly Return on IEPF for quarter ended 31.03.2013	09.04.2013	Yes	N.A.
2.	Form 23C	233B(2)	Application to Central Government for appointment of Cost Auditor	15.04.2013	Yes	N.A.
3.	Form 62	205C	Quarterly Return on IEPF for quarter ended 30.06.2013	18.07.2013	Yes	N.A.
4.	Form 66	383A	Compliance Certificate for the year ended 31.03.2013	19.08.2013	Yes	N.A.
5.	Form 23AC (XBRL) & Form 23ACA (XBRL) alongwith Annual Report for the year ended 31.03.2013	220	Annual Report for the year ended 31.03.2013 adopted at the AGM held on 02.08.2013	30.08.2013	Yes	N.A.
6.	Form 20B alongwith Annual Return made as on 02.08.2013	159	Annual General Meeting held on 02.08.2013	21.09.2013	Yes	N.A.
7.	Form I (XBRL)	233B(4)	Filing of Cost Audit Report for the Financial Year 2012-13	25.09.2013	N.A.	N.A.
8.	Form 5INV	Rule 3 of the IEPF Rules, 2012	Statement of unclaimed and unpaid dividend of ₹ 264,375/- as on AGM held on 02.08.2013	14.10.2013	Yes	N.A.
9.	Form 62	205C	Quarterly Return on IEPF for quarter ended 30.09.2013	16.10.2013	Yes	N.A.
10.	Form 62	205C	Quarterly Return on IEPF for quarter ended 31.12.2014	15.01.2014	Yes	N.A.

For **Parikh Parekh & Associates**

Place: Mumbai  
27<sup>th</sup> May, 2014

Signature:  
Name of Company Secretary: **Shalini Bhat**  
(Partner)  
C. P. No. : 6994

## REPORT ON CORPORATE GOVERNANCE

Pursuant to Clause 49 of the Listing Agreement, given below is a report on the Corporate Governance in the Company:

### A. MANDATORY REQUIREMENTS

#### 1. Company's philosophy of Corporate Governance is to ensure :

- i. that the Board and top management of the Company are fully apprised of the affairs of the Company that is aimed at assisting them in the efficient conduct of the Company's business so as to meet Company's obligation to the shareholders.
- ii. that the Board exercises its fiduciary responsibilities towards shareholders and creditors so as to ensure high accountability.
- iii. that all disclosure of information to present and potential investors are maximised.
- iv. that the decision making process in the organisation is transparent and are backed by documentary evidences.

#### 2. Board of Directors

The present strength of the Board of Directors of the Company is 5 directors of which 2 are professional Non-Promoter Wholetime Directors and 3 Directors who are Non-Executive Independent Directors with independent judgement in the deliberation and decisions of the Board.

Number of Board Meetings held and the dates of the Board Meetings.

5 (Five) Board Meetings were held during the Financial Year 2013-14. The date on which the said meetings were held are as follows:

29 <sup>th</sup> May, 2013	23 <sup>rd</sup> August, 2013	4 <sup>th</sup> February, 2014
2 <sup>nd</sup> August, 2013	13 <sup>th</sup> November, 2013	

- The last Annual General Meeting of the Company was held on 2<sup>nd</sup> August, 2013.

Details of attendance at the Board Meetings, Annual General Meeting and shareholding of each Director are as follows:

Name of the Director	Category	No. of board meetings held	No. of board meetings attended	Attendance at last AGM	No. of Equity shares held in the Co.
Mr. K. C. Jain (DIN 00021239)	Non-Executive Independent Director	5	5	Yes	600
Mr. S. V. Loyalka (DIN 00016533)	Non-Executive Independent Director	5	4	No	Nil
Mr. Prashant Godha (DIN 00012759)	Promoter, Non-Executive, Non Independent Director (resigned w.e.f 27.05.2014)	5	5	Yes	94,375
Dr. Rajeshwar Singh (DIN 00347864)	Non-Executive Independent Director	5	5	Yes	Nil
Mrs. Purnima Jain (DIN 00937041)	Executive, Non Independent Director	5	5	Yes	1,075
Mr. Saahil Parikh (DIN 00400079)	Executive, Non Independent Director	5	4	Yes	660

\*The above shareholding as at 31<sup>st</sup> March, 2014 is in respect of shares which are held by Directors as a first holder and in which shares they have beneficial interest.

- Number of other Companies or Committees of which the Director is a Director/Member/Chairman :

Name of Director	No. of other Companies in which Director	No. of Committees in which Member (other than Makers)	No. of Committees of which he is Chairman (other than Makers)
Mr. K. C. Jain	1	None	None
Mr. S. V. Loyalka	7	None	None
Mr. Prashant Godha (resigned w.e.f 27.05.2014)	5	1	None
Dr. Rajeshwar Singh	None	None	None
Mrs. Purnima Jain	1	None	None
Mr. Saahil Parikh	None	None	None

The memberships / chairmanships in Audit Committee and Stakeholders Relationship Committee only of Indian public limited companies have been considered.

The Company has a process to provide, inter-alia, the information to the Board as required under Annexure IA to Clause 49 of the listing agreement pertaining to Corporate Governance.

None of the Directors are directors in more than 20 companies at the same time and are also not serving as independent director in more than seven listed companies or serve as Wholetime Director in any other listed company.

None of the Directors on the Board is a member of more than 10 committees and Chairman of more than 5 committees across all the companies in which they are Directors.

All the Directors have made necessary disclosures in this regard to the Company.

The Company has not entered into any materially significant transactions during the year under report with promoters, directors, senior management staff, etc. other than the transactions entered into in the normal course of Company's business. Transactions with related parties are disclosed under notes forming part of the accounts.

- Information required under Clause 49 IV (G) of the listing agreement on Directors seeking appointment / re- appointment.**

#### **Mrs. Purnima Jain**

Mrs Purnima Jain, aged 63 years is Commerce and Law graduate and has experience of over 28 years in the field of commercial and general management. She had been with the Company since February, 1989 and held the position of General Manager – Commercial before being appointed as Wholetime Director of the Company with effect from 30<sup>th</sup> October, 2006.

She holds 1075 shares of the Company.

She also holds Directorship in Exon Laboratories Pvt. Ltd.

#### **Mr. K. C. Jain**

Mr. K. C. Jain aged 79 years is the Non-Executive Independent Director of your Company since October, 1989. By qualification, he is M. Pharma and has extensive and diverse experience of primary and secondary pharmaceutical manufacturing, project establishment and other general management services. He is the Chairman of the Audit Committee, Stakeholders Relationship Committee and Nomination and Remuneration Committee of the Board of Directors of the Company.

He is also Director of Gangwal Chemicals Pvt. Ltd.

He holds 600 shares of the Company.

**Mr. S. V. Loyalka**

Mr. S V Loyalka aged 66 years is the Non-Executive Independent Director of your Company since April, 1988. He holds a Bachelor of Science degree in Mechanical Engineering (USA), Bachelor of Science in Industrial Engineering (USA), Diploma in Publishing from Stanford University (USA).

He is a businessman and has experience of over 35 years in manufacturing, finance, import & export and general management.

He does not hold any equity shares in the Company.

He is also Director of the following companies:

1	Vasant Investment Corporation Ltd.	2	Colaba Land & Mill Co. Ltd.
3	Ruby Trading Co. Pvt. Ltd.	4	Bharat Estates Pvt. Ltd.
5	Magudee Trading & Invt. Pvt. Ltd.	6	Megumak Trading & Investment Pvt. Ltd.
7	Sushil Trading Company Pvt. Ltd.		

**Dr. Rajeshwar Singh**

Dr. Rajeshwar Singh aged 76 years is a Non-Executive Independent Director of the Company since May 2004. He has a degree in Veterinary Medicine/ Medical Sciences. Dr. Rajeshwar Singh has worked with several multinational companies like Pfizer, Roussel Pharmaceuticals, Warner Hindustan and also with J Walter Thompson, an international advertising agency. Since 1976, he is running his independent consultancy firm. He has a vast experience of nearly 48 years in the pharmaceutical industry. He was also the consulting Editor of Express Pharma Pulse.

He is not a Director in any other Company. He does not hold any equity shares in the Company.

■ **Code of Conduct**

The Board has laid down a code of conduct for Board members and senior management staff of the Company. The Board members and senior management staff have affirmed compliance with the said code of conduct.

**3. Audit Committee**

Terms of Reference & Composition, Name of Members and Chairman :

The Audit Committee of the Company comprises of Mr. K. C. Jain, Chairman of the Committee; Dr. Rajeshwar Singh and Mr. S. V. Loyalka, all being Independent Directors with independent judgement in the deliberation and decisions of the Board as well as Audit Committee. Mrs. Purnima Jain, Wholtime Director who is in-charge of Finance function of the Company along with Statutory Auditors is invitee to the meetings of the Audit Committee. The terms of Reference to this Committee, inter-alia, covers all the matters specified under Section 177 of the Companies Act, 2013 and also all the matters listed under Clause 49 of the Listing Agreement with Stock Exchanges.

The Audit Committee has powers, inter-alia, to investigate any activity within its terms of reference and to seek information from any employee of the Company as well as seek outside legal and professional advice.

The Audit committee reviews all the information that is required to be mandatorily reviewed by it under the corporate governance.

Audit Committee meetings and the attendance during the financial year 2013-14.

There were 4 (four) meetings of the Audit Committee during the Financial Year 2013-14 as under:

29 <sup>th</sup> May, 2013	2 <sup>nd</sup> August, 2013
13 <sup>th</sup> November, 2013	4 <sup>th</sup> February, 2014



The attendance of each member of the Audit Committee in the committee meeting is given below:

Name of the Director	No. of meetings held	No. of meetings attended
Mr. K. C. Jain	4	4
Mr. S. V. Loyalka	4	4
Dr. Rajeshwar Singh	4	4

#### 4. Nomination and Remuneration Committee

The Nomination and Remuneration committee comprises of Mr. K.C. Jain, Chairman of the Committee and Mr. S. V. Loyalka and Dr. Rajeshwar Singh, all non-promoter and independent directors to function in the manner and to deal with the matters specified in the clause 49 of the listing agreement.

There was 1 (one) meeting of the Nomination and Remuneration Committee during the Financial Year 2013-14 as under:

13<sup>th</sup> November, 2013

The attendance of each member of the Nomination and Remuneration Committee in the committee meeting is given below:

Name of the Director	No. of meetings held	No. of meetings attended
Mr. K. C. Jain	1	1
Mr. S. V. Loyalka	1	1
Dr. Rajeshwar Singh	1	1

- A. The details of the remuneration paid to Whole time Directors for the Financial Year 2013-14 is given below :

(₹)

Name of the Director	Designation	Salary	Benefits and Perquisites	Commission	Total
Mrs. Purnima Jain	Whole time Director	16,80,000	9,86,494	Nil	26,66,494
Mr. Saahil Parikh	Wholetime Director	12,30,800	9,11,290	Nil	21,42,090

Presently the Company does not have any scheme for grant of any stock option either to the Directors or to the employees.

