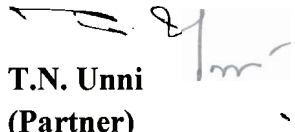


**FORM A**

1.	<b>Name of the company</b>	Parenteral Drugs (India) Limited
2.	<b>Annual financial statements for the year ended</b>	31 <sup>st</sup> March, 2014
3.	<b>Type of Audit observation</b>	Un-qualified
4.	<b>Frequency of Observation</b>	N.A

**For T.N. Unni & Co.**  
**Chartered Accountants**  
**Firm Registration No.:004890C**

  
**T.N. Unni**  
**(Partner)**  
**Membership No. 014520**

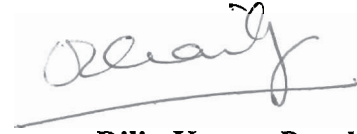


**For Parenteral Drugs (India) Limited**



**Vinod Kumar Gupta**  
**(Managing Director)**

**For Parenteral Drugs (India) Limited**



**Dilip Kumar Panchaity**  
**(Chairman of Audit Committee)**

30<sup>th</sup> Annual Report  
2013-2014

Care,  
Concern  
and Cure...



**PARENTERAL DRUGS (INDIA) LIMITED**



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# Company Information

## Board of Directors

### Executive Directors

**Mr. Manohar Lal Gupta**

Chairman

**Mr. Vinod Kumar Gupta**

Managing Director

**Mr. Govind Das Garg**

Whole-Time Director

**Mr. Anil Mittal**

Whole-Time Director & Chief Executive

### Non-Executive Directors

**Mr. Satish Chandra Consul**

Independent Director

**Mr. Dharam Pal Khanna**

Independent Director

**Mr. Dilip Kumar Panchaity**

Independent Director

**Mr. Dilip Kumar Sinha**

Independent Director

**Ms. Aradhana Kulkarni**

Company Secretary & Compliance Officer

### Manufacturing Locations

**Madhya Pradesh**

Village Asrawad,  
Post Dudhia, Nemawar Road,  
Indore-452 016

**Himachal Pradesh**

Village Bhud,  
Tehsil Nalagarh,  
Dist. Solan-173 205

### Registered Office

340, Laxmi Plaza, Laxmi Industrial Estate,  
New Link Road, Andheri (West),  
Mumbai-400 053 (Maharashtra)  
e-mail: pdpl@pdindia.com  
website: www.pdindia.com

### Corporate Office & Investors Grievances Centre

Shree Ganesh Chambers,  
Navlakha Crossing, A. B. Road,  
Indore-452 001 (Madhya Pradesh)  
e-mail: investor@pdindia.com

### Auditors

M/s. T.N. Unni & Co.  
Chartered Accountants,  
402, Alankar Point, Geeta Bhawan Square,  
Indore-452 001 (Madhya Pradesh)

### Bankers

State Bank of India  
Punjab National Bank

### Registrar and Share Transfer Agent

Link Intime India Private Limited  
C-13, Kantilal Maganlal Estate,  
Pannalal Silk Mills Compound,  
L.B.S. Marg, Bhandup (West), Mumbai -400 078  
Tel. No.: 022 - 25946970  
Fax No.: 022 - 25946969  
e-mail : rnt.helpdesk@linkintime.co.in

## N O T I C E

**NOTICE** is hereby given that the 30<sup>th</sup> Annual General Meeting of the members of Parenteral Drugs (India) Limited will be held on Tuesday, the 30<sup>th</sup> day of September, 2014, at 9.30 a.m. at The Classique Club, Behind Infinity Mall, Link Road, Oshiwara, Andheri (West), Mumbai-400 053 to transact the following business:-

### ORDINARY BUSINESS

1. To consider, approve and adopt the Balance Sheet of the company as on 31<sup>st</sup> March, 2014 and the Profit and Loss Account for the year ended on that date and the reports of the Directors' and the Statutory Auditors' thereon.
2. To re-appoint Shri Govind Das Garg, Whole-Time Director of the company, who is liable to retire by rotation and being eligible offers himself for re-appointment.
3. To re-appoint the Statutory Auditors of the Company to hold the office from the conclusion of ensuing Annual General Meeting till the conclusion of next Annual General Meeting of the company and to fix their remuneration.

### SPECIAL BUSINESS

#### ITEM NO. 4

#### **APPOINTMENT OF SHRI DILIP KUMAR SINHA AS NON-EXECUTIVE INDEPENDENT DIRECTOR OF THE COMPANY**

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

**"RESOLVED THAT** pursuant to the provision of sections 149, 152 and other applicable provisions of the Companies Act, 2013 read with Schedule IV to the Companies Act, 2013, Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Shri Dilip Kumar Sinha (DIN: 00366192), Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in section 149(6) of the Companies Act, 2013 and who is eligible for appointment and in respect of whom the Company has received notice in writing from a member under section 160 of the Companies Act, 2013 proposing his candidature for the office of director, be and is hereby appointed as an Independent Director of the Company to hold office for five(5) consecutive years from 1<sup>st</sup> October, 2014 upto 30<sup>th</sup> September, 2019;

**RESOLVED FURTHER THAT** Shri Vinod Kumar Gupta, Managing Director of the company be and is hereby authorised to do all such acts, deeds or things to give effect to the aforesaid resolution."

#### ITEM NO. 5

#### **APPOINTMENT OF SHRI DHARAM PAL KHANNA AS NON-EXECUTIVE INDEPENDENT DIRECTOR OF THE COMPANY**

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

**"RESOLVED THAT** pursuant to the provision of sections 149, 152 and other applicable provisions of the Companies Act, 2013 read with Schedule IV to the Companies Act, 2013, Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Shri Dharam Pal Khanna (DIN: 00041106), Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in section 149(6) of the Companies Act, 2013 and who is eligible for appointment and in respect of whom the Company has received notice in writing from a member under section 160 of the Companies Act, 2013 proposing his candidature for the office of director, be and is hereby appointed as an Independent Director of the Company to hold office for five(5) consecutive years from 1<sup>st</sup> October, 2014 upto 30<sup>th</sup> September, 2019;

**RESOLVED FURTHER THAT** Shri Vinod Kumar Gupta, Managing Director of the company be and is hereby authorised to do all such acts, deeds or things to give effect to the aforesaid resolution."

**ITEM NO.6**

**APPOINTMENT OF SHRI DILIP KUMAR PANCHAITY AS NON-EXECUTIVE INDEPENDENT DIRECTOR OF THE COMPANY**

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

**“RESOLVED THAT** pursuant to the provision of sections 149, 152 and other applicable provisions of the Companies Act, 2013 read with Schedule IV to the Companies Act, 2013, Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Shri Dilip Kumar Panchaity (DIN: 00081328), Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in section 149(6) of the Companies Act, 2013 and who is eligible for appointment and in respect of whom the Company has received notice in writing from a member under section 160 of the Companies Act, 2013 proposing his candidature for the office of director, be and is hereby appointed as an Independent Director of the Company to hold office for five(5) consecutive years from 1<sup>st</sup> October, 2014 upto 30<sup>th</sup> September, 2019;

**RESOLVED FURTHER THAT** Shri Vinod Kumar Gupta, Managing Director of the company be and is hereby authorised to do all such acts, deeds or things to give effect to the aforesaid resolution.”

**ITEM NO.7**

**APPOINTMENT OF SHRI SATISH CHANDRA CONSUL AS NON-EXECUTIVE INDEPENDENT DIRECTOR OF THE COMPANY**

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

**“RESOLVED THAT** pursuant to the provision of sections 149, 152 and other applicable provisions of the Companies Act, 2013 read with Schedule IV to the Companies Act, 2013, Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Shri Satish Chandra Consul (DIN: 00041077), Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in section 149(6) of the Companies Act, 2013 and who is eligible for appointment and in respect of whom the Company has received notice in writing from a member under section 160 of the Companies Act, 2013 proposing his candidature for the office of director, be and is hereby appointed as an Independent Director of the Company to hold office for five(5) consecutive years from 1<sup>st</sup> October, 2014 upto 30<sup>th</sup> September, 2019;

**RESOLVED FURTHER THAT** Shri Vinod Kumar Gupta, Managing Director of the company be and is hereby authorised to do all such acts, deeds or things to give effect to the aforesaid resolution.”

**ITEM NO.8**

**RATIFICATION OF REMUNERATION OF COST AUDITOR OF THE COMPANY**

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

**“RESOLVED THAT** pursuant to the provisions of section 148 and other applicable provisions of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and as recommended by the Audit Committee, M/s. A. Goyal & Co., Cost Accountant, Jaipur (Firm Registration No. 101308), were appointed as Cost Auditors by the Board of Directors of the Company, to conduct the audit of the cost records of the Company for the financial year ending 31<sup>st</sup> March, 2015 and the members of the company hereby ratify the payment of remuneration to the Cost Auditors of Rs. 70,000/- (Rupees Seventy Thousand Only) plus service tax, as applicable and out of pocket expenses;

**RESOLVED FURTHER THAT** Shri Vinod Kumar Gupta, Managing Director of the company be and is hereby authorised to do all such acts, deeds and things as may be required to give effect to the aforesaid resolution.”

**ITEM NO. 9****RE-APPOINTMENT OF SHRI GOVIND DAS GARG AS WHOLE-TIME DIRECTOR OF THE COMPANY**

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

**“RESOLVED THAT** pursuant to the provision of sections 196,197 and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Schedule V to the Companies Act, 2013, as amended from time to time and as recommended by the Nomination and Remuneration Committee and the Board of Directors of the Company, approval of members of the Company be and is hereby accorded to re-appoint Shri Govind Das Garg (DIN: 00520067) as Whole-Time Director of the Company for a period of three(3) years w.e.f. 1<sup>st</sup> January, 2015 on a consolidated monthly remuneration of Rs. 1,25,000/- (Rupees One Lac Twenty Five Thousand Only) and contribution to Provident and Gratuity Fund as may be applicable and will be liable to retire by rotation under the provisions of section 152 of the Companies Act, 2013;

**RESOLVED FURTHER THAT** Shri Vinod Kumar Gupta, Managing Director of the Company be and is hereby authorised to file necessary forms with the Registrar of Companies, Maharashtra, as may be required under the provisions of the Companies Act, 2013 in this regard.”

**ITEM NO. 10****ADOPTION OF NEW SET OF ARTICLES OF ASSOCIATION OF THE COMPANY**

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

**“RESOLVED THAT** pursuant to the provisions of section 14 and other applicable provisions of Companies Act, 2013 read with Companies (Incorporation) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the draft regulations contained in the Articles of Association submitted to this meeting be and are hereby adopted in substitution of the regulation contained in the existing Articles of Association of the company;

**RESOLVED FURTHER THAT** Shri Vinod Kumar Gupta, Managing Director of the company be and is hereby authorized to do all such acts, deeds and to take all necessary actions in this regard including filing of forms, if any, with the Registrar of Companies, Maharashtra.”

**ITEM NO. 11****AUTHORITY TO CREATE CHARGE OVER THE ASSETS OF THE COMPANY**

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

**“RESOLVED THAT** pursuant to the provisions of section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force) and the applicable rules made thereunder, approval of the members of the company be and is hereby accorded to the Board of Directors of the company (hereinafter referred to as 'the Board') to create mortgages and charges in addition to the existing mortgages and charges already created or to be created by the company, as the Board may decide, on the assets of the company, whether movable or immovable, both present and future, in favour of lender banks to secure various financial facilities extended by them to the company to the tune of Rs. 451.93 Crores (Rupees Four Hundred Fifty One Crore and Ninety Three Lacs Only);

**RESOLVED FURTHER THAT** all monies already borrowed within the aforesaid limit and charges already created and satisfied and other steps taken in respect of the financial facilities availed by the company during the financial year from the above Bankers and also from any other bank or financial institution and the documents executed by the Board in respect of the said financial facilities be and are hereby ratified and confirmed;

**RESOLVED FURTHER THAT** Shri Vinod Kumar Gupta, Managing Director of the company be and is hereby authorized to do all such acts, deeds and to take all necessary actions in this regard including filing of forms, if any, with the Registrar of Companies, Maharashtra.”

**ITEM NO. 12****AUTHORITY TO THE BOARD OF DIRECTORS TO BORROW MONEY**

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

**“RESOLVED THAT** in suppression of the resolution passed at the Annual General Meeting of the members of the company held on 28<sup>th</sup> December, 2009 and pursuant to the provisions of section 180(1)(c) and other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) approval of the members of the company be and is hereby accorded to

the Board of Directors (hereinafter referred to as “the Board”) to borrow any sum(s) of money, from time to time, from any one or more of the bankers of the company and/or from any one or more other persons, firms, body corporate or financial institutions whether by way of cash credit, advances or deposits, loans or bill discounting, issue of debentures, bonds or otherwise and whether secured or unsecured by mortgage, hypotheciation, charge, lien or pledge on assets and properties of the company, whether immovable or movable, stock in trade (including raw materials, stores, spare parts and components in stock or in transit) and work in progress and all or any of the undertakings of the company notwithstanding the monies to be borrowed together with the monies already borrowed by the company (apart from temporary loans obtained from the bankers of the company in the ordinary course of business) exceeds the aggregate of the paid-up share capital and free reserves of the Company, provided that the total amount borrowed by the Board and outstanding at any point of time, in the ordinary course of business, shall not exceed Rs. 1000 Crores (Rupees One Thousand Crores Only);

**RESOLVED FURTHER THAT** the Board of the Company be and is hereby authorised to execute all such documents, debentures, trust deed or mortgage, charge, hypotheciation, lien, promissory notes, deposit receipts and instruments, or writings containing such conditions and covenants as the Board may think fit;

**RESOLVED FURTHER THAT** Shri Vinod Kumar Gupta, Managing Director of the company be and is hereby authorized to do all such acts, deeds and to take all necessary actions in this regard including filing of forms, if any, with the Registrar of Companies, Maharashtra.”

**Place: Indore**

**Date: 14<sup>th</sup> August, 2014**

**BY ORDER OF THE BOARD**

**Vinod Kumar Gupta**

**Managing Director**



**NOTES**

1. Statement pursuant to section 102 of the Companies Act, 2013 relating to the Special Business to be transacted at the Annual General Meeting is annexed hereto.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON HIS / HER BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.** A person can act as proxy on behalf of members not exceeding fifty (50) and holding in aggregate not more than ten percent 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 member.  
The instrument of proxy, in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not later than 48 hours before the commencement of the meeting. A Proxy Form is annexed to this Report. Proxies submitted on behalf of limited companies, societies, etc., must be supported by an appropriate resolution / authority, as applicable.
3. Members holding shares in physical form are requested to forward all applications for transfer and all other share related correspondence (including intimation for change of address) to the Share Transfer Agent of the Company at the following address: Link Intime India Private Limited, C-13, Kantilal Maganlal Estate, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (West), Mumbai-400 078.
4. The members are requested to:
  - a. Intimate to the Registrar/ Company, changes, if any, in their registered address at an early date along with the PIN code.
  - b. Quote registered folio/client ID and DP ID in all their correspondence.
5. Members holding shares in dematerialized form (electronic form) are requested to intimate any change in their address, bank mandate etc., directly to their respective depository participants.
6. The Register of Members and the Share Transfer Books of the Company will remain closed from 23<sup>rd</sup> September, 2014 to 30<sup>th</sup> September, 2014 (both days inclusive).
7. Electronic copy of the Annual Report is being sent to all the members whose e-mail IDs are registered with the company/Depository Participants unless any member has requested for a hard copy of the same for members who have not registered their email address, physical copies of the Annual Report is being sent in the permitted mode.
8. Corporate members are requested to send a duly certified copy of the Board Resolution authorizing their representatives to attend and vote on their behalf at the meeting.
9. To promote green initiative, members are requested to register their e-mail addresses through their Depository Participant for sending the future communications by e-mail. Members holding the shares in physical form may register their e-mail addresses through the Registrar and Share Transfer Agent, giving reference of their folio number.
10. A member who has not claimed his/her dividend for the years 2006-2007 to 2009-2010 are requested to write to the Registrar and Share Transfer Agent to claim his/her dividend. Pursuant to provisions of section 205A(5) of the Companies Act, 1956, dividend which remain unpaid/unclaimed for a period of 7 years from the date of transfer of the same to the Company's unpaid dividend account will be transferred to the Investor Education and Protection Fund established by the Central Government.

Further, the Company shall not be in a position to entertain the claims of shareholders for the unclaimed part of the dividend paid for the financial year 2006-2007, after the last date i.e. 28<sup>th</sup> September, 2014.

11. In accordance with the provisions of section 72 of the Companies Act, 2013, members are entitled to make nomination in respect of Equity Shares held by them, in physical form. Members desirous of making nomination may avail the facility of nomination by nominating in the prescribed "Nomination Form"; a person to whom his/her shares in the Company shall vest in the event of his/her death.

12. Voting through electronic means

Pursuant to the 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 its members, the facility to exercise their right to vote at the 30<sup>th</sup> Annual General Meeting by electronic means. The business may be transacted through e-voting services provided by Central Depository Services (India) Limited (CDSL).

**The instructions for members for voting electronically are as under:-**

**In case of members receiving e-mail:**

- (i) Log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com)
- (ii) Click on "Shareholders" tab.
- (iii) Now, select the "COMPANY NAME" from the drop down menu and click on "SUBMIT"
- (iv) Now, enter your User ID
  - a. For CDSL: 16 digit beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digit Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next, enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN*	Enter your 10 digit alpha-numeric *PAN issued by the Income Tax Department (applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> <li>● Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the last 8 digits of the demat account/folio number in the PAN field.</li> <li>● In case, the folio number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters eg. if, your name is Ramesh Kumar with folio number 100 then enter RA00000100 in the PAN field.</li> </ul>
DOB#	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details#	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. <ul style="list-style-type: none"> <li>● Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company, please enter <b>the number of shares held by you as on the cut off date in the Dividend Bank details field.</b></li> </ul>

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "CLICK HERE TO PRINT" option on the Voting page.
- (xvii) If Demat account holder has forgotten the changed password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
  - Institutional shareholders (i.e. other than Individuals, HUF, NRI, etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates.
  - They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.
  - The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

**In case of members receiving the physical copy:**

- (A) Please follow all steps from sl. no. (i) to sl. no. (xvii) above to cast vote.
- (B) The voting period begins on 24<sup>th</sup> September, 2014 at 9.00 a.m. and ends on 26<sup>th</sup> September, 2014 at 6.00 p.m. During this period, shareholders of the company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) i.e. 23<sup>rd</sup> September, 2014, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.  
 In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.co.in](http://www.evotingindia.co.in) under help section or write an e-mail to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact at CDSL helpline Tel. No.022-66069031.
- (xviii) The Company has appointed Shri R. K. Nuwal, Chartered Accountants, as the Scrutinizer who will scrutinize the electronic voting process in a fair and transparent manner.
- (xix) The Scrutinizer shall within a period not exceeding three working days from the conclusion of the e-voting period unblock the votes in the presence of at least two witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
- (xx) The results shall be declared on or after the AGM of the Company. The results along with the Scrutinizer's Report shall be placed on the Company's website.

**STATEMENT UNDER SECTION 102 OF THE COMPANIES ACT, 2013**

**ITEM NO. 4 TO 7**

According to clause 49 of the Listing Agreement, in case, where the Chairman is Executive Director, at least half of the Board should comprise of Independent Directors.

Further, section 149 of the Companies Act, 2013 (hereinafter referred to as "the Act") requires all listed public companies to have at least one-third of the total number of directors as Independent Directors. Keeping in view, the requirements of the Listing Agreement and the Act, your Company complies with the said requirements.

Sub-section (10) of section 149 of the Act further provides that Independent Directors can hold office for a term upto five consecutive years on the Board of a company and can be re-appointed thereafter subject to the limit as specified under sub-section (11) of section 149 of the Act.

Further, in terms of sub-section (13) of section 149 read with explanation to sub-section (6) of section 152 of the Act, Independent directors are not liable to retire by rotation.

The following directors on the Board of your Company qualify as Independent Directors under section 149 of the Act and clause 49 of the Listing Agreement:

1. Shri Dilip Kumar Sinha
2. Shri Dharam Pal Khanna
3. Shri Dilip Kumar Panchaity
4. Shri Satish Chandra Consul

These directors were duly appointed under the Companies Act, 1956 as directors liable to retire by rotation. In order to give effect to the aforesaid provisions of the Act, it is proposed that these directors be appointed as Independent Directors under section 149 of the Act read with the clause 49 of the Listing Agreement, to hold office for five(5) consecutive years, for a term commencing from 1<sup>st</sup> October, 2014 till 30<sup>th</sup> September, 2019.

None of the aforesaid directors are disqualified from being appointed as directors in terms of section 164 of the Act and have given their consent to act as directors.

The Company has received declarations from all the above directors that they meet with the criteria of independence as prescribed under sub-section (6) of Section 149 of the Act.

According to proviso to sub-section (5) of section 152 of the Act, in the opinion of the Board, they fulfill the conditions for their appointment as Independent Directors as specified in the Act. They are independent of the management.

Brief resumes of these directors, nature of their expertise in specific functional areas and name of companies in which they hold directorship / membership / chairmanship of the Board / Committees, as stipulated under clause 49 of the Listing Agreement with the Stock Exchange(s), are provided in the Corporate Governance Report, forming part of this Annual Report.

Keeping in view their expertise and knowledge, it will be in the interest of the Company that these directors are appointed as Independent Directors.

Copy of the draft letter for appointment of these directors as Independent Directors setting out the terms and conditions are available for inspection by members at the Registered Office of the Company.

Except for the respective directors and their relatives who may be deemed to be interested in the respective resolutions set out in Item Nos. 4 to 7 of the Notice as it is concerned to their appointment as Independent Directors. None of the other directors, Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the respective resolutions set out at Item Nos.4 to 7 of the Notice.

The Board recommend the resolutions set out in Item Nos. 4 to 7 of the Notice for approval by the shareholders as an Ordinary Resolution.

**ITEM NO. 8**

The Board, on the recommendation of the Audit Committee, appointed M/s. A. Goyal & Co., Cost Accountants, as Cost Auditors for conducting cost audit of the cost records of the Company for the financial year ending on 31<sup>st</sup> March, 2015, at a remuneration of Rs. 70,000/- (Rupees Seventy Thousand Only) plus service tax, as applicable and out of pocket expenses.

In accordance with section 148 of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration so payable to the Cost Auditors are required to be ratified by the shareholders of the Company.

Hence, the resolution set out in Item No.8 of the accompanying Notice, which your Board recommends for your approval as an Ordinary Resolution.

None of the Directors, Key Managerial Personnel of the Company or their relatives are concerned or interested, financially or otherwise, in the said resolution.

#### ITEM NO.9

Shri Govind Das Garg is aged 67 years and is a promoter director of the company and has been managing the affairs of the company on day to day basis from very beginning.

He was re-appointed as Whole-Time Director of the company on 30<sup>th</sup> September, 2011 for a period of three (3) years commencing from 1<sup>st</sup> January, 2012 and his tenure as Whole-Time Director is expiring on 31<sup>st</sup> December, 2014. The Nomination and Remuneration Committee and the Board of Directors of the company recommended his appointment at their meeting held on 13<sup>th</sup> August, 2014 and 14<sup>th</sup> August, 2014 respectively and will be liable to retire by rotation.

Further, the company complies with the conditions as set out in Section II of Part II of Schedule V of the Companies Act, 2013. Details of the Whole-Time Director as required under clause (iv) of Section II of Part II of Schedule V of the Companies Act, 2013 are as under:

##### I. General Information:

- (1) Nature of industry: Pharmaceutical
- (2) Date ~~or expected date~~ of commencement of commercial production: 02/07/1986
- (3) Financial performance based on given indicators: On standalone basis, during the financial year 2013-2014, the Company recorded a turnover of Rs. 243.61 crores and recorded a loss after tax of Rs. 58.70 crores.
- (4) Foreign investments ~~or collaborations~~, if any: Investment in overseas subsidiaries of the company

##### II. Information about the appointee:

- (1) Background details:
  - \* Name: Shri Govind Das Garg
  - \* Father's Name: Shri Fakir Chand Agrawal
  - \* Date of Birth: 10<sup>th</sup> October, 1946
  - \* Residential Address: 5, Anand Bagichi, Agrawal Nagar, Indore -452001 (Madhya Pradesh)
- (2) Past remuneration: Rs. 1,00,000/- p.m. (Rupees One Lac Only) and contribution to Provident and Gratuity Fund as may be applicable.
- (3) Recognition or awards: None
- (4) Job profile and his suitability:
 

Shri Garg has 36 years of working experience in diversified business activities including experience in pharmaceutical industry. He is basically looking into procurement and technical issues in the company. He has been working as Whole-Time Director of the Company since 1994 and has made pioneering contribution in growth of the company.
- (5) Remuneration proposed: Rs. 1,25,000/- p.m. (Rupees One Lac Twenty Five Thousand Only) and contribution to Provident and Gratuity Fund as may be applicable.
- (6) Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin):
 

Remuneration proposed to be paid to the Whole-Time Director is on the lower side of the industry norms, size of the company and looking to the profile of the said Whole-Time Director.
- (7) Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any:
 

Shri Garg does not have any pecuniary relationship with the Company, other than receipt of remuneration as a Whole-Time Director. Further, Shri Vinod Kumar Gupta, Shri Manohar Lal Gupta and Shri Govind Das Garg are related to each other and are the promoter directors of the company.

III. Other information:

- (1) Reasons of loss or inadequate profits: The loss or inadequate profit is due to decrease in turnover and other market factors.
- (2) Steps taken or proposed to be taken for improvement: The Company is under process to gear up its sales and marketing team in order to improve turnover of the company.
- (3) Expected increase in productivity and profits in measurable terms: The Company will try to achieve the standards of its past performance.

IV. Disclosures:

The following disclosures are mentioned in the Directors' Report under the heading "Corporate Governance", forming part of the financial statement:—

- (i) all elements of remuneration package such as salary, benefits, bonuses, stock options, pension, etc., of all the directors;
- (ii) details of fixed component and performance linked incentives along with the performance criteria;
- (iii) service contracts, notice period, severance fees;
- (iv) stock option details, if any, and whether the same has been issued at a discount as well as the period over which accrued and over which exercisable.

Also, according to the provisions of section 190 of the Companies Act, 2013, a contract of service with Shri Garg, Whole-Time Director of the company is available for inspection of members at the registered office of the company.

In terms of provision of sections 196, 197 and other provisions applicable, if any, of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Schedule V to the Companies Act, 2013 approval of the members of the Company is required for his re-appointment as Whole-Time Director of the Company for a further period of three(3) years by way of passing the proposed resolution as a Special Resolution.

Hence, the resolution set out in Item No. 9 of the accompanying Notice, which your Board recommends for your approval.

None of the Directors, Key Managerial Personnel and their relatives are concerned or interested financially or otherwise in the resolution set out in Item No.9 except Shri Govind Das Garg for himself, Shri Vinod Kumar Gupta and Shri Manohar Lal Gupta and their relatives.

**ITEM NO.10**

The present set of Articles of Association of the Company is in accordance with the provisions of Companies Act, 1956 contains reference to specific provisions of the Companies Act, 1956 and some regulations in the existing Articles of Association are no longer in conformity with the Companies Act, 2013.

With the coming into force of the Companies Act, 2013, several regulations of the existing Articles of Association of the Company require alteration or deletions. Thus, it is considered expedient to wholly replace the existing Articles of Association of the company by a new set of Articles.

The new Articles of Association to be substituted in place of the existing Articles of Association are based on Table 'F' of the Companies Act, 2013 which sets out the model Articles of Association for a company limited by shares.

The proposed draft Articles of Association are available for inspection at the registered office of the company on working days during business hours.

Therefore, in terms of provisions of section 14 of the Companies Act, 2013 approval of the members of the company is sought for passing the proposed resolution as a Special Resolution. The directors recommend passing of the resolution as a Special Resolution. None of the Directors, Key Managerial Personnel of your Company and their relatives are deemed to be concerned or interested, financially or otherwise, in the resolution set out in Item No.10 of the accompanying Notice.

**ITEM NO.11**

The members of the Company had at the 29<sup>th</sup> Annual General Meeting held on 30<sup>th</sup> September, 2013, passed an Ordinary Resolution under provisions of section 293(1)(a) of the Companies Act, 1956, granting their consent to create security in favour of the bankers of the company to the tune of Rs. 451.93 Crores (Rupees Four Hundred Fifty One Crores and Ninety Three Lacs Only).

According to the provisions of section 180(1)(a) of the Companies Act, 2013, consent of the members of the company is required by way of passing a Special Resolution authorising the Board of Directors to sell, lease or otherwise dispose off the whole or substantially the whole of the undertaking(s) of the Company. Since, mortgaging or charging the movable and/or immovable properties and assets of the Company with the right of taking over management or control in certain events of default may be considered to be disposal of the Company's undertaking within the meaning of section 180(1)(a) of the Companies Act, 2013. So, it is proposed to seek approval of the shareholders for creating such mortgages and/or charges on the assets and properties of the Company, both present and future. Hence, the resolution set out in Item No. 11 of the accompanying Notice, which the Board recommends for your approval as a Special Resolution.

None of the Directors, Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the resolution set out in Item No. 11 of the accompanying Notice.