The appointment of Whole-time Directors is contractual and is generally for a period of 3 years. The Company has entered into agreement with Mrs. Purnima Jain on 21<sup>st</sup> October, 2011 which is valid upto 29<sup>th</sup> October, 2014 and with Mr. Saahil Parikh on 11<sup>th</sup> August, 2011 which is valid upto 10<sup>th</sup> August, 2014. Either party is entitled to terminate the agreement by giving not less than one month / two months notice in writing to the other party.

- B. The Non-Executive Directors do not draw any remuneration from the Company. The Non-Executive Directors are entitled only to the sitting fees for every meeting of the Board and Committee thereof attended by them. Details of sitting fees payment made to the Non-Executive Directors in the Financial Year 2013-14 are as under :

Name of the Director	Sitting fees Paid (₹)	Commission paid (₹)
Mr. K. C. Jain	95,506	Nil
Mr. S. V. Loyalka	73,034	Nil
Dr Rajeshwar Singh	95,506	Nil
Mr. Prashant Godha (resigned w.e.f 27.05.2014)	67,416	Nil

## 5. Stakeholders Relationship Committee

- Details of the Members, Compliance Officer, No. of complaints received and pending, No. of transfers pending as on close of the financial year.

The Stakeholders Relationship Committee currently comprises of Mr. K. C. Jain, Chairman of the Committee, Dr. Rajeshwar Singh, the Non-Executive Independent Director and Mrs. Purnima Jain, Wholetime Director who is the Compliance Officer of the Company.

There were 2 (two) meetings of the Stakeholders Relationship Committee during the Financial Year 2013-14 as under:

2 <sup>nd</sup> August, 2013	4 <sup>th</sup> February, 2014
------------------------------	--------------------------------

The attendance of each member of the Stakeholders Relationship Committee in the committee meeting is given below:

Name of the Director	No. of meetings held	No. of meetings attended
Mr. K. C. Jain	2	2
Dr. Rajeshwar Singh	2	2
Mr. Prashant Godha (resigned w.e.f 27.05.2014)	2	2
Ms. Purnima Jain (appointed w.e.f. 27.05.2014)	Not Applicable	Not Applicable

During the year, the Company received 8 complaints from the shareholders all of which are attended to. The Company had no unattended requests pending for transfer of its equity shares at the close of the financial year.

## 6. General Body Meetings

- Details of the location where the last 3 (three) Annual General Meetings were held and the details of the resolution passed or proposed to be passed by Postal Ballot.

AGM for the financial year ended	Date & time of AGM	Special Resolution passed
31 <sup>st</sup> March, 2013	Friday, 2 <sup>nd</sup> August, 2013 at 4.00 p.m.	None
31 <sup>st</sup> March, 2012	Thursday, 2 <sup>nd</sup> August, 2012 at 4.00 p.m.	<ol style="list-style-type: none"> <li>1. Re-appointment of Mrs. Purnima Jain as the Wholetime Director and remuneration payable to her.</li> <li>2. Appointment of Mr. Saahil Parikh as the Wholetime Director and remuneration payable to him.</li> <li>3. Consent to Mr. Umesh S. Parikh, father of Mr. Saahil Parikh to hold an office or place of profit as General Manager – Operations of the Company.</li> </ol>
31 <sup>st</sup> March, 2011	Wednesday, 10 <sup>th</sup> August, 2011 at 4.00 p.m.	None

All the AGMs were held at Plot No. 47, Kandivli Industrial Estate, Charkop, Kandivli (West), Mumbai-400 067. All the resolutions set out in the respective notices calling the AGM were passed by the shareholders. No postal ballots were used for voting at these meetings.

At the forthcoming AGM, there is no agenda which needs approval by postal Ballot.

## 7. Disclosures

- i. Disclosure on materially significant related party transactions that may have potential conflict with the interest of the Company at large.

None

The Register of Contracts containing the transactions in which Directors are interested is placed before the Board regularly for its approval.

Transactions with the related parties are disclosed in the notes to the accounts forming part of the Annual Report.

- ii. Details of non-compliance by the Company, penalties, strictures imposed on the Company by SEBI, ROC, Stock Exchanges or any other statutory authorities on any matter related to capital market during the last 3 financial years.

None

- iii. There is a whistle blowing policy in the Company and that no personnel has been denied access to the Audit Committee.

- iv. The Company has complied with all the mandatory requirements of Corporate Governance under Clause 49 of the Listing Agreement. The Company is yet to adopt the non-mandatory requirements of the Clause 49 of the Listing Agreement pertaining to Corporate Governance.

- v. The CEO/CFO certification form part of this Annual Report.

## 8. Means of Communication

Quarterly Results	:	The results of the Company are published in the Newspapers.
Newspapers in which results are generally published	:	The Free Press Journal and Nav Shakti.
Website, where displayed	:	www.makerslabs.com
Whether website also displays official news releases;	:	Yes
Presentation made to institutional investors or to the analysts	:	Presentations were not made to institutional investors or analysts during the financial year 2013-14

## 9. Shareholders Information

AGM : Date, Time and Venue	:	Monday, 28 <sup>th</sup> July, 2014 at 4.00 p.m at Plot No.47, Kandivli Industrial Estate, Opposite Anand Mangal Hall, Charkop, Kandivli (West), Mumbai- 400 067
Financial calendar	:	1 <sup>st</sup> April – 31 <sup>st</sup> March
First quarter results	:	last week of July*
Second quarter results	:	last week of October*
Third quarter results	:	last week of January*
Annual results	:	last week of May* * tentative
Date of Book closure	:	Tuesday, 22 <sup>nd</sup> July, 2014 to Monday, 28 <sup>th</sup> July, 2014 (both days inclusive).
Dividend	:	No dividend has been declared for the financial year ended 31 <sup>st</sup> March, 2014.

Listing on Stock Exchanges	: Bombay Stock Exchange Ltd., Mumbai (BSE) and Ahmedabad Stock Exchange Ltd. (ASE). Listing fees have been paid to both the Stock Exchanges for the financial year 2014-15 in April, 2014. The fees of the depositories for the financial year 2014-15 is also paid in April & May, 2014.
Corporate Identity Number allotted by Ministry of Corporate Affairs	: L24230MH1984PLC033389
Stock code – Physical	: 506919 on BSE, 35210 on ASE
ISIN Number for NSDL & CDSL	: INE 987A01010
Market price date : High, Low during each month in last financial year	: Please see Annexure 'A'
Stock performance in comparison to BSE sensex	: Please see Annexure 'B'
Registrars and Share Transfer Agents	: Link Intime India Pvt. Ltd. C-13, Pannalal Silks Mills Compound, L B S Marg, Bhandup (W), Mumbai 400 078. Tel. No. (022) 2596 3838 Fax no. (022) 2596 2691
Share Transfer system	: All share transfers, subject to correctness and completion of all documents would normally be registered and returned within 2 weeks from the date of receipt.
Distribution of shareholding/ shareholding pattern as on 31.3.2014	: Please see Annexure 'C'
Dematerialisation of shares and liquidity	: 91.60% of the paid-up share capital has been dematerialised as on 31 <sup>st</sup> March, 2014.
Outstanding GDRs/ADRs/warrants/ convertible instruments etc.	: Not applicable since none of the said instruments are ever issued.
Plant Location	: Dombivali, (Thane Dist), Maharashtra GIDC, Naroda, Ahmedabad
Share Transfer and other communications may be addressed to the Registrars and Share Transfer Agents	: Link Intime India Pvt. Ltd. C-13, Pannalal Silks Mills Compound, L B S Marg, Bhandup (W), Mumbai 400 078. Tel. (022) 2596 3838 Fax (022) 2596 2691
Investors complaint may be addressed to	: Mrs. Purnima Jain–Wholetime Director Makers Laboratories Limited 54D, Kandivli Industrial Estate, Kandivli (W), Mumbai 400 067. E-mail: investors@makerslabs.com Tel. (022) 6111 2800 Fax. (022) 6111 2835

## Annexure A

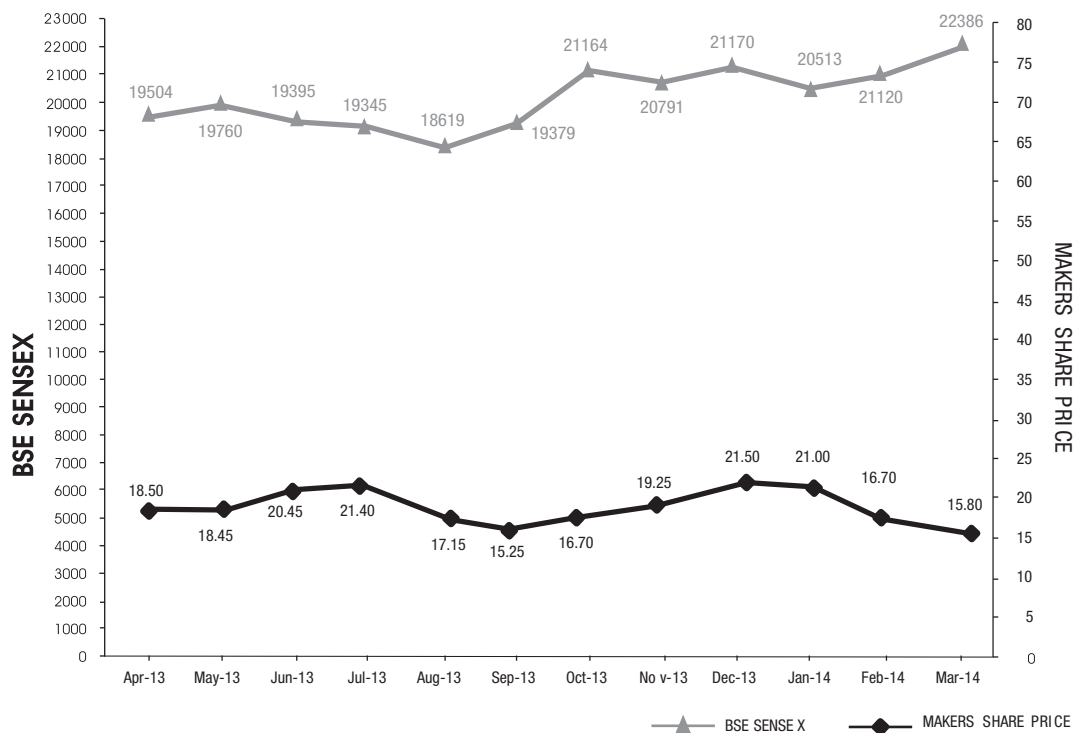
High/Low of Market price of the Company's shares traded on Bombay Stock Exchange Ltd., Mumbai during the financial year 2013-14 is furnished below:

Year	Month	Highest (₹)	Lowest (₹)	
2013	April	19.95	17.55	
	May	19.00	16.00	
	June	20.45	18.10	
	July	21.40	16.90	
	August	22.00	15.60	
	September	18.75	14.30	
	October	16.70	14.50	
	November	21.55	16.65	
	December	21.95	17.60	
	2014	January	24.60	19.85
		February	23.15	15.00
		March	17.95	15.15

## Annexure B

Graph of Share Price/ BSE Sensex

BSE Sensex / Share Price



## Annexure C

The distribution of shareholding as on 31 <sup>st</sup> March, 2014 is as follows :						
No. of equity shares held			No. of shareholders %		No. of shares %	
Upto		500	3737	85.54	582188	11.84
501	to	1000	349	7.99	275147	5.59
1001	to	2000	128	2.93	191157	3.89
2001	to	3000	60	1.37	148493	3.02
3001	to	4000	12	0.27	42358	0.86
4001	to	5000	20	0.46	90999	1.85
5001	to	10000	35	0.80	248114	5.05
10001	&	above	28	0.64	3338524	67.90
<b>Grand Total</b>			<b>4369</b>	<b>100.00</b>	<b>4916980</b>	<b>100.00</b>
No. of shareholders in Physical Mode			1937	44.34	412858	8.40
No. of shareholders in Electronic Mode			2432	55.66	4504122	91.60

Shareholding pattern as on 31 <sup>st</sup> March, 2014 is as follows :			
Category	No. of shareholders	No. of shares	% holding
Indian Promoters	12	2869947	58.37
Banks and Insurance Companies	1	100	0.00
UTI and Mutual Funds	0	0	0.00
FII's and NRI's	110	75298	1.53
Domestic Companies	67	106831	2.17
Resident Individuals	4179	1864804	37.93
<b>Total</b>	<b>4369</b>	<b>4916980</b>	<b>100.00</b>

## AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To,  
The Members of  
**MAKERS LABORATORIES LIMITED**

1. We have examined the compliance of conditions of Corporate Governance by MAKERS LABORATORIES LIMITED for the period ended on 31<sup>st</sup> March, 2014 as stipulated in clause 49 of the Listing Agreement of the said Company with stock exchanges.
2. The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
3. In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has generally complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.
4. We state that no Investor grievance is pending for a period exceeding one month against the Company as per the records and other documents maintained by the Shareholders/Investors Grievance Committee.
5. We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the company.

**For Agarwal & Mangal**  
Chartered Accountants  
Firm Reg. No. 100061W  
**B. P. MANGAL**  
Partner  
Memb. No. 32973

Place: Mumbai  
Dated: 27<sup>th</sup> May, 2014

May 27, 2014

To,  
All the Members of  
Makers Laboratories Ltd.

It is hereby certified and confirmed that as provided in Clause 49 I (D) of the listing agreement with the stock exchanges, the Board members and the Senior Management personnel of the Company have affirmed compliance with the Code of Conduct of the Company for the financial year ended 31<sup>st</sup> March, 2014.

For Makers Laboratories Limited

Purnima Jain  
Wholetime Director / CEO

The Board of Directors  
Makers Laboratories Limited  
54-D, Kandivli Industrial Estate,  
Kandivli - West  
Mumbai – 400 067

May 27, 2014

**CEO/CFO CERTIFICATION**

We hereby certify that:

- a. We have reviewed financial statements and the cash flow statement for the year ended 31<sup>st</sup> March, 2014 and that to the best of our knowledge and belief;
  - i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - ii. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b. No transaction is entered into by the Company during the year which is fraudulent, illegal or violative of the Company's code of conduct.
- c. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d. We have indicated to the auditors and the Audit Committee:
  - i. significant changes in internal control over financial reporting during the year;
  - ii. significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - iii. instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For Makers Laboratories Ltd.

For Makers Laboratories Ltd.

Purnima Jain  
Wholetime Director / CEO

Saahil Parikh  
Wholetime Director / CFO

## **INDEPENDENT AUDITORS' REPORT**

### **TO THE MEMBERS OF MAKERS LABORATORIES LIMITED**

#### **Report on the Financial Statements**

We have audited the accompanying financial statements of **MAKERS LABORATORIES LIMITED** ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March, 2014, the Statement of Profit and Loss and Cash Flow Statement for the year 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 Accounting Standards referred to in Section 211(3C) of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control 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 conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. 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 of 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 judgments, 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 control relevant to the Company's preparation and fair presentation of the financial statements 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 our audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### **Opinion:**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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 31<sup>st</sup> March, 2014;
- (b) In the case of the Statement of Profit and Loss, of the Profit for the year ended on that date; and
- (c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

#### **Report on Other Legal and Regulatory Matters:**

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of Section 227 (4A) of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 & 5 of the Order.
2. As required by Section 227 (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 purposes 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, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - d. In our opinion, the Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement comply with the Accounting Standards referred to in section 211(3C) of the Act;
  - e. On the basis of the written representations received from the Directors as on 31<sup>st</sup> March, 2014, taken on record by the Board of Directors, none of the Directors is disqualified as on 31<sup>st</sup> March, 2014, from being appointed as a Director in terms of Section 274(1)(g) of the Act.

**For Agarwal & Mangal**  
Chartered Accountants  
Firm Reg. No. 100061W  
**B. P. MANGAL**  
Partner  
Memb. No. 32973

Place: Mumbai  
Dated: 27<sup>th</sup> May, 2014



**Annexure referred to in our audit 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 fixed assets of the Company have been physically verified by the management at reasonable intervals. No material discrepancies were noticed on such verification. In our opinion, having regard to size of the Company and the nature of its business, the frequency of verification is reasonable.
- (c) During the year, the Company has not disposed off substantial part of the Fixed Assets.
- (ii) (a) The inventory of the Company has been physically verified at reasonable intervals during the year by the management. In our opinion, the frequency of verification is reasonable.
- (b) 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) On the basis of our examination of the records of inventory, we are of the opinion that the Company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical records and the book records were not material.
- (iii) The Company has not granted / taken any loans, secured or unsecured, to/ from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. Therefore, the provisions of Clause 4 (iii) {(b),(c) and (d) / (f) and (g)} of the said Order are not applicable to the Company.
- (iv) In our opinion and according to the information and explanations given to us, there are adequate internal control systems commensurate with the size of the Company and the nature of its business, for the purchase of inventory and fixed assets and for the sale of goods and services. During the course of our audit, no major weakness was noticed in the internal control system.
- (v) (a) Based on the audit procedures applied by us and according to the information and explanations provided by the management, we are of the opinion that the particulars of contracts or arrangements referred to section 301 of the Companies Act, 1956 have been so entered in the register required to be maintained under the said section.
- (b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained under section 301 of the Companies Act, 1956 and exceeding the value of five lakh rupees in respect of any party during the year have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.
- (vi) The Company has not accepted any deposits from the public within the meaning of Section 58A and 58AA of the Act and the rules framed thereunder.
- (vii) In our opinion, the Company has an internal audit system commensurate with the size and the nature of its business.
- (viii) According to the records produced and information given to us, the cost records and accounts as prescribed by the Central Govt. under Section 209 (1) (d) of the Companies Act, 1956 have been made and maintained by the Company but no examination of such records and accounts have been carried out by us.
- (ix) (a) According to the records of the Company, the Company is regular in depositing with the appropriate authorities undisputed statutory dues including provident fund, investor education and protection fund, employees' state insurance, income tax, sales-tax, wealth tax, service tax, customs duty, excise duty, cess and other statutory dues applicable to it. According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, wealth tax,

sales tax, service tax, customs duty, excise duty and cess were outstanding as at 31<sup>st</sup> March, 2014 for a period of more than six months from the date they became payable.

- (b) As at 31<sup>st</sup> March, 2014, there have been no disputed dues which have not been deposited with the respective authorities in respect of Income Tax, Wealth Tax, Sales Tax, Service Tax and Cess.
- (x) The Company does not have accumulated losses as on 31<sup>st</sup> March, 2014. The Company has not incurred any cash losses during the financial year covered by our audit and the immediately preceding financial year.
- (xi) Based on our audit procedures and on the basis of the information and explanations given by the management, the Company has not defaulted in repayment of dues to bank. The Company has not taken any loan from financial institutions. Further, no loan has been taken by way of issuance of debentures.
- (xii) According to the information and explanations given to us and based on the documents and records produced to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) In our opinion, the Company is not a chit fund or a nidhi / mutual benefit fund / society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
- (xiv) In our opinion, the Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
- (xv) In our opinion and 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 during the year.
- (xvi) The Company has not taken any term loans during the year.
- (xvii) On the basis of overall examination of the Balance Sheet of the Company, in our opinion and according to the information and explanations given to us, there are no funds raised on a short-term basis which have been used for long-term investment.
- (xviii) During the year, the Company has not made any preferential allotment of shares to parties and companies covered in the Register maintained under section 301 of the Companies Act, 1956.
- (xix) The Company has not issued any debentures during the year.
- (xx) The Company has not raised any money through public issue during the year.
- (xxi) Based on the information and explanations furnished by the management, which have been relied upon by us, there were no fraud on or by the Company noticed or reported during the year.

**For Agarwal & Mangal**  
Chartered Accountants  
Firm Reg. No. 100061W  
**B. P. MANGAL**  
Partner  
Memb. No. 32973

Place: Mumbai  
Dated: 27<sup>th</sup> May, 2014

## Balance Sheet as at 31<sup>st</sup> March, 2014

Particulars	Note Ref	As at	As at
		31 <sup>st</sup> March, 2014 (₹)	31 <sup>st</sup> March, 2013 (₹)
<b>I EQUITY &amp; LIABILITIES</b>			
<b>1 Shareholders' Funds</b>			
(a) Share Capital	1	4,91,69,800	4,91,69,800
(b) Reserves & Surplus	2	17,98,61,178	17,39,04,807
(c) Money Received Against Share Warrants		-	-
		<u>22,90,30,978</u>	<u>22,30,74,607</u>
<b>2 Share Application Money Pending Allotment</b>		-	-
<b>3 Non-Current Liabilities</b>			
(a) Long-Term Borrowings		-	-
(b) Deferred Tax Liabilities (net)	3	75,15,000	73,56,000
(c) Other Long Term Liabilities	4	4,00,30,000	1,19,98,000
(d) Long Term Provisions	5	12,83,408	13,94,401
		<u>4,88,28,408</u>	<u>2,07,48,401</u>
<b>4 Current Liabilities</b>			
(a) Short-Term Borrowings	6	2,11,89,840	4,40,35,192
(b) Trade Payables	7	10,46,14,316	9,24,10,295
(c) Other Current Liabilities	8	37,22,335	41,59,212
(d) Short-Term Provisions	5	28,17,104	30,90,428
		<u>13,23,43,595</u>	<u>14,36,95,127</u>
<b>Total</b>		<u>41,02,02,981</u>	<u>38,75,18,135</u>
<b>II ASSETS</b>			
<b>1 Non-Current Assets</b>			
(a) Fixed Assets			
(i) Tangible Assets	9	11,83,67,073	12,21,01,204
(ii) Intangible Assets	9	9,84,285	5,21,246
(iii) Capital Work-in-Progress		1,91,53,426	55,500
(iv) Intangible Assets Under Development		-	-
		<u>13,85,04,784</u>	<u>12,26,77,950</u>
(b) Non-Current Investments	10	2,49,73,170	4,03,66,729
(c) Deferred Tax Assets (net)		-	-
(d) Long-Term Loans and Advances	11	81,53,183	78,42,209
(e) Other Non-Current Assets	12	24,57,055	16,91,855
		<u>17,40,88,192</u>	<u>17,25,78,743</u>
<b>2 Current Assets</b>			
(a) Current Investments		-	-
(b) Inventories	13	9,91,91,083	10,22,69,844
(c) Trade Receivables	14	12,53,31,312	9,88,40,836
(d) Cash and Bank Balances	15	15,73,425	43,16,752
(e) Short-term Loans and Advances	11	56,73,925	62,24,092
(f) Other Current Assets	12	43,45,044	32,87,868
		<u>23,61,14,789</u>	<u>21,49,39,392</u>
<b>Total</b>		<u>41,02,02,981</u>	<u>38,75,18,135</u>