#### **ITEM NO.12**

The members of the Company had at the 25<sup>th</sup> Annual General Meeting held on 28<sup>th</sup> December, 2009, passed an Ordinary Resolution under the provisions of section 293(1)(d) of the Companies Act, 1956, granting their consent to borrow monies not exceeding a sum of Rs. 1000 Crores (Rupees One Thousand Crores Only).

According to the provisions of section 180(1)(d) of the Companies Act, 2013, consent of the members of the company is required by way of passing a Special Resolution to authorise the Board of Directors to borrow money, where the money to be borrowed, together with the money already borrowed by the company will exceed aggregate of paid-up capital and free reserves, apart from temporary loans obtained from the bankers of the company in the ordinary course of business.

Since, the borrowing of the company together with the monies already borrowed by the company exceeds aggregate of paid-up capital and free reserves. Thus, it is proposed to seek approval of the members as mentioned in the resolution set out in Item No. 12 of the accompanying Notice, which the Board recommends for your approval as a Special Resolution.

None of the Directors, Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the resolution set out in Item No. 12 of the accompanying Notice.

**Place: Indore**

**Date: 14<sup>th</sup> August, 2014**

**BY ORDER OF THE BOARD**

**Vinod Kumar Gupta**

**Managing Director**

## DIRECTORS' REPORT

To

**The Members**

**M/s. Parenteral Drugs (India) Limited**

The Directors of your Company have pleasure in presenting the 30<sup>th</sup> Annual Report together with the performance of the company for the year ended 31<sup>st</sup> March, 2014:

### FINANCIAL RESULTS

A summarized statement of the financial results of the current year and that of the previous year is given below:

(₹ in Lacs)

Particulars	Standalone		Consolidated	
	F.Y. 2013-2014	F.Y. 2012-2013	F.Y. 2013-2014	F.Y. 2012-2013
Sales and Other Income	24361.68	18735.29	33446.25	32767.23
Profit/(Loss) before Interest, Depreciation & Tax	1691.24	(2213.71)	(1516.71)	(1377.43)
<b>Less:</b>				
Finance cost	5424.19	4222.44	6020.61	5584.68
Depreciation and Amortization	1769.63	1733.84	1862.39	2299.58
Provision for Taxation	-	-	272.98	18.42
Deferred Tax Liability	367.54	349.54	(407.99)	1500.47
Tax adjustment for the previous year	-	-	(4.16)	3.14
<b>Add:</b> Profit on sale of undertaking	-	-	4743.51	-
<b>Net Profit/(Loss) after tax</b>	<b>(5870.12)</b>	<b>(8519.53)</b>	<b>(4517.03)</b>	<b>(10783.74)</b>
Balance brought forward from previous year	(7485.41)	1034.12	(10367.82)	415.91
<b>Add:</b> Provision for Doubtful Advances	-	-	879.95	-
<b>Less:</b> Amount transferred to Capital Redemption Reserve	-	-	(550.00)	-
Surplus/(Deficit)	(13355.53)	(7485.41)	(14554.89)	(10367.82)
<b>Appropriations:</b>				
Transferred to General Reserve	-	-	-	-
Proposed Dividend	-	-	-	-
Tax on Distributed Profit	-	-	-	-
Minority Interest	-	-	-	-
Balance carried to Balance Sheet	(13355.53)	(7485.41)	(14554.89)	(10367.82)
<b>Earning per share</b> (EPS of Face Value of Rs. 10/-)	<b>(19.69)</b>	<b>(32.94)</b>	<b>(15.15)</b>	<b>(41.69)</b>

### PERFORMANCE REVIEW

The consolidated turnover for the year under review was Rs. 334.46 crores as compared to Rs. 327.67 crores in the previous year. The turnover on standalone basis stood Rs. 243.61 crores as against Rs. 187.35 crores in the previous year.

On consolidated basis, the Company recorded a loss before interest, depreciation and tax of Rs. 15.16 crores during the year as against a loss of Rs. 13.77 crores in the previous year and recorded a loss before tax of Rs. 46.56 crores during the year as against a loss of Rs. 92.62 crores during the previous year.



On standalone basis, the Company recorded a profit before interest, depreciation and tax of Rs. 16.91 crores during the year as against loss before interest, depreciation and tax of Rs. 22.13 crores in the previous year and recorded a loss before tax of Rs. 55.02 crores during the year as against a loss of Rs. 81.69 crores during the previous year. The loss was on account of increase in input cost and extending extra heavy discounts to the customers to sustain in the adverse liquidity crisis conditions.

A review of the performance during the year is given under the section Management Discussion and Analysis Report which forms part of the Annual Report.

#### **DIVIDEND**

Due to continuous losses, the Board does not wish to recommend any dividend for the year under review.

#### **CORPORATE DEBT RESTRUCTURING**

Corporate Debt Restructuring Scheme, as framed by the Corporate Debt Restructuring Cell, Mumbai, on the recommendation of the Bankers of the Company, was implemented last year.

#### **CHANGES IN CAPITAL STRUCTURE**

##### **Issue of shares on conversion of 0% Optionally Convertible Redeemable Preference Shares**

During the year, the company allotted 39,49,469 equity shares of Rs. 10/- each (including 9,87,367 bonus shares issued pursuant to the bonus issue brought in the financial year 2009-2010) on the conversion of 29,62,102, 0% Optionally Convertible Redeemable Preference Shares to M/s. MVG Mercantile Private Limited, a promoter company on 30<sup>th</sup> October, 2013 which were due for conversion into equity shares or redemption on 1<sup>st</sup> November, 2013 on the expiry of five years from the date of allotment of the said 0% Optionally Convertible Redeemable Preference Shares to M/s. MVG Mercantile Private Limited. As a result of this, the issued, subscribed and paid-up equity shares increased from 25,86,68,310 shares to 2,98,16,300 shares as at 31<sup>st</sup> March, 2014.

#### **SUBSIDIARY COMPANIES**

As on the date of the report, the Company has eight (8) Indian and two (2) foreign subsidiaries viz:

M/s. Goa Formulations Limited, M/s. Punjab Formulations Limited, M/s. Parentech Healthcare Limited, M/s. Parenteral Surgicals Limited, M/s. Parenteral Biotech Limited, M/s. Parenteral Impex Limited, M/s. Abhay Drugs Limited and M/s. Anjaney Pharmaceuticals Limited.

M/s. Mascareignes Pharmaceutical Manufacturing Limited and M/s. Parenteral Drugs Kazakhstan are foreign subsidiaries.

All the subsidiary companies are non-material and non-listed subsidiary companies as defined under clause 49 of the Listing Agreement with the Stock Exchange(s).

#### **PARTICULARS UNDER SECTION 212 OF THE COMPANIES ACT, 1956**

A statement pursuant to section 212 of the Companies Act, 1956, relating to subsidiary companies, is enclosed to the financial accounts of the company. In terms of general exemption, under section 212(8) of the Companies Act, 1956, granted by Ministry of Corporate Affairs vide its circular no.02/2011 dated 8<sup>th</sup> February, 2011 and in compliance with the conditions enlisted therein, the Audited Statement of Accounts, Auditors' Report thereon and the Report of the Board of Directors of the subsidiary companies for the financial year ended 31<sup>st</sup> March, 2014, have not been annexed. The Annual Accounts and related documents of the subsidiary companies shall be kept open for inspection at the registered office of the company. The company will also make available these documents upon request by any member of the company interested in obtaining the same. Further, pursuant to Accounting Standard (AS-21) issued by the Institute of Chartered Accountants of India, Consolidated Financial Statements presented by the Company in this Annual Report includes the financial information of its subsidiaries.

#### **DIRECTORS**

Shri Satish Moreshwar Joshi has resigned from the post of Nominee Director of the Company w.e.f. 30<sup>th</sup> June, 2014.

Shri Govind Das Garg, Whole -Time Director is liable to retire by rotation at the forthcoming Annual General Meeting and being eligible offers himself for re-appointment. Also, Shri Garg was re-appointed as Whole-Time Director of the company on 30<sup>th</sup> September, 2011 for a period of three(3) years commencing from 1<sup>st</sup> January, 2012 and his tenure as Whole-Time Director is expiring on 31<sup>st</sup> December, 2014. The Nomination and Remuneration Committee and the Board

of Directors of the company recommended his appointment at their meeting held on 13<sup>th</sup> August, 2014 and 14<sup>th</sup> August, 2014, respectively. Considering the marginal losses in the company the Board has, on the recommendation of the Nomination and Remuneration Committee, reduced the overall remuneration payable to the Managerial Personnel.

Also, according to clause 49 of the Listing Agreement and section 149 read with Schedule IV of the Companies Act, 2013 the following Directors are appointed as Independent Directors on the Board of the company:

1. Shri Dilip Kumar Sinha
2. Shri Dharam Pal Khanna
3. Shri Dilip Kumar Panchaity
4. Shri Satish Chandra Consul

Brief resume of these Independent Directors, nature of their expertise in specific functional areas and names of companies in which they hold directorship / membership / chairmanship of Board / Committees as stipulated under clause 49 of the Listing Agreement with the Stock Exchange(s), are provided in the Corporate Governance Report forming part of the Annual Report.

### **REPORT ON CORPORATE GOVERNANCE**

Your Company believes Corporate Governance is at the core of Stakeholder satisfaction. Your Company is committed to maintain the highest standards of Corporate Governance and adhere to the Corporate Governance requirements set out by SEBI. Your Company has also implemented several best Corporate Governance practices as generally prevalent. The report on Corporate Governance as stipulated under clause 49 of the Listing Agreement forming part of the Annual Report. The requisite Certificate from the Practising Chartered Accountant confirming compliance with the conditions of Corporate Governance as stipulated under the aforesaid clause 49 is enclosed to this Report.

The Disclosure as required in the Explanatory Statement for Item No. 9 of the Notice, regarding:

- (i) all elements of remuneration package such as salary, benefits, bonuses, stock options, pension, etc., of all the directors;
- (ii) details of fixed component and performance linked incentives along with the performance criteria;
- (iii) service contracts, notice period, severance fees;
- (iv) stock option details, if any, and whether the same has been issued at a discount as well as the period over which accrued and over which exercisable;

are mentioned in report on Corporate Governance as stipulated under clause 49 of the Listing Agreement forming part of the Annual Report.

### **MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

The Management Discussion and Analysis Report on the operations of the Company, as required under the Listing Agreement with the Stock Exchange(s) is provided as separate section and forms part of this Report.

### **COMPLIANCE OFFICER**

Ms. Aradhana Kulkarni, a Fellow Member of the Institute of Company Secretaries of India was appointed as the Company Secretary and Compliance Officer of the Company w.e.f. 18<sup>th</sup> April, 2014.

### **AUDITORS**

M/s. T.N. Unni & Co., Chartered Accountants, Statutory Auditors of the Company bearing Firm Registration No. 004890C, retiring at the ensuing Annual General Meeting of the Company and proposed to be re-appointed as the statutory auditor of the Company from the conclusion of the ensuing Annual General Meeting till the conclusion of the next Annual General Meeting of the Company.

As required under section 139 of the Companies Act, 2013 the Company has obtained a written consent from M/s. T.N. Unni & Co., Chartered Accountants, to such re-appointment and also a certificate to the effect that their re-appointment, if made, would be in accordance with section 139(1) and section 141 of the Companies Act, 2013 and rules made there under, as may be applicable.

## AUDITORS' REPORT

The report of the Statutory Auditors do not bear any qualification and the same is self explanatory and do not call for any further comments from the Board.

## COST AUDIT

Pursuant to the provisions of section 148 of the Companies Act, 2013 read with Companies (Cost Audit and Records) Rules, 2014, M/s. A. Goyal & Co., Cost Accountants, Jaipur was appointed as Cost Auditors of the Company, subject to the ratification of remuneration paid to the Cost Auditor by the members of the company in respect of cost audit of the Company's pharmaceutical products for the year ended 31<sup>st</sup> March, 2015.

Report of the Cost Auditor in respect of Cost Audit for the year under review would be filed with the Central Government in due course of time.

## SAFETY, HEALTH AND ENVIRONMENT

Your Company's products and processes are developed in accordance with strictly defined rules to ensure safety and health of workers as well as the environment.

## HUMAN RESOURCE

The Company believes in the concept of human empowerment. It firmly believes that human resource is the most important asset of the organization and the same can be appreciably seen in the growth of the company in spite of all odds. During the year, the company continued its efforts aimed at improving the human resource policies and processes to enhance its performance. During the year under review, the industrial relations continue to be cordial.

## INSURANCE

All the assets of your company including buildings, machineries, fixtures and other fixed assets, stocks, raw-materials, work in progress, finished goods, etc. have been adequately insured.

## FIXED DEPOSIT

Your Company has not accepted any deposit from the public or its employees during the year under review and therefore, no amount on account of principal or interest on public deposits was outstanding as on the date of the Balance Sheet.

## UNCLAIMED DIVIDEND

The amount transferred by the Company in separate bank accounts towards payment to the shareholders is lying unclaimed in some cases. The shareholders, who have not claimed their dividend up till now, are requested to immediately approach the Registrar and Share Transfer Agent of the Company for claiming their dividend.

## CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE EARNINGS & OUTGO AND RESEARCH & DEVELOPMENT

Particulars pertaining to the Conservation of Energy, Technology Absorption and Foreign Exchange Earnings & Outgo and Research & Development as prescribed under 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, are given in Annexure and the same is forming part of this Report.

## PARTICULARS OF EMPLOYEES

During the year under review, none of the employees of the Company was in receipt of remuneration under section 217 (2A) of the Companies Act, 1956.

## LISTING

The equity shares of the Company are listed on Bombay Stock Exchange and National Stock Exchange of India Limited. There are no arrears on account of payment of listing fees to the stock exchange(s).

**DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to the provisions of section 217 (2AA) of the Companies Act, 1956, with respect to the Directors' Responsibility Statement, it is hereby confirmed that:

- (i) In the preparation of annual accounts for the year ended 31<sup>st</sup> March, 2014, the applicable Accounting Standards have been followed along with proper explanation relating to material departures;
- (ii) The Directors have in selection of the accounting policies, consulted with the statutory auditors and applied these policies consistently, making 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 as on 31<sup>st</sup> March, 2014 and of the loss of the Company for the financial year ended 31<sup>st</sup> March, 2014;
- (iii) The Directors have taken proper and sufficient care, to the best of their knowledge and ability, for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) The Directors have prepared the annual accounts for the financial year ended 31<sup>st</sup> March, 2014 on a going concern basis.

**ACKNOWLEDGEMENTS**

The Directors would like to express their appreciation for the assistance and co-operation received from Bankers, Government authorities, customers, and vendors during the year. Your Directors also wish to place on record their deep sense of appreciation for the committed services of Executives, Staff and workers of the Company.

**Place: Indore**  
**Date: 14<sup>th</sup> August, 2014**

**FOR AND ON BEHALF OF THE BOARD**  
**Manohar Lal Gupta**  
**Chairman**

**ANNEXURE TO THE DIRECTORS' REPORT**
**Particulars required under the Companies (Disclosure of Particulars In The Report of Board of Directors) Rules, 1988**
**(A) CONSERVATION OF ENERGY:**

- a. The Company takes all precautions to conserve energy at all possible levels, particularly by monitoring high energy consuming equipments, appropriate shut down of the high energy consuming machines and use of energy saving lighting arrangements.
- b. The Company makes regular investment for maintenance of the equipments to save energy.
- c. The Company has been successful in reducing the overall power consumption on machines and utilities to keep the cost of the products within limits.
- d. Total energy consumption and energy consumption per unit of production as per Form "A" are mentioned herein below:

**FORM "A"**

Sr.No.	Particulars	Current Year 31.03.2014	Previous Year 31.03.2013
	<b>Power and Fuel Consumption</b>		
<b>1.</b>	<b>Electricity</b>		
	(a) Purchased Units (in Lacs)	115.25	108.03
	Total Amount (Rs. in Lacs)	744.98	695.73
	Rate/Unit (Rs.)	6.46	6.44
	(b) Own Generation		
	Through diesel/LDO generator		
	Units (in Lacs)	0.73	1.96
	Units per Litre of diesel/LDO Oil	3.01	2.95
	Total Cost (Rs. in Lacs)	13.64	28.48
	Cost/Unit (Rs.)	18.68	14.50
<b>2.</b>	<b>Petro Coke</b>		
	Quantity (tones)	3732.08	4985.14
	Total Cost (Rs. in Lacs)	340.83	494.34
	Average Rate (Rs.)	9.13	9.92
<b>3.</b>	<b>Furnace Oil</b>		
	Quantity (Litres)	-	-
	Amount (Rs. in Lacs)	-	-
	Average rate (Rs.)	-	-

**(B) CONSUMPTION PER UNIT OF PRODUCTION:**

The Company manufactures a large range of formulations having different energy requirements and therefore, it is not feasible to calculate consumption of energy per unit of production.

**FORM "B"**
**Form for Disclosure of particulars with respect to absorption**
**1. Specific areas in which Research and Development carried out by the Company, technology absorption, adaptation and innovation:**

The Company is committed to develop innovative technologies and creating a knowledge base for manufacturing high quality and economical formulations for the mass. The Company carried out Research and Development in the areas of up-gradation of existing manufacturing process.

Following are some specific areas in which Research and Development is carried out:

- i) Analytical methods for new products.
- ii) Development of new formulations for filling with regulated and emerging markets.
- iii) Up-gradation of existing manufacturing process.
- iv) Validation of processes to support development of new formulations.

**2. Benefits derived as a result of above Research and Development, technology absorption, adaptation and innovation:**

The Company has been successful in developing world class technology for manufacturing intra-venous fluids with FFS technology, which has been well recognized and accepted in the international market.

Since the FFS technology is fully automatic and thus the process is closed which ensures a quality product, free from any contamination.

**3. Future Plan of Action:**

- i) Focus on reduction in cost of manufacturing to stay competitive in dynamic market.
- ii) Anticipating a niche matching the product mix of the organization and then to develop new products.
- iii) Strengthening the oncology, anesthesia and veterinary segment.

**4. Expenditure on Research and Development:**

**a) Capital:** Nil

**b) Recurring:** The company incurs regular expenditure on Research and Development but the same have not been capitalized.

**(C) FOREIGN EXCHANGE EARNINGS AND OUTGO**

Foreign Exchange Earnings and Outgo for the financial year 2013-2014 are as follows:

(₹ in Lacs)		
Particulars	Current Year 31.03.2014	Previous Year 31.03.2013
Foreign Exchange Earnings	1947.76	1253.38
Foreign Exchange Outgo	1583.03	1183.73

**Place:** Indore  
**Date:** 14<sup>th</sup> August, 2014

**FOR AND ON BEHALF OF THE BOARD**  
**Manohar Lal Gupta**  
**Chairman**

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

### INDUSTRY STRUCTURE AND DEVELOPMENT

The Pharmaceutical Industry in India is the world's third-largest in terms of volume. According to *India Brand Equity Foundation*, the Indian pharmaceutical market is likely to grow at a Compound Annual Growth Rate (CAGR) of 14-17 percent in between 2012-2016. India is now among the top five pharmaceutical emerging markets of the world.

According to Price Waterhouse Coopers (PWC) in 2010, India joined among the league of top 10 global pharmaceutical market in terms of sales by 2020 with value reaching US\$50 billion.

### TRENDS AND OVERVIEW OF THE INDIAN PHARMA INDUSTRY

Indian pharma companies are constantly innovating and adopting international standards to stay relevant in the competitive global market. In fact, Indian pharma companies are known for their strict regulatory compliance with international market norms. Indian pharma companies are making high investments to ensure absorption of modern procedures and practices for operational efficiency. The two trends, viz, a growing focus on research and development coupled with fast paced growth in health information technology are emerging as critical drivers of the Indian pharmaceutical industry.

### ROLE OF PHARMACEUTICAL INDUSTRY IN INDIA-GDP FACTS

- The Central Statistics Office had estimated India's real GDP to have grown by 4.6 percent during April-December 2013. It had projected the GDP growth for the entire fiscal year 2013-2014 at 4.9 percent, thus implicitly estimating the growth for the last quarter at 5.5 percent.
- The estimated worth of the Indian Pharmaceutical Industry is US\$ 6 billion.
- The growth rate of the industry is 13 percent per year.
- Almost most 70 percent of the domestic demand for bulk drugs is catered by the Indian Pharma Industry.
- The Indian Pharma Industry produces around 20 percent to 24 percent of the global generic drugs.
- The Indian Pharmaceutical Industry is one of the biggest producers of the Active Pharmaceutical Ingredients (API) in the international arena.
- The Indian Pharma sector leads the science-based industries in the country.
- The pharmaceutical sector has the capacity and technology pertaining to complex drug manufacturing.
- Around 40 percent of the total pharmaceutical produce is exported.
- 55 percent of the total exports constitute of formulations and the other 45 percent comprises of bulk drugs.

### PHARMACEUTICAL INDUSTRY IN INDIA- GROWTH

As per the present growth rate, the Indian Pharma Industry is expected to be a US\$ 20 billion industry by the year 2015. The national Pharma market would experience the rise in the sales of the patent drugs. The sales of the Indian Pharma Industry would worth US\$ 43 billion within the next decade. With the increase in the medical infrastructure, the health services would be transformed and it would help the growth of the Pharma industry further.

### OPPORTUNITIES AND THREATS

The migration into a product patent based regime is likely to transform industry fortunes in the long term. The new product patent regime will bring with it new innovative drugs. Large number of drugs going off-patent in Europe and in the US offers a big opportunity for the Indian companies to capture this market. Since generic drugs are commodities by nature, Indian producers have the competitive advantage, as they are the lowest cost producers of drugs in the world. Being the lowest cost producer combined with FDA approved plants; Indian companies can become a global outsourcing hub for pharmaceutical products.

The customer expectations are rising and they want new low cost therapies that are clinically and economically better than the existing alternatives. Towards providing better and new healthcare solutions to the customers, the company is planning to launch the following products during the year:

1. SEVOPLAN
2. OFLODEX-OZ

### SEGMENT OR PRODUCT-WISE PERFORMANCE

The company is dealing in only one segment i.e. pharmaceutical. During the year under review, the company has produced the demanded products with full capacity.

## OUTLOOK

In a world that is striving to achieve lower drug costs at every level, production costs will continue to remain a key measure. The company has a good foundation of reliable sourcing and cost effective manufacturing systems and is exploring further ways of reducing costs and strengthening competitiveness. This trend, as in the past, is expected to continue with several new launches as well as improving the existing business.

The Company has an enviable product basket with a large portfolio of regulatory approvals. The focus will be to continue to step up the volumes of high value products, improve the reach in the market while taking care to reduce overall costs. The Company will capitalize on its inherent strengths, some of which are given below:

- Cost effective vertically integrated manufacturing systems;
- Current Good Manufacturing Practices;
- Best-in-class, best-in-cost, large manufacturing capacity;
- Highly skilled professionals with regulatory expertise and competent to deliver on development, product processes and regulatory standards;
- Access to new technologies.

## RISKS AND CONCERNS

### Drug Price Control:

At present 348 bulk drugs and 654 formulations are covered under National List of Essential Medicines (NLEM). It is likely that the government may bring more such drugs and formulations under price control or change the mechanism of calculating the ceiling price of the Drugs which are under the ambit of the revised policy, which in turn will affect the net margins of the Company.

### New Product Approvals:

The success of any Company is dependent on the continuous launch of the new products in the market. In highly regulated business, the requirements to obtain regulatory approval based on product's safety, efficacy and quality before it can be marketed for an indication in a particular country, as well as to maintain and comply with licenses and other regulations relating to its manufacture and marketing, are particularly important.

### Manufacturing & Supplying Risk:

Although a major portion of our finished formulations are being manufactured at in-house facilities, we also depend on third party suppliers for sourcing in some of the markets. Any significant disruption at any of such in-house facilities or third party manufacturing locations due to internal, third party lapses even on the short term basis due to economic, political & social unrest or by any event which is Force Majeure, which may lead to impair our ability to produce, procure and ship products to the market on a timely basis .

### Product Liability Risk:

The business is exposed to potential claims for product liability. These risks are sought to be managed by appropriate laboratory and clinical studies for each new product, compliance with Good Manufacturing Practices and independent quality assurance system. The Company also has an insurance cover for product liability.

### New Product Risk:

New product development and launch involves substantial expenditure, which may not be recovered due to several factors including development uncertainties, increased competition, regulatory delays, delay in market launch and marketing failure. The Company manages the risk through careful market research for selection of new products, detailed project planning and monitoring.

### Litigation Risk:

The Company faces the risk of high costs of litigation. This risk is sought to be managed by careful analysis prior to development and launch of the products.

## INTERNAL CONTROLS AND ADEQUACY

PDIL has well established internal control system for operations of the Company and its subsidiaries. It is designed to ensure operational efficiency, protection and conservation of resources, accuracy and promptness in financial reporting and compliance with laws and regulations, which is supported by an internal audit process for reviewing



the adequacy and efficacy of the Company's internal controls, including its systems and processes and compliance with regulations and procedures. Internal Audit Reports are discussed with the Management and are reviewed by the Audit Committee of the Board which also reviews the adequacy and effectiveness of the internal controls in the Company. The Company is well staffed with experienced and qualified personnel who play an important role in implementing and monitoring the internal control environment and compliance with statutory requirements.

#### **REVIEW OF FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE**

During the financial year 2013-2014, the Company met its fund requirements through a combination of short term debt and long term debt. As on 31<sup>st</sup> March, 2014, the Company earned Rs.18650.53 Lacs as revenue from operations, profit before depreciation interest and tax of Rs.1691.24 Lacs and recorded loss after tax of Rs. 5870.12 Lacs.

The Company is continuing its focus for enhancing production capacities, optimizing output, improving margins through innovative product development, better product mix and emphasis on branded products and control on cost. Significant measures have been taken for simplification of processes and structures which will result in improvement in productivity and efficiency across the organization.

#### **HUMAN RESOURCES**

PDIL's focus continued to be on further strengthening its processes and internal reviewing and monitoring systems. PDIL recognizes that nurturing and recruiting the best talent is vital to the long term success of the enterprise. Employees are provided with continuous opportunities for active learning and development which are viewed as key drivers of their personal growth and the success of PDIL.

The total staff strength of the Company as on 31<sup>st</sup> March, 2014 stood at 1019.

#### **QUALITY**

Your Company firmly believes that quality has to be present in every area of operation of the company. Various continuous quality improvement programs are built into the annual business and operating plans to sustain inherent efficiency and competitiveness in value delivery to the stake holders and to the society at large. Benchmarking the Good Manufacturing Practices with best in class is continuously pursued in all endeavors to improve efficacy in use of the resources and accomplish the deliverables: Safety, Health and Environment.

Your Company continues to look for new opportunities to enhance health and safety training and awareness for employees and contractors.

#### **CAUTIONARY STATEMENT**

Statements in the "Management Discussion & Analysis Report" describing company's strategy, business and financial analysis are in the nature of judgments and forward looking statements. Actual results may differ materially from those expressed in the statement. Important factors that could influence the Company's operations include change in Government regulations, tax laws, economic & political developments within and outside the country and such other factors.

## REPORT ON CORPORATE GOVERNANCE

### 1. Company Philosophy on Code of Corporate Governance

Corporate Governance is the acceptance by management of the inalienable rights of shareholders as the true owners of the company and of their own role as trustees on behalf of the shareholders. It is about commitment to values, about ethical business conduct and about making a distinction between personal and corporate funds in the management of a company.

The corporate governance framework of the Company reflects a system of checks and balances between the powers of the shareholders, the Board of Directors and the management with the goal to safeguard the interests of its shareholders while creating sustainable value.

The core values of the Company's governance process include independence, integrity, accountability, transparency, responsibility and fairness. The business policies are based on ethical conduct, health, safety and a commitment to build long term sustainable relationships. The Company is committed to continually evolving and adopting appropriate corporate governance best practices.

### 2. Board of Directors

#### a. Composition of the Board:

The composition of the Board is in conformity with clause 49 of the Listing Agreement, which stipulates that atleast 50% of the Board should consist of Independent Directors, if the Chairman of the Board is an Executive Director.

The Board of Directors of the company comprise of eight directors. Out of these, four are Executive Directors including Chairman and Managing Director who are Promoter Directors.

The rest Non-Executive Directors are Independent Directors. All the Directors possess requisite qualification and experience in general corporate management, finance, banking, legal and other allied fields enabling them to contribute effectively in the capacity of Director of the Company.

However, in terms of State Bank of India's (hereinafter referred to as 'SBI') sanction covenants and Master Restructuring Agreement, SBI had appointed Shri Satish Moreshwar Joshi as nominee director on the Board of the Company dated 16<sup>th</sup> August, 2014, who has resigned from the post of nominee director from the Board of the Company w.e.f. 30<sup>th</sup> June, 2014 due to his personal priorities.

The Company has received declaration from all the Independent Directors stating that they meet with the criteria of independence as prescribed under sub section (6) of section 149 of the Companies Act, 2013.

The Board of Directors of the Company after reviewing the declaration submitted by the Independent Directors, is of the opinion that the said Directors meet the criteria of independence as per section 149(6) of the Companies Act, 2013 and the rules made thereunder and are independent of the Management and also meet with the requirements of clause 49 of the Listing Agreement with the Stock Exchange(s), for being the Independent Directors on the Board of the company.