Statement of Significant Accounting policies and Other Explanatory Notes form part of the Balance Sheet and Statement of Profit and Loss

As per our Report of even date attached

For **AGARWAL & MANGAL**

Chartered Accountants

Firm Reg. No. 100061W

**B. P. MANGAL**

Partner

Memb. No.32973

Mumbai,

27<sup>th</sup> May, 2014

For and on behalf of the Board of Directors

Purnima Jain

- Wholetime Director

Saahil Parikh

- Wholetime Director

K. C. Jain

- Director

## Statement of Profit and Loss for the year ended 31<sup>st</sup> March, 2014

Particulars	Note Ref	2013-14		2012-13	
		₹		₹	
<b>Revenue</b>					
<b>I Revenue from Operations (Gross):</b>					
Sale of products	16	60,95,47,428		52,77,65,466	
Manufacturing Charges Income		9,11,84,586		9,92,70,679	
Other operating revenue	17	5,75,666		5,65,941	
Less : Excise duty		1,75,75,869	68,37,31,811	1,21,21,504	61,54,80,582
<b>II Other Income</b>	18		54,71,557		1,59,35,856
<b>III Total Revenue (I + II)</b>			68,92,03,368		63,14,16,438
<b>IV Expenses</b>					
Cost of Materials Consumed	19	20,36,20,339		17,90,38,435	
Purchase of Traded Goods		22,86,52,086		19,92,12,717	
Changes in inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	20	72,86,668		(64,30,747)	
Employee Benefit Expenses	21	7,24,14,504		6,99,54,455	
Finance Cost	22	42,87,569		94,03,081	
Depreciation & Amortisation	23	97,34,962		1,01,10,894	
Other Expenses	24	15,13,32,046	67,73,28,174	13,52,44,915	59,65,33,750
<b>Total Expenses (IV)</b>			67,73,28,174		59,65,33,750
<b>V Profit Before exceptional, extraordinary items and Tax (III-IV)</b>			1,18,75,194		3,48,82,688
<b>VI Exceptional Items</b>			-		-
<b>VII Profit Before extraordinary items and Tax (V-VI)</b>			1,18,75,194		3,48,82,688
<b>VIII Extraordinary Items</b>			-		-
<b>IX Profit Before Tax (VII-VIII)</b>			1,18,75,194		3,48,82,688
<b>X Tax Expense</b>					
1 Current Tax		58,00,000		82,00,000	
2 Deferred Tax		1,59,000		22,69,000	
3 Tax Provision for earlier years		(40,177)	59,18,823	-	1,04,69,000
<b>XI Profit After Tax (IX-X)</b>			59,56,371		2,44,13,688
<b>XII Earnings per Equity Share (₹):</b>					
Basic/Diluted			1.21		4.97
Par Value			₹ 10/- each		₹ 10/- each

Statement of Significant Accounting policies and Other Explanatory Notes form part of the Balance Sheet and Statement of Profit and Loss

As per our Report of even date attached  
For **AGARWAL & MANGAL**  
Chartered Accountants  
Firm Reg. No. 100061W

**B. P. MANGAL**  
Partner  
Memb. No.32973  
Mumbai,  
27<sup>th</sup> May, 2014

**For and on behalf of the Board of Directors**  
Purnima Jain - Wholetime Director  
Saahil Parikh - Wholetime Director  
K.C. Jain - Director

## Cash Flow Statement for the year ended 31<sup>st</sup> March, 2014

Particulars	2013 - 2014		2012 - 2013	
	(₹)	(₹)	(₹)	(₹)
<b>A Cash flow from Operating Activities</b>				
Net Profit Before Tax		1,18,75,194		3,48,82,688
<b>Adjustments for:</b>				
Depreciation	97,34,962		1,01,10,894	
Assets Scrapped	1,18,980		1,33,861	
Bad Debts Written off	11,65,226		34,14,244	
Loss on Sale of Fixed Assets	4,60,092		2,24,985	
Loss on Sale of Investments	30,00,000		-	
Profit on Sale of Fixed Assets	(48,670)		(3,949)	
Profit on Sale of Investment	-		(96,94,200)	
Provision for Diminution in the value of Investments	3,93,559		21,12,305	
Dividend Income	(8,74,633)		(7,19,096)	
Interest Income	(20,11,192)		(30,00,875)	
Interest Expense	42,87,569	1,62,25,893	94,03,081	1,19,81,250
<b>Operating profit before Working Capital Changes</b>		<b>2,81,01,087</b>		<b>4,68,63,938</b>
<b>Working Capital Changes:</b>				
(Increase) / Decrease in Inventories	30,78,761		(61,14,248)	
(Increase) / Decrease in Receivables	(2,85,71,615)		(1,30,94,576)	
Increase / (Decrease) in Short Term Borrowings	(2,28,45,352)		(3,16,03,414)	
Increase / (Decrease) in Sundry Creditors & Provisions	3,96,70,482	<u>(86,67,724)</u>	2,07,47,865	<u>(3,00,64,373)</u>
<b>Cash Generated from Operations</b>		<b>1,94,33,363</b>		<b>1,67,99,565</b>
Income Tax paid		<u>(64,47,635)</u>		<u>(66,72,557)</u>
<b>Net Cash Flow from Operating Activities - I</b>		<b>1,29,85,728</b>		<b>1,01,27,008</b>
<b>B Cash Flow from Investing Activities :</b>				
Purchase of Fixed Assets	(2,64,79,844)		(94,21,485)	
Proceeds from sale of Investments	1,20,00,000		1,31,98,800	
Interest received	20,09,730		34,68,639	
Proceeds from sale of Fixed Assets	3,87,646		1,94,482	
Dividend Received	8,74,633		7,19,096	
<b>Net Cash Flow from Investing Activities - II</b>		<u>(1,12,07,835)</u>		<u>81,59,532</u>
<b>Cash Flow after Investing Activities - III = (I + II)</b>		<b>17,77,893</b>		<b>1,82,86,540</b>
<b>C Cash Flow from Financing Activities</b>				
Increase / (Decrease) in Long Term Borrowings	-		(93,22,000)	
Interest paid	(45,42,364)		(92,65,500)	
<b>Net Cash flow from Financing Activities - IV</b>		<u>(45,42,364)</u>		<u>(1,85,87,500)</u>
<b>Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)</b>		<b>(27,64,471)</b>		<b>(3,00,960)</b>
Opening Cash and Cash Equivalents		<u>37,31,036</u>		<u>40,31,996</u>
Closing Cash and Cash Equivalents		<b>9,66,565</b>		<b>37,31,036</b>
<b>Components of Cash &amp; Cash Equivalents:</b>				
Cash Balances		<b>1,99,597</b>		<b>1,10,487</b>
Balances with banks		<u>7,66,968</u>		<u>36,20,549</u>
		<b>9,66,565</b>		<b>37,31,036</b>

As per our Report of even date attached

For **AGARWAL & MANGAL**

Chartered Accountants

Firm Reg. No. 100061W

**B. P. MANGAL**

Partner

Memb. No.32973

Mumbai,

27<sup>th</sup> May, 2014

**For and on behalf of the Board of Directors**

Purnima Jain

- Wholetime Director

Saahil Parikh

- Wholetime Director

K. C. Jain

- Director

## Significant Accounting Policies

### ACCOUNTING POLICIES

#### a) Accounting Convention

The financial statements have been prepared to comply in all material respects with the notified accounting standards by the Companies (Accounting Standards) Rules 2006 (as amended) and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared under the historical cost convention, on an accrual basis of accounting.

The classification of assets and liabilities of the Company is done into current and non-current based on the operating cycle of the business of the Company. The operating cycle of the business of the Company is less than twelve months and therefore all current and non-current classifications are done based on the status of realisability and expected settlement of the respective asset and liability within a period of twelve months from the reporting date as required by Revised Schedule VI to the Companies Act, 1956

The accounting policies adopted in the preparation of financial statements are consistent with those used in the previous year.

#### b) Use of Estimates

The preparation of the financial statements in conformity with the Generally Accepted Accounting Principles applicable in India and the provisions of the Companies Act, 1956 requires that the Management makes estimates and assumptions that affect the reported amounts of the assets and liabilities, disclosure of the contingent liabilities as at the date of the Financial Statements and reported amount of the revenue and expenses during the reported year. Actual results could differ from those Estimates.

#### c) Inflation

Assets and Liabilities are shown at historical cost and no adjustments are made for changes in purchasing power of money.

#### d) Fixed Assets

i) Fixed Assets are recorded at cost of acquisition or construction less CENVAT / Service Tax Credit availed.

ii) Intangible assets are recorded at cost of acquisition.

#### e) Depreciation, Amortisation and Impairment

Depreciation on fixed assets is charged on straight line method at Dombivli and Head Office and on Written Down Value method at Ahmedabad in accordance with the rates and in the manner specified in Schedule XIV to the Companies Act, 1956.

Intangible assets are amortised over the economic useful life estimated by the Management.

Impairment of assets is ascertained at each balance sheet date in respect of the Company's Fixed Assets. An impairment loss is recognised whenever carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the net selling price and value in use, the estimated future cash flows are discounted to their present value based on an appropriate discount factor.

#### f) Borrowing Costs

Borrowing costs attributable to the acquisition or construction of qualifying assets are capitalised as a part of such assets. All other borrowing costs are charged to revenue in the year in which they are incurred.

#### g) Investments

Long term Investments are stated at cost. Diminution in the value of Investments is provided for by reducing the value of investments and charging the same to the Statement of Profit & Loss.