Further, according to the provisions of section 149 read with Schedule IV of Companies Act, 2013 and clause 49 of the Listing Agreement, the company is fulfilling the requirement of appointment of Independent Directors on the Board of the company.

#### b. Number of Board meetings and dates on which meetings were held

The Board of Directors met five(5) times during the financial year 2013-2014. The maximum time gap between the two(2) consecutive meetings did not exceed four(4) months. The details of the date(s) on which the meetings were held are as follows:

Sr. No.	Date	Day	Time
1.	30 <sup>th</sup> May, 2013	Thursday	11:30 A.M.
2.	13 <sup>th</sup> August, 2013	Tuesday	11:30 A.M.
3.	30 <sup>th</sup> October, 2013	Wednesday	11:30 A.M.
4.	14 <sup>th</sup> November, 2013	Thursday	11:30 A.M.
5.	14 <sup>th</sup> February, 2014	Friday	11:30 A.M.

**c. Attendance of each director at the Board meetings and the last Annual General Meeting and details of Directorship/ Committee positions held**

As mandated by clause 49 of the Listing Agreement, none of the Directors on Board is a member of more than ten(10) Board level Committees and Chairperson of more than five(5) such committees, across all such companies in which he is a Director.

Table herein below give the names and category of directors, number of Board meetings held, attendance of each director at the Board meetings and the last Annual General Meeting and number of other Boards or Board Committees in which they are member or Chairperson:

Sr. No.	Name of the Director	Category of Director (Promoter, Executive, Non-Executive, Independent)	No. of Directorship/ Committees membership of other Companies	No. of Board Meetings		Whether attended Last Annual General Meeting
				Held	Attended	
1.	Shri Manohar Lal Gupta	Promoter/ Executive	17	5	3	-
2.	Shri Vinod Kumar Gupta	Promoter/ Executive	21	5	4	-
3.	Shri Govind Das Garg	Promoter/ Executive	11	5	4	-
4.	Shri Anil Mittal	Executive	6	5	2	-
5.	Shri Satish Chandra Consul	Non-Executive / Independent	0	5	5	-
6.	Shri Dharam Pal Khanna	Non-Executive / Independent	0	5	5	Yes
7.	Shri Dilip Kumar Panchaity	Non-Executive / Independent	0	5	5	Yes
8.	Shri Dilip Kumar Sinha	Non-Executive / Independent	2	5	4	Yes
9.	Shri Satish Moreshwar Joshi	Nominee Director	0	5	1	-

**Notes:-**

1. Shri Vinod Kumar Gupta, Shri Manohar Lal Gupta and Shri Govind Das Garg are related to each other.
2. Shri Satish Moreshwar Joshi was appointed as Nominee Director w.e.f. 16<sup>th</sup> August, 2013 and resigned on 30<sup>th</sup> June, 2014.

## Particulars of the Directors seeking re-appointment:

### 1. Shri Govind Das Garg

Shri Govind Das Garg is aged 67 years and being promoter director of the company, managing affairs of the company from very beginning and has been instrumental in bringing the company to this stage.

He has almost 36 years of working experience in diversified business activities including experience in pharmaceutical industry. He is basically looking into the technical issues and purchases in the company. He has been working as Whole-Time Director of the company since 1994 and has made pioneer contribution in the growth of the company.

He has been appointed as Whole-Time Director on 30<sup>th</sup> September, 2011 for a period of three(3) years starting from 1<sup>st</sup> January, 2012 and his tenure as Whole-Time Director is expiring on 31<sup>st</sup> December, 2014.

### 2. Shri Dilip Kumar Sinha

According to the provisions of section 149 of the Companies Act, 2013, it is proposed to appoint Shri Dilip Kumar Sinha as Independent Director of the company under Companies Act, 2013 to hold office for five(5) consecutive years w.e.f. 1<sup>st</sup> October, 2014 till 30<sup>th</sup> September, 2019.

Shri Dilip Kumar Sinha, has done Master of Arts (M.A.) in English Literature and CAIIB and is also an Associate of Indian Institute of Bankers, Mumbai. He retired as General Manager, State Bank of India and is having wide and varied experience of all aspects of banking during his service of more than 40 years. He was one of the functionaries heading the Industrial Finance Department of State Bank of India (SBI) at its Corporate Office in Mumbai granting business loans to top companies of the country. He also has an international experience in banking as he was the 'CEO' of the largest Overseas Branch of SBI at New York for a period of 4 years.

Presently, he is also director on the Board of 'Shah Alloys Limited' and 'Shrivastavas Green House Private Limited'. Further, he does not hold Chairmanship in any of the Board Level Committees of other companies.

### 3. Shri Dharam Pal Khanna

According to the provisions of section 149 of the Companies Act, 2013, it is proposed to appoint Shri Dharam Pal Khanna as Independent Director of the company under Companies Act, 2013 to hold office for five(5) consecutive years w.e.f. 1<sup>st</sup> October, 2014 till 30<sup>th</sup> September, 2019.

He is a law graduate and retired Executive Director of Madhya Pradesh Financial Corporation, has wide and rich experience of 40 years in the field of accounting and finance.

### 4. Shri Dilip Kumar Panchaity

According to the provisions of section 149 of the Companies Act, 2013, it is proposed to appoint Shri Dilip Kumar Panchaity as Independent Director of the company under Companies Act, 2013 to hold office for five(5) consecutive years w.e.f. 1<sup>st</sup> October, 2014 till 30<sup>th</sup> September, 2019.

He is B.Sc., M.A. (Economics) and is a retired banker and has wide experience of 37 years in the field of accounting and finance.

### 5. Shri Satish Chandra Consul

According to the provisions of section 149 of the Companies Act, 2013, it is proposed to appoint Shri Satish Chandra Consul as Independent Director of the company under Companies Act, 2013 to hold office for five(5) consecutive years w.e.f. 1<sup>st</sup> October, 2014 till 30<sup>th</sup> September, 2019.

He is M.A., LLB and a retired IAS officer, who was in government service for 34 years and held various responsible positions.

**Note:** Name of other companies in which Directors hold directorship and the membership of committees of the Board are mentioned in **Annexure 1** of this report.

## COMMITTEE OF THE BOARD

In compliance with the requirements under the Listing Agreement and the Companies Act, 2013, the Board has constituted the following committees:

1. Audit Committee
2. Nomination and Remuneration Committee
3. Stakeholders Relationship / Investors' Grievance Committee

### 3. AUDIT COMMITTEE

#### i. TERMS OF REFERENCE AND ROLE OF AUDIT COMMITTEE

The scope and function of the Audit Committee is to regularly review the internal control systems and procedures, accounting policies and other matters that protect the interest of the stakeholders, ensure compliance with the laws and monitor with a view to provide effective supervision of the management's process, ensure accurate, timely and proper disclosures, transparency, integrity and quality of financial reporting. The composition, procedures, powers and role/functions of the Audit Committee constituted by the company comply with the requirements of clause 49 of the Listing Agreement and provisions of section 177 (1) of the Companies Act, 2013, the Board of Directors at their meeting held on 30<sup>th</sup> May, 2014, have approved the new terms of reference for the Audit Committee.

The term of reference and role of the Audit Committee includes the following:

1. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the company.
3. Approval of payment to Statutory Auditors for any other services rendered by the statutory auditors.
4. Reviewing with the management, the annual financial statements before submission to the Board for approval, with particular reference to:
  - a) Changes, if any, in accounting policies, practices and reasons for the same,
  - b) Significant adjustments made in the financial statements arising out of audit findings,
  - c) Compliance with listing and other legal requirements relating to financial statements,
  - d) Disclosure of related party transactions,
  - e) Qualifications in draft audit report.
5. Reviewing with the management, the quarterly financial statements before submission to the Board for approval.
6. Reviewing with the management, the statement of uses/application of funds raised through an issue (public issue, right issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue and making appropriate recommendations to the Board to take up steps in this matter.
7. Review and monitor the auditors' independence, performance and effectiveness of audit process.
8. Examination of the financial statement and the auditors' report thereon.
9. Approval or any subsequent modification of transactions of the company with related parties.
10. Scrutiny of inter-corporate loans and investments.
11. Valuation of undertakings or assets of the company, wherever it is necessary.
12. Evaluation and review of internal audit function, financial controls and risk management systems.
13. Monitoring the end use of funds raised through public offers and related matters.
14. To review the functioning of the Whistle Blower Mechanism/Vigil Mechanism.
15. Approval of appointment of Chief Financial Officer after assessing the qualifications, experience and background, etc. of the candidate.
16. Carrying out such other functions as may be specifically referred to the Committee by the Board of Directors and/or other Committees of Directors of the company.

#### ii. COMPOSITION:

In accordance with the provision of clause 49(II) of the Listing Agreement, the company has set up a qualified audit committee. The Audit Committee of the company was reconstituted on 14<sup>th</sup> August, 2014 and now comprises of five(5) directors including four(4) Independent Non-Executive Directors as members. All the members of the Audit Committee are financially literate and have accounting or related financial management expertise:

1. Shri Dilip Kumar Panchaity, Chairman
2. Shri Satish Chandra Consul, Member
3. Shri Dharam Pal Khanna, Member
4. Shri Dilip Kumar Sinha, Member (w.e.f. 14<sup>th</sup> August, 2014)
5. Shri Anil Mittal, Member (w.e.f. 14<sup>th</sup> August, 2014)

The Company Secretary of the company is the Secretary of the committee.

### iii. MEETINGS AND ATTENDANCE:

- a. During the financial year ended 31<sup>st</sup> March, 2014, four(4) meetings of the Audit Committee were held, as follows:

Sr. No.	Date	Day	Time
1.	30 <sup>th</sup> May, 2013	Thursday	11:00 A.M.
2.	13 <sup>th</sup> August, 2013	Tuesday	11:00 A.M.
3.	14 <sup>th</sup> November, 2013	Thursday	11:00 A.M.
4.	14 <sup>th</sup> February, 2014	Friday	11:00 A.M.

- b. Attendance of each member at the Audit Committee meetings held during the year:

Name	Number of meetings during the year 2013-2014	
	Held	Attended
Shri Dilip Kumar Panchaity	4	4
Shri Satish Chandra Consul	4	4
Shri Dharam Pal Khanna	4	4

Further, the Chairman of the Audit Committee was present in the Annual General Meeting of the company held on 30<sup>th</sup> September, 2013 to answer shareholder queries. The maximum time gap between two(2) consecutive meetings did not exceed four(4) months. The minutes of the Audit Committee are noted by the Board.

## 4. NOMINATION AND REMUNERATION COMMITTEE

### i. DESCRIPTION OF TERMS OF REFERENCE AND ROLE OF NOMINATION AND REMUNERATION COMMITTEE:

In accordance with the provisions of section 178 of the Companies Act, 2013 read with Rule 6 of the Companies (Meetings of Board and its Powers) Rules, 2014 and the Listing Agreement, the Board of Directors at their meeting held on 30<sup>th</sup> May, 2014, approved the nomenclature of 'Remuneration Committee' to 'Nomination and Remuneration Committee' and have revised the role of the said committee as under:

1. Identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment, removal and shall carry out evaluation of every director's performance;
2. Formulate the criteria for determining qualifications, positive attributes, independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees;
3. Ensure that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;
4. Ensure that relationship of remuneration to performance is clear and meets appropriate performance benchmarks;
5. Ensure that remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the company and its goals.

**ii. REMUNERATION POLICY:**

The remuneration policy is directed towards rewarding performance based on review of achievements on a periodical basis. The remuneration policy is in consonance with the existing industry practice.

**iii. COMPOSITION:**

The Remuneration Committee comprises of the following Independent Non-Executive Directors:

1. Shri Satish Chandra Consul, Chairman
2. Shri Dharam Pal Khanna, Member
3. Shri Dilip Kumar Panchaity, Member

**iv. MEETING AND ATTENDANCE:**

During the financial year ended 31<sup>st</sup> March, 2014, One(1) meeting of the Remuneration Committee was held on Tuesday, the 13<sup>th</sup> day of August, 2013 at 10:30 A.M. Table herein below provide the details of attendance of each member of the committee:

Name	Number of meetings during the year 2013-2014	
	Held	Attended
Shri Satish Chandra Consul	1	1
Shri Dharam Pal Khanna	1	1
Shri Dilip Kumar Panchaity	1	1

**v. REMUNERATION PAID TO THE DIRECTORS DURING 2013-2014:**

Sr. No.	Name of the Director	Nature of Directorship	Salary, Perquisites / Sitting Fee (Rs.)
1	Shri Manohar Lal Gupta	Executive	*28,03,385
2	Shri Vinod Kumar Gupta	Executive	*28,03,385
3	Shri Govind Das Garg	Executive	*14,01,692
4	Shri Anil Mittal	Executive	#26,47,071
5	Shri Satish Chandra Consul	Non-Executive	28,000
6	Shri Dharam Pal Khanna	Non-Executive	28,000
7	Shri Dilip Kumar Panchaity	Non-Executive	20,000
8	Shri Dilip Kumar Sinha	Non-Executive	8,000
9	Shri Satish Moreshwar Joshi**	Non-Executive	2,000

**Notes:**

1. The remuneration to the Executive Directors is being paid as per the approval of the shareholders at the general body meeting.
2. The Chairman, Managing Director and Whole-Time Director receive salary, perquisites and allowances, while all the Non-Executive Directors receive sitting fees.
3. No service contract has been executed between the company and Executive Directors. The services of Executive Directors are subject to the personnel policy of the company. No severance fees is payable to Executive Directors.
4. \*Includes salary and contribution to Provident and Gratuity Fund. There is no other component of remuneration to the promoter Executive Directors.
5. \*\*Ceased to be Nominee Director with effect from 30<sup>th</sup> June, 2014.

6. #Includes salary and contribution to Provident, Gratuity Fund and Bonus .There is no other component of remuneration to the Executive Director.
7. Presently, the company does not have a scheme for grant of Stock Options either to the Executive Directors or employees.
8. Shri Anil Mittal is holding 1866 equity shares and Shri Dilip Kumar Sinha is holding 1333 equity shares of the company.
9. Shri Vinod Kumar Gupta, Shri Manohar Lal Gupta and Shri Govind Das Garg are related to each other and are the promoter directors of the company.
10. All other directors do not have any pecuniary relationship with the company, other than receipt of remuneration / sitting fees.
11. The company does not pay commission or performance linked incentives to any of the director.

#### 5. STAKEHOLDERS RELATIONSHIP COMMITTEE

In accordance with the provisions of section 178(5) of the Companies Act, 2013 and the Listing Agreement, the Board of Directors of the company at their meeting held on 30<sup>th</sup> May, 2014 have approved the change in the nomenclature of the 'Investors Grievance Committee' to 'Stakeholders Relationship Committee'. The role of the said committee are as under:

1. To specifically look into the redressal of shareholder and investors complaints like:
  - Transfer of shares;
  - Non-receipt of balance sheet;
  - Non-receipt of declared dividend; etc.
2. To consider and resolve the grievances of the security holders of the company.

#### COMPOSITION:

The Stakeholders Relationship Committee is headed by a Non-Executive Director and comprises the following Directors:

1. Shri Satish Chandra Consul, Chairman
2. Shri Dharam Pal Khanna, Member

Ms. Aradhana Kulkarni, Company Secretary of the company is the Compliance Officer.

During the financial year ended 31<sup>st</sup> March, 2014, Four(4) meetings of the Stakeholders Relationship Committee were held. Table herein below gives the details of the attendance of each member of the committee:

Name	Number of meetings during the year 2013-2014	
	Held	Attended
Shri Satish Chandra Consul	4	4
Shri Dharam Pal Khanna	4	4

The details of complaints received, solved and status thereof during the financial year ended 31<sup>st</sup> March, 2014 are as follows:



Sr. No.	Nature of complaints	Received during the year	Resolved during the year	Number of pending complaints
1.	Non-receipt of Dividend/ Interest/Redemption Warrants	6	6	0
2.	Non-receipt of Annual Report	3	3	0
3.	Non-receipt of Bonus Share Certificate(s)	3	3	0
4.	Others	0	0	0
	<b>TOTAL</b>	<b>12</b>	<b>12</b>	<b>0</b>

All the aforesaid complaints were resolved by the Registrar and Share Transfer Agent of the company M/s. Link Intime India Private Limited appropriately to the satisfaction of the shareholders and there were no pending complaint or grievance at the end of the financial year 2013-2014.

## 6. GENERAL BODY MEETING

### i. ANNUAL GENERAL MEETINGS:

The location and time of the last three(3) Annual General Meetings are as under:

Financial Year ended	Date of Annual General Meeting	Time	Venue	No. of Special Resolutions passed
31 <sup>st</sup> March, 2013	30 <sup>th</sup> September, 2013	9:30 A.M.	Classique Club, Behind Infinity Mall, Link Road, Oshiwara, Andheri (West), Mumbai-400 053	-
31 <sup>st</sup> March, 2012	29 <sup>th</sup> September, 2012	9:30 A.M.	-do-	-
31 <sup>st</sup> March, 2011	30 <sup>th</sup> September, 2011	9:30 A.M.	-do-	Two(2)

### ii. POSTAL BALLOT:

- The company has not passed any Special Resolution during last three(3) years requiring voting through Postal Ballot.
- There is no proposal for passing any resolution through Postal Ballot at the ensuing Annual General Meeting scheduled to be held on 30<sup>th</sup> September, 2014.

## 7. SUBSIDIARY COMPANIES

The Company has eight(8) Indian unlisted public company as its subsidiary and two(2) unlisted foreign subsidiary companies. As none of its subsidiary is a material non listed Indian subsidiary company, therefore criteria of atleast one independent director on the Board of Director of the holding company shall be a director on the Board of Director of material non listed Indian subsidiary company does not attract.

Further, the Board also reviews the Annual financial statements of the unlisted subsidiary companies. In addition to above, pursuant to clause 49 of the Listing Agreement, the minutes of the Board meetings of the company's unlisted subsidiary companies and a Statement of all significant transactions and arrangements entered into by the unlisted subsidiary company are placed before the Board.

A statement pursuant to section 212 of the Companies Act, 1956 relating to subsidiary companies is forming part of the accounts. In terms of general exemption, under section 212(8) of the Companies Act, 1956 granted by Ministry of Corporate Affairs vide its circular no. 02/2011 dated 8<sup>th</sup> February, 2011 and in compliance with the conditions enlisted therein, the Audited statement of accounts, Auditors' Report thereon and the Report of the Board of Directors of the company's subsidiaries for the financial year ended 31<sup>st</sup> March, 2014 have not been annexed.

The Annual Accounts and related documents of the subsidiary companies shall be kept open for inspection at the registered office of the company. Further, pursuant to Accounting Standard (AS-21) issued by the Institute of Chartered Accountants of India, Consolidated financial statements presented by the company in this Annual Report include the financial information of its subsidiaries.

## **8. DISCLOSURES**

### **i. RELATED PARTY TRANSACTIONS**

Details of materially significant related party transactions i.e. transactions of the company of material nature with its promoters, the directors or the management, their subsidiaries or relatives, etc. are presented in Note 31 of the Balance Sheet. There are no materially significant related party transactions that may have potential conflict with the interests of company at large in the financial year 2013-2014.

### **ii. DISCLOSURE OF ACCOUNTING TREATMENT**

The company has followed the Accounting Standards as notified by the Companies (Accounting Standards) Rules, 2006, as amended from time to time, in the preparation of financial accounts.

### **iii. RISK MANAGEMENT**

The company has laid down procedures to inform Board members about the risk assessment and minimization procedures, which are periodically reviewed by the management to control the risk.

### **iv. WHISTLE BLOWER POLICY/VIGIL MECHANISM**

In terms of provisions of section 177(9) of the Companies Act, 2013 read with Companies (Meetings of Board & its Powers) Rules, 2014, every Listed Company is required to establish a vigil mechanism for their directors and employees to report their genuine concerns or grievances.

The companies which are required to constitute an audit committee shall oversee the vigil mechanism through the committee and if any of the members of the committee have a conflict of interest in a given case, they should not involve themselves and the others on the committee would deal with the matter.

The vigil mechanism shall provide for adequate safeguards against victimization of employees and directors who avail the vigil mechanism and also provide for direct access to the Chairperson of the Audit Committee or the director nominated to play the role of the Audit Committee, as the case may be, in exceptional cases.

So, in the light of the said provisions, the company has established a vigil mechanism to look into the matters abovementioned.

The company has conveyed existence of Whistle Blower Policy to all its employees and it is hereby affirmed by the Board that no personnel has been denied access to the Audit Committee.

### **v. DETAILS OF NON-COMPLIANCES BY THE COMPANY**

There has been no instances of material non-compliance by the company on any matter related to capital markets, during the last three(3) years and no penalties or strictures have been imposed on the company by Stock Exchange(s), SEBI or any other statutory authority.

### **vi. MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

Management Discussion and Analysis Report is given in a separate section forming part of Directors' Report in this Annual Report.

### **vii. MANDATORY AND NON-MANDATORY REQUIREMENTS**

The company has complied with all the mandatory requirements of clause 49 of the Listing Agreement. Non-mandatory requirements are being complied in a phased manner.

### viii. CEO CERTIFICATION

As required under clause 49(V) of the Listing Agreement, the CEO Certificate is annexed to this Annual Report.

### ix. AUDITORS' CERTIFICATION

As required under clause 49 (VII) of the Listing Agreement, the company has obtained a Certificate from the auditor regarding compliance of conditions of corporate governance as stipulated in the clause and annexed with the Directors' Report.

### x. COMPLIANCE ON CORPORATE GOVERNANCE

The Quarterly Compliance Report has been submitted to the stock exchange(s) where the company's equity shares are listed in the requisite format duly signed by the Compliance Officer/Managing Director.

## 9. MEANS OF COMMUNICATION

In accordance with the provisions of clause 54 of the Listing Agreement the company has maintained a functional website namely [www.pdindia.com](http://www.pdindia.com) containing basic information about the company such as details of its business, financial information, shareholding pattern, compliance with Corporate Governance, contact information of the designated official of the company who are responsible for assisting and handling investor grievances, etc. Towards this end:

**Financial Results:** The annual, half-yearly and quarterly results are regularly posted by the company on its website. These results are also submitted to the Stock Exchange(s) in accordance with the Listing Agreement and simultaneously published in English edition of 'Financial Express' and Marathi edition of 'Apalam Mahanagar'.

**Website:** The company's website namely [www.pdindia.com](http://www.pdindia.com) contains a separate dedicated section 'Investors' where shareholders information is available. Full annual report is also available on the website in a user friendly and downloadable form. Apart from this, official news releases, detailed presentations made to media, analysts etc are also displayed on the company's website.

**Corporate Filing:** Announcements, Quarterly Results, Shareholding Pattern etc. of the company are regularly filed by the company, are also available on the website of 'Bombay Stock Exchange Limited' – [www.bseindia.com](http://www.bseindia.com) and, 'National Stock Exchange of India Limited' – [www.nseindia.com](http://www.nseindia.com).

**NSE Electronic Application Processing System (NEAPS):** The NEAPS is a web based application designed by NSE for corporate uploading. The company regularly files corporate information on this website.

**BSE Listing Centre:** The BSE Listing Centre is a web based application designed by BSE for corporate uploading. The company regularly files corporate information on this website.

**SEBI Complaint Redress System (SCORES):** The investor complaint(s) are processed in a centralized web based complaint redress system. The salient features of this system are: Centralized database of all complaints, online upload of Action Taken Reports (ATRs) by the concerned companies and online viewing by investors of action taken on the complaint and its current status.

**10. GENERAL SHAREHOLDER INFORMATION**

<b>i. 30<sup>th</sup> Annual General Meeting</b>		
<b>Date</b>	30 <sup>th</sup> September, 2014, Tuesday	
<b>Time</b>	9:30 A.M.	
<b>Venue</b>	The Classique Club, Behind Infinity Mall, Link Road, Oshiwara, Andheri (West), Mumbai-400 053	
<b>ii. Financial Year</b>	1 <sup>st</sup> April, 2013 to 31 <sup>st</sup> March, 2014	
<b>iii. Date of Book Closure</b>	23 <sup>rd</sup> September, 2014 to 30 <sup>th</sup> September, 2014 (both days inclusive)	
<b>iv. Dividend Payment Date</b>	None, as no dividend has been recommended for the year	
<b>v. Listing on Stock Exchange(s)</b>	The equity shares of the company are listed on following premier Stock Exchange(s) of India: <ul style="list-style-type: none"> <li>• National Stock Exchange of India Limited (NSE)</li> <li>• Bombay Stock Exchange Limited (BSE)</li> </ul>	
<b>i. Stock Code</b>		
<b>BSE</b>	<b>Stock Code</b>	PARENTLD
	<b>Scrip Code</b>	524689
<b>NSE</b>		PDPL EQ
<b>ISIN</b>		INE904D01019 (NSDL & CDSL)
<b>CIN</b>		L99999MH1983PLC126481

**vii. Market Price Data**

The monthly high and low price and volume of shares of the Company at Bombay Stock Exchange Limited and National Stock Exchange of India Limited for the year ended 31<sup>st</sup> March, 2014 are as under:

Month	Quotations on BSE		Quotations on NSE	
	High Price	Low Price	High Price	Low Price
<b>Apr, 2013</b>	114.50	88.00	114.10	91.00
<b>May, 2013</b>	125.00	93.40	129.95	94.00
<b>June, 2013</b>	108.75	60.00	105.95	66.00
<b>July, 2013</b>	79.80	51.50	79.70	50.05
<b>Aug, 2013</b>	59.90	39.15	58.70	39.00
<b>Sept, 2013</b>	59.00	43.10	58.95	41.00
<b>Oct, 2013</b>	49.70	39.50	49.90	40.00
<b>Nov, 2013</b>	46.85	33.85	48.00	35.00
<b>Dec, 2013</b>	43.85	32.25	43.90	33.30
<b>Jan, 2014</b>	43.00	27.15	45.00	26.00
<b>Feb, 2014</b>	32.60	25.65	33.30	25.55
<b>Mar, 2014</b>	41.00	28.80	40.60	28.10

#### viii. Performance of shares of the company in comparison to BSE Sensex

The reported closing price during each month of the financial year ended on 31<sup>st</sup> March, 2014 of BSE Sensex and the company's share are given below:

Month	BSE Sensex	PDIL Share Price
<b>Apr, 2013</b>	19504.18	98.50
<b>May, 2013</b>	19760.30	100.85
<b>June, 2013</b>	19395.81	74.45
<b>July, 2013</b>	19345.70	52.20
<b>Aug, 2013</b>	18619.72	47.25
<b>Sept, 2013</b>	19379.77	44.55
<b>Oct, 2013</b>	21164.52	42.25
<b>Nov, 2013</b>	20791.93	37.60
<b>Dec, 2013</b>	21170.68	39.10
<b>Jan, 2014</b>	20513.85	29.05
<b>Feb, 2014</b>	21120.12	32.60
<b>Mar, 2014</b>	22386.27	30.00

#### ix. Registrar and Share Transfer Agent

The company has appointed M/s. Link Intime India Private Limited as Registrar and Share Transfer Agent, details of whom are as under:

**M/s. Link Intime India Private Limited**

C – 13, Kantilal Maganlal Estate,  
Pannalal Silk Mills Compound,  
L.B.S. Marg, Bhandup (West),  
Mumbai - 400 078

Tel. No.: 022 - 25946970

Fax No.: 022 - 25946969

E-mail : rnt.helpdesk@linkintime.co.in

**x. Share Transfer System**

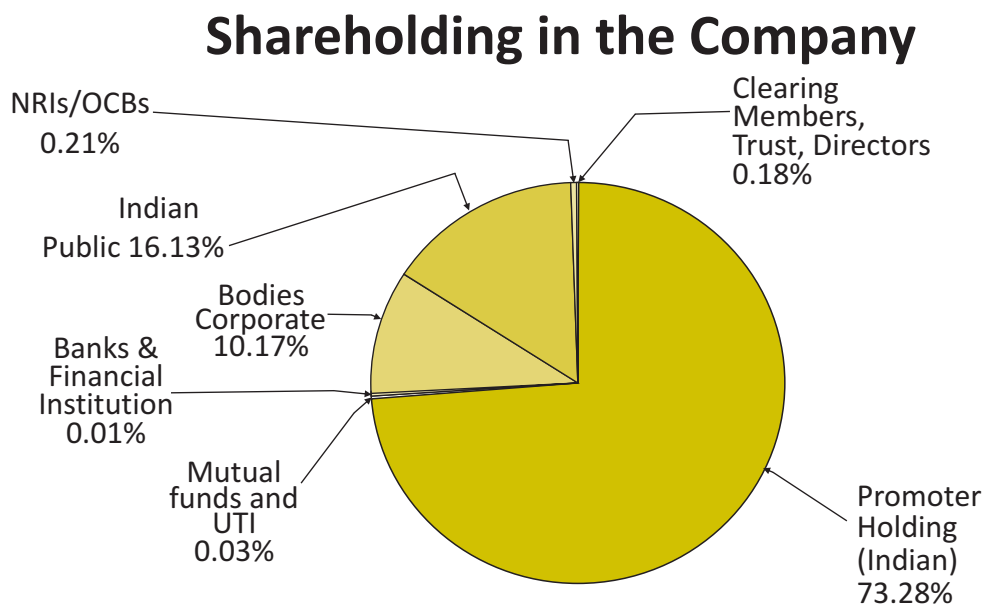
To expedite the process of share transfer, transmission, split, consolidation, rematerialisation, dematerialization, payment of dividend and issue of duplicate dividend warrants and resolution of the shareholder's grievances, the Board of Directors has delegated the powers to M/s. Link Intime India Private Limited, Mumbai (Formerly known as Intime Spectrum Registry Limited). The shareholders are requested to approach M/s. Link Intime India Private Limited for resolution of all their issues.

**xi. Distribution of Shareholding**

**(a) Class-wise Distribution of equity shares as on 31<sup>st</sup> March, 2014:**

Slab of Shareholding	Shareholders		Shares	
	Number	% of total	Number	% of total
1-500	4454	84.5322	736518	2.4702
501-1000	375	7.1171	274763	0.9215
1001-2000	193	3.6629	274508	0.9207
2001-3000	63	1.1957	161046	0.5401
3001-4000	36	0.6832	129422	0.4341
4001-5000	26	0.4935	118474	0.3973
5001-10000	44	0.8351	325820	1.0928
10001 and above	78	1.4804	27795749	93.2233
<b>Total</b>	<b>5269</b>	<b>100.0000</b>	<b>29816300</b>	<b>100.0000</b>

**(b) Shareholding Pattern as on 31<sup>st</sup> March, 2014:**



SR. NO.	CATEGORY	NO. OF SHARES HELD	% OF SHAREHOLDING
<b>A</b>	<b>PROMOTERS' HOLDING</b>		
1.	<u>Promoters</u>		
	Indian	21849243	73.28
	Foreign	0	0
2.	<u>Persons acting in Concert</u>	0	0
	<b>Sub-Total(A)</b>	<b>21849243</b>	<b>73.28</b>
<b>B</b>	<b>NON-PROMOTERS' HOLDING</b>		
3.	<u>Institutional Investors</u>		
	(a) Mutual Funds and UTI	7998	0.02
	(b) Banks, Financial Institutions (Central/State Govt. Institutions/ Non-government Institutions)	1332	0.01
	(c) Insurance Companies	0	0.00
	(d) FI'S	0	0.00
4.	<u>Others</u>		
	(a) Bodies Corporate	3031556	10.17
	(b) Indian Public	4809464	16.13
	(c) NRIs/OCBs	62794	0.21
	(d) Any Other (Clearing Members, Trust, Directors)	53913	0.18
	<b>Sub-Total(B)</b>	<b>7967057</b>	<b>26.72</b>
	<b>GRAND TOTAL (A+B)</b>	<b>29816300</b>	<b>100.00</b>

## xii. Dematerialization of shares

Trading in company's equity share is permitted compulsorily in dematerialized form as per notification issued by SEBI. The break-up of equity shares in physical and demat form as on 31<sup>st</sup> March, 2014 is as follows:

Particulars of Equity Shares	Equity Shares of Rs.10/-each	
	Number	% of Total
NSDL	4054630	13.60
CDSL	24741348	82.98
<b>Sub-Total</b>	<b>28795978</b>	<b>96.58</b>
Physical	1020322	3.42
<b>Total</b>	<b>29816300</b>	<b>100.00</b>

Shareholders, who continue to hold their equity shares in physical form, are requested to dematerialize their shares at the earliest and avail various benefits of dealing in securities in electronic/dematerialized form.

**xiii. Outstanding GDRs/ADRs/Warrants or any other convertible instruments and their impact on equity:**

As on 31<sup>st</sup> March, 2014, the company has no outstanding GDRs/ADRs/Warrants or any other convertible instruments.

**xiv. Plant Locations:**

Sr. No.	Location	Address
1.	Madhya Pradesh	Village Asrawad, Post Dudhia, Nemawar Road, Indore-453 331 (Madhya Pradesh)
2.	Himachal Pradesh	Village Bhud, Tehsil Nalagarh, Distt. Solan-173 205 (Himachal Pradesh)

**xv. Address for Correspondence:**

For all investor related issues, the address for correspondence shall be:

<b>Company</b>	"Company Secretary" Parenteral Drugs (India) Limited Shree Ganesh Chambers, Navlakha Crossing, A.B.Road, Indore-452 001(Madhya Pradesh) E-mail: <a href="mailto:investor@pdindia.com">investor@pdindia.com</a>
<b>Registrar and Share Transfer Agent</b>	M/s. Link Intime India Private Limited C-13, Kantilal Maganlal Estate, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (West), Mumbai - 400 078 (Maharashtra) Tel. No. : 022 - 25946970 Fax No. : 022- 25946969 E-mail : <a href="mailto:rnt.helpdesk@linkintime.co.in">rnt.helpdesk@linkintime.co.in</a>

Place: Indore  
 Date: 14<sup>th</sup> August, 2014

**FOR AND ON BEHALF OF THE BOARD**  
**Manohar Lal Gupta**  
 Chairman



**DECLARATION FROM MANAGING DIRECTOR**

I, Vinod Kumar Gupta, Managing Director of the company do hereby affirm and declare on behalf of all the Directors and Senior Management Personnel in terms of clause 49(I)(D)(ii) of the Listing Agreement, that the company has laid down and complied with the Code of Conduct as adopted by the company.

**Place: Indore**  
**Date: 14<sup>th</sup> August, 2014**

**Vinod Kumar Gupta**  
**Managing Director**

**ANNEXURE-1****Name of other companies in which Directors hold directorship and membership of committees of the Board**

Sr. No.	Name of the company	Name of the Director				
		Shri Govind Das Garg	Shri Dilip Kumar Sinha	Shri Dharam Pal Khanna	Shri Dilip Kumar Panchaity	Shri Satish Chandra Consul
1.	Parenteral Biotech Limited	D	-	-	-	-
2.	Parenteral Medicines Limited	D	-	-	-	-
3.	Anitas Exports Private Limited	D	-	-	-	-
4.	Panorama Remedies Limited	D	-	-	-	-
5.	Punjab Formulations Limited	D	-	-	-	-
6.	Goa Formulations Limited	D	-	-	-	-
7.	PDPL Securities Private Limited	D	-	-	-	-
8.	Parenteral Impex Limited	D	-	-	-	-
9.	Abhay Drugs Limited	D	-	-	-	-
10.	Anjaney Pharmaceuticals Limited	D	-	-	-	-
11.	Orissa Formulations Private Limited	D	-	-	-	-
12.	Shah Alloys Limited	-	D	-	-	-
13.	Srivastavas Green House Private Limited	-	D	-	-	-

**D- Director, CM- Committee Member**

# Certificate

**To**

**The Members of  
Parenteral Drugs (India) Limited**

We have examined the compliance of the conditions of Corporate Governance by Parenteral Drugs (India) Limited for the year ended March 31, 2014 as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchange(s).

The compliance of the conditions of Corporate Governance is the responsibility of the management. Our examination was limited to the procedure and implementation thereof, adopted by the company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of the opinion on the financial statement of the company.

In our opinion and to the best of our information and explanations given to us, we certify that the Company has complied with the conditions of corporate governance as stipulated in the above-mentioned listing agreement.

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

**Place: Indore**

**Date: 14<sup>th</sup> August, 2014**

**For T.N. Unni & Co.**

**Chartered Accountants**

**Firm Regn. No. 004890C**

**T.N.Unni**

**(Partner)**

**M. No. 014520**

## *Certificate From Managing Director*

**To  
The Board of Directors of  
Parenteral Drugs (India) Limited**

I, Vinod Kumar Gupta, Managing Director, to the best of my knowledge and belief hereby certify that:

- (a) I 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 my 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) There are, to the best of my knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company's code of conduct.
- (c) I accept responsibility for establishing and maintaining internal controls for financial reporting and that I have evaluated the effectiveness of internal control system of the Company pertaining to financial reporting and I have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which I am aware and the steps I have taken or propose to take to rectify these deficiencies.
- (d) I have indicated to the auditors and the audit committee that:
  - (i) there has not been any significant change in internal control over financial reporting during the year under reference;
  - (ii) there has not been any significant change in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - (iii) there have not been any instances of significant fraud of which I 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.

**Place: Indore**

**Date: 14<sup>th</sup> August, 2014**

**Vinod Kumar Gupta  
Managing Director**

**PARENTERAL DRUGS (INDIA) LIMITED****INDEPENDENT AUDITORS' REPORT**

**To,**  
**The Members of**  
**PARENTERAL DRUGS (INDIA) LIMITED**  
**MUMBAI**

**Report on the Financial Statements**

We have audited the accompanying financial statements of Parenteral Drugs (India) Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2014, and 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 true and fair view of the financial position, financial performance and cash flows of the Company are in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 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 from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend upon auditor's judgment, including the assessment of risk 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, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the management, as well as evaluating the overall presentation of the financial statements. We believe that 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 financial statements give the information required by the Act in the manner so required and give true and fair view in conformity with the accounting principle generally accepted in India:

- (a) In case of Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
- (b) In case of Statement of Profit and Loss, of the loss for the year ended on that date; and
- (c) In case of Cash Flow Statement, the cash flows for the year ended on that date.

**Report on other Legal and Regulatory Requirements**

1. As required by the Companies (Auditors Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub section (4A) of section 277 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 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 purpose of our audit;
  - b. In our opinion proper books of accounts as required by the law have been kept by the Company so far as appears from our examination of those books;

**PARENTERAL DRUGS (INDIA) LIMITED**

- c. The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this report are in agreement with the books of account;
- d. In our opinion, the Balance Sheet, the Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in sub section (3C) of section 211 of the Companies Act, 1956;
- e. On the basis of written representations received from the directors as on March 31, 2014, from being appointed as a director in terms of clause (g) of sub section (1) of section 274 of the Companies Act, 1956;
- f. Since the Central Government has not issued any notification as to the rate at which the cess is to be paid under section 441A of the Companies Act, 1956 nor has it issued any Rules under the said section, prescribing the manner in which such cess is to be paid, no cess is due and payable by the Company.

Forming as Opinion and Reporting on Financial Statements

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**Place: Indore**  
**Date: 30<sup>th</sup> May, 2014**

**For T.N.Unni & Co.**  
**Chartered Accountants**  
**Firm Regn No. 004890C**

**T.N.Unni**  
**(Partner)**  
**M. No. 014520**

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## PARENTERAL DRUGS (INDIA) LIMITED

### ANNEXURE TO INDEPENDENT AUDITORS' REPORT

[Referred to in paragraph 1 under the heading 'Report on Other Legal and Regulatory Requirement' of our audit report of even date]

1.
  - a) The Company is maintaining proper records to show full particulars including quantitative details and situation of fixed assets.
  - b) The Fixed assets of the Company have been physically verified by the management at reasonable intervals. No material discrepancies were noticed on such verification.
  - c) In our opinion, and according to the information and explanations given to us, the Company has not disposed off any substantial part of fixed assets during the year.
2.
  - a) The stock of finished goods, stores, spare parts and raw material lying at its location have been physically verified by the management at intervals during the financial year and the frequency of verification is considered reasonable.
  - b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventory 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 records of inventory, in our opinion, the Company has maintained proper records of inventory. The discrepancies noticed on physical verification between the physical stocks and the books of records were not material.
3.
  - a) The Company has not granted any loans, secured or unsecured to companies, firms and other parties covered in the Register maintained under Section 301 of the Companies Act, 1956.
  - b) The Company has taken unsecured loans from 16 (sixteen) companies, firms and other parties covered in the Register maintained under Section 301 of the Companies Act, 1956. During the year under review the Company has taken Rs. 1.15 lacs from the parties covered in the Register maintained under Section 301 of the Companies Act, 1956. The maximum amount involved during the year was Rs. 48.23 lacs and the year end balance of such loans aggregated to Rs. 40.95 lacs
  - c) The rate of interest and other terms and conditions of unsecured loan taken by the company, are prima facie not prejudicial to the interest of the Company.
  - d) Payment of the principal amount and interest are also regular during the year.
4. In our opinion there is an adequate internal control system 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 audit, we have not observed any continuing failure to correct major weaknesses in internal control system.
5.
  - a) In our opinion and according to the information and explanations given to us, the particulars of contracts or arrangements that need to be entered into the Register maintained under Section 301 of Act, have been so entered.
  - 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 Act, and exceeding the value of five lacs rupees in respect of any party during the year have been made at prices which are reasonable having regard to the market prices prevailing at the relevant time.
6. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public, and the provisions of Section 58A, 58AA or any other relevant provisions of the Act and the Companies (Acceptance of Deposits) Rules, 1975 with regard to the deposits are not attracted in case of borrowings made by the Company. No order under the aforesaid sections has been passed by the Company Law Board on the Company.
7. The Company has appointed a firm of Chartered Accountants to carry out the internal audit, and the scope of audit is commensurate with its size and nature of business.
8. Maintenance and cost audit of cost records has been prescribed for the products of the company by the Central Government, under Section 209(1) (d) of the Companies Act, 1956, and in our opinion prima facie, all cost records are being maintained by the Company.

## PARENTERAL DRUGS (INDIA) LIMITED

9.
  - a) According to the information and explanations given to us and according to the books and records as produced and examined by us, in our opinion, the undisputed statutory dues in respect of provident fund, income-tax, sales tax, wealth tax, service tax, customs duty, excise duty, cess and other material dues as applicable, have been regularly deposited by the Company during the year with the appropriate authorities.
  - b) As at March 31, 2014 according to the records of the Company and the information and explanations given to us, the disputed demands of excise duty to the tune of Rs. 274.40 lacs has been challenged by the Company and show cause notices are pending for adjudication, show cause notice issued by excise department of Rs. 1849.13 lacs which are quashed by H'ble High Court of Indore, department has preferred an appeal in the H'ble Supreme Court which is pending, one demand of entry tax of Rs. 165.54 lacs for which the Company has filed writ petition in the High Court and demand stayed by the H'ble High Court, one demand of penalty on entry tax of Rs. 387.88 lacs for which the Company has filed appeal before Commissioner (Appeal). Income tax demand of Rs. 100.49 lacs raised but not admitted and rectification/appeal is pending. Three demand of sales tax of Rs. 8.64 lacs for which company has filed appeal before Deputy Commissioner (Appeal). One demand under DPCO Act of Rs. 19.31 lacs for which the Company has filed writ petition in the High Court of M.P. and demand is stayed by H'ble High Court.
10. The Company has accumulated losses of Rs. 13355.54 lacs as at March 31, 2014 and has incurred cash losses of Rs. 3732.95 lacs during the financial year ended on that date and Rs. 6436.15 lacs during immediately preceding financial year.
11. On the basis of information and explanations given by the management, in our opinion, the Company has not defaulted in repayment of dues to financial institutions.
12. The company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. In our opinion, considering the nature of activities carried on by the Company during the year, the provisions of any special statute applicable to chit fund/nidhi/mutual benefit fund/societies are not applicable to the Company.
14. The Company is not dealing or trading in Shares, securities, debentures and other investments and the investment made by the Company in shares and other securities has been held in its own name in respect of which the Company has maintained adequate records.
15. The Company has assumed the Corporate Guarantee for loans taken by its subsidiary company Parenteral Surgicals Limited and has taken counter guarantee. The terms and condition of Corporate Guarantee are not prejudicial to the interest of the Company.
16. In our opinion and according to the information and explanations given to us the term loans taken by the Company were applied for the purpose for which the loans were obtained.
17. Based on the information and explanations given to us and on examination of the books of the Company, in our opinion the funds raised on a short-term basis have not been used for long-term investment.
18. The Company has converted preference shares, held by one of the company covered in the Register maintained under section 301 of the Companies Act, into equity shares during the year. In our opinion and according to the information and explanation given to us conversion is not prejudicial to the interest of the Company.
19. No debentures have been issued by the Company during the year.
20. During the year, the Company has not raised money by way of public issue.
21. According to the information and explanations given to us and the examination of the records we have neither come across any instance of fraud on or by the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.

**Place: Indore**  
**Date: 30<sup>th</sup> May, 2014**

**For T.N.Unni & Co.**  
**Chartered Accountants**  
**Firm Regn No. 004890C**  
**T.N.Unni**  
**(Partner)**  
**M. No. 014520**

**PARENTERAL DRUGS (INDIA) LIMITED**
**BALANCE SHEET AS AT 31<sup>ST</sup> MARCH, 2014**

(Amount in ₹)			
Particulars	Note No.	As at 31 <sup>st</sup> March, 2014	As at 31 <sup>st</sup> March, 2013
<b>I. EQUITY AND LIABILITIES</b>			
<b><u>(1) Shareholder's Funds</u></b>			
(a) Share Capital	2	40,35,41,980	37,74,08,918
(b) Reserves and Surplus	3	1,19,46,88,590	1,70,80,34,912
<b><u>(2) Share Application money pending allotment</u></b>			
		-	-
<b><u>(3) Non Current Liabilities</u></b>			
(a) Long Term Borrowings	4	3,26,97,42,940	3,05,53,90,015
(b) Deferred Tax Liabilities (Net)	5	27,45,05,166	23,77,50,934
<b><u>(4) Current Liabilities</u></b>			
(a) Short Term Borrowings	6	68,22,77,446	50,25,68,130
(b) Trade Payables	7	29,36,00,563	39,27,25,431
(c) Other Current Liabilities	8	27,70,93,016	1,05,06,428
(d) Short Term Provisions	9	6,80,69,173	3,98,01,477
<b>Total Equity &amp; Liabilities</b>		<b>6,46,35,18,874</b>	<b>6,32,41,86,246</b>
<b>II. ASSETS</b>			
<b><u>(1) Non Current Assets</u></b>			
(a) Fixed Assets			
(i) Tangible assets	10	3,20,39,15,227	3,28,41,13,764
(ii) Intangible assets	10	-	-
<b>Total Fixed Assets</b>		<b>3,20,39,15,227</b>	<b>3,28,41,13,764</b>
(b) Non current investments	11	1,39,64,07,157	1,39,64,07,157
(c) Long Term loans and advances	12	9,99,93,226	23,97,39,359
(d) Other non current assets	13	63,645	63,645
<b><u>(2) Current Assets</u></b>			
(a) Inventories	14	44,75,62,966	36,26,67,534
(b) Trade receivables	15	1,14,68,41,222	77,62,97,173
(c) Cash and Cash equivalents	16	5,69,81,034	5,30,92,781
(d) Short Term loans and advances	17	9,17,68,100	18,98,24,032
(e) Other current assets	18	1,99,86,298	2,19,80,800
<b>Total Assets</b>		<b>6,46,35,18,874</b>	<b>6,32,41,86,246</b>
<b>Significant Accounting Policies &amp; Notes on Financial Statement</b>	1 to 34		
<b>Referred to in our Report of even date</b> <b>For T.N.Unni &amp; Co.</b> <b>Chartered Accountants</b> <b>Firm Regn No. 004890C</b>  <b>T. N. Unni</b> <b>(Partner)</b> <b>Membership No.: 014520</b>  <b>Indore</b> <b>Date : 30<sup>th</sup> May, 2014</b>		For and on behalf of the Board <b>Manohar Lal Gupta</b> Chairman <b>Vinod Kumar Gupta</b> Managing Director <b>Govind Das Garg</b> Whole Time Director Indore <b>Date : 30<sup>th</sup> May, 2014</b>	
		<b>Aradhana Kulkarni</b>	
		Company Secretary	



**PARENTERAL DRUGS (INDIA) LIMITED**
**PROFIT & LOSS STATEMENT FOR THE YEAR ENDED ON 31<sup>ST</sup> MARCH, 2014**

(Amount in ₹)				
Sr. No	Particulars	Note No.	For the year end 31 <sup>st</sup> March, 2014	For the year end 31 <sup>st</sup> March, 2013
I	Revenue from operations	19	1,86,50,53,794	1,87,21,54,892
II	Other Income	20	57,11,15,008	13,74,315
III	<b>III. Total Revenue (I +II)</b>		<b>2,43,61,68,802</b>	<b>1,87,35,29,207</b>
IV	<b>Expenses:</b>			
	Cost of materials consumed	21	1,05,82,91,552	99,28,15,517
	Purchase of Stock-in-Trade		92,12,161	90,04,433
	Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	22	-1,20,67,047	17,20,37,030
	Employee Benefits Expense	23	21,54,90,867	17,36,48,817
	Finance Costs	24	54,24,19,046	42,22,43,897
	Depreciation and Amortization Expense	10	17,69,63,953	17,33,84,417
	Other Expenses	25	99,61,16,805	74,73,94,287
	<b>Total Expenses (IV)</b>		<b>2,98,64,27,337</b>	<b>2,69,05,28,398</b>
V	Profit/(Loss) before tax	(III-IV)	<b>-55,02,58,535</b>	<b>-81,69,99,191</b>
VI	<b>Tax expense:</b>			
	(1) Current tax		-	-
	(2) Deferred tax	5	3,67,54,232	3,49,54,053
VII	Profit/(Loss) after tax	(V-VI)	<b>-58,70,12,766</b>	<b>-85,19,53,244</b>
VIII	Earning per equity share:			
	(1) Basic	33	-19.69	-32.94
	(2) Diluted	33	-19.69	-32.94
<b>Significant Accounting Policies &amp; Notes on Financial Statement</b> 1 to 34				
<b>Referred to in our Report of even date</b> <b>For T.N.Unni &amp; Co.</b> <b>Chartered Accountants</b> <b>Firm Regn No. 004890C</b>  <b>T. N. Unni</b> <b>(Partner)</b> <b>Membership No.: 014520</b>  <b>Indore</b> <b>Date : 30<sup>th</sup> May, 2014</b>			For and on behalf of the Board <b>Manohar Lal Gupta</b> Chairman <b>Vinod Kumar Gupta</b> Managing Director <b>Govind Das Garg</b> Whole Time Director <b>Indore</b> <b>Date : 30<sup>th</sup> May, 2014</b>	
			<b>Aradhana Kulkarni</b> Company Secretary	

**PARENTERAL DRUGS (INDIA) LIMITED**
**Cash Flow Statement for the year ended on 31<sup>st</sup> March 2014**

	2013-14		2012-13	
<b>(Amount in ₹)</b>				
<b>A - CASH FLOW FROM OPERATING ACTIVITIES :</b>				
<b>Net profit/loss before tax and extra-ordinary items</b>		-55,02,58,535		-81,69,99,191
<b>adjustment for :</b>				
1. Depreciation	17,69,63,953		17,33,84,417	
2. Interest	54,24,19,046	71,93,82,999	42,22,43,897	59,56,28,314
<b>Operating profit before working capital change</b>		<b>16,91,24,464</b>		<b>-22,13,70,877</b>
<b>adjustment for :</b>				
1. Trade and other receivable	-13,07,47,481		-15,89,51,950	
2. Inventories	-8,48,95,431		17,37,20,569	
3. Trade and other Payable	37,54,38,731	15,97,95,818	-92,79,74,621	-91,32,06,002
<b>Cash Generated from Operation</b>		<b>32,89,20,282</b>		<b>-1,13,45,76,879</b>
1. Interest Paid		54,24,19,046		42,22,43,897
2. Direct Taxes Paid		-		-
<b>Cash Flow Before Extraordinary items</b>		<b>-21,34,98,764</b>		<b>-1,55,68,20,776</b>
Extra ordinary Items		-		-
<b>Net cash from operating activities.....A</b>		<b>-21,34,98,764</b>		<b>-1,55,68,20,776</b>
<b>B - CASH FLOW FROM INVESTING ACTIVITIES :</b>				
Purchase of fixed assets		-9,67,98,576		-7,45,94,781
<b>Net Cash used in investing activities ....B</b>		<b>-9,67,98,576</b>		<b>-7,45,94,781</b>
<b>C - CASH FLOW FROM FINANCING ACTIVITIES :</b>				
Proceeds from issue of share capital		9,98,32,667		5,00,27,270
Proceeds from Long Term borrowings		21,43,52,925		1,58,57,77,321
Repayment of Finance Liabilities				-2,45,05,558
<b>Net Cash from Financing Activities ....C</b>		<b>31,41,85,592</b>		<b>1,61,12,99,033</b>
<b>Net increase/decrease in Cash &amp; Cash equivalents (A+B+C)</b>		38,88,252		-2,01,16,524
Opening Cash and Cash equivalents		5,30,92,781		7,32,09,305
Closing Cash and Cash equivalents (Cash & Bank Balance)		5,69,81,034		5,30,92,781
(Previous year figure have been re-grouped wherever necessary)				
<b>For T.N.Unni &amp; Co.</b> <b>Chartered Accountants</b> <b>Firm Regn No. 004890C</b>  <b>T. N. Unni</b> <b>(Partner)</b> <b>Membership No.: 014520</b>  <b>Indore</b> <b>Date : 30<sup>th</sup> May, 2014</b>		For and on behalf of the Board <b>Manohar Lal Gupta</b> Chairman <b>Vinod Kumar Gupta</b> Managing Director <b>Govind Das Garg</b> Whole Time Director <b>Indore</b> <b>Date : 30<sup>th</sup> May, 2014</b>		
		<b>Aradhana Kulkarni</b> Company Secretary		

**PARENTERAL DRUGS (INDIA) LIMITED**
**Notes Forming Part of the Balance Sheet & Profit & Loss Accounts as at 31<sup>st</sup> March, 2014**
**Note : 1 Significant Accounting Policies**

(a)	<p><b>Basis of Preparation of Financial Statement</b> The Financial Statements are prepared at historical costs convention on the basis of going concern in accordance with the Generally Accepted Accounting Principles in India and the provision of the Companies Act, 1956. Figures for the previous year have been re-grouped and rearranged wherever considered necessary. Figures in bracket are represent corresponding previous year unless otherwise stated. Separate sets of books of accounts are maintained for separate units of production, as required by law.</p>
(b)	<p><b>Use of Estimates</b> The preparation of the financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to contingent liabilities as at the date of the financial statements and reported amounts of income and expenses during the period. Although these estimates are based on management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future period.</p>
(c)	<p><b>Fixed Assets</b> Fixed Assets are stated at historical cost net of recoverable taxes, less accumulated depreciation and impairment loss, if any and the assets prior to 1993-94 are at value adjusted by revaluation, which includes expenditure incurred on the acquisition fabrication and/or installation. Pre-operative expenditure comprising revenue expenses incurred in connection with project implementation during the period upto commencement of commercial production are treated as part of project cost and are capitalized.</p>
(d)	<p><b>Intangible Assets</b> Intangible Assets are stated at cost of acquisition net of recoverable taxes less accumulated amortization / depletion. All costs, including financing costs till commencement of commercial production, net charges on foreign exchange contracts and adjustments arising from exchange rate variation attributable to the intangible assets are capitalized.</p>
(e)	<p><b>Depreciation</b> Depreciation on fixed assets has been calculated on straight line method at the rates prescribed in schedule XIV of the Companies Act 1956. No Depreciation has been provided on Capital Work in Progress. Capital subsidy received has been reduced from the cost of fixed assets for purpose of calculating depreciation.</p>
(f)	<p><b>Foreign Exchange Transactions</b> Transactions in Foreign Currency are recorded in financial statements based on the exchange rate existing at the time of the transactions. Monetary items denominated in foreign currencies at the year end are restated at year end rates.</p>
(g)	<p><b>Investments</b> Long term Investments are stated at cost. Provision for diminution in the value of long term investments is made only if such a decline is other than temporary.</p>
(h)	<p><b>Inventories</b> Inventories are measured at lower of cost or net realisable value. Cost of Finished goods include cost of purchase, cost of conversion and other cost including manufacturing overhead in bringing them to their respective present location and condition. Cost of raw material, packing material and spares are determined on first in first out basis.</p>
(i)	<p><b>Impairment of Assets</b> An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. As impairment loss is charged to the Profit and Loss Account in the year in which an asset is identified as impaired. The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.</p>
(j)	<p><b>Recognition of Revenue and Expenditure</b> All revenue and expenditure are recognised and accounted for on accrual basis. Processing Charges also includes labour charges. Interest income is recognized on time proportion basis taking into account the amount outstanding and rate applicable.</p>
(k)	<p><b>Taxation</b> Provision for taxation of income tax is made on the basis of the taxable profit computed for current accounting year in accordance with the Income Tax Act 1961. Deferred Tax resulting from timing differences between Book Profits and Tax Profits is accounted for at the current rates of tax to the extent the timing difference are expected to crystallise, in case of Deferred Tax Liabilities with reasonable certainty and in case of Deferred Tax Assets with virtual certainty that there would be adequate future taxable income against which such Deferred Tax Assets can be realised.</p>