#### h) Inventories

Item of inventories are valued on the basis given below:

Raw Materials and Packing Materials : At cost net of CENVAT computed on First-In-First-Out method.

Work- in- process and Finished Goods : At cost including material cost net of GEN VAT, labour cost and production overheads incurred till the stage of completion of production for Work-In-Process and the same or net realisable value whichever is lower in case of Finished Goods. Excise duty is considered as cost of finished goods wherever applicable.

Stores & Spares : Stores and spare parts are valued at purchase cost.

**i) Cash and Cash Equivalents**

Cash and cash equivalents in the Balance Sheet comprise cash at bank, cheques on hand, cash in hand and short term investments with an original maturity of three months or less.

**j) CENVAT Credit**

CENVAT Credit utilised during the year is accounted for in excise duty expenses account and unutilised CENVAT balance at the year end is considered as advance excise duty.

**k) Service Tax Credit**

Service Tax credit utilised during the year towards excise liability is accounted in Excise duty and unutilised Service Tax credit at the year end is considered as advance excise duty.

**l) Sales**

Local Sales include Excise duty.

**m) Revenue Recognition**

Revenue in respect of insurance / other claims, interest, commission etc. are recognised only when it is reasonably certain that the ultimate collection will be made.

**n) Contingent Liabilities**

These are disclosed by way of notes to the accounts . Provision is made in respect of those liabilities which are likely to materialise after the year end, till the finalisation of accounts and have material effect on the position stated in the Balance Sheet.

**o) Retirement Benefits**

- i) Contribution to Provident Fund and Family Pension Fund are charged to Statement of Profit & Loss.
- ii) Gratuity is charged to revenue on actuarial valuation by Life Insurance Corporation of India under the Employees Group Gratuity policy with them.
- iii) Leave encashable on retirement has been provided for on the basis of actuarial valuation.
- iv) Leave Travel Assistance (LTA) Liability has been accounted based on actual accumulated obligation.

**p) Research & Development**

Revenue expenditure on research & development is charged to Statement of Profit & Loss in the year in which it is incurred. Capital expenditure on Research & Development is considered as addition to fixed assets.

**q) Foreign Exchange Transactions**

Transactions denominated in foreign currency settled / negotiated during a month are recorded at exchange rate on the date of settlement / negotiation. Foreign currency transaction remaining not settled / negotiated at the end of each month are converted into rupees at the month end rates. All gains or losses on foreign exchange transaction are recognised in the Statement of Profit and Loss.

**r) Taxation**

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of Income Tax Act, 1961.

Deferred Tax is recognised 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.



## Notes on Financial Statements for the Year ended 31<sup>st</sup> March, 2014

### 1 SHARE CAPITAL

Particulars	As at 31-Mar-14		As at 31-Mar-13	
	Number	(₹)	Number	(₹)
Face Value	₹ 10/- each		₹ 10/- each	
Class of Shares	Equity Shares (Fully paid)		Equity Shares (Fully paid)	
Authorised Capital	75,00,000	7,50,00,000	75,00,000	7,50,00,000
Issued, Subscribed And Paid up Capital	49,16,980	4,91,69,800	49,16,980	4,91,69,800
<b>PER BALANCE SHEET</b>	<b>49,16,980</b>	<b>4,91,69,800</b>	<b>49,16,980</b>	<b>4,91,69,800</b>

#### Of the above :

5,71,440 Equity Shares of ₹10 each allotted as fully paid-up to the shareholders of Harleystreet Pharmaceuticals Ltd pursuant to the Scheme of Amalgamation.

#### i) Reconciliation of number of shares

Particulars	As at 31-Mar-14		As at 31-Mar-13	
	No. of shares	(₹)	No. of shares	(₹)
Shares outstanding at the beginning of the year	49,16,980	4,91,69,800	49,16,980	4,91,69,800
Shares Issued during the year	-	-	-	-
<b>Shares outstanding at the end of the year</b>	<b>49,16,980</b>	<b>4,91,69,800</b>	<b>49,16,980</b>	<b>4,91,69,800</b>

#### ii) Details of Shareholding in excess of 5%

Name of Shareholder	As at 31-Mar-14		As at 31-Mar-13	
	Number of shares held	Percentage	Number of shares held	Percentage
Exon Laboratories Pvt. Ltd.	6,50,000	13.22%	6,50,000	13.22%
Kaygee Investments Pvt. Ltd.	8,54,400	17.38%	8,54,400	17.38%
Paschim Chemicals Pvt. Ltd.	7,66,672	15.59%	7,66,672	15.59%

### 2 RESERVES & SURPLUS

Particulars	As at 31-Mar-14		As at 31-Mar-13	
	(₹)	(₹)	(₹)	(₹)
<b>a) Capital Reserve</b>				
Balance as per last Balance Sheet		3,02,76,029		3,02,76,029
<b>b) Securities Premium Reserve</b>				
Balance as per last Balance Sheet		1,08,63,850		1,08,63,850
<b>c) Other Reserves</b>				
<b>General Reserve *</b>				
Balance as per last Balance Sheet		9,00,00,000		9,00,00,000
<b>d) Surplus in Profit &amp; Loss account</b>				
Balance as per last Balance Sheet	4,27,64,928		1,83,51,240	
Add: Net Profit for the year	59,56,371	4,87,21,299	2,44,13,688	4,27,64,928
<b>PER BALANCE SHEET</b>		<b>17,98,61,178</b>		<b>17,39,04,807</b>

\* General Reserve represents the reserve created in accordance with Companies (transfer of profit to reserve) Rules, 1975



### 3 DEFERRED TAX LIABILITIES (NET)

Particulars	As at 31-Mar-14	As at 31-Mar-13
	(₹)	(₹)
<b>Deferred tax liability on account of :</b>		
Depreciation	92,50,000	90,12,000
<b>Deferred tax asset on account of :</b>		
Leave Encashment	(17,35,000)	(16,56,000)
<b>PER BALANCE SHEET</b>	<b>75,15,000</b>	<b>73,56,000</b>

### 4 OTHER LONG TERM LIABILITIES

Particulars	As at 31-Mar-14	As at 31-Mar-13
	(₹)	(₹)
Dealers Deposits	4,00,05,000	1,19,73,000
Other Deposits	25,000	25,000
<b>PER BALANCE SHEET</b>	<b>4,00,30,000</b>	<b>1,19,98,000</b>

### 5 PROVISIONS

Particulars	Long Term		Short Term	
	As at 31-Mar-14	As at 31-Mar-13	As at 31-Mar-14	As at 31-Mar-13
	(₹)	(₹)	(₹)	(₹)
Provision for Gratuity	-	-	-	10,46,940
Provision for Leave Encashment	12,83,408	13,94,401	18,19,344	10,79,888
Provision for Leave Travel Assistance (LTA)	-	-	9,97,760	9,63,600
<b>PER BALANCE SHEET</b>	<b>12,83,408</b>	<b>13,94,401</b>	<b>28,17,104</b>	<b>30,90,428</b>

#### Disclosures:

As per Accounting Standard -15 "Employee Benefits" and as defined in the accounting standard, the summarised components of net benefit expense recognized in the Statement of Profit and Loss and the funded status and amounts recognized in the Balance Sheet are given herein below :

Particulars	Gratuity		Leave Encashment	
	2013-14	2012-13	2013-14	2012-13
<b>I Change in Benefit Obligation</b>				
Liability at the beginning of the year	85,41,101	77,38,739	24,74,289	23,79,010
Interest cost	6,83,288	6,19,099	1,59,966	1,69,672
Current Service Cost	6,29,091	5,89,675	7,61,535	10,07,200
Past year Service Cost	-	-	-	-
Benefit Paid	(12,90,572)	(14,90,481)	(9,64,874)	(9,07,099)
Actuarial (gain)/loss on obligations	50,300	10,84,069	6,71,836	(1,74,494)
Curtailments and Settlements	-	-	-	-
Liability at the end of the year	86,13,208	85,41,101	31,02,752	24,74,289
<b>II. Fair Value of Plan Assets</b>				
Fair Value of Plan Assets at the beginning of the year	74,94,161	71,50,630	-	-
Expected Return on Plan Assets	7,16,258	6,56,228	-	-
Contributions	18,02,566	11,77,784	-	-
Benefit paid	(12,90,572)	(14,90,481)	-	-
Actuarial gain/(loss) on Plan Assets	-	-	-	-
Fair Value of Plan Assets at the end of the year	87,22,413	74,94,161	-	-

Particulars		Gratuity		Leave Encashment	
		2013-14	2012-13	2013-14	2012-13
<b>III.</b>	<b>Actual Return on Plan Assets</b>				
	Expected Return on Plan Assets	<b>7,16,258</b>	6,56,228	-	-
	Actuarial gain/(loss) on Plan Assets	-	-	-	-
	Actual Return on Plan Assets	<b>7,16,258</b>	6,56,228	-	-
<b>IV.</b>	<b>Amount Recognised in the Balance Sheet</b>				
	Liability at the end of the year	<b>86,13,208</b>	85,41,101	<b>31,02,752</b>	24,74,289
	Fair Value of Plan Assets at the end of the year	<b>87,22,413</b>	74,94,161	-	-
	Difference	<b>(1,09,205)</b>	10,46,940	<b>31,02,752</b>	24,74,289
	Unrecognised Past Service Cost	-	-	-	-
	Amount Recognised in the Balance Sheet	<b>(1,09,205)</b>	10,46,940	<b>31,02,752</b>	24,74,289
<b>V.</b>	<b>Expenses Recognised in the Income Statement</b>				
	Current Service Cost	<b>6,29,091</b>	5,89,675	<b>7,61,535</b>	10,07,200
	Interest Cost	<b>6,83,288</b>	6,19,099	<b>1,59,966</b>	1,69,672
	Expected Return on Plan Assets	<b>(7,16,258)</b>	(6,56,228)	-	-
	Net Actuarial (gain)/loss to be recognised	<b>50,300</b>	10,84,069	<b>6,71,836</b>	(1,74,494)
	Past Service Cost (Non Vested Benefit) Recognised	-	-	-	-
	Past Service Cost (Vested Benefit) Recognised	-	-	-	-
	Effect of Curtailment or Settlements	-	-	-	-
	Expense Recognised in the Statement of Profit and Loss	<b>6,46,421</b>	16,36,615	<b>15,93,337</b>	10,02,378
<b>VI.</b>	<b>Balance Sheet Reconciliation</b>				
	Opening Net Liability	<b>10,46,940</b>	5,88,109	<b>24,74,289</b>	23,79,010
	Expense as above	<b>6,46,421</b>	16,36,615	<b>15,93,337</b>	10,02,378
	Past year Service cost	-	-	-	-
	Employers Contribution	<b>(18,02,566)</b>	(11,77,784)	<b>(9,64,874)</b>	(9,07,099)
	Amount Recognised in Balance Sheet.	<b>(1,09,205)</b>	10,46,940	<b>31,02,752</b>	24,74,289
<b>VII</b>	<b>Actuarial Assumptions</b>				
	Discount Rate	<b>8.00%</b>	8.00%	<b>8.00%</b>	8.50%
	Salary Escalation Rate	<b>6.00%</b>	6.00%	<b>6.00%</b>	6.00%

- Note i) Employer's contribution includes payments made by the Company directly to its past employees.
- ii) The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.
- iii) The Company's Gratuity fund is managed by Life Insurance Corporation of India. The plan assets under the fund are deposited under approved securities.

## 6 SHORT-TERM BORROWINGS

<u>Particulars</u>	<u>As at 31-Mar-14</u>	<u>As at 31-Mar-13</u>
	(₹)	(₹)
<b>Secured Loans:</b>		
Working Capital Loan from Axis Bank	2,11,89,840	4,40,35,192
<b>PER BALANCE SHEET</b>	<b>2,11,89,840</b>	<b>4,40,35,192</b>

Secured by way of mortgage of immovable properties of the Company situated at Mumbai and Dombivli, hypothecation of all plant and machineries both present and future and hypothecation of stock-in-trade and book debts.

## 7 TRADE PAYABLES

<u>Particulars</u>	<u>As at 31-Mar-14</u>	<u>As at 31-Mar-13</u>
	(₹)	(₹)
<b>Trade Payables</b>		
- Micro Small and Medium Enterprises	-	-
- Others	10,46,14,316	9,24,10,295
<b>PER BALANCE SHEET</b>	<b>10,46,14,316</b>	<b>9,24,10,295</b>

The Company has obtained details from Sundry Creditors who are registered under the Micro, Small & Medium Enterprises Development Act, 2006. To the extent that the Company has received information it has evaluated that there are no amounts due to the Creditors who are Registered under the said Act beyond the period of 45 days.

## 8 OTHER CURRENT LIABILITIES

<u>Particulars</u>	<u>As at 31-Mar-14</u>	<u>As at 31-Mar-13</u>
	(₹)	(₹)
Interest accrued and due on borrowings	-	254,795
Unclaimed Dividend	4,19,745	4,20,605
Payable for Capital goods	2,40,034	6,67,181
Advances from customers	10,16,831	-
Duties & Taxes Payable	20,45,725	28,16,631
<b>PER BALANCE SHEET</b>	<b>37,22,335</b>	<b>41,59,212</b>

**9. FIXED ASSETS**

(₹)

Description of Assets	Cost				Depreciation, Amortisation & Impairment				Net Block				
	As at 1 <sup>st</sup> April, 2012	Additions (12-13)	Disposals/ Adjustments (12-13)	As at 31 <sup>st</sup> March, 2013	As at 31 <sup>st</sup> March, 2014	Disposals/ Adjustments (13-14)	Charge for the year (12-13)	As at 31 <sup>st</sup> March, 2013	As at 31 <sup>st</sup> March, 2014	Disposals/ Adjustments (13-14)	Charge for the year (13-14)	As at 31 <sup>st</sup> March, 2013	As at 31 <sup>st</sup> March, 2014
<b>A Tangible Assets</b>													
1 Freehold Land	1,98,39,631	11,83,150	-	2,10,22,781	-	-	-	-	-	-	-	2,10,22,781	2,10,22,781
2 Leasehold Land	1,64,755	-	-	1,64,755	61,230	-	-	-	-	-	-	1,64,755	2,25,985
3 Buildings	4,71,32,389	30,39,560	(2,07,233)	4,99,64,716	12,66,779	-	16,06,042	1,34,21,176	1,49,88,817	-	15,67,641	3,65,43,540	3,62,42,678
4 Plant & Machinery	10,23,32,612	43,41,939	(12,94,381)	10,53,80,170	28,63,341	(20,29,776)	72,90,649	4,87,23,321	5,42,13,010	(13,52,446)	68,42,135	5,66,56,849	5,20,00,725
5 Effluent Treatment Plant	3,72,805	2,05,300	-	5,78,105	40,128	-	28,048	1,73,274	2,05,351	-	32,077	4,04,831	4,12,882
6 Furniture & Fixtures	61,68,822	2,25,013	(7,525)	63,86,310	3,55,044	(1,54,012)	3,51,334	27,69,343	29,97,247	(1,50,845)	3,78,749	36,16,967	35,90,095
7 Vehicles	68,97,398	-	(4,87,783)	64,09,615	21,23,797	(9,22,125)	8,08,912	27,18,134	27,38,360	(6,84,574)	7,05,800	36,91,481	48,71,927
<b>Total-A</b>	<b>18,29,08,412</b>	<b>89,94,962</b>	<b>(19,96,922)</b>	<b>18,99,06,452</b>	<b>67,10,319</b>	<b>(31,05,913)</b>	<b>1,00,84,985</b>	<b>6,78,06,248</b>	<b>7,51,43,785</b>	<b>(21,87,865)</b>	<b>95,26,402</b>	<b>12,21,01,204</b>	<b>11,83,67,073</b>
<b>B Intangible Assets</b>													
1 Software	1,58,598	4,80,234	-	6,38,832	6,71,599	-	15,862	1,47,726	3,48,751	-	2,01,025	4,91,106	9,61,680
2 Trade Mark	2,00,000	-	-	2,00,000	1,59,813	-	10,047	1,69,860	1,77,395	-	7,535	30,140	22,605
<b>Total-B</b>	<b>3,58,598</b>	<b>4,80,234</b>	<b>-</b>	<b>8,38,832</b>	<b>6,71,599</b>	<b>-</b>	<b>25,909</b>	<b>3,17,586</b>	<b>5,26,146</b>	<b>-</b>	<b>2,08,560</b>	<b>5,21,246</b>	<b>9,84,285</b>
<b>Total-A+B</b>	<b>18,32,67,010</b>	<b>94,75,196</b>	<b>(19,96,922)</b>	<b>19,07,45,284</b>	<b>73,81,918</b>	<b>(31,05,913)</b>	<b>1,01,10,894</b>	<b>6,81,22,834</b>	<b>7,56,69,931</b>	<b>(21,87,865)</b>	<b>97,34,962</b>	<b>12,26,22,450</b>	<b>11,93,51,358</b>

**10. INVESTMENTS - NON CURRENT INVESTMENTS**

(₹)

Sr. No.	Name of the Body Corporate	Subsidiary / Associate / JV/ Controlled Entity / Others	No. of Shares / Units		Face Value	Quoted / Unquoted	Partly Paid / Fully paid	Extent of Holding (%)		Amount (₹)	
			Current Year	Previous Year				Current Year	Previous Year	Current Year	Previous Year
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
<b>Investment in Equity Instruments</b>											
<b>(Stated at Cost)</b>											
1	Elflora Organics Pvt.Ltd.	Others	1,610	1,610	100	Unquoted	Fully paid	8.05%	8.05%	1,61,405	1,61,405
2	Mexin Medicaments Pvt Ltd	Shareholders	11,990	11,990	100	Unquoted	Fully paid	11.10%	11.10%	1,31,89,000	1,31,89,000
3	Exon Laboratories Pvt Ltd	Shareholders	-	30,000	10	Unquoted	Fully paid	-	1.97%	-	1,50,00,000
4	Mangalam Drugs & Organics Ltd *	Others	3,07,468	3,07,468	10	Quoted	Fully paid	2.33%	2.33%	86,10,934	86,10,934
5	Ipca Laboratories Ltd	Associate	1,01,480	1,01,480	2	Quoted	Fully paid	0.08%	0.08%	1,01,71,516	1,01,71,516
<b>Total</b>										<b>3,21,32,855</b>	<b>4,71,32,855</b>
<b>Less- * Provision made for diminution in the value of Investments</b>											
Mangalam Drugs & Organics Ltd										71,59,685	67,66,126
<b>PER BALANCE SHEET</b>										<b>2,49,73,170</b>	<b>4,03,66,729</b>
1 Aggregate Book Value of Investment											
Unquoted											
Quoted											
2 Aggregate Market Value of Quoted Investment										<b>1,33,50,405</b>	<b>2,83,50,405</b>
										<b>1,16,22,765</b>	<b>1,20,16,324</b>
										<b>8,71,81,553</b>	<b>5,52,84,176</b>

**11 LOANS & ADVANCES**

Particulars	Long Term		Short Term	
	As at	As at	As at	As at
	31-Mar-14	31-Mar-13	31-Mar-14	31-Mar-13
	(₹)	(₹)	(₹)	(₹)
<b>Unsecured considered good</b>				
Loans & Advances given to Employees	99,002	1,45,079	3,69,737	8,44,593
Advances Receivable in Cash or in kind	3,23,589	92,204	9,71,755	8,57,285
Deposits	19,93,903	25,56,049	60,000	7,700
Prepaid Taxes (Net of Provision for Tax) *	57,36,689	50,48,877	-	-
Advance to Suppliers	-	-	42,72,433	45,14,514
<b>PER BALANCE SHEET</b>	<b>81,53,183</b>	<b>78,42,209</b>	<b>56,73,925</b>	<b>62,24,092</b>

\* Provision for Taxation includes provision for Wealth Tax of ₹ 5,000/= ( previous year ₹.5,000/=).

**12 OTHER ASSETS**

Particulars	Non Current		Current	
	As at	As at	As at	As at
	31-Mar-14	31-Mar-13	31-Mar-14	31-Mar-13
	(₹)	(₹)	(₹)	(₹)
Bank Margin	53,770	57,618	-	-
Duties & Taxes Refundable	24,03,285	16,34,237	28,01,597	24,67,277
Gratuity Receivable	-	-	15,21,028	7,99,634
Other Income Receivable	-	-	22,419	20,957
<b>PER BALANCE SHEET</b>	<b>24,57,055</b>	<b>16,91,855</b>	<b>43,45,044</b>	<b>32,87,868</b>

**13 INVENTORIES**

Particulars	As at 31-Mar-14		As at 31-Mar-13	
	(₹)	(₹)	(₹)	(₹)
Raw Materials		1,87,70,968		1,52,15,854
Packing Materials		42,10,960		43,29,341
Work In Progress		68,38,984		60,77,530
Finished Goods				
In hand				
Own	2,40,61,396		1,93,12,187	
Traded	4,34,17,969	6,74,79,365	5,44,94,586	7,38,06,773
In transit				
Own	9,41,620		4,40,546	
Traded	4,18,515	13,60,135	20,33,147	24,73,693
Stores & Spares		5,30,671		3,66,653
<b>PER BALANCE SHEET</b>		<b>9,91,91,083</b>		<b>10,22,69,844</b>

**Valuation methodology :**

Raw Materials and Packing Materials	At cost
Work In Progress	At cost
Finished Goods	At cost or net realisable value which ever is lower.
Stores & Spares	At cost