**PARENTERAL DRUGS (INDIA) LIMITED**

**Notes Forming Part of the Balance Sheet & Profit & Loss Accounts as at 31<sup>st</sup> March, 2014**

(l)	<p><b>Employee Benefits</b>  Short term employee benefits are recognised as expense at the undiscounted amount in the Profit and Loss Account of the year in which the related service is rendered.  Retirement benefits in the form of provident fund, which is defined contribution plan, is charged to the statement of profit and loss of the year when the contribution to respective fund is due.  In case of provision of gratuity the Company has entered into an agreement with the SBI Life Insurance company to administer its gratuity scheme, current year amount payable on the basis of actuarial valuation is provide and premium paid is charged to Profit and Loss Account.  Provision for leave encashment is recognised as expense in the Profit and Loss Account for the year in which employee has rendered services.</p>
(m)	<p><b>Borrowing Cost</b>  Interest and other costs in connection with the borrowing of the funds to the extent related/attributed to the acquisition/ construction of qualifying fixed assets are capitalized upto the date when such assets are ready for its intended use and other borrowing costs are charged to Profit &amp; Loss Account.</p>
(n)	<p><b>Provision, Contingent Liabilities and Contingent Assets</b>  Provision involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognized but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the financial statement.</p>
(o)	<p><b>Leases</b>  i) Operating Lease Payments are recognized as an expenses in the Statement of Profit &amp; Loss on a straight line basis over the lease term.  ii) Assets under Financial Leases are capitalized at the inception of the lease term at the lower of fair value of the leased property and present value of minimum lease payments.  iii) Assets given under operating Leases are included under Fixed Assets, Lease income on these assets is recognized in the statement of Profit &amp; Loss on a straight line basis over the lease term.</p>

**PARENTERAL DRUGS (INDIA) LIMITED**
**Notes Forming Integral Part of the Balance Sheet as at 31<sup>st</sup> March, 2014**
**Note : 2 Share Capital**

Sr. No	Particulars	As at 31 <sup>st</sup> March, 2014	As at 31 <sup>st</sup> March, 2013
1	<b>Authorized Share Capital</b>		
a	3,65,00,000 (3,65,00,000) Equity Shares of Rs. 10/- each	36,50,00,000	36,50,00,000
b	35,00,000 (35,00,000) Shares, Redeemable, Non Cumulative, Non convertible Preference Share of Rs. 10/- each	3,50,00,000	3,50,00,000
c	29,62,102 (29,62,102)- 0% Optionally convertible, redeemable Preference Share of Rs. 10/- each	2,96,21,020	2,96,21,020
d	70,37,898 (70,37,898) - Redeemable Preference shares of Rs.10/-each	7,03,78,980	7,03,78,980
		<b>50,00,00,000</b>	<b>50,00,00,000</b>
2	<b>Issued, Subscribed &amp; Paid Up Capital (fully paid)</b>		
a	2,98,16,300 (2,58,66,831) Equity Shares of Rs. 10/- each	29,81,63,000	25,86,68,310
b	35,00,000 (35,00,000) Shares, Redeemable, Non Cumulative, Non convertible Preference Share of Rs. 10/- each	3,50,00,000	3,50,00,000
c	Nil (29,62,102) - 0% Optionally convertible, redeemable Preference Share of Rs. 10/- each	-	2,96,21,020
d	70,37,898 (52,11,000) -0% Redeemable Preference shares of Rs. 10/- each	7,03,78,980	5,21,10,000
3	<b>Issued, Subscribed &amp; Paid Up Capital (partly paid)</b>		
a	Nil (18,26,898) - 0% Redeemable Preference shares of Rs. 10/- each Rs. 1.10 partly paid	-	20,09,588
	<b>Total</b>	<b>40,35,41,980</b>	<b>37,74,08,918</b>
a	<b>Reconciliation of Shares outstanding at the beginning and at the end of the year</b>		
	<b>Equity Shares</b>	31.03.2014 Nos.	31.03.2013 Nos.
	At the Beginning of the year	2,58,66,831	2,58,66,831
	Issued during the year (conversion of preference shares)	39,49,469	-
	Outstanding at the end of the year	2,98,16,300	2,58,66,831
	<b>Preference Shares</b>	31.03.2014 Nos.	31.03.2013 Nos.
	<b>Redeemable, Non Cumulative, Non Convertible preference shares:-</b>		
	At the beginning of the year	35,00,000	35,00,000
	Issued during the year	-	-
	Outstanding at the end of the year	35,00,000	35,00,000
	<b>0% Redeemable preference shares:-</b>		
	At the beginning of the year	70,37,898	-
	Issued during the year	-	70,37,898
	Outstanding at the end of the year	70,37,898	70,37,898
	<b>0% Optionally convertible, redeemable preference shares:-</b>		
	At the beginning of the year	29,62,102	29,62,102
	Converted in Equity Shares during the year	29,62,102	-
	Outstanding at the end of the year	-	29,62,102

**PARENTERAL DRUGS (INDIA) LIMITED**
**Notes Forming Integral Part of the Balance Sheet as at 31<sup>st</sup> March, 2014**

b	<b>Terms / Rights Attached to Shares</b>			
i	<b>Equity Shares</b>			
	The Company has only one class of equity shares having a par value of Rs. 10/-each. Each holder of equity share is entitled to one vote per shares. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.			
	In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.			
ii	<b>Preference Shares</b>			
	1,05,37,898 (1,05,37,898) 0% Redeemable Preference Shares are carries a 0% dividend right & can be redeemed within a period of twenty years.			
	29,62,102 0% Optionally convertible redeemable preference shares are converted during the year in equity shares.			
	39,49,469 equity shares were issued to preference shareholders which includes 9,87,367 shares issued as bonus shares as per terms.			
c	Name of Shareholders hold more than 5% of Shares		31.03.2014	31.03.2013
	<b>Equity Shares:-</b>			
	Rajratan Exports Private Limited	Number of Shares	66,66,665	66,66,665
			22.36%	25.77%
	PDPL Holding Private Limited	Number of Shares	32,17,120	32,17,120
			10.79%	12.44%
	Mahaganpati Investments Private Limited	Number of Shares	16,00,000	16,00,000
			5.37%	6.19%
	MVG Mercantile Private Limited	Number of Shares	97,22,966	57,73,497
			32.61%	22.32%
	<b>Redeemable preference shares:-</b>			
	PDPL Holding Private Limited	Number of Shares	35,00,000	35,00,000
			33.21%	100%
	Mahaganpati Investments Private Limited	Number of Shares	70,37,898	52,11,000
			66.79%	49.45%
	Mahaganpati Investments Private Limited (Partly paid)	Number of Shares	-	18,26,898
			-	17.34%
	<b>0% Optionally convertible, redeemable preference shares:-</b>			
	MVG Mercantile Private Limited	Number of Shares	-	29,62,102
			-	100%
d	Detail of Shares allotted in last five years in each class other than value received in cash		31.03.2014	31.03.2013
			Nos.	Nos.
	<b>Equity Shares</b>			
	-Shares issued pursuant to scheme of amalgamation sanctioned by Hight court		43,30,123	43,30,123
	-Bonus Shares Issued by capitalisation of general reserve		1,20,66,708	1,20,66,708
	-Conversion of preference shares which are issued pursuant to scheme of amalgamation sanctioned by High court		39,49,469	-
	<b>0% Optionally convertible, redeemable preference shares</b>			
	Shares issued pursuant to scheme of amalgamation sanctioned by Hight court		-	29,62,102

**PARENTERAL DRUGS (INDIA) LIMITED**
**Notes Forming Integral Part of the Balance Sheet as at 31<sup>st</sup> March, 2014**
**Note : 3 Reserves and Surplus**

Sr. No	Particulars	As at 31 <sup>st</sup> March, 2014	As at 31 <sup>st</sup> March, 2013
1	<b>Capital Reserve</b>		
	Balance brought forward from previous year	31,00,000	31,00,000
	Addition during the year	-	-
	Transfer during the year	-	-
	Closing Balance	<b>31,00,000</b>	<b>31,00,000</b>
2	<b>General Reserve</b>		
	Balance brought forward from previous year	9,18,24,793	9,18,24,793
	Addition during the year	-	-
	Less: Bonus Shares Issued on Conversion of Preference Shares	98,73,670	-
	Closing Balance	<b>8,19,51,123</b>	<b>9,18,24,793</b>
3	<b>Securities Premium reserve</b>		
	Balance brought forward from previous year	2,31,52,48,695	2,03,70,74,013
	Add : Premium on shares issued/call money received during the year	8,35,73,275	27,81,74,682
	Closing Balance of Security Premium reserve	<b>2,39,88,21,970</b>	<b>2,31,52,48,695</b>
4	<b>Amalgamation Reserve</b>		
	Balance brought forward from previous year	3,44,22,288	3,44,22,288
	Addition during the year	-	-
	Transfer during the year	-	-
	Closing Balance	<b>3,44,22,288</b>	<b>3,44,22,288</b>
5	<b>Revaluation Reserve</b>		
	Balance brought forward from previous year	1,19,80,310	1,20,22,250
	Less: Depreciation on revalued amount	33,160	41,940
	Closing Balance of Revaluation Reserve	<b>1,19,47,150</b>	<b>1,19,80,310</b>
6	<b>Surplus (Profit &amp; Loss Account)</b>		
	Balance brought forward from previous year	-74,85,41,175	10,34,12,069
	Add/Less: Profit/Loss for the year	-58,70,12,766	-85,19,53,244
	Closing Balance of Profit & Loss Account	<b>-1,33,55,53,941</b>	<b>-74,85,41,175</b>
	<b>Total</b>	<b>1,19,46,88,590</b>	<b>1,70,80,34,912</b>

**Note : 4 Long Term Borrowings**

Sr. No	Particulars	As at 31 <sup>st</sup> March, 2014	As at 31 <sup>st</sup> March, 2013
	<b>Secured-From Banks</b>		
1	Term Loans/FITL/WCTL Refer Note No. 8 current maturities are Rs. 18,64,18,569/- (Rs. 4,35,878/-)	2,58,31,29,313	2,41,24,61,106
2	Corporate Loans Refer Note No. 8 current maturities are Rs. 4,98,00,000/- (Nil)	53,00,00,000	57,98,00,000
3	Vehicle Loan Refer Note No. 8 current maturities are Nil (Rs. 6,21,280/-)	-	-
	<b>Unsecured</b>		
1	Security Deposit from Suppliers and Customers	15,25,18,996	5,91,48,560
2	Loans & Advances From Related Parties	40,94,631	39,80,349
	<b>Total</b>	<b>3,26,97,42,940</b>	<b>3,05,53,90,015</b>

**PARENTERAL DRUGS (INDIA) LIMITED**
**Notes Forming Integral Part of the Balance Sheet as at 31<sup>st</sup> March, 2014**

A	<b>Nature of security is as under:-</b>	
i	<p><b>Term Loans</b> of Rs. 2,76,95,47,882/- (Rs. 2,41,28,96,984/-), together with current maturities of Rs. 18,64,18,569/- (Nil) shown in note no. 8, are secured by first pari passu charge on entire fixed assets of the Company and second pari passu charge on entire current assets of the Company and first pari passu charge by way of equitable mortgage of property belonging to Diamond Crystal Private Limited situated at Nemawar Road, Indore and equitable mortgage of office property belong to Parenteral Medicines Limited situated at Andheri (W) Mumbai and mortgage of house property belongs to Shri Manoharlal Gupta and Shri Vinod Kumar Gupta and first exclusive charge by way of pledge of fixed deposit and first pari passu charge by way of pledge of total 1,38,76,441 nos of equity shares of M/s. Parenteral Drugs (India) Limited held in the name of Rajratan Exports Pvt. Ltd (33,93,332), MVG Mercantile Pvt. Ltd (57,73,497), PDPL Holdings Pvt. Ltd (32,17,120), PDPL Securities Pvt. Ltd (6,11,506), Mahaganpati Investment Pvt. Ltd (8,50,000) and Parenteral Commercial Services Pvt. Ltd (30,986) and personal guarantee of four Directors, Smt. Alpana Gupta, HUF of Shri Manoharlal Gupta, Shri Vinod Gupta and Shri G.D. Garg, and Corporate Guarantee of Diamond Crystal Pvt. Ltd, Parenteral Medicines Limited, Rajratan Exports Pvt. Ltd, MVG Mercantile Pvt. Ltd, PDPL Holdings Pvt. Ltd, PDPL Securities. Pvt. Ltd, Mahaganpati Investment Pvt. Ltd, and Parenteral Commercial Services Pvt. Ltd.</p> <p>Term Loans are bearing interest @ 11% to 15.25% p.a.</p>	
ii	<p><b>Corporate Loans</b> of Rs. 57,98,00,000/- (Rs. 27,98,25,993/-), together with current maturities of Rs. 4,98,00,000/- (Nil) shown in note no. 8, are secured by first pari passu charge on entire fixed assets of the Company and second pari passu charge on entire current assets of the Company and first pari passu charge by way of equitable mortgage of property belonging to Diamond Crystal Private Limited situated at Nemawar Road, Indore and equitable mortgage of office property belong to Parenteral Medicines Limited situated at Andheri (W) Mumbai and mortgage of house property belongs to Shri Manoharlal Gupta and Shri Vinod Kumar Gupta and first exclusive charge by way of pledge of fixed deposit and first pari passu charge by way of pledge of total 1,38,76,441 nos of equity shares of M/s. Parenteral Drugs (India) Limited held in the name of Rajratan Exports Pvt. Ltd (33,93,332), MVG Mercantile Pvt. Ltd (57,73,497), PDPL Holdings Pvt. Ltd (32,17,120), PDPL Securities Pvt. Ltd (6,11,506), Mahaganpati Investment Pvt. Ltd (8,50,000) and Parenteral Commercial Services Pvt. Ltd (30,986) and personal guarantee of four Directors, Smt. Alpana Gupta, HUF of Shri Manoharlal Gupta, Shri Vinod Gupta and Shri G.D. Garg, and Corporate Guarantee of Diamond Crystal Pvt. Ltd, Parenteral Medicines Limited, Rajratan Exports Pvt. Ltd, MVG Mercantile Pvt. Ltd, PDPL Holdings Pvt. Ltd, PDPL Securities. Pvt. Ltd, Mahaganpati Investment Pvt. Ltd, and Parenteral Commercial Services Pvt. Ltd.</p> <p>Corporate Loans are bearing interest @ 14.20% to 14.75% p.a.</p>	
B	FITL/TL/WCTL includes Rs. 9,78,569/- (Rs. 4,35,878/-) as interest due & include in note no. 8.	
C	Repayment schedule of Term loans, Corporate loans, FITL and WCTL is as under:- Payable in 2015-16 Payable from 2016-17 to 2017-18 Payable from 2018-19 to 2019-20 Payable from 2020-21 to 2021-22 (In Repayment of FITL includes interest on TL/CL/WCTL up to 31-03-2014)	Amount (Rs.) 26,47,60,000 76,00,00,000 96,00,00,000 1,12,83,69,313



**PARENTERAL DRUGS (INDIA) LIMITED**
**Notes Forming Integral Part of the Balance Sheet as at 31<sup>st</sup> March, 2014**
**Note : 5 Deferred Tax Liabilities**

Consequent to the issuance of Accounting Standard 22 "Accounting for Taxes on Income" by The Institute of Chartered Accountants of India, the Company has recognised the deferred tax liability aggregating to Rs. 3,67,54,233/- (Rs. 3,49,54,053/-) in the Profit & Loss Account for current year.			
Particulars	As at 31 <sup>st</sup> March, 2013	Arising During the year	As at 31 <sup>st</sup> March, 2014
<b>Deferred Tax Liabilities</b>			
-Timing Difference in Depreciation	33,23,09,351	3,47,38,548	36,70,47,899
<b>Total Deferred Tax Liabilities</b>	<b>33,23,09,351</b>	<b>3,47,38,548</b>	<b>36,70,47,899</b>
<b>Deferred Tax Assets</b>			
-Timing Difference in disallowance u/s 43B of Income Tax Act, 1961	1,20,04,241	-20,15,685	99,88,556
- MAT Credit available	8,25,54,178	-	8,25,54,178
<b>Total Deferred Tax Assets</b>	<b>9,45,58,419</b>	<b>-20,15,685</b>	<b>9,25,42,734</b>
<b>Net Deferred Tax Liabilities</b>	<b>23,77,50,932</b>	<b>3,67,54,233</b>	<b>27,45,05,165</b>

**Note : 6 Short Term Borrowings**

Sr. No	Particulars	As at 31 <sup>st</sup> March, 2014	As at 31 <sup>st</sup> March, 2013
	<b>Secured-From Banks</b>		
	Working Capital Loans repayable on demand	68,22,77,446	50,25,68,130
	<b>Total</b>	<b>68,22,77,446</b>	<b>50,25,68,130</b>

**Terms of Working Capital Loan are as under:**

Working Capital Loans of Rs. 68,22,77,446/- (Rs. 50,25,68,130/-) bearing interest rate @ 16.45% to 17.00% p.a. are secured by first pari passu charge on entire current assets of the Company and second pari passu charge on entire fixed assets of the Company and first pari passu charge by way of equitable mortgage of property belonging to Diamond Crystal Private Limited situated at Nemawar Road, Indore and equitable mortgage of office property belong to Parenteral Medicines Limited situated at Andheri (W) Mumbai and mortgage of house property belongs to Shri Manoharlal Gupta and Shri Vinod Kumar Gupta and first exclusive charge by way of pledge of fixed deposit and first pari passu charge by way of pledge of total 1,38,76,441 nos of equity shares of M/s. Parenteral Drugs (India) Limited held in the name of Rajratan Exports Pvt. Ltd (33,93,332), MVG Mercantile Pvt. Ltd (57,73,497), PDPL Holdings Pvt. Ltd (32,17,120), PDPL Securities Pvt. Ltd (6,11,506), Mahaganpati Investment Pvt. Ltd (8,50,000) and Parenteral Commercial Services Pvt. Ltd (30,986) and personal guarantee of four Directors, Smt. Alpana Gupta, HUF of Shri Manoharlal Gupta, Shri Vinod Gupta and Shri G.D. Garg, and Corporate Guarantee of Diamond Crystal Pvt. Ltd, Parenteral Medicines Limited, Rajratan Exports Pvt. Ltd, MVG Mercantile Pvt. Ltd, PDPL Holdings Pvt. Ltd, PDPL Securities. Pvt. Ltd, Mahaganpati Investment Pvt. Ltd, and Parenteral Commercial Services Pvt. Ltd.

Financial facilities are on consortium basis and State Bank of India, Commercial Branch, Indore & Punjab National Bank, Sector 16D, Chandigarh are the members.

**PARENTERAL DRUGS (INDIA) LIMITED**
**Notes Forming Integral Part of the Balance Sheet as at 31<sup>st</sup> March, 2014**
**Note : 7 Trade Payables**

Particulars	As at 31 <sup>st</sup> March, 2014	As at 31 <sup>st</sup> March, 2013
Micro, Small & Medium Enterprises	-	-
Others	29,36,00,563	39,27,25,431
<b>Total</b>	<b>29,36,00,563</b>	<b>39,27,25,431</b>
<b>Disclosure as per Micro, Small and Medium Enterprises Development Act, 2006</b>		
On the basis of information available, there are no outstanding dues in excess of Rs. 1.00 lac each payable to SSI units for more than 30 days in so far as they could be identified as per Micro, Small and Medium Enterprises Development Act, 2006.		
Particulars	As at 31 <sup>st</sup> March, 2014	As at 31 <sup>st</sup> March, 2013
Principal amount & interest due and remaining unpaid	-	-
Interest paid	-	-
Payment made beyond the appointed day during the year	-	-
Interest due and payable for the period of delay	-	-
Interest accrued and remaining unpaid	-	-
Amount of further interest remaining due and payable in succeeding years	-	-

**Note : 8 Other Current Liabilities**

Sr. No.	Particulars	As at 31 <sup>st</sup> March, 2014	As at 31 <sup>st</sup> March, 2013
1	Current maturities of long term debt (Secured, Refer Note No. 4)	23,62,18,569	10,57,158
2	TDS Payable*	32,97,238	45,85,590
3	Sales Tax Payable*	25,00,053	30,79,965
4	Provident Fund, ESIC & Professional Tax Payable*	21,16,422	17,35,665
5	Service Tax Payable	-	48,050
6	Advances from Customers	3,29,60,734	-
	<b>Total</b>	<b>27,70,93,016</b>	<b>1,05,06,428</b>

\*Since paid

**Note : 9 Short Term Provisions**

Sr. No.	Particulars	As at 31 <sup>st</sup> March, 2014	As at 31 <sup>st</sup> March, 2013
<b>a</b>	<b>Provision for employee's benefit</b>		
1	Provision for Bonus	42,64,264	45,49,265
2	Provision for Gratuity & Leave Encashment	5,83,24,147	2,78,63,661
<b>b</b>	<b>Others</b>		
	Excise Duty Provision (on closing stocks)	54,80,762	73,88,551
	<b>Total</b>	<b>6,80,69,173</b>	<b>3,98,01,477</b>

## PARENTERAL DRUGS (INDIA) LIMITED

### Notes Forming Integral Part of the Balance Sheet as at 31<sup>st</sup> March, 2014

Note: 10 Fixed Assets

Sr. No	Particulars	Gross Block			Depreciation			Net Block			
		Value at the beginning	Addition during the year	Deduction during the year	Value at the end	Value at the beginning	Addition during the year	On Revaluation	Deduction during the year	WDV as on 31.03.2014	WDV as on 31.03.2013
<b>I</b>	<b>Tangible Assets</b>										
a	Land	3,38,69,325	3,40,49,000	-	6,79,18,325	-	-	-	-	6,79,18,325	3,38,69,325
b	Building	83,03,34,753	65,52,341	-	83,68,87,094	2,71,98,327	27,455	-	14,04,90,833	69,63,96,261	71,70,69,702
c	Plant and Equipment	3,08,63,65,895	5,50,57,020	-	3,14,14,22,915	14,66,73,828	5,705	-	71,64,31,680	2,42,49,91,235	2,51,66,13,748
d	Furniture and Fixtures	2,06,33,890	-	-	2,06,33,890	10,62,968	-	21,083	1,23,83,999	82,49,891	92,91,776
e	Vehicles	1,35,53,781	1,25,000	-	1,36,78,781	7,91,832	-	-	1,07,79,403	28,99,378	35,66,210
f	Office Equipment	41,89,883	8,22,565	-	50,12,448	1,96,420	-	-	20,59,462	29,52,986	23,26,841
g	Computer	1,71,55,506	1,92,650	-	1,73,48,156	10,61,661	-	-	1,68,41,005	5,07,151	13,76,162
	<b>Total Tangible Assets</b>	<b>4,00,61,03,033</b>	<b>9,67,98,576</b>	<b>-</b>	<b>4,10,29,01,609</b>	<b>17,69,85,036</b>	<b>33,160</b>	<b>21,083</b>	<b>89,89,86,382</b>	<b>3,20,39,15,227</b>	<b>3,28,41,13,764</b>
<b>II</b>	<b>Intangible Assets</b>										
	Computer Software	96,55,668	-	-	96,55,668	96,55,668	-	-	96,55,668	-	-
	<b>Total Intangible Assets</b>	<b>96,55,668</b>	<b>-</b>	<b>-</b>	<b>96,55,668</b>	<b>96,55,668</b>	<b>-</b>	<b>-</b>	<b>96,55,668</b>	<b>-</b>	<b>-</b>
<b>III</b>	<b>Capital Work in Progress</b>										
	Building in Progress	-	-	-	-	-	-	-	-	-	-
	Plant and Machinery in Progress	-	-	-	-	-	-	-	-	-	-
	<b>Total Capital work in progress</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
	<b>Grand Total Current year</b>	<b>4,01,57,58,701</b>	<b>9,67,98,576</b>	<b>-</b>	<b>4,11,25,57,277</b>	<b>73,16,44,937</b>	<b>33,160</b>	<b>21,083</b>	<b>90,86,42,050</b>	<b>3,20,39,15,227</b>	<b>3,28,41,13,764</b>
	<b>Previous year figures</b>	<b>3,94,11,63,920</b>	<b>7,56,80,787</b>	<b>10,86,006</b>	<b>4,01,57,58,701</b>	<b>17,33,84,417</b>	<b>41,940</b>	<b>-</b>	<b>73,16,44,937</b>	<b>3,28,41,13,764</b>	<b>3,38,29,45,340</b>

**PARENTERAL DRUGS (INDIA) LIMITED**
**Notes Forming Integral Part of the Balance Sheet as at 31<sup>st</sup> March, 2014**
**Note : 11 Non Current Investments (at cost)**

Sr. No	Particulars	As at 31 <sup>st</sup> March, 2014	As at 31 <sup>st</sup> March, 2013
	<b>Trade Investments</b>		
1	<b>Investment in Equity Instrument</b>		
	<u>In Equity Shares of Subsidiary Companies-Fully paid up (Unquoted)</u>		
	Punjab Formulations Limited (100% Subsidiary) 6,00,000 (6,00,000) equity shares of Rs. 10/- each	99,00,00,000	99,00,00,000
	Goa Formulations Limited (100% Subsidiary) 32,50,000 (32,50,000) equity shares of Rs. 10/- each	37,00,00,000	37,00,00,000
	Abhay Drugs Limited (100% Subsidiary) 50,000 (50,000) equity shares of Rs. 10/- each	5,00,000	5,00,000
	Parenteral Surgicals Limited (100% Subsidiary) 50,000 (50,000) equity shares of Rs. 10/- each	5,00,000	5,00,000
	Parentech Healthcare Limited (55% Subsidiary) 4,95,000 (4,95,000) equity shares of Rs. 10/- each	49,50,000	49,50,000
	Anjaney Pharmaceuticals Limited (100% Subsidiary) 50,000 (50,000) equity shares of Rs. 10/- each	5,00,000	5,00,000
	Parenteral Biotech Limited (51% Subsidiary) 1,27,500 (1,27,500) equity shares of Rs. 10/- each	12,75,000	12,75,000
	Parenteral Impex Limited (100% Subsidiary) 50,000 (50,000) equity shares of Rs. 10/- each	5,00,000	5,00,000
	Mascareignes Pharmaceuticals Manufacturing Ltd, Mauritius (51% Subsidiary) 3,55,38,824 (3,55,38,824) equity shares of Mu 1/- each	7,67,157	7,67,157
	Parenteral Drugs Kazakhstan, Kazakhstan (90% Subsidiary) pending allotment	33,05,000	33,05,000
2	<b>In Equity Shares of Other Company-Fully paid up (Quoted)</b>		
	Medicaman Biotech Limited 10,000 (10,000) equity shares of Rs. 10/- each	1,00,000	1,00,000
3	<b>Investment in Preference shares-Fully paid up (Unquoted)</b>		
	<u>In Preference Shares of Subsidiary Company</u>		
	Punjab Formulations Limited (100% Subsidiary) 24,00,000 (24,00,000) preference shares of Rs. 10/- each	2,40,00,000	2,40,00,000
4	<b>Investment in Government or trust securities-Fully paid up (Unquoted)</b>		
	National Saving Certificate 1 (1) certificate of Rs. 10,000/- each	10,000	10,000
	<b>Total</b>	<b>1,39,64,07,157</b>	<b>1,39,64,07,157</b>
	Aggregate amount of quoted investments	1,00,000	1,00,000
	Market value of quoted investments	1,11,700	81,100
	Aggregate amount of unquoted investments	1,39,63,07,157	1,39,63,07,157

**Note : 12 Long Term Loans and Advances**

Sr. No	Particulars	As at 31 <sup>st</sup> March, 2014	As at 31 <sup>st</sup> March, 2013
	Long Term Loans and Advances (Unsecured, Considered Good)		
1	Security Deposit *	3,83,19,539	4,12,18,978
2	Loans & Advances to related parties		
	(a) To Subsidiary Company	13,69,92,505	17,18,91,241
	(b) Others including Key Managerial Person	-	-
	Sub-total	13,69,92,505	17,18,91,241
	Less: Provision for Doubtful Advances (Refer Note no. 28)	-8,79,95,838	-
	Net Loans & advances to related parties	4,89,96,667	17,18,91,241
3	Other Trade Advances (Recoverable in cash or in kind or value to be received)	1,26,77,020	2,66,29,140
	<b>Total</b>	<b>9,99,93,226</b>	<b>23,97,39,359</b>
	* Security Deposits include fixed deposits.		