## 14 TRADE RECEIVABLES

Particulars	As at 31-Mar-14		As at 31-Mar-13	
	(₹)	(₹)	(₹)	(₹)
<b>Unsecured, considered good</b>				
Outstanding for more than six months		13,04,945		21,27,380
Other Debts		12,40,26,367		9,67,13,456
<b>PER BALANCE SHEET</b>		<b>12,53,31,312</b>		<b>9,88,40,836</b>

## 15 CASH AND BANK BALANCES

Particulars	As at 31-Mar-14		As at 31-Mar-13	
	(₹)	(₹)	(₹)	(₹)
<b>Cash &amp; Cash Equivalents</b>				
Cash Balances	1,99,597		1,10,487	
Balances with banks	7,66,968	9,66,565	36,20,549	37,31,036
<b>Other Bank Balances</b>				
Unclaimed Dividend		4,19,745		4,20,605
Bank Margin		1,87,115		1,65,111
<b>PER BALANCE SHEET</b>		<b>15,73,425</b>		<b>43,16,752</b>

## 16 SALE OF PRODUCTS

Particulars	2013-14		2012-13	
	(₹)	(₹)	(₹)	(₹)
Sale of Products		60,95,47,428		52,77,65,466
<b>PER STATEMENT OF PROFIT &amp; LOSS</b>		<b>60,95,47,428</b>		<b>52,77,65,466</b>
Formulations		54,97,93,959		48,50,45,291
API/ Intermediates		4,78,61,288		4,25,61,977
Others		1,18,92,181		1,58,198
<b>Total</b>		<b>60,95,47,428</b>		<b>52,77,65,466</b>

## 17 OTHER OPERATING REVENUE

Particulars	2013-14		2012-13	
	(₹)	(₹)	(₹)	(₹)
Empty containers & closure sale		4,08,561		4,16,099
Miscellaneous income from operations		1,67,105		1,49,842
<b>PER STATEMENT OF PROFIT &amp; LOSS</b>		<b>5,75,666</b>		<b>5,65,941</b>

## 18 OTHER INCOME

Particulars	2013-14		2012-13	
	(₹)	(₹)	(₹)	(₹)
Dividend Income		8,74,633		7,19,096
Interest Income		20,11,192		30,00,875
Profit on sale of Assets		48,670		3,949
Other non-operating income		25,37,062		25,17,736
Profit on sale of Investment		-		96,94,200
<b>PER STATEMENT OF PROFIT &amp; LOSS</b>		<b>54,71,557</b>		<b>1,59,35,856</b>

**19 COST OF MATERIALS CONSUMED**

Particulars	2013-14		2012-13	
	(₹)	(₹)	(₹)	(₹)
<b>Raw Materials Consumed</b>				
Opening Stock	1,52,15,854		1,60,81,075	
Add : Purchases ( Net of Discount )	18,85,48,590		16,25,90,285	
Less : Closing Stock	1,87,70,968	18,49,93,476	1,52,15,854	16,34,55,506
<b>Packing Materials Consumed</b>				
Opening Stock	43,29,341		32,93,084	
Add : Purchases ( Net of Discount )	1,85,08,482		1,66,19,186	
Less : Closing Stock	42,10,960	1,86,26,863	43,29,341	1,55,82,929
<b>PER STATEMENT OF PROFIT &amp; LOSS</b>		<b>20,36,20,339</b>		<b>17,90,38,435</b>

**Disclosures:**
**1 Details of Raw Materials Consumption**

Paracetamol IP	4,73,94,647		4,71,61,325	
M.A.P.A	2,11,13,764		1,50,03,113	
Chloroquine Phosphate	1,68,42,899		1,51,78,620	
Others (None of which individually forms more than 10% of the total consumption.)	9,96,42,166		8,61,12,448	
<b>Total</b>		<b>18,49,93,476</b>		<b>16,34,55,506</b>

**2 Details of Indigenous and Imported Consumption**

Raw Materials :	(₹)	Percentage	(₹)	Percentage
Imported	-	-	1,11,37,562	6.8
Indigenous	18,49,93,476	100.0	15,23,17,944	93.2
<b>Total</b>	<b>18,49,93,476</b>	<b>100.0</b>	<b>16,34,55,506</b>	<b>100.0</b>

**20 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE**

Particulars	2013-14		2012-13	
	(₹)	(₹)	(₹)	(₹)
<b>Inventory Adjustments - WIP</b>				
Work In progress at Opening	60,77,530		32,60,154	
Less : Work In progress at Closing	68,38,984	(7,61,454)	60,77,530	(28,17,376)
<b>Inventory Adjustments - FG</b>				
Stock at Commencement	7,62,80,466		7,29,01,380	
Less : Stock at Closing	6,88,39,500	74,40,966	7,62,80,466	(33,79,086)
<b>Variation in Excise duty on:</b>				
Closing Stock of finished goods	16,80,485		10,73,329	
Less : Opening Stock of finished goods	10,73,329	6,07,156	13,07,614	(2,34,285)
<b>PER STATEMENT OF PROFIT &amp; LOSS</b>		<b>72,86,668</b>		<b>(64,30,747)</b>
<b>Details of Finished Goods :</b>				
Formulations	6,66,84,557		7,55,89,658	
API/ Intermediates	21,54,943		6,90,808	
<b>Total</b>	<b>6,88,39,500</b>		<b>7,62,80,466</b>	



## 21 EMPLOYEE BENEFITS

Particulars	2013-14		2012-13	
	(₹)	(₹)	(₹)	(₹)
Salaries, Bonus, Perquisites, etc	6,72,45,336		6,50,62,304	
Contribution to Employees welfare funds	37,01,363		36,44,736	
Recruitment and Training	33,767		21,990	
Staff Welfare expenses	14,34,038		12,25,425	
<b>PER STATEMENT OF PROFIT &amp; LOSS</b>	<b>7,24,14,504</b>		<b>6,99,54,455</b>	

## 22 FINANCE COST

Particulars	2013-14		2012-13	
	(₹)	(₹)	(₹)	(₹)
Interest expense	42,87,569		94,03,081	
<b>PER STATEMENT OF PROFIT &amp; LOSS</b>	<b>42,87,569</b>		<b>94,03,081</b>	

## 23 DEPRECIATION & AMORTIZATION EXPENSES

Particulars	2013-14		2012-13	
	(₹)	(₹)	(₹)	(₹)
Depreciation	95,26,402		1,00,84,985	
Amortisation	2,08,560		25,909	
<b>PER STATEMENT OF PROFIT &amp; LOSS</b>	<b>97,34,962</b>		<b>1,01,10,894</b>	

## 24 OTHER EXPENSES

Particulars	2013-14		2012-13	
	(₹)	(₹)	(₹)	(₹)
Consumption of Stores	58,22,503		50,00,175	
Outside Manufacturing Charges	1,85,31,084		1,72,42,377	
Power, Fuel, Gas & Water Charges	2,41,08,271		2,26,67,544	
Repairs :				
- Building	17,96,938		19,50,438	
- Machinery	50,18,944		52,59,250	
- Others	3,11,816	71,27,698	2,22,686	74,32,374
Insurance		17,41,546		14,53,247
Rent		30,63,786		33,90,532
Rates and Taxes		27,19,538		20,65,784
Freight, Forwarding and Transportation		2,07,90,112		1,81,47,378
Commission on sales		2,45,32,121		1,17,42,448
Field Staff expenses		1,25,24,527		1,16,11,461
Auditors' Remuneration :				
- Audit Fees	1,45,394		1,37,300	
- Taxation Matters	62,472		43,768	
- Other Services	61,798		42,135	
- Reimbursement of expenses	33,101	3,02,765	37,857	2,61,060
Loss on Sale of Assets		4,60,092		2,24,985
Assets scrapped		1,18,980		1,33,861
Bad Debts Written off		11,65,226		34,14,244
Marketing & Sales Administrative expenses		1,15,61,995		1,34,62,970
Professional Charges		33,37,875		12,15,953
Security Charges		15,31,931		12,63,138
Excise Duty expenses		4,52,696		43,08,796
Analytical Charges		27,41,408		34,82,832
Communication expenses		18,38,407		14,71,373

**24 OTHER EXPENSES (Contd...)**

Particulars	2013-14		2012-13	
	(₹)	(₹)	(₹)	(₹)
Printing & Stationery		9,53,598		11,53,302
Bank charges		6,19,214		2,30,550
Provision for diminution in value of investments		3,93,559		21,12,305
Loss on sale of investments		30,00,000		-
Miscellaneous expenses		18,93,114		17,56,226
<b>PER STATEMENT OF PROFIT &amp; LOSS</b>		<b>15,13,32,046</b>		<b>13,52,44,915</b>

**Disclosures:**
**Details of Indigenous and Imported Stores, Spares & Components**

Particulars	2013-14		2012-13	
	(₹)	Percentage	(₹)	Percentage
Imported	-	-	-	-
Indigenous	58,22,503	100	50,00,175	100
<b>Total</b>	<b>58,22,503</b>	<b>100</b>	<b>50,00,175</b>	<b>100</b>

**25 CIF Value of Imports**

Particulars	2013-14		2012-13	
	(₹)	(₹)	(₹)	(₹)
Raw Materials		-		99,36,338
Finished Goods		79,97,215		-
Capital Goods		13,53,220		15,85,510

**26 Expenditure in foreign currency**

Particulars	2013-14		2012-13	
	(₹)	(₹)	(₹)	(₹)
Books & Subscriptions		3,42,135		3,03,321

**27 Disclosure as required by Accounting Standard – AS 17 “Segment Reporting”, issued by the Institute of Chartered Accountants of India.**

The entire operations of the Company relate to only one segment viz. "Pharmaceuticals". As such, there is no separate reportable segment under Accounting Standard-AS 17 on Segment Reporting.

**28 Disclosure as required by Accounting Standard – AS 20 “Earning Per Share”, issued by the Institute of Chartered Accountants of India.**

The Company has not issued any potential diluted equity share and therefore the Basic and Diluted earning per Share will be the same. The earning per share is calculated by dividing the profit after tax by weighted average number of shares outstanding.

Particulars	2013-14		2012-13	
	(₹)	(₹)	(₹)	(₹)
Profit after tax		59,56,371		2,44,13,688
Equity Shares Outstanding (Nos)				
-Opening	49,16,980		49,16,980	
-Issued during the year	-		-	
-Closing	-	49,16,980	-	49,16,980
- Basic / Diluted		49,16,980		49,16,980
Nominal value of equity share (₹)		₹ 10/- each		₹ 10/- each
Earnings per share (₹)				
- Basic / Diluted		1.21		4.97

**29 Disclosure as required by Accounting Standard – AS 18 "Related Parties", issued by the Institute of Chartered Accountants of India.**

<b>Relationships:</b>	<b>Country</b>
<b>A. Entities where control exists :</b>	
<b>Shareholders of Makers Laboratories Ltd.</b>	
Kaygee Investments Pvt. Ltd.	<b>India</b>
(Promoter holding together with its subsidiary more than 20%)	
<b>B. Key Management Personnel</b>	
Mrs. Purnima Jain - Wholetime Director	<b>Indian</b>
Mr. Saahil Parikh - Wholetime Director	<b>Indian</b>
<b>C. Associates</b>	
Ipca Laboratories Ltd.	<b>India</b>
<b>D. Other Related Parties (Entities in which Directors or their Relatives have significant influence)</b>	
Mr. Umesh Parikh	<b>Indian</b>
<b>Details of related party transaction are given in Statement - 1</b>	

**30 Contingent Liabilities not provided for in respect of :**

<b>Particulars</b>	<b>2013-14</b>	<b>2012-13</b>
	(₹)	(₹)
i Counter Guarantees given to AXIS Bank in respect of guarantees given by the bank on behalf of the Company to Government Authorities.	<b>2,40,885</b>	2,22,729
ii Estimated amount of contracts remaining to be executed on capital account.(Net of Capital Advances)	-	-
iii Other moneys for which the Company is contingently liable for tax, excise, customs and other matters not accepted by the Company	-	-

**31** In the opinion of the Board of Directors, all the assets other than fixed assets and non current investments have value on realisation in the ordinary course of business atleast equal to the amount at which they are stated in the Balance Sheet.

**32** The Balance Sheet, Statement of Profit & Loss, Cash Flow Statement, Statement of significant accounting policy and other explanatory notes form an integral part of the financial statements of the Company for the year ended on 31<sup>st</sup> March, 2014

**33** Previous year's figures have been regrouped and re-arranged wherever necessary to make them comparable.

As per our Report of even date attached

For **AGARWAL & MANGAL**  
Chartered Accountants  
Firm Reg. No. 100061W

**B. P. MANGAL**  
Partner  
Memb. No.32973  
Mumbai,  
27<sup>th</sup> May, 2014

**For and on behalf of the Board of Directors**  
Purnima Jain - Wholetime Director  
Saahil Parikh - Wholetime Director  
K.C. Jain - Director

**STATEMENT - 1 (Refer Note No.29)**
**Related Party Disclosure as required by Accounting Standard – AS 18 issued by the Institute of Chartered Accountants of India.**
**Transactions with Related Parties**

(₹)

Description	Entities where control exists				Key Management Personnel		Associates		Other Related Parties		Total	
	Shareholders		Others		2013-14	2012-13	2013-14	2012-13	2013-14	2012-13	2013-14	2012-13
	2013-14	2012-13	2013-14	2012-13								
<b>Purchase of goods and services:</b>												
Ipca Laboratories Ltd	-	-	-	-	-	-	2,88,48,286	2,86,23,419	-	-	2,88,48,286	2,86,23,419
Halewood Laboratories Pvt Ltd	-	-	-	52,81,780	-	-	-	-	-	-	-	52,81,780
<b>Total</b>	-	-	-	52,81,780	-	-	2,88,48,286	2,86,23,419	-	-	2,88,48,286	3,39,05,199
<b>Sales of goods and services:</b>												
Ipca Laboratories Ltd	-	-	-	-	-	-	15,26,91,851	14,32,89,215	-	-	15,26,91,851	14,32,89,215
<b>Total</b>	-	-	-	-	-	-	15,26,91,851	14,32,89,215	-	-	15,26,91,851	14,32,89,215
<b>Sale of fixed assets:</b>												
Ipca Laboratories Ltd	-	-	-	-	-	-	67,056	-	-	-	67,056	-
<b>Total</b>	-	-	-	-	-	-	67,056	-	-	-	67,056	-
<b>Sale of Shares:</b>												
Exon Laboratories Pvt Ltd	1,20,00,000	-	-	-	-	-	-	-	-	-	1,20,00,000	-
Halewood Laboratories Pvt Ltd	-	-	-	19,48,800	-	-	-	-	-	-	-	19,48,800
<b>Total</b>	1,20,00,000	-	-	19,48,800	-	-	-	-	-	-	1,20,00,000	19,48,800
<b>Excise duty, Rent and other expenses paid:</b>												
Ipca Laboratories Ltd	-	-	-	-	-	-	40,73,396	51,70,260	-	-	40,73,396	51,70,260
Halewood Laboratories Pvt Ltd	-	-	-	35,45,024	-	-	-	-	-	-	-	35,45,024
<b>Total</b>	-	-	-	35,45,024	-	-	40,73,396	51,70,260	-	-	40,73,396	87,15,284
<b>Salaries paid:</b>												
Others	-	-	-	-	-	-	-	-	19,90,080	14,45,805	19,90,080	14,45,805
<b>Total</b>	-	-	-	-	-	-	-	-	19,90,080	14,45,805	19,90,080	14,45,805
<b>Excise duty &amp; other expenses recovered:</b>												
Ipca Laboratories Ltd	-	-	-	-	-	-	67,09,519	1,16,20,501	-	-	67,09,519	1,16,20,501
Halewood Laboratories Pvt Ltd	-	-	-	32,69,187	-	-	-	-	-	-	-	32,69,187
<b>Total</b>	-	-	-	32,69,187	-	-	67,09,519	1,16,20,501	-	-	67,09,519	1,48,89,688
<b>Net Loans &amp; advances given/ (recovered) :</b>												
Halewood Laboratories Pvt Ltd	-	-	-	(1,36,25,000)	-	-	-	-	-	-	-	(1,36,25,000)
<b>Total</b>	-	-	-	(1,36,25,000)	-	-	-	-	-	-	-	(1,36,25,000)
<b>Interest Income :</b>												
Halewood Laboratories Pvt Ltd	-	-	-	7,74,463	-	-	-	-	-	-	-	7,74,463
<b>Total</b>	-	-	-	7,74,463	-	-	-	-	-	-	-	7,74,463
<b>Dividend Income :</b>												
Ipca Laboratories Ltd	-	-	-	-	-	-	4,56,660	3,24,736	-	-	4,56,660	3,24,736
<b>Total</b>	-	-	-	-	-	-	4,56,660	3,24,736	-	-	4,56,660	3,24,736
<b>Rent Income</b>												
Ipca Laboratories Ltd	-	-	-	-	-	-	14,76,409	14,76,413	-	-	14,76,409	14,76,413
<b>Total</b>	-	-	-	-	-	-	14,76,409	14,76,413	-	-	14,76,409	14,76,413
<b>Remuneration to Directors</b>												
Purnima Jain	-	-	-	-	26,66,494	22,75,641	-	-	-	-	26,66,494	22,75,641
Saahil Parikh	-	-	-	-	21,42,090	18,75,314	-	-	-	-	21,42,090	18,75,314
<b>Total</b>	-	-	-	-	48,08,584	41,50,955	-	-	-	-	48,08,584	41,50,955
<b>Balance as on 31st March</b>												
<b>Receivables:</b>												
Ipca Laboratories Ltd	-	-	-	-	-	-	2,28,79,827	2,10,34,263	-	-	2,28,79,827	2,10,34,263
Halewood Laboratories Pvt. Ltd	-	-	-	201	-	-	-	-	-	-	-	201
<b>Total</b>	-	-	-	201	-	-	2,28,79,827	2,10,34,263	-	-	2,28,79,827	2,10,34,464
<b>Payables:</b>												
Halewood Laboratories Pvt. Ltd	-	-	-	(31,91,857)	-	-	-	-	-	-	-	(31,91,857)
Ipca Laboratories Ltd	-	-	-	-	-	-	74,04,965	65,42,674	-	-	74,04,965	65,42,674
<b>Total</b>	-	-	-	(31,91,857)	-	-	74,04,965	65,42,674	-	-	74,04,965	33,50,817

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## 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: L24230MH1984PLC033389

Name of the Company: Makers Laboratories Ltd.

Regd Office: 54D, Kandivli Industrial Estate, Kandivli (West), Mumbai – 400 067

Email: investors@makerslabs.com Website: www.makerslabs.com Phone:022-6111 2800, Fax: 022-6111 2835

### 29<sup>th</sup> ANNUAL GENERAL MEETING ON 28<sup>th</sup> July, 2014

Name of the member (s):

Registered address:

E-mail Id:

Folio No / Client Id:

DP Id:

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

Name .....	Address .....
Email Id .....	Signature ..... or failing him;
Name .....	Address .....
Email Id .....	Signature ..... or failing him;
Name .....	Address .....
Email Id .....	Signature .....

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 29<sup>th</sup> Annual General Meeting of the Company to be held at Plot No. 47, Kandivli Industrial Estate, Opposite Anand Mangal Hall, Charkop, Kandivli (West), Mumbai- 400 067 on Monday, 28<sup>th</sup> July, 2014 at 4.00 p.m. and at any adjournment thereof in respect of such resolutions as are indicated below:

<b>Ordinary Business:</b>	
1.	Adoption of Balance Sheet, Statement of Profit and Loss, Report of the Board of Directors and Auditors for the year ended 31 <sup>st</sup> March, 2014
2.	Re-appointment of Mrs. Purnima Jain as Director
3.	Appointment of Auditors and fixing their remuneration
<b>Special Business:</b>	
4.	Appointment of Mr. K. C. Jain as Independent Director
5.	Appointment of Mr. S. V. Loyalka as Independent Director
6.	Appointment of Dr. Rajeshwar Singh as Independent Director
7.	Increase in the Borrowing limit of the Company upto ₹ 25 crores and creation of mortgage / charge on undertaking(s) of the Company to secure borrowings
8.	Remuneration payable to Cost Auditors

Signed this ..... day of ....., 2014

Signature of shareholder .....

Signature of Proxy holder(s) .....



Note:

1. 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.
2. For the Resolutions, Explanatory Statement and Notes, please refer to the Notice of the 29<sup>th</sup> Annual General Meeting.

## ATTENDANCE SLIP

I/We hereby record my/our presence at the 29<sup>th</sup> Annual General Meeting of the Company held at Plot No. 47, Kandivli Industrial Estate, Opposite Anand Mangal Hall, Charkop, Kandivli (West), Mumbai- 400 067 on Monday, 28<sup>th</sup> July, 2014 at 4.00 p.m.

.....	.....	.....	.....
Member's Folio/DP ID/Client ID No.	Member's/Proxy's name in Block Letters	Member's/Proxy's Signature	No. of shares held

Note:

1. Please complete the Folio/DP ID-Client ID No. and name, sign this Attendance Slip and hand it over at the Attendance Verification Counter at the ENTRANCE OF THE MEETING HALL.









Registered Office:

**Makers Laboratories Limited**

54-D, Kandivli Industrial Estate,  
Charkop, Kandivli (West),  
Mumbai - 400 067.

CIN : L24230MH1984PLC033389

Ph : 022 - 6111 2800

Email : [investors@makerslabs.com](mailto:investors@makerslabs.com)

Website : [www.makerslabs.com](http://www.makerslabs.com)