**PARENTERAL DRUGS (INDIA) LIMITED**
**Notes Forming Integral Part of the Balance Sheet as at 31<sup>st</sup> March, 2014**
**Note : 13 Other Non current assets**

Sr. No	Particulars	As at 31 <sup>st</sup> March, 2014	As at 31 <sup>st</sup> March, 2013
	Miscellaneous Expenditure (To the extent not written off or adjusted)	63,645	63,645
	<b>Total</b>	<b>63,645</b>	<b>63,645</b>

**Note : 14 Inventories\***

Sr. No	Particulars	As at 31 <sup>st</sup> March, 2014	As at 31 <sup>st</sup> March, 2013
1	Raw Materials	24,31,37,104	17,03,08,719
2	Finished Goods	20,44,25,862	19,23,58,815
	<b>Total</b>	<b>44,75,62,966</b>	<b>36,26,67,534</b>

\* Inventories are valued at lower of cost or net realisable value

**Note : 15 Trade Receivables**

Sr. No	Particulars	As at 31 <sup>st</sup> March, 2014	As at 31 <sup>st</sup> March, 2013
1	Outstanding for more than six months Unsecured, Considered Good	11,26,25,210	26,66,13,846
2	Others* Unsecured, Considered Good	1,03,42,16,012	50,96,83,327
	<b>Total</b>	<b>1,14,68,41,222</b>	<b>77,62,97,173</b>

\*It includes claim settlement of Rs. 56.70 crores as per Arbitration award

**Note : 16 Cash & Cash Equivalents**

Sr. No	Particulars	As at 31 <sup>st</sup> March, 2014	As at 31 <sup>st</sup> March, 2013
1	Balance with Bank	4,26,52,071	52,64,183
2	Cheques on Hand	26,38,157	2,63,48,336
3	Cash on Hand	9,20,506	25,07,520
4	Balance with Bank as Margin Money and security deposit*	1,07,70,299	1,89,72,742
	<b>Total</b>	<b>5,69,81,034</b>	<b>5,30,92,781</b>

\*Includes fixed deposits maturing after 12 months of Nil (Rs. 31,82,640/-)

**Note : 17 Short Term Loans and Advances**

Sr. No	Particulars	As at 31 <sup>st</sup> March, 2014	As at 31 <sup>st</sup> March, 2013
1	Advances to Suppliers (Unsecured, Considered Good)	7,36,94,707	15,72,19,750
2	Other Trade Advances (Unsecured, Considered Good) (Recoverable in cash or in kind or value to be received)	1,80,73,392	3,26,04,283
	<b>Total</b>	<b>9,17,68,100</b>	<b>18,98,24,032</b>

**Note : 18 Other current assets**

Sr. No	Particulars	As at 31 <sup>st</sup> March, 2014	As at 31 <sup>st</sup> March, 2013
1	Accrued & Prepaid	19,30,102	14,43,560
2	Advance Sales Tax & Entry Tax	-	52,81,473
3	Advance Income Tax & TDS	26,66,016	28,34,424
4	Income Tax Payment on a/c of pending assessment/appeal	1,41,02,483	1,11,33,648
5	Advance Fringe Benefit Tax	12,87,697	12,87,697
	<b>Total</b>	<b>1,99,86,298</b>	<b>2,19,80,802</b>

**PARENTERAL DRUGS (INDIA) LIMITED**
**Notes Forming Part of the Profit & Loss Accounts as at 31<sup>st</sup> March, 2014**
**Note : 19 Revenue from Operations**

Sr. No	Particulars	For the year end 31 <sup>st</sup> March, 2014	For the year end 31 <sup>st</sup> March, 2013
1	Sale of Products	1,80,11,70,200	1,80,28,61,041
2	Other Operating Revenues (Job work etc.)	13,11,46,442	13,92,70,711
	Total Revenue	1,93,23,16,642	1,94,21,31,751
3	Less : Excise Duty	6,72,62,848	6,99,76,860
	<b>Total</b>	<b>1,86,50,53,794</b>	<b>1,87,21,54,892</b>

**Note : 20 Other Income**

Sr. No.	Particulars	For the year end 31 <sup>st</sup> March, 2014	For the year end 31 <sup>st</sup> March, 2013
1	Interest Income	12,75,608	13,74,315
2	Arbitration award on claim settlement	56,70,00,000	-
3	Other non-operating Income	28,39,400	-
	<b>Total</b>	<b>57,11,15,008</b>	<b>13,74,315</b>

**Note : 21 Cost of Material Consumed**

Sr. No	Particulars	For the year end 31 <sup>st</sup> March, 2014	For the year end 31 <sup>st</sup> March, 2013
	Opening Stock of Material	17,03,08,719	17,19,92,258
	Add : Purchases	1,13,11,19,937	99,11,31,979
		1,30,14,28,656	1,16,31,24,237
	Less : Closing Stock of Material	24,31,37,104	17,03,08,719
	<b>Cost of Material Consumed</b>	<b>1,05,82,91,552</b>	<b>99,28,15,517</b>
	Details of Major Material Consumed		
1	Granules Consumed	43,89,76,581	30,39,02,200
2	Other Material Consumed	61,93,14,971	68,89,13,317
	<b>Total</b>	<b>1,05,82,91,552</b>	<b>99,28,15,517</b>

**Note : 22 Changes in Inventories**

Sr. No	Particulars	For the year end 31 <sup>st</sup> March, 2014	For the year end 31 <sup>st</sup> March, 2013
1	Opening Stock of finished goods and work in progress	19,23,58,815	36,43,95,845
2	Closing Stock of finished goods and work in progress	20,44,25,862	19,23,58,815
	<b>Changes in Inventories</b>	<b>-1,20,67,047</b>	<b>17,20,37,030</b>

**Note : 23 Employee Benefits Expense**

Sr. No	Particulars	For the year end 31 <sup>st</sup> March, 2014	For the year end 31 <sup>st</sup> March, 2013
1	Salaries	14,08,13,958	11,12,21,896
2	Contribution to provident and other fund	1,20,59,725	1,10,90,217
3	Staff welfare expenses	10,27,142	11,03,130
4	Other employee benefits expense	6,15,90,042	5,02,33,574
	<b>Total</b>	<b>21,54,90,867</b>	<b>17,36,48,817</b>

**PARENTERAL DRUGS (INDIA) LIMITED**
**Notes Forming Part of the Profit & Loss Accounts as at 31<sup>st</sup> March, 2014**
**Note : 24 Finance Costs**

Sr. No	Particulars	For the year end 31 <sup>st</sup> March, 2014	For the year end 31 <sup>st</sup> March, 2013
1	Interest expenses	52,68,55,654	41,18,52,550
2	Other borrowing costs	1,55,63,391	1,03,91,347
	<b>Total</b>	<b>54,24,19,046</b>	<b>42,22,43,897</b>

**Note : 25 Other Expenses**

Sr. No	Particulars	For the year end 31 <sup>st</sup> March 2014	For the year end 31 <sup>st</sup> March 2013
	<b>Manufacturing Expenses</b>		
1	Processing Charges(own production)	10,31,26,886	9,90,41,216
2	Processing Charges(Job work)	1,62,08,105	1,44,60,410
3	Power and Fuel(own production)	10,49,72,279	10,57,69,988
4	Power and Fuel(Job work)	2,28,71,274	1,72,60,683
5	Consumption of stores and spare parts	20,62,171	39,47,568
6	Repair to machinery	4,04,58,501	1,34,58,043
7	Miscellaneous Manufacturing expenses	2,72,96,175	2,81,79,271
	<b>Total Manufacturing Expenses</b>	<b>31,69,95,390</b>	<b>28,21,17,178</b>
	<b>Administrative Expenses</b>		
1	Rates and Taxes	5,34,97,031	5,07,81,163
2	Rent	79,70,235	84,31,434
3	Insurance	33,81,478	27,13,498
4	Postage, Telegram & Telephone	1,16,00,430	1,12,85,696
5	Legal and Professional expenses	1,68,93,159	1,72,00,009
6	Directors' Remuneration	84,00,000	84,00,000
7	Auditors' Remuneration	2,24,720	2,24,226
8	Repair to Building	19,41,756	3,02,719
9	Foreign Currency transaction gain/loss (net)	-45,906	20,29,275
10	Sundry Advances/Bad debts written off/Provision	20,07,60,205	14,347
11	Miscellaneous administrative expenses	3,02,09,388	2,13,35,301
	<b>Total Administrative Expenses</b>	<b>33,48,32,495</b>	<b>12,27,17,667</b>
	<b>Selling and Distribution Expenses</b>		
1	Travelling expenses	9,69,68,960	8,38,50,158
2	Business Promotion	51,11,894	68,79,125
3	Carriage Outward	22,08,53,884	20,79,55,085
4	Advertising, publicity and conference	49,66,217	35,96,091
5	Sales Commission	1,27,27,044	3,75,95,076
6	Miscellaneous selling and distribution expenses	36,60,920	26,83,906
	<b>Total Selling and Distribution Expenses</b>	<b>34,42,88,920</b>	<b>34,25,59,441</b>
	<b>Total</b>	<b>99,61,16,805</b>	<b>74,73,94,287</b>

**PARENTERAL DRUGS (INDIA) LIMITED**
**Notes Forming Part of the Balance Sheet & Profit & Loss Accounts as at 31<sup>st</sup> March, 2014**
**Note 26 : Disclosure under AS-15 (Employee Benefits)**

- (i) As required by Revised AS 15, Provident fund is defined contribution scheme and the contribution made are charged to profit and loss account.
- (ii) Gratuity is defined benefit obligation and is provided for on the basis of actuarial valuation by SBI Life Insurance Company Ltd. Provision has been made.
- (iii) Provision for leave encashment is recognised as expenses in the Profit and Loss Account for the year in which employee has rendered services.

**Note 27 : Contingent liabilities and commitments**

(to the extend not provided)

**a) Contingent liabilities**
**i) Claim against the company not acknowledged as debt-**

- Certain show-causes notices adjudicated by the Central excise department. The challenged demand under the notices is Rs. 2,74,40,281/- (Rs. 2,30,20,877/-) which is pending before H'ble CESTAT.
- Show cause notices issued by Excise Department amounting to Rs. 18,49,13,338/- (Nil) which are quashed by H'ble High Court of Indore. Department has preferred an appeal in the H'ble Supreme Court which is pending.
- One demand under Entry Tax Act for Rs. 1,65,53,643/- (1,65,53,643/-) for which the Company has filed writ petition in the High Court of Madhya Pradesh Bench at Indore and demand is stayed by the H'ble High Court.
- One demand for penalty under Entry Tax Act for Rs. 3,87,88,186/- (Nil) for which the Company has filed appeal before Commissioner (Appeal) Indore and demand is stayed by the Commissioner (Appeal).
- Three Income Tax demands of Rs. 1,00,49,142/- (Rs. 1,00,49,142/-) were raised by Assessing Officer, which are not admitted and rectification/appeals are pending before the relevant authorities.
- Three demand for sales tax of Rs. 8,64,377/- (Nil) were raised by Commercial Tax Officer, for which the Company has filed appeal before Deputy Commissioner (Appeal), Jalandhar.
- One demand under DPCO Act for Rs. 19,30,880/- (19,30,880/-) for which the Company has filed writ petition in the High Court of M.P. and demand is stayed by the H'ble High Court.

**ii) Bank Guarantees : Rs. 2,17,66,599/- (Rs. 2,72,15,334/-)**
**iii) Other contingent liabilities**

- Eight group companies have offered collateral securities (1) by mortgage of two companies immovable properties and (2) by pledge of shares in favour of the Company against credit facilities and corporate loan by six companies. Amount involved was uncertain.
- Corporate Guarantee given to one subsidiary company to the tune of Rs. 12,79,00,000/- (Rs. 1,03,54,00,000/-).
- Sacrifice of lenders under approved CDR scheme of Rs. 2,81,24,047/- (2,81,24,047/-).

**b) Commitments**

- i) Estimated amount of contracts remaining to be executed- Nil on capital account and not provided for
- ii) Other commitments- Nil

**Note 28: Provision/written off of Foreign Subsidiary Advances**

- i) The Mascareignes Manufacturing Company Limited (Subsidiary) has been taken into liquidation and as there is no likelihood of recovery. The dues have been written off/provision has been made for whole amount due.
- ii) The Parenteral Drugs Kazakhstan project has become wholly un-viable and the amount due to the company are not likely to be recovered. The same have, therefore, hence provided or written off.
- iii) In the event of recovery either in full or in part in future, the same shall be included into income of the year in which same is received.
- iv) However, the investments in the equity of the above companies has not been written off.

**Note 29**

In the opinion of the Board of Directors of the Company the Current Assets, Loans & Advances have a value on realisation in the ordinary course of business at least equal to the amount at which they are stated and provision for all known liabilities are adequate and not in excess of the amount reasonably necessary.

**Note 30: Segmental Reporting**

The Company is principally engaged in the business of pharmaceutical. Accordingly there are no segments as per Accounting Standard 17 "Segmental Reporting" issued by the Institute of Chartered Accountants of India.



**PARENTERAL DRUGS (INDIA) LIMITED**
**Notes Forming Part of the Balance Sheet & Profit & Loss Accounts as at 31<sup>st</sup> March, 2014**
**Note 31: Related Party Disclosures**

<b>(a) Subsidiary Companies</b>	
1. Parenteral Biotech Limited	6. Parenteral Surgicals Limited
2. Abhay Drugs Limited	7. Punjab Formulations Limited
3. Parenteral Impex Limited	8. Goa Formulations Limited
4. Anjaney Pharmaceuticals Limited	9. Mascareignes Pharmaceuticals Manufacturing Company Limited
5. Parentech Healthcare Limited	10. Parenteral Drugs Kazakhstan
<b>(b) Other related party relationship where transactions have taken place during the year</b>	
<u>Enterprises over which Key Managerial Personnel exercise significant influence</u>	
1. Anitas Exports Private Limited	
2. Parenteral Medicines Limited	
3. Mahaganapati Investments Private Limited	
<u>Key Managerial Personnel</u>	
1. Manohar Lal Gupta, Chairman	
2. Vinod Kumar Gupta, Managing Director	
3. Govind Das Garg, Whole Time Director	
4. Anil Mittal, Whole Time Director	
<u>Relatives of Key Managerial Personnel</u>	
	1. Lalit Mittal (brother of Anil Mittal)
	2. Aditya Gupta (son of Manoharlal Gupta)
	3. Ashish Garg (son of Govind Das Garg)

**b Summary of Related Party Transactions**

Particulars	Subsidiary	Company under Control	Individuals having control	Others
<b>a) Transactions</b>				
01. Managerial Remuneration	-	-	96,55,533 (96,55,533)	-
02. Sale of Goods / Material	29,63,92,908 (32,58,46,920)	-	-	-
03. Purchase of Goods/Material	8,21,88,709 (6,11,59,757)	-	-	-
04. Fixed Assets Purchased	- (15,30,000)	4,24,13,471 (5,11,32,607)	-	-
05. Loans Given	1,49,68,907 (1,57,28,294)	1,45,067 -	-	-
06. Office Rent Given	- (-)	6,00,000 (9,00,000)	-	-
07. Job Work Income	10,87,08,388 (11,58,42,142)	-	-	-
08. Job Work charges paid	2,77,95,485 (1,95,47,473)	-	-	-
09. Remuneration to relatives of key management personnel	- (-)	-	36,42,303 (36,42,303)	-
10. Arbitration award for claim settlement	-	56,70,00,000	-	-
11. Amount received against party paid up preference shares issued	-	9,98,32,667	-	-
12. Sundry Advances written off	9,73,25,656 (-)	-	-	-
13. Provision for Doubtful Advances	8,79,95,838 (-)	-	-	-
<b>b) Outstanding Balance as on 31.03.2014</b>				
Investments	1,39,62,97,157 (1,39,62,97,157)	-	-	-
Debtors for Goods Sold	- (36,51,72,259)	-	-	-
Creditors for Goods Purchased	2,62,354 (12,33,151)	-	-	-
Outstanding Loans	13,69,92,505 (17,18,91,241)	56,69,78,034 -	-	-

**PARENTERAL DRUGS (INDIA) LIMITED**
**Notes Forming Part of the Balance Sheet & Profit & Loss Accounts as at 31<sup>st</sup> March, 2014**

<b>Note 32 : Auditors Remuneration in Profit &amp; Loss account as under:-</b>		
<b>Particulars</b>	<b>2013-14</b>	<b>2012-13</b>
Audit Fees	1,80,000	1,80,000
Tax Audit Fees	20,000	20,000
Service Tax	24,720	20,600
<b>Total</b>	<b>2,24,720</b>	<b>2,20,600</b>

<b>Note 33 : Calculation of Basic and Diluted Earning per share</b>			
<b>Particulars</b>	<b>2013-14</b>	<b>2012-13</b>	
<b>Earnings available for Equity Shareholders</b>			
Profit (Loss) After Tax	-58,70,12,766	-85,19,53,244	
<b>Earnings for Basic and Diluted Earning per Share</b>	<b>-58,70,12,766</b>	<b>-85,19,53,244</b>	
<b>Per Share for Basic and Diluted Earning per Share</b>			
No. of Shares Outstanding	2,58,66,831	2,58,66,831	
Add: Conversion of Preference Shares Capital	39,49,469	-	
<b>Total Weighted Average No. of Shares</b>	<b>2,98,16,300</b>	<b>2,58,66,831</b>	
Basic and diluted earning per share	-19.69	-32.94	

<b>Note 34</b>					
<b>Particulars</b>	<b>2013-14</b>	<b>%</b>	<b>2012-13</b>	<b>%</b>	
a) I CIF value of Imported Raw Material	15,12,08,931		10,34,75,674		
II CIF value of Imported Capital Goods	-		45,66,080		
III CIF value of imported stores	1,06,838		-		
b) Expenditure in Foreign Currency					
I Product Registration	4,51,200		8,17,475		
II Foreign Travelling	4,62,103		-		
III Commission	35,34,132		95,14,654		
IV Freight Paid	25,39,926		-		
c) Cost of material & spares consumed					
Imported	15,13,15,769	14.27%	10,34,75,674	10.40%	
Indigenous	90,90,37,954	85.73%	89,16,03,872	89.60%	
Total material consumed	1,06,03,53,723	100.00%	99,50,79,546	100.00%	
d) FOB value of exports	19,47,76,412		12,53,38,221		

**Referred to in our Report of even date**
**For T.N.Unni & Co.**
**Chartered Accountants**
**Firm Regn No. 004890C**
**T. N. Unni**
**(Partner)**
**Membership No.: 014520**
**Indore**
**Date : 30<sup>th</sup> May, 2014**
**Aradhana Kulkarni**
**Company Secretary**

For and on behalf of the Board

**Manohar Lal Gupta**

Chairman

**Vinod Kumar Gupta**

Managing Director

**Govind Das Garg**

Whole Time Director

**Indore**
**Date : 30<sup>th</sup> May, 2014**

## PARENTERAL DRUGS (INDIA) LIMITED

### STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956

		(Amount in Indian Rupees)										
Particulars	GFL	ADL	APL	PHL	PIL	PBL	PFL	PSL	MPM	PDK		
A	Name of the Subsidiary Company											
B	Financial year of the Subsidiary ended on	31 <sup>st</sup> March, 2014	31 <sup>st</sup> March, 2014	31 <sup>st</sup> March, 2014	31 <sup>st</sup> March, 2014	31 <sup>st</sup> March, 2014	31 <sup>st</sup> March, 2014	31 <sup>st</sup> March, 2014	31 <sup>st</sup> March, 2014	31 <sup>st</sup> March, 2014	31 <sup>st</sup> March, 2014	
C	Holding Company's Interest											
	1) Number of Shares	32,50,000 Equity Shares of Rs. 10/- each	50,000 Equity Shares of Rs. 10/- each	50,000 Equity Shares of Rs. 10/- each	4,95,000 Equity Shares of Rs. 10/- each	50,000 Equity Shares of Rs. 10/- each	1,27,500 Equity Shares of Rs. 10/- each	6,00,000 Equity Shares of Rs. 10/- each	50,000 Equity Shares of Rs. 10/- each	3,55,38,824 Shares of MUR 1 each		
	2) Paid up value paid-up	32,50,000 Equity Shares of Rs. 10/- each	50,000 Equity Shares of Rs. 10/- each	50,000 Equity Shares of Rs. 10/- each	9,00,000 Equity Shares of Rs. 10/- each	50,000 Equity Shares of Rs. 10/- each	2,50,000 Equity Shares of Rs. 10/- each	6,00,000 Equity Shares of Rs. 10/- each	50,000 Equity Shares of Rs. 10/- each	6,96,83,969 Shares of MUR 1 each		Pending allotment
	3) Percent of holding Shares are held by nominee	100%**	100%*	100%*	55%*	100%*	51%*	100%**	100%*	51%		90%
D	Net aggregate amount of profit (Losses) of the Subsidiary so far as they concern members of Parenteral Drugs (India) Limited and is not dealt within the Company's account											
	a) Profit (Loss) for the Subsidiary's financial year	31,04,43,997	NIL	NIL	-1,13,50,715	NIL	NIL	-10,08,06,488	-3,81,50,212	-2,48,27,162		NIL
	b) Profit (Loss) for the previous financial years of the subsidiary since it became the subsidiary of Parenteral Drugs (India) Limited	-16,81,75,615	NIL	NIL	-2,17,33,801	NIL	NIL	3,90,98,256	-12,14,22,636	-1,73,88,000		NIL
E	Net aggregate amount of the profits (losses) of the Subsidiary so far or those profits (losses) are dealt within Parenteral Drugs (India) Ltd's account											
	a) For the previous financial year	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL		NIL
	b) For the previous financial year's since it became the subsidiary	NIL	NIL	NIL	NIL	NIL	43,20,000					NIL

## PARENTERAL DRUGS (INDIA) LIMITED

### STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956

#### Summary of Financial Information of Subsidiary Companies

		(Amount in Indian Rupees)										
Particulars	GFL	ADL	APL	PHL	PIL	PBL	PFL	PSL	MPM	PDK		
<b>Name of the Subsidiary Company</b>												
A Issued and Subscribed Share Capital	3,25,00,000	5,00,000	5,00,000	90,00,000	5,00,000	25,00,000	7,85,00,000	5,00,000	5,41,63,507	NIL		
B Reserves	13,39,28,138	NIL	NIL	-2,69,50,631	NIL	33,80,850	38,58,14,974	-15,95,72,848	-10,05,15,668	NIL		
C Total Assets	43,80,62,293	5,38,372	26,93,568	4,74,37,131	99,76,164	4,48,18,616	1,42,34,67,268	5,76,99,670	10,28,33,356	86,52,300		
D Total Liabilities	27,16,34,156	38,372	21,93,568	6,53,87,762	94,76,164	3,89,37,766	95,91,52,294	21,67,72,518	13,79,63,615	53,47,300		
E Investments (except investment in subsidiaries)	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL		
F Turnover	20,56,26,581	NIL	NIL	1,34,22,266	NIL	NIL	21,38,41,012	41,68,84,412	2,21,48,055	NIL		
G Profit (Loss) before taxation	20,57,56,414	NIL	NIL	-1,16,28,785	NIL	NIL	-4,65,12,801	-3,81,49,972	-2,48,27,162	NIL		
H Provision for Taxation	10,46,87,583	NIL	NIL	-2,78,070	NIL	NIL	-5,42,93,687	240	NIL	NIL		
I Profit (Loss) After Taxation	31,04,43,997	NIL	NIL	-1,13,50,715	NIL	NIL	-10,08,06,488	-3,81,50,712	-2,48,27,162	NIL		
J Proposed Dividend	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL		

**Abbreviation stands for:**

GFL - GOA FORMULATIONS LIMITED (BECAME SUBSIDIARY ON 01.11.2008)

ADL - ABHAY DRUGS LIMITED (BECAME SUBSIDIARY ON 21.12.2006)

APL - ANJANEY PHARMACEUTICALS LIMITED (BECAME SUBSIDIARY ON 21.12.2006)

PHL - PARENTECH HEALTHCARE LIMITED (BECAME SUBSIDIARY ON 21.12.2006)

PIL - PARENTERAL IMPEX LIMITED (BECAME SUBSIDIARY ON 21.12.2006)

PBL - PARENTERAL BIOTECH LIMITED (BECAME SUBSIDIARY ON 02.03.98)

PFL - PUNJAB FORMULATIONS LIMITED (BECAME SUBSIDIARY ON 01.11.2008)\*merged with GFL from 1st January 2014

PSL - PARENTERAL SURGICALS LIMITED (BECAME SUBSIDIARY ON 21.12.2006)

MPM - MASCAREIGNES PHARMACEUTICALS MANUFACTURING CO. LTD. (BECAME SUBSIDIARY ON 01.04.2010)

PDK - PARENTERAL DRUGS KAZAKHSTAN (BECAME SUBSIDIARY ON 01.04.2010)

**Referred to in our Report of even date**

For T.N.Unni & Co.  
Chartered Accountants  
Firm Regn No. 004890C

T. N. Unni  
(Partner)  
Membership No.: 014520

Indore  
Date : 30<sup>th</sup> May, 2014

For and on behalf of the Board

**Manohar Lal Gupta**  
Chairman

**Vinod Kumar Gupta**  
Managing Director

**Govind Das Garg**  
Whole-time Director

Indore  
Date : 30<sup>th</sup> May, 2014

**Aradhana Kulkarni**  
Company Secretary

**PARENTERAL DRUGS (INDIA) LIMITED****INDEPENDENT AUDITORS' REPORT ON CONSOLIDATED FINANCIAL STATEMENT**

To,

**The Board of Directors**

**Parenteral Drugs (India) Limited**

We have audited the accompanying Consolidated Financial Statements of Parenteral Drugs (India) Limited ('the Company') and its subsidiaries ('the Group'), which comprise the Consolidated Balance Sheet as at 31st March 2014, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement for the year then ended, a summary of significant accounting policies and other explanatory information.

**Management's Responsibility for the Consolidated Financial Statements**

Management is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Company in accordance with accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated 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 consolidated 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 consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated 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 presentation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. 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 consolidated financial statements. We believe that the 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 consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the consolidated Balance Sheet, of the State of Affairs of 'the Group' as at 31st March, 2014;
- (b) in the case of the consolidated Statement of Profit and Loss, of the Loss of 'the Group' for the year ended on that date; and
- (c) in the case of the consolidated Cash Flow Statement, of the cash flows of 'the Group' for the year ended on that date.

**Other Matters**

We did not audit the financial statements of Subsidiaries whose financial statement reflect total assets of Rs. 1114.85 lacs and total income of Rs. 221.48 lacs for the year then ended. The unaudited financial statements as approved by the respective Boards of Directors of these companies have been furnished to us by the management and our report in so far as it relates to the amounts included in respect of the subsidiaries is based solely on such approved unaudited financial statements.

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**For T.N.Unni & Co.**  
**Chartered Accountants**  
**Firm Regn No. 004890C**

**T. N. Unni**  
**(Partner)**  
**Membership No.: 014520**

**Place: Indore**  
**Date : 30<sup>th</sup> May, 2014**

**PARENTERAL DRUGS (INDIA) LIMITED**
**CONSOLIDATED BALANCE SHEET AS AT 31<sup>ST</sup> MARCH, 2014**

(Amount in ₹)			
Particulars	Note No.	As at 31 <sup>st</sup> March, 2014	As at 31 <sup>st</sup> March, 2013
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholder's Funds</b>			
(a) Share Capital	2	45,20,41,980	43,24,08,918
(b) Reserves and Surplus	3	1,57,12,52,903	1,91,97,93,971
<b>(2) Share Application money pending allotment</b>		-	11,00,00,000
<b>(3) Minority Interest</b>		65,04,728	65,04,728
<b>(4) Non Current Liabilities</b>			
(a) Long Term Borrowings	4	4,22,15,20,401	3,89,24,97,788
(b) Deferred Tax Liabilities (Net)	5	33,46,37,521	37,54,37,306
<b>(5) Current Liabilities</b>			
(a) Short Term Borrowings	6	73,98,01,546	83,63,99,924
(b) Trade Payables		44,72,88,682	59,71,63,998
(c) Other Current Liabilities	7	36,78,33,232	12,99,00,058
(d) Short Term Provisions	8	10,48,55,581	5,31,37,611
<b>Total Equity &amp; Liabilities</b>		<b>8,24,57,36,574</b>	<b>8,35,32,44,303</b>
<b>II.ASSETS</b>			
<b>(1) Non Current Assets</b>			
(a) Fixed Assets			
(i) Tangible assets	9	4,38,79,18,213	4,77,77,18,209
(ii) Intangible assets	9	1,32,18,17,044	1,32,18,17,044
(iii) Capital work in progress	9	86,52,300	4,23,11,248
<b>Total Fixed Assets</b>		<b>5,71,83,87,557</b>	<b>6,14,18,46,501</b>
(b) Non current investments	10	2,66,338	2,66,338
(c) Long term loans and advances	11	47,27,83,664	14,71,54,024
(d) Other non current assets	12	5,46,52,621	14,30,23,479
<b>(2) Current Assets</b>			
(a) Inventories	13	57,69,31,313	64,26,34,690
(b) Trade receivables	14	1,20,48,72,430	78,95,03,314
(c) Cash and cash equivalents	15	8,24,31,112	10,49,91,334
(d) Short term loans and advances	16	10,34,82,678	35,78,60,227
(e) Other current assets	17	3,19,28,861	2,59,64,395
<b>Total Assets</b>		<b>8,24,57,36,574</b>	<b>8,35,32,44,303</b>

**Significant Accounting Policies & Notes on Financial Statement 1 to 26**

Referred to in our Report of even date

**For T.N.Unni & Co.**  
**Chartered Accountants**  
**Firm Regn No. 004890C**
**T. N. Unni**  
**(Partner)**  
**Membership No.: 014520**
**Indore**
**Date : 30<sup>th</sup> May, 2014**
**Aradhana Kulkarni**  
 Company Secretary

For and on behalf of the Board

**Manohar Lal Gupta**  
 Chairman

**Vinod Kumar Gupta**  
 Managing Director

**Govind Das Garg**  
 Whole Time Director

**Indore**
**Date : 30<sup>th</sup> May, 2014**

**PARENTERAL DRUGS (INDIA) LIMITED**
**CONSOLIDATED PROFIT & LOSS STATEMENT FOR THE YEAR ENDED ON 31<sup>ST</sup> MARCH, 2014**

(Amount in ₹)				
Sr. No	Particulars	Note No.	For the year end 31 <sup>st</sup> March, 2014	For the year end 31 <sup>st</sup> March, 2013
I	Revenue from operations	18	2,73,69,76,121	3,27,42,72,425
II	Other Income	19	60,76,49,055	24,51,082
III	<b>Total Revenue (I + II)</b>		<b>3,34,46,25,176</b>	<b>3,27,67,23,507</b>
IV	<b>Expenses:</b>			
	Cost of materials consumed	20	1,61,99,76,903	1,81,92,20,219
	Purchase of Stock-in-Trade		1,97,88,872	3,16,29,903
	Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	21	79,88,090	9,01,36,215
	Employee Benefits Expense	22	24,95,39,775	21,28,12,355
	Finance Costs	23	60,20,61,846	55,84,67,991
	Depreciation and Amortization Expense	9	18,62,38,646	22,99,57,587
	Other Expenses	24	1,59,90,03,125	1,26,06,68,166
V	<b>Total Expenses (IV)</b>		<b>4,28,45,97,257</b>	<b>4,20,28,92,436</b>
VI	Profit (Loss) before extraordinary item and tax	(III - IV)	<b>-93,99,72,081</b>	<b>-92,61,68,929</b>
VII	<b>Extraordinary Items</b>			
	Profit on sale of undertaking		47,43,51,237	-
VIII	Profit (Loss) after extraordinary item but before tax		<b>-46,56,20,844</b>	<b>-92,61,68,929</b>
IX	<b>Tax expense:</b>			
	(1) Current tax		2,72,98,505	18,42,118
	(2) Deferred tax	5	-4,07,99,786	15,00,47,523
	(3) Tax adjustment for previous years		-4,16,213	3,14,760
X	Profit (Loss) after tax	(VIII-IX)	<b>-45,17,03,350</b>	<b>-1,07,83,73,330</b>
XI	Less : Minority Interest		-	-
XII	<b>Balance Carried Forward to Balance Sheet</b>	(X-XI)	<b>-45,17,03,350</b>	<b>-1,07,83,73,330</b>
XIII	<b>Earning per equity share:</b>			
	(1) Basic	26	-15.15	-41.69
	(2) Diluted	26	-15.15	-41.69

Significant Accounting Policies &amp; Notes on Financial Statement

1 to 26

**Referred to in our Report of even date**
**For T.N.Unni & Co.**
**Chartered Accountants**
**Firm Regn No. 004890C**
**T. N. Unni**
**(Partner)**
**Membership No.: 014520**
**Indore**
**Date : 30<sup>th</sup> May, 2014**
**Aradhana Kulkarni**

Company Secretary

For and on behalf of the Board

**Manohar Lal Gupta**

Chairman

**Vinod Kumar Gupta**

Managing Director

**Govind Das Garg**

Whole Time Director

**Indore**
**Date : 30<sup>th</sup> May, 2014**

**PARENTERAL DRUGS (INDIA) LIMITED**
**CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31<sup>ST</sup> MARCH, 2014**

(Amount in ₹)				
	2013-14		2012-13	
<b>A - CASH FLOW FROM OPERATING ACTIVITIES :</b>				
<b>Net profit/loss before tax and extra-ordinary items</b>		-93,99,72,081		-92,61,68,929
<b>adjustment for :</b>				
1. Depreciation	18,62,38,646		22,99,57,587	
2. Interest	60,20,61,846		55,84,67,991	
3. Miscellaneous expenditure	-	78,83,00,492	49,60,259	79,33,85,837
<b>Operating profit before working capital change</b>		<b>-15,16,71,589</b>		<b>-13,27,83,092</b>
<b>adjustment for :</b>				
1. Trade and other receivable	-49,25,85,673		-4,20,94,167	
2. Inventories	6,57,03,377		9,64,63,192	
3. Trade and other Payable	4,31,77,449	-38,37,04,847	-1,03,59,84,077	-98,16,15,052
<b>Cash Generated from Operation</b>		<b>-53,53,76,436</b>		<b>-1,11,43,98,144</b>
1. Interest Paid		60,20,61,846		55,84,67,991
2. Direct Taxes Paid		2,68,82,292		21,56,878
<b>Cash Flow Before Extraordinary items</b>		<b>-1,16,43,20,574</b>		<b>-1,67,50,23,013</b>
Extra ordinary Items				-
1. Profit on sale of undertaking		47,43,51,237		
2. Provision on doubtful advances		8,79,95,838		
<b>Net cash from operating activities.....A</b>		<b>-60,19,73,499</b>		<b>-1,67,50,23,013</b>
<b>B - CASH FLOW FROM INVESTING ACTIVITIES :</b>				
1. Purchase of fixed assets		-1,13,81,58,254		-21,16,25,418
2. Issue of Debit note for fixed assets/misc exp		2,85,28,068		-
3. Sales/disposal of Fixed Assets		1,36,34,21,204		22,54,490
4. Misc Expenditure		7,17,66,978		3,34,99,228
<b>Net Cash used in investing activities ....B</b>		<b>32,55,57,996</b>		<b>-17,58,71,700</b>
<b>C - CASH FLOW FROM FINANCING ACTIVITIES :</b>				
1. Proceeds from issue of preference shares		47,48,32,667		5,00,27,270
2. Redemption of preference shares		-55,00,00,000		-
3. Proceeds from long term borrowings		98,02,41,379		1,89,09,30,907
4. Repayment of Finance Liabilities		-65,12,18,765		-11,83,50,664
<b>Net Cash from Financing Activities ....C</b>		<b>25,38,55,281</b>		<b>1,82,26,07,513</b>
<b>Net increase/decrease in Cash &amp; Cash equivalents (A+B+C)</b>		<b>-2,25,60,222</b>		<b>-2,82,87,201</b>
Opening Cash and Cash equivalents		10,49,91,334		13,32,78,535
Closing Cash and Cash equivalents (Cash & Bank Balance)		8,24,31,112		10,49,91,334
(Previous year figure have been re-grouped wherever necessary)				
<b>For T.N.Unni &amp; Co.</b>			For and on behalf of the Board	
<b>Chartered Accountants</b>			<b>Manohar Lal Gupta</b>	
<b>Firm Regn No. 004890C</b>			Chairman	
<b>T. N. Unni</b>	<b>Aradhana Kulkarni</b>		<b>Vinod Kumar Gupta</b>	
<b>(Partner)</b>	Company Secretary		Managing Director	
<b>Membership No.: 014520</b>			<b>Govind Das Garg</b>	
<b>Indore</b>			Whole Time Director	
<b>Date : 30<sup>th</sup> May, 2014</b>			<b>Indore</b>	
			<b>Date : 30<sup>th</sup> May, 2014</b>	



**PARENTERAL DRUGS (INDIA) LIMITED**
**Notes Forming Part of the Consolidated Balance Sheet & Profit & Loss Accounts as at 31<sup>st</sup> March, 2014**
**Note : 1 Significant Accounting Policies**

(a)	<p><b>Basis of Preparation of Financial Statement</b></p> <p>The Financial Statements are prepared at historical costs convention on the basis of going concern in accordance with the Generally Accepted Accounting Principles in India and the provision of the Companies Act, 1956. Figures for the previous year have been re-grouped and rearranged wherever considered necessary. Figures in bracket are represent corresponding previous year unless otherwise stated.</p>																																												
(b)	<p><b>Use of Estimates</b></p> <p>The preparation of the financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to contingent liabilities as at the date of the financial statements and reported amounts of income and expenses during the period. Although these estimates are based on management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future period.</p>																																												
(c)	<p><b>Foreign Subsidiaries Accounting</b></p> <p>The audited/unaudited financial statements of foreign subsidiaries have been prepared in accordance with the Generally Accepted Accounting Principles of its country of incorporation or International Financial Reporting Standards. The differences in accounting policies of the Company and its subsidiaries are not material.</p>																																												
(d)	<p><b>Principle of Consolidation</b></p> <p>The consolidated financial statements relate to Parenteral Drugs (India) Limited, its subsidiaries and have been prepared on the following basis:</p> <p>a. The financial statements of the Company and its subsidiaries have been combined on as line-by line basis by adding together the books value of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra-group transaction.</p> <p>b. The differences between the cost of investment in the subsidiaries, over the net assets at the time of acquisition of the shares in the subsidiaries is recognized in the financial statements as Goodwill/Capital reserve as the case may be.</p> <p>c. Unaudited results of the Mascareignes Pharmaceuticals Manufacturing Co. Ltd. and Parenteral Drugs Kazakhstan whose financial year is different from the holding company have been taken on record.</p> <p>d. The subsidiaries considered in the consolidated financial statements are:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: center;">Name of Company</th> <th style="text-align: center;">Country of Incorporation</th> <th style="text-align: center;">% ownership interest as at 31<sup>st</sup> March 2014</th> <th style="text-align: center;">With effect from</th> </tr> </thead> <tbody> <tr> <td>Parenteral Biotech Limited</td> <td style="text-align: center;">India</td> <td style="text-align: center;">51%</td> <td style="text-align: center;">01.12.1995</td> </tr> <tr> <td>Abhay Drugs Limited</td> <td style="text-align: center;">India</td> <td style="text-align: center;">100%</td> <td style="text-align: center;">21.12.2006</td> </tr> <tr> <td>Parenteral Impex Limited</td> <td style="text-align: center;">India</td> <td style="text-align: center;">100%</td> <td style="text-align: center;">21.12.2006</td> </tr> <tr> <td>Anjaney Pharmaceuticals Limited</td> <td style="text-align: center;">India</td> <td style="text-align: center;">100%</td> <td style="text-align: center;">21.12.2006</td> </tr> <tr> <td>Parentech Healthcare Limited</td> <td style="text-align: center;">India</td> <td style="text-align: center;">55%</td> <td style="text-align: center;">21.12.2006</td> </tr> <tr> <td>Parenteral Surgical Limited</td> <td style="text-align: center;">India</td> <td style="text-align: center;">100%</td> <td style="text-align: center;">21.12.2006</td> </tr> <tr> <td>Punjab Formulations Limited</td> <td style="text-align: center;">India</td> <td style="text-align: center;">100%</td> <td style="text-align: center;">01.11.2008</td> </tr> <tr> <td>Goa Formulations Limited</td> <td style="text-align: center;">India</td> <td style="text-align: center;">100%</td> <td style="text-align: center;">01.11.2008</td> </tr> <tr> <td>Mascareignes Pharmaceuticals Manufacturing Co. Limited</td> <td style="text-align: center;">Mauritius</td> <td style="text-align: center;">51%</td> <td style="text-align: center;">01.04.2010</td> </tr> <tr> <td>Parenteral Drugs Kazakhstan</td> <td style="text-align: center;">Kazakhstan</td> <td style="text-align: center;">90%</td> <td style="text-align: center;">01.04.2010</td> </tr> </tbody> </table>	Name of Company	Country of Incorporation	% ownership interest as at 31 <sup>st</sup> March 2014	With effect from	Parenteral Biotech Limited	India	51%	01.12.1995	Abhay Drugs Limited	India	100%	21.12.2006	Parenteral Impex Limited	India	100%	21.12.2006	Anjaney Pharmaceuticals Limited	India	100%	21.12.2006	Parentech Healthcare Limited	India	55%	21.12.2006	Parenteral Surgical Limited	India	100%	21.12.2006	Punjab Formulations Limited	India	100%	01.11.2008	Goa Formulations Limited	India	100%	01.11.2008	Mascareignes Pharmaceuticals Manufacturing Co. Limited	Mauritius	51%	01.04.2010	Parenteral Drugs Kazakhstan	Kazakhstan	90%	01.04.2010
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Parenteral Drugs Kazakhstan	Kazakhstan	90%	01.04.2010																																										
(e)	<p><b>Fixed Assets</b></p> <p>Fixed Assets are stated at historical cost net of recoverable taxes, less accumulated depreciation and impairment loss, (if any) and the assets prior to 1993-94 are at value adjusted by revaluation, which includes expenditure incurred on the acquisition, fabrication and/or installation. Pre-operative expenditure comprising revenue expenses incurred in connection with project implementation during the period upto commencement of commercial production are treated as part of project cost and are capitalized.</p>																																												

**PARENTERAL DRUGS (INDIA) LIMITED**
**Notes Forming Part of the Consolidated Balance Sheet & Profit & Loss Accounts as at 31<sup>st</sup> March, 2014**

(f)	<p><b>Depreciation</b> Depreciation on fixed assets has been calculated on straight line method at the rates prescribed in schedule XIV of the Companies Act 1956. No Depreciation has been provided on Capital Work in Progress. Capital subsidy received has been reduced from the cost of fixed assets for purpose of calculating depreciation.</p>
(g)	<p><b>Foreign Exchange Transactions</b> Transactions in Foreign Currency are recorded in financial statements based on the exchange rate existing at the time of the transactions. Monetary items denominated in foreign currencies at the year end are restated at year end rates.</p>
(h)	<p><b>Investments</b> Long term Investments are stated at cost. Provision for diminution in the value of long term investments is made only if such a decline is other than temporary.</p>
(i)	<p><b>Inventories</b> Inventories are measured at lower of cost or net realisable value. Cost of Finished goods include cost of purchase, cost of conversion and other cost including manufacturing overhead in bringing them to their respective present location and condition. Cost of raw material, packing material and spares are determined on first in first out basis.</p>
(j)	<p><b>Impairment of Assets</b> An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. As impairment loss is charged to the Profit and Loss Account in the year in which an asset is identified as impaired. The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.</p>
(k)	<p><b>Recognition of Revenue and Expenditure</b> All revenue and expenditure are recognised and accounted for on accrual basis. Processing Charges also includes labour charges.</p>
(l)	<p><b>Taxation</b> Provision for taxation of income tax is made on the basis of the taxable profit computed for current accounting year in accordance with the Income Tax Act 1961. Deferred Tax resulting from timing differences between Book Profits and Tax Profits is accounted for at the current rates of tax to the extent the timing difference are expected to crystallise, in case of Deferred Tax Liabilities with reasonable certainty and in case of Deferred Tax Assets with virtual certainty that there would be adequate future taxable income against which such Deferred Tax Assets can be realised.</p>
(m)	<p><b>Employee Benefits</b> Short term employee benefits are recognised as expense at the undiscounted amount in the Profit and Loss Account of the year in which the related service is rendered. Retirement benefits in the form of provident fund, which is defined contribution plan, is charged to the statement of profit and loss of the year when the contribution to respective fund is due. <i>For holding company-</i> In case of provision of gratuity the Company has entered into an agreement with the SBI Life Insurance company to administer its gratuity scheme, current year amount payable on the basis of actuarial valuation is provide and premium paid is charged to Profit and Loss Account. <i>For subsidiary companies-</i> Provision of gratuity are recognised as expenses in Profit and Loss Account for the year in which employee has rendered services. Provision for leave encashment is recognised as expense in the Profit and Loss Account for the year in which employee has rendered services.</p>
(n)	<p><b>Borrowing Cost</b> Interest and other costs in connection with the borrowing of the funds to the extent related/attribution to the acquisition/ construction of qualifying fixed assets are capitalized upto the date when such assets are ready for its intended use and other borrowing costs are charged to Profit &amp; Loss Account.</p>
(o)	<p><b>Provision, Contingent Liabilities and Contingent Assets</b> Provision involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognized but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the financial statement.</p>
(p)	<p><b>Leases</b></p> <ul style="list-style-type: none"> <li>i Operating Lease Payments are recognized as an expenses in the Statement of Profit &amp; Loss on a straight line basis over the lease term.</li> <li>ii Assets under Financial Leases are capitalized at the inception of the lease term at the lower of fair value of the leased property and present value of minimum lease payments.</li> <li>iii Assets given under operating Leases are included under Fixed Assets, Lease income on these assets is recognized in the statement of Profit &amp; Loss on a straight line basis over the lease term.</li> </ul>

**PARENTERAL DRUGS (INDIA) LIMITED**

 Notes Forming Integral Part of the Consolidated Balance Sheet as at 31<sup>st</sup> March, 2014

**Note : 2 Share Capital**

Sr. No	Particulars	As at 31 <sup>st</sup> March, 2014	As at 31 <sup>st</sup> March, 2013
1	<b>Authorized Share Capital</b>		
a	3,65,00,000 (3,65,00,000) Equity Shares of Rs. 10/- each	36,50,00,000	36,50,00,000
b	35,00,000 (35,00,000) Shares, Redeemable, Non Cumulative, Non Convertible Preference Share of Rs. 10/- each	3,50,00,000	3,50,00,000
c	29,62,102 (29,62,102)- 0% Optionally Convertible, Redeemable Preference Share of Rs. 10/- each	2,96,21,020	2,96,21,020
d	70,37,898 (70,37,898) - Redeemable Preference shares of Rs.10/- each	7,03,78,980	7,03,78,980
e	1,50,00,000 (1,50,00,000) 0% Redeemable Preference Shares of Rs.10/- each	15,00,00,000	15,00,00,000
		<b>65,00,00,000</b>	<b>65,00,00,000</b>
2	<b>Issued, Subscribed &amp; Paid Up Capital (fully paid)</b>		
a	2,98,16,300 (2,58,66,831) Equity Shares of Rs. 10/- each	29,81,63,000	25,86,68,310
b	35,00,000 (35,00,000) Shares, Redeemable, Non Cumulative, Non convertible Preference Share of Rs. 10/- each	3,50,00,000	3,50,00,000
c	Nil (29,62,102) - 0% Optionally convertible,redeemable Preference Share of Rs. 10/- each	-	2,96,21,020
d	Nil (55,00,000) 0% Redeemable Preference Shares of Rs. 10 each	-	5,50,00,000
e	70,37,898 (52,11,000) -0% Redeemable Preference shares of Rs. 10/- each	7,03,78,980	5,21,10,000
f	48,50,000 (Nil) 0% Redeemable Preference shares of Rs. 10/- each	4,85,00,000	-
3	<b>Issued, Subscribed &amp; Paid Up Capital (partly paidup)</b>		
a	Nil (18,26,898) - 0% Redeemable Preference shares of Rs. 10/- each Rs. 1.10 partly paid	-	20,09,588
	<b>Total</b>	<b>45,20,41,980</b>	<b>43,24,08,918</b>
a	<b>Reconciliation of Shares outstanding at the beginning and at the end of the year</b>		
	<b>Equity Shares</b>	<b>31.03.2014</b>	<b>31.03.2013</b>
		Nos.	Nos.
	At the Beginning of the year	2,58,66,831	2,58,66,831
	Issued during the year (conversion of preference shares)	39,49,469	-
	Outstanding at the end of the year	<b>2,98,16,300</b>	<b>2,58,66,831</b>

**PARENTERAL DRUGS (INDIA) LIMITED**
**Notes Forming Integral Part of the Consolidated Balance Sheet as at 31<sup>st</sup> March, 2014**

<b>Preference Shares</b>	<b>31.03.2014 Nos.</b>	<b>31.03.2013 Nos.</b>
<b><u>Redeemable, Non Cumulative, Non Convertible preference shares:-</u></b>		
At the beginning of the year	35,00,000	35,00,000
Issued during the year	-	-
Outstanding at the end of the year	<b>35,00,000</b>	<b>35,00,000</b>
<b><u>0% Redeemable preference shares:-</u></b>		
At the beginning of the year	1,25,37,898	55,00,000
Issued during the year	48,50,000	70,37,898
Redeemed during the year	-55,00,000	-
Outstanding at the end of the year	<b>1,18,87,898</b>	<b>1,25,37,898</b>
<b><u>0% Optionally convertible, redeemable preference shares:-</u></b>		
At the beginning of the year	29,62,102	29,62,102
Converted in Equity Shares during the year	-29,62,102	-
Outstanding at the end of the year	-	29,62,102

b	<p>Terms / Rights Attached to Shares</p> <p><b><u>Equity Shares</u></b></p> <p>The Company has only one class of equity shares having a par value of Rs. 10/-each. Each holder of equity share is entitled to one vote per shares. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.</p> <p>In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.</p> <p><b><u>Preference Shares</u></b></p> <p>1,53,87,898 (1,60,37,898) 0% Redeemable Preference Shares are carries a 0% dividend right &amp; can be redeemed within a period of twenty years.</p> <p>29,62,102 0% Optionally convertible redeemable preference shares are converted during the year in equity shares.</p> <p>39,49,469 equity shares were issued to preference shareholders which includes 9,87,367 shares issued as bonus shares as per terms.</p>
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c	Name of Shareholders hold more than 5% of Shares	<b>31.03.2014</b>	<b>31.03.2013</b>
	<b><u>Equity Shares:-</u></b>		
	Rajratan Exports Private Limited	Number of Shares 66,66,665 22.36%	66,66,665 25.77%
	PDPL Holding Private Limited	Number of Shares 32,17,120 10.79%	32,17,120 12.44%
	Mahaganpati Investments Private Limited	Number of Shares 16,00,000 5.37%	16,00,000 6.19%
	MVG Mercantile Private Limited	Number of Shares 97,22,966 32.61%	57,73,497 22.32%
	<b><u>Redeemable preference shares:-</u></b>		
	PDPL Holding Private Limited	Number of Shares 35,00,000 22.75%	35,00,000 33.21%
	Mahaganpati Investments Private Limited	Number of Shares 1,18,87,898 77.25%	52,11,000 49.45%
	Mahaganpati Investments Private Limited (Partly paid)	Number of Shares - -	18,26,898 17.34%
	<b><u>0% Optionally convertible, redeemable preference shares:-</u></b>		
	MVG Mercantile Private Limited	Number of Shares - -	29,62,102 100%

**PARENTERAL DRUGS (INDIA) LIMITED**
**Notes Forming Integral Part of the Consolidated Balance Sheet as at 31<sup>st</sup> March, 2014**

d		31.03.2014 Nos.	31.03.2013 Nos.
	Detail of Shares allotted in last five years in each class other than value received in cash		
	<b>Equity Shares</b>		
	-Shares issued pursuant to scheme of amalgamation sanctioned by High court	43,30,123	43,30,123
	-Bonus Shares Issued by capitalisation of general reserve	1,20,66,708	1,20,66,708
	-Conversion of preference shares which are issued pursuant to scheme of amalgamation sanctioned by High court	39,49,469	-
	<b>0% Optionally convertible, redeemable preference shares</b>		
	Shares issued pursuant to scheme of amalgamation sanctioned by High court	-	29,62,102

**Note : 3 Reserves and Surplus**

Sr. No	Particulars	As at 31 <sup>st</sup> March, 2014	As at 31 <sup>st</sup> March, 2013
1	<b>Capital Reserve</b>		
	Balance brought forward from previous year	61,00,000	61,00,000
	Addition during the year	-	-
	Transfer during the year	-	-
	Closing Balance	61,00,000	61,00,000
2	<b>General Reserve</b>		
	Balance brought forward from previous year	9,38,24,793	9,38,24,793
	Addition during the year	-	-
	Less: Bonus Shares issued on Conversion of Preference Shares	-98,73,670	-
	Closing Balance	8,39,51,123	9,38,24,793
3	<b>Securities Premium Reserve</b>		
	Balance brought forward from previous year	2,81,02,48,695	2,53,20,74,013
	Add: Premium on shares issued/call money received during the year	52,00,73,275	27,81,74,682
	Less: Premium paid on redemption of Preference Shares	-49,50,00,000	-
	Closing Balance of Security Premium Reserve	2,83,53,21,970	2,81,02,48,695
4	<b>Amalgamation Reserve</b>		
	Balance brought forward from previous year	3,44,22,288	3,44,22,288
	Addition during the year	-	-
	Transfer during the year	-	-
	Closing Balance	3,44,22,288	3,44,22,288
5	<b>Revaluation Reserve</b>		
	Balance brought forward from previous year	1,19,80,309	1,20,22,249
	Less: Depreciation on revalued amount	-33,160	-41,940
	Closing Balance of Revaluation Reserve	1,19,47,149	1,19,80,309
6	<b>Surplus (Profit &amp; Loss Account)</b>		
	Balance brought forward from previous year	-1,03,67,82,115	4,15,91,215
	Add/Less: Profit (Loss) for the year	-45,17,03,350	-1,07,83,73,330
	Less: Amount transfer to Capital Redemption Reserve	-5,50,00,000	-
	Add: Provision for Doubtful Advances	8,79,95,838	-
	Closing Balance of Profit & Loss Account	-1,45,54,89,627	-1,03,67,82,115
7	<b>Capital Redemption Reserve</b>		
	Balance brought forward from previous year	-	-
	Add: Transfer from P&L a/c on redemption of Preference Shares	5,50,00,000	-
	Closing Balance of Capital Redemption Reserve	5,50,00,000	-
	<b>Total</b>	<b>1,57,12,52,903</b>	<b>1,91,97,93,971</b>

**PARENTERAL DRUGS (INDIA) LIMITED**
**Notes Forming Integral Part of the Consolidated Balance Sheet as at 31<sup>st</sup> March, 2014**
**Note : 4 Long Term Borrowings**

Sr. No	Particulars	As at 31 <sup>st</sup> March, 2014	As at 31 <sup>st</sup> March, 2013
	<b>Secured-From Banks</b>		
1	Term Loans/FITL/WCTL Refer Note No. 7 current maturities are Rs. 22,72,15,559/- (Rs. 9,63,42,179/-)	3,06,71,29,313	3,00,88,70,560
2	Corporate Loans Refer Note No. 7 current maturities are Rs. 4,98,00,000/- (Rs. 1,29,57,089/-)	53,00,00,000	57,98,00,000
3	Vehicle Loan Refer Note No. 7 current maturities are Nil (Rs. 9,86,441/-)	-	2,41,095
	<b>Unsecured</b>		
1	Security Deposit from Suppliers and Customers	22,18,11,527	22,95,02,161
2	Loans & Advances From Related Parties	40,25,79,561	7,40,83,972
	<b>Total</b>	<b>4,22,15,20,401</b>	<b>3,89,24,97,788</b>

**A Nature of security is as under:-**
**Parenteral Drugs (India) Limited**

- i **Term Loans** of Rs. 2,76,95,47,882/- (Rs. 2,41,28,96,984/-), together with current maturities of Rs. 18,64,18,569/- (Nil) shown in note no. 7, are secured by first pari passu charge on entire fixed assets of the Company and second pari passu charge on entire current assets of the Company and first pari passu charge by way of equitable mortgage of property belonging to Diamond Crystal Private Limited situated at Nemawar Road, Indore and equitable mortgage of office property belongs to Parenteral Medicines Limited situated at Andheri (W) Mumbai and mortgage of house property belongs to Shri Manoharlal Gupta and Shri Vinod Kumar Gupta and first exclusive charge by way of pledge of fixed deposit and first pari passu charge by way of pledge of total 1,38,76,441 nos of equity shares of M/s. Parenteral Drugs (India) Limited held in the name of Rajratan Exports Pvt. Ltd (33,93,332), MVG Mercantile Pvt. Ltd (57,73,497), PDPL Holdings Pvt. Ltd (32,17,120), PDPL Securities Pvt. Ltd (6,11,506), Mahaganpati Investment Pvt. Ltd (8,50,000) and Parenteral Commercial Services Pvt. Ltd (30,986) and personal guarantee of four Directors, Smt. Alpana Gupta, HUF of Shri Manoharlal Gupta, Shri Vinod Gupta and Shri G.D. Garg, and Corporate Guarantee of Diamond Crystal Pvt. Ltd, Parenteral Medicines Limited, Rajratan Exports Pvt. Ltd, MVG Mercantile Pvt. Ltd, PDPL Holdings Pvt. Ltd, PDPL Securities. Pvt. Ltd, Mahaganpati Investment Pvt. Ltd, and Parenteral Commercial Services Pvt. Ltd.  
Term Loans are bearing interest @ 11% to 15.25% p.a.
- ii **Corporate Loans** of Rs. 57,98,00,000/- (Rs. 27,98,25,993/-), together with current maturities of Rs. 4,98,00,000/- (Nil) shown in note no. 7, are secured by first pari passu charge on entire fixed assets of the Company and second pari passu charge on entire current assets of the Company and first pari passu charge by way of equitable mortgage of property belonging to Diamond Crystal Private Limited situated at Nemawar Road, Indore and equitable mortgage of office property belong to Parenteral Medicines Limited situated at Andheri (W) Mumbai and mortgage of house property belongs to Shri Manoharlal Gupta and Shri Vinod Kumar Gupta and first exclusive charge by way of pledge of fixed deposit and first pari passu charge by way of pledge of total 1,38,76,441 nos of equity shares of M/s. Parenteral Drugs (India) Limited held in the name of Rajratan Exports Pvt. Ltd (33,93,332), MVG Mercantile Pvt. Ltd (57,73,497), PDPL Holdings Pvt. Ltd (32,17,120), PDPL Securities Pvt. Ltd (6,11,506), Mahaganpati Investment Pvt. Ltd (8,50,000) and Parenteral Commercial Services Pvt. Ltd (30,986) and personal guarantee of four Directors, Smt. Alpana Gupta, HUF of Shri Manoharlal Gupta, Shri Vinod Gupta and Shri G.D. Garg, and Corporate Guarantee of Diamond Crystal Pvt. Ltd, Parenteral Medicines Limited, Rajratan Exports Pvt. Ltd, MVG Mercantile Pvt. Ltd, PDPL Holdings Pvt. Ltd, PDPL Securities. Pvt. Ltd, Mahaganpati Investment Pvt. Ltd, and Parenteral Commercial Services Pvt. Ltd.  
Corporate Loans are bearing interest @ 14.20% to 14.75% p.a.

**Punjab Formulations Limited**

**Term Loan** of Rs. 49,23,32,245/- (Nil) together with current maturity of Rs. 2,23,32,245/- (Nil) shown in note no. 7 are secured by first pari passu charge on entire fixed assets of the company and second pari passu charge on current assets of the company and personal guarantee of directors, Shri Vinod Kumar Gupta, Shri Manoharlal Gupta, Shri Govind Das Garg & Shri Anil Mittal. Corporate guarantee of Mahaganpati Investments Private Limited has been given to Indian Overseas Bank, Jalandhar for their portion of Rs. 29 crores.  
Term Loans are bearing Interest @ 14.75% to 17.00%.

**PARENTERAL DRUGS (INDIA) LIMITED**
**Notes Forming Integral Part of the Consolidated Balance Sheet as at 31<sup>st</sup> March, 2014**

<p><b>Parenteral Surgicals Limited</b> Working Capital Term Loan of Rs. 3,24,64,745/- (7,86,06,301/-) together with current maturity of Rs. 1,84,64,745/- (Rs. 1,19,06,301/-) shown in note no. 7, hypothecation of entire current assets of the company exclusive charge on fixed assets of Panorama Remedies Ltd. and pledge of shares of Parenteral Drugs (India) Limited held by Rajratan Exports Pvt. Ltd. worth Rs.10.43 crs. and personal guarantees of Shri M.L.Gupta, Shri Vinod Gupta, Shri G. D. Garg and Corporate guarantee of Rajratan Exports Pvt. Ltd., Parenteral Drugs (India) Limited and Panorama Remedies Limited. Term Loans are bearing interest @ 17.10% p.a.</p>																			
B	<p><b>Parenteral Drugs (India) Limited</b> FITL/TL/WCTL includes Rs. 9,78,569/- (Rs. 4,35,878/-) as interest due &amp; include in note no. 7.</p> <p><b>Punjab Formulations Limited</b> Term Loan include amount of Rs. 23,32,245/- as interest due &amp; include in note no. 7.</p> <p><b>Parenteral Surgicals Limited</b> Working Capital Term Loan includes amount of Rs. 4,64,745/- (Rs. 11,06,301/-) as interest due &amp; include in note no. 7.</p>																		
C	<p><b>Parenteral Drugs (India) Limited</b> Repayment schedule of Term loans, Corporate loans, FITL and WCTL is as under:-</p> <table border="1"> <tr> <td>Payable in 2015-16</td> <td>26,47,60,000</td> </tr> <tr> <td>Payable from 2016-17 to 2017-18</td> <td>76,00,00,000</td> </tr> <tr> <td>Payable from 2018-19 to 2019-20</td> <td>96,00,00,000</td> </tr> <tr> <td>Payable from 2020-21 to 2021-22</td> <td>1,12,83,69,313</td> </tr> </table> <p>(In Repayment of FITL includes interest on TL/CL/WCTL up to 31-03-2014)</p> <p><b>Punjab Formulations Limited</b> Repayment schedule of Term Loans is as under:-</p> <table border="1"> <tr> <td>Payable from 2015-16 to 2016-17</td> <td>12,40,00,000</td> </tr> <tr> <td>Payable from 2017-18 to 2018-19</td> <td>14,20,00,000</td> </tr> <tr> <td>Payable from 2019-20 to 2020-21</td> <td>16,80,00,000</td> </tr> <tr> <td>Payable in 2021-22</td> <td>3,60,00,000</td> </tr> </table> <p><b>Parenteral Surgicals Limited</b> Payable fully in 2015-16</p> <table border="1"> <tr> <td></td> <td>1,40,00,000</td> </tr> </table>	Payable in 2015-16	26,47,60,000	Payable from 2016-17 to 2017-18	76,00,00,000	Payable from 2018-19 to 2019-20	96,00,00,000	Payable from 2020-21 to 2021-22	1,12,83,69,313	Payable from 2015-16 to 2016-17	12,40,00,000	Payable from 2017-18 to 2018-19	14,20,00,000	Payable from 2019-20 to 2020-21	16,80,00,000	Payable in 2021-22	3,60,00,000		1,40,00,000
Payable in 2015-16	26,47,60,000																		
Payable from 2016-17 to 2017-18	76,00,00,000																		
Payable from 2018-19 to 2019-20	96,00,00,000																		
Payable from 2020-21 to 2021-22	1,12,83,69,313																		
Payable from 2015-16 to 2016-17	12,40,00,000																		
Payable from 2017-18 to 2018-19	14,20,00,000																		
Payable from 2019-20 to 2020-21	16,80,00,000																		
Payable in 2021-22	3,60,00,000																		
	1,40,00,000																		

**Note : 5 Deferred Tax Liabilities**

Consequent to the issuance of Accounting Standard 22 "Accounting for Taxes on Income" by The Institute of Chartered Accountants of India, the Company has recognised the deferred tax liability aggregating to Rs. 4,07,99,485/- (Rs. 15,00,47,524/-) in the Profit & Loss Accounts in the current year.

Particulars	As at 31 <sup>st</sup> March, 2013	Arising During the year	As at 31 <sup>st</sup> March, 2014
<b>Deferred Tax Liabilities</b>			
-Timing Difference in Depreciation	48,07,51,369	-4,66,68,308	43,40,83,061
-Reversal of expenses disallowed u/s 43B of Income Tax Act	14,75,327	-14,75,327	-
<b>Total Deferred Tax Liabilities</b>	<b>48,22,26,696</b>	<b>-4,81,43,635</b>	<b>43,40,83,061</b>
<b>Deferred Tax Assets</b>			
- Timing Difference in disallowance u/s 43B of Income Tax Act, 1961	1,25,45,691	-17,57,710	1,07,87,981
- Carried forward losses as per Income Tax Act	55,86,140	-55,86,140	-
- MAT Credit available	8,86,57,559	-	8,86,57,559
<b>Total Deferred Tax Assets</b>	<b>10,67,89,390</b>	<b>-73,43,850</b>	<b>9,94,45,540</b>
<b>Net Deferred Tax Liabilities</b>	<b>37,54,37,306</b>	<b>-4,07,99,785</b>	<b>33,46,37,521</b>

**PARENTERAL DRUGS (INDIA) LIMITED**

 Notes Forming Integral Part of the Consolidated Balance Sheet as at 31<sup>st</sup> March, 2014

**Note : 6 Short Term Borrowings**

Sr. No	Particulars	As at 31 <sup>st</sup> March, 2014	As at 31 <sup>st</sup> March, 2013
	<b>Secured-From Banks</b>		
	Working Capital Loans repayable on demand	73,98,01,546	83,63,99,924
	<b>Total</b>	<b>73,98,01,546</b>	<b>83,63,99,924</b>

**A Nature of Security is as under:-**
**Parenteral Drugs (India) Limited**

**Working Capital Loans** of Rs. 68,22,77,446/- (Rs. 50,25,68,130/-) bearing interest rate @ 16.45% to 17.00% p.a. are secured by first pari passu charge on entire current assets of the Company and second pari passu charge on entire fixed assets of the Company and first pari passu charge by way of equitable mortgage of property belonging to Diamond Crystal Private Limited situated at Nemawar Road, Indore and equitable mortgage of office property belong to Parenteral Medicines Limited situated at Andheri (W) Mumbai and mortgage of house property belongs to Shri Manoharlal Gupta and Shri Vinod Kumar Gupta and first exclusive charge by way of pledge of fixed deposit and first pari passu charge by way of pledge of total 1,38,76,441 nos of equity shares of M/s. Parenteral Drugs (India) Limited held in the name of Rajratan Exports Pvt. Ltd (33,93,332), MVG Mercantile Pvt. Ltd (57,73,497), PDPL Holdings Pvt. Ltd (32,17,120), PDPL Securities Pvt. Ltd (6,11,506), Mahaganpati Investment Pvt. Ltd (8,50,000) and Parenteral Commercial Services Pvt. Ltd (30,986) and personal guarantee of four Directors, Smt. Alpana Gupta, HUF of Shri Manoharlal Gupta, Shri Vinod Gupta and Shri G.D. Garg, and Corporate Guarantee of Diamond Crystal Pvt. Ltd, Parentearl Medicines Limited, Rajratan Exports Pvt. Ltd, MVG Mercantile Pvt. Ltd, PDPL Holdings Pvt. Ltd, PDPL Securities Pvt. Ltd, Mahaganpati Investment Pvt. Ltd, and Parenteral Commercial Services Pvt. Ltd.

Financial facilities are on consortium basis and State Bank of India, Commercial Branch, Indore & Punjab National Bank, Sector 16D, Chandigarh are the members.

**Punjab Formulations Limited**

**Working Capital Loan** of Rs. 64,20,441/- (Rs. 16,54,27,477/-) bearing interest rate @ 14.50% to 16.80% per annum is secured by first parri passu charge on current assets of the company and second parri passu charge on fixed assets of the company and personal guarantee of the directors. Corporate guarantee of Mahaganpati Investments Private Limited has been given to India Overseas Bank.

**Parenteral Surgicals Limited**

**Working Capital Loan** of Rs. 1,96,05,106/-(Rs. 1,38,38,672/-) bearing interest rate @17.00% p.a. is secured by Hypothecation of entire current assets of the company, exclusive charge on fixed assets of Panorama Remedies Ltd. and pledge of shares of Parenteral Drugs (India) Limited held by Rajratan Exports Pvt. Ltd. worth Rs.10.43 crs. and personal guarantees of Shri M.L. Gupta, Shri Vinod Gupta, Shri G.D. Garg and Corporate guarantee of Rajratan Exports Pvt. Ltd., Parenteral Drugs (India) Limited and Panorama Remedies Limited

**Mascareignes Pharmaceuticals Manufacturing Co. Ltd.**

Secured by all assets of the company.

**Note : 7 Other Current Liabilities**

Sr. No	Particulars	As at 31 <sup>st</sup> March, 2014	As at 31 <sup>st</sup> March, 2013
1	Current maturities of long term debt (Secured, Refer Note no. 4)	27,70,15,559	11,02,85,709
2	TDS Payable*	65,55,478	94,56,562
3	Sales Tax Payable*	29,75,289	65,70,624
4	Provident Fund, ESIC & Professional Tax Payable*	25,46,835	24,33,145
5	Service Tax Payable	-	11,54,018
6	Advances from Customers	7,87,40,071	-
	<b>Total</b>	<b>36,78,33,232</b>	<b>12,99,00,058</b>

\*Since Paid



**PARENTERAL DRUGS (INDIA) LIMITED**
**Notes Forming Integral Part of the Consolidated Balance Sheet as at 31<sup>st</sup> March, 2014**
**Note : 8 Short Term Provisions**

Sr. No	Particulars	As at 31 <sup>st</sup> March, 2014	As at 31 <sup>st</sup> March, 2013
<b>a</b>	<b>Provision for employee's benefit</b>		
1	Provision for Bonus	47,25,358	53,68,286
2	Provision for Gratuity & Leave Encashment	6,36,35,186	3,39,41,863
<b>b</b>	<b>Others</b>		
1	Excise Duty Provision (on closing stocks)	91,96,532	1,19,85,344
2	Income Tax Provision	2,72,98,505	18,42,118
	<b>Total</b>	<b>10,48,55,581</b>	<b>5,31,37,611</b>

**Note : 10 Non Current Investment**

Sr. No	Particulars	As at 31 <sup>st</sup> March, 2014	As at 31 <sup>st</sup> March, 2013
	<b>Trade Investments</b>		
1	<b>Investment in Equity Instrument</b>		
	<b><u>In Equity Shares of Other Company-Fully paid up (Quoted)</u></b>		
	Medicaman Biotech Limited 10,000 (10,000) equity shares of Rs. 10/- each	1,00,000	1,00,000
	<b><u>In Equity Shares of Other Company-Fully paid up (Unquoted)</u></b>		
	Prolog Limited	1,56,338	1,56,338
2	<b>Investment in Government or trust securities-Fully paid up (Unquoted)</b>		
	<b>National Saving Certificate</b>		
1	(1) certificate of Rs. 10,000/- each	10,000	10,000
	<b>Total</b>	<b>2,66,338</b>	<b>2,66,338</b>
	Aggregate amount of quoted investments	1,00,000	1,00,000
	Market value of quoted investments	1,11,700	1,33,000
	Aggregate amount of unquoted investments	1,66,338	1,66,338

**Note : 11 Long Term Loans and Advances**

Sr. No	Particulars	As at 31 <sup>st</sup> March, 2014	As at 31 <sup>st</sup> March, 2013
	<u>Long Term Loans and Advances (Unsecured, Considered Good)</u>		
1	Security Deposit *	6,32,11,463	7,18,99,284
2	Loans & Advances to related parties (a) from others including Key Managerial Person	39,21,38,512	36,69,237
3	Other Trade Advances (Recoverable in cash or in kind or value to be received)	1,74,33,689	7,15,85,503
	<b>Total</b>	<b>47,27,83,664</b>	<b>14,71,54,024</b>

\* Security Deposits include fixed deposits.

**Note : 12 Other Non Current Assets**

Sr. No	Particulars	As at 31 <sup>st</sup> March, 2014	As at 31 <sup>st</sup> March, 2013
	Miscellaneous Expenditure & Pre-Operative Expenses (To the extent not written off or adjusted)	5,46,52,621	14,30,23,479
	<b>Total</b>	<b>5,46,52,621</b>	<b>14,30,23,479</b>

## PARENTERAL DRUGS (INDIA) LIMITED

### Notes Forming Integral Part of the Consolidated Balance Sheet as at 31<sup>st</sup> March, 2014

Note : 9 Fixed Asset

Sr. No	Particulars	Gross Block			Depreciaton			Net Block			
		Value at the beginning	Addition during the year	Deduction during the year	Value at the end	Value at the beginning	Addition during the year	Deduction during the year	Value at the end	WDV as on 31.03.2014	WDV as on 31.03.2013
<b>I</b>	<b>Tangible Assets</b>										
a	Land	4,53,16,845	6,17,43,393	94,76,769	9,75,83,469	-	-	-	9,75,83,469	4,53,16,845	
b	Building	1,02,74,88,024	10,82,06,211	15,56,53,295	98,00,40,940	13,97,07,320	2,86,06,759	27,455	82,62,19,791	88,77,80,704	
c	Plant and Equipment	4,49,27,98,867	97,98,40,186	1,25,93,89,874	4,21,32,49,179	66,77,59,884	15,41,97,408	5,705	3,44,80,40,828	3,82,50,38,983	
d	Furniture and Fixtures	2,28,76,696	97,041	9,89,894	2,19,83,843	1,23,15,551	11,42,277	-	88,63,974	1,05,61,145	
e	Vehicles	1,68,19,756	1,25,000	7,68,388	1,61,76,368	1,21,06,080	10,29,103	-	32,11,511	47,13,676	
f	Office Equipment	49,45,059	8,38,565	3,14,387	54,69,237	20,82,504	2,17,895	-	32,42,967	28,62,555	
g	Computer & Software	1,82,44,992	4,45,798	4,25,537	1,82,65,253	1,68,00,691	10,66,287	-	7,55,673	14,44,301	
	<b>Total Tangible Assets</b>	<b>5,62,84,90,239</b>	<b>1,15,12,96,194</b>	<b>1,42,70,18,144</b>	<b>5,35,27,68,289</b>	<b>85,07,72,030</b>	<b>18,62,59,729</b>	<b>33,160</b>	<b>4,38,79,18,213</b>	<b>4,77,77,18,209</b>	
<b>II</b>	<b>Intangible Assets</b>										
a	Goodwill	1,32,18,17,044	-	-	1,32,18,17,044	-	-	-	1,32,18,17,044	1,32,18,17,044	
b	Computer Software	96,55,668	-	-	96,55,668	96,55,668	-	-	-	-	
	<b>Total Intangible Assets</b>	<b>1,33,14,72,712</b>	<b>-</b>	<b>-</b>	<b>1,33,14,72,712</b>	<b>96,55,668</b>	<b>-</b>	<b>-</b>	<b>1,32,18,17,044</b>	<b>1,32,18,17,044</b>	
<b>III</b>	<b>Capital Work in Progress</b>										
a	Building in Progress	2,42,04,169	-	1,55,51,869	86,52,300	-	-	-	86,52,300	2,42,04,169	
b	Plant and Machinery in Progress	1,81,07,079	-	1,81,07,079	-	-	-	-	-	1,81,07,079	
	<b>Total Capital work in progress</b>	<b>4,23,11,248</b>	<b>-</b>	<b>3,36,58,948</b>	<b>86,52,300</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>86,52,300</b>	<b>4,23,11,248</b>	
	<b>Grand Total Current year</b>	<b>7,00,22,74,199</b>	<b>1,15,12,96,194</b>	<b>1,46,06,77,092</b>	<b>6,69,28,93,301</b>	<b>86,04,27,698</b>	<b>18,62,59,729</b>	<b>33,160</b>	<b>5,71,83,87,557</b>	<b>6,14,18,46,501</b>	
	<b>Previous year figures</b>	<b>6,79,39,38,669</b>	<b>1,34,00,57,033</b>	<b>1,13,17,21,503</b>	<b>7,00,22,74,199</b>	<b>63,14,63,922</b>	<b>22,99,57,587</b>	<b>41,940</b>	<b>6,14,18,46,501</b>	<b>6,16,24,74,747</b>	

**PARENTERAL DRUGS (INDIA) LIMITED**
**Notes Forming Integral Part of the Consolidated Balance Sheet as at 31<sup>st</sup> March, 2014**
**Note : 13 Inventories\***

Sr. No	Particulars	As at 31 <sup>st</sup> March, 2014	As at 31 <sup>st</sup> March, 2013
1	Raw Material	28,72,11,413	26,79,41,287
2	Finished Goods	28,97,19,900	37,46,93,403
	<b>Total</b>	<b>57,69,31,313</b>	<b>64,26,34,690</b>

\* Inventories are valued at lower of cost or net realisable value

**Note : 14 Trade Recievables**

Sr. No	Particulars	As at 31 <sup>st</sup> March, 2014	As at 31 <sup>st</sup> March, 2013
1	Outstanding for more than six months Unsecured, Considered Good	15,32,73,987	38,17,16,652
2	Others Unsecured, Considered Good	1,05,15,98,443	40,77,86,662
	<b>Total</b>	<b>1,20,48,72,430</b>	<b>78,95,03,314</b>

**Note : 15 Cash & Cash Equivalents**

Sr. No	Particulars	As at 31 <sup>st</sup> March, 2014	As at 31 <sup>st</sup> March, 2013
1	Balance with Bank	5,38,55,634	3,00,78,662
2	Cheques on Hand	31,42,198	3,31,75,156
3	Cash on Hand	17,58,146	54,35,185
4	Balance with Bank as Margin Money*	2,36,75,134	3,63,02,331
	<b>Total</b>	<b>8,24,31,112</b>	<b>10,49,91,334</b>

\*Includes fixed deposits maturing after 12 months of Nil (Rs. 31,82,640/-)

**Note : 16 Short Terms Loans and Advances**

Sr. No	Particulars	As at 31 <sup>st</sup> March, 2014	As at 31 <sup>st</sup> March, 2013
1	Advances to Suppliers (Unsecured, Considered Good)	7,87,07,139	31,70,74,831
2	Other Trade Advances (Unsecured, Considered Good) (Recoverable in cash or in kind or value to be received)	2,47,75,539	4,07,85,397
	<b>Total</b>	<b>10,34,82,678</b>	<b>35,78,60,227</b>

**Note : 17 Other current assets**

Sr. No	Particulars	As at 31 <sup>st</sup> March, 2014	As at 31 <sup>st</sup> March, 2013
1	Accrued & Prepaid	25,45,234	21,85,783
2	Advance Sales Tax & Entry Tax	35,12,640	52,81,473
3	Advance Income Tax & TDS	1,04,80,807	55,74,276
4	Income Tax Payment on a/c of pending assessment/appeal	1,41,02,483	1,16,35,166
5	Advance Fringe Benefit Tax	12,87,697	12,87,697
	<b>Total</b>	<b>3,19,28,861</b>	<b>2,59,64,395</b>

**PARENTERAL DRUGS (INDIA) LIMITED**
**Notes Forming Integral Part of the Consolidated Balance Sheet as at 31<sup>st</sup> March, 2014**
**Note : 18 Revenue from Operations**

Sr. No	Particulars	For the year end 31 <sup>st</sup> March, 2014	For the year end 31 <sup>st</sup> March, 2013
1	Sale of Products	2,67,97,28,587	3,21,76,24,643
2	Other Operating Revenues	15,91,73,887	18,04,96,834
	Total Revenue	2,83,89,02,474	3,39,81,21,476
3	Less : Excise Duty	10,19,26,353	12,38,49,052
	<b>Total</b>	<b>2,73,69,76,121</b>	<b>3,27,42,72,425</b>

**Note : 19 Other Income**

Sr. No	Particulars	For the year end 31 <sup>st</sup> March, 2014	For the year end 31 <sup>st</sup> March, 2013
1	Interest Income	3,73,87,170	24,50,082
2	Arbitration award on claim settlement	56,70,00,000	-
3	Other non-operating Income	32,61,885	1,000
	<b>Total</b>	<b>60,76,49,055</b>	<b>24,51,082</b>

**Note : 20 Cost of Material Consumed**

Sr. No	Particulars	For the year end 31 <sup>st</sup> March, 2014	For the year end 31 <sup>st</sup> March, 2013
	Opening Stock of Material	26,79,41,287	27,56,50,854
	Less: Obsolete and expired stock written off	-4,97,08,580	-
	Net Opening Stock of Material	21,82,32,707	27,56,50,854
	Add : Purchases	1,68,89,55,609	1,81,15,10,652
		1,90,71,88,316	2,08,71,61,506
	Less : Closing Stock of Material	28,72,11,413	26,79,41,287
	<b>Cost of Material Consumed</b>	<b>1,61,99,76,903</b>	<b>1,81,92,20,219</b>
	Details of Major Material Consumed		
1	Granules Consumed	71,48,67,504	66,32,45,002
2	Other Material Consumed	90,51,09,399	1,15,59,75,217
	<b>Total</b>	<b>1,61,99,76,903</b>	<b>1,81,92,20,219</b>

**Note : 21 Changes in Inventories**

Sr. No	Particulars	For the year end 31 <sup>st</sup> March, 2014	For the year end 31 <sup>st</sup> March, 2013
1	Opening Stock of finished goods and work in progress	37,46,93,403	45,22,32,183
	Less: Obsolete and expired stock written off	-7,69,85,413	-
	Net Opening Stock of finished goods and work in progress	29,77,07,990	45,22,32,183
2	Closing Stock of finished goods and work in progress	28,97,19,900	36,20,95,968
	<b>Changes in Inventories</b>	<b>79,88,090</b>	<b>9,01,36,215</b>

**PARENTERAL DRUGS (INDIA) LIMITED**

 Notes Forming Integral Part of the Consolidated Balance Sheet as at 31<sup>st</sup> March, 2014

**Note : 22 Employee Benefits Expense**

Sr. No	Particulars	For the year end 31 <sup>st</sup> March, 2014	For the year end 31 <sup>st</sup> March, 2013
1	Salaries	16,84,57,095	14,16,84,073
2	Contribution to provident and other fund	1,41,11,332	1,30,33,797
3	Staff welfare expenses	10,94,285	15,51,525
4	Other employee benefits expense	6,58,77,063	5,65,42,960
	<b>Total</b>	<b>24,95,39,775</b>	<b>21,28,12,355</b>

**Note : 23 Finance Costs**

Sr. No	Particulars	For the year end 31 <sup>st</sup> March, 2014	For the year end 31 <sup>st</sup> March, 2013
1	Interest expenses	58,05,89,423	54,04,27,277
2	Other borrowing costs	2,14,72,423	1,80,40,714
	<b>Total</b>	<b>60,20,61,846</b>	<b>55,84,67,991</b>

**Note : 24 Other Expenses**

Sr. No	Particulars	For the year end 31 <sup>st</sup> March, 2014	For the year end 31 <sup>st</sup> March, 2013
	<b>Manufacturing Expenses</b>		
1	Processing Charges	24,08,19,166	27,53,70,977
2	Power and Fuel	14,62,93,386	16,72,27,398
3	Consumption of stores and spare parts	21,75,014	45,49,952
4	Repair to machinery	4,28,50,474	2,60,89,436
5	Miscellaneous Manufacturing expenses	3,21,37,006	4,99,70,597
	<b>Total Manufacturing Expenses</b>	<b>46,42,75,046</b>	<b>52,32,08,360</b>
	<b>Administrative Expenses</b>		
1	Rates and Taxes	6,46,11,256	8,20,67,073
2	Rent	1,18,71,745	1,51,75,134
3	Insurance	39,85,867	31,66,186
4	Postage, Telegram & Telephone	1,34,01,194	1,32,34,349
5	Legal and Professional expenses	2,06,98,618	2,17,69,216
6	Directors' Remuneration	84,60,000	84,65,000
7	Auditors' Remuneration	3,19,720	3,19,226
8	Repair to Building	20,30,752	10,53,807
9	Foreign Currency transaction gain/loss (net)	-45,906	20,29,275
10	Sundry Advances/Bad debts written off	32,79,34,756	14,347
11	Obsolete and expired stock written off	12,66,93,993	-
12	Loss on sale of Investments	1,01,03,900	-
13	Miscellaneous administrative expenses	5,05,07,698	4,51,88,317
	<b>Total Administrative Expenses</b>	<b>64,05,73,593</b>	<b>19,24,81,929</b>
	<b>Selling and Distribution Expenses</b>		
1	Travelling expenses	11,77,40,004	10,08,62,717
2	Business Promotion	1,00,70,800	87,99,337
3	Carriage Outward	32,54,36,529	35,38,21,530
4	Advertising, publicity and conference	49,66,217	36,01,091
5	Sales Commission	3,05,59,478	7,39,97,672
6	Miscellaneous selling and distribution expenses	53,81,458	38,95,530
	<b>Total Selling and Distribution Expenses</b>	<b>49,41,54,486</b>	<b>54,49,77,877</b>
	<b>Total</b>	<b>1,59,90,03,125</b>	<b>1,26,06,68,166</b>

**PARENTERAL DRUGS (INDIA) LIMITED**
**Notes Forming Part of the Consolidated Balance Sheet & Profit & Loss Accounts as at 31<sup>st</sup> March, 2014**

<b>Note 25</b>	<b>Segmental Reporting</b> The Company is principally engaged in the business of pharmaceutical. Accordingly there are no segments as per Accounting Standard 17 "Segmental Reporting" issued by The Institute of Chartered Accountants of India.
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<b>Note 26</b>	<b>Calculation of Basic and Diluted Earning per share</b>		
	<b>Particulars</b>	<b>2013-14</b>	<b>2012-13</b>
	<b>Earnings available for Equity Shareholders</b>		
	Profit/Loss After Tax	-45,17,03,350	-1,07,83,73,330
	<b>Earnings for Basic and Diluted Earning per Share</b>	<b>-45,17,03,350</b>	<b>-1,07,83,73,330</b>
	<b>Per Share for Basic and Diluted Earning per Share</b>		
	No. of Equity Shares Outstanding	2,58,66,831	2,58,66,831
	Add: Conversion of Preference Shares Capital	39,49,469	-
	<b>Total Weighted Average No. of Shares</b>	<b>2,98,16,300</b>	<b>2,58,66,831</b>
	Basic and diluted earning per share	-15.15	-41.69

**Referred to in our Report of even date**
**For T.N.Unni & Co.**  
**Chartered Accountants**  
**Firm Regn No. 004890C**
**T. N. Unni**  
**(Partner)**  
**Membership No.: 014520**
**Indore**
**Date : 30<sup>th</sup> May, 2014**

For and on behalf of the Board

**Manohar Lal Gupta**

Chairman

**Vinod Kumar Gupta**

Managing Director

**Govind Das Garg**

Whole Time Director

**Indore**
**Date : 30<sup>th</sup> May, 2014**
**Aradhana Kulkarni**

Company Secretary

**PARENTERAL DRUGS (INDIA) LIMITED**  
**REGD. OFFICE: 340, LAXMI PLAZA, LAXMI INDUSTRIAL ESTATE,**  
**NEW LINK ROAD, ANDHERI (WEST), MUMBAI-400 053**

**ATTENDANCE SLIP**

**(Please complete this attendance slip and hand it over at the entrance of the meeting hall)**

I/We hereby record my/our presence at the **30<sup>th</sup> Annual General Meeting** of the members of **PARENTERAL DRUGS (INDIA) LIMITED** held on Tuesday **30<sup>th</sup> September, 2014** at The Classique Club, Behind Infinity Mall, Link Road, Oshiwara, Andheri (West), Mumbai-400 053 at 9.30 A.M.

NAME(S) OF THE MEMBER(S)

REGISTERED FOLIO NO.

--	--

**Name of the Proxy (in block letters)**

**(To be filled in if the proxy attends instead of Member)**

--

**Member's / Proxy's Signature**

.....

**FORM No. MGT-11**  
**Proxy form**

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

CIN: L99999MH1983PLC126481

Name of the company: Parenteral Drugs (India) Limited

Registered office: 340, Laxmi Plaza, Laxmi Industrial Estate, New Link Road, Andheri (West), Mumbai-400 053, Maharashtra

<b>Name of the member(s):</b> _____
<b>Registered address:</b> _____
<b>E-mail Id:</b> _____
<b>Folio No./ Client Id:</b> _____ <b>DP ID:</b> _____

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

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

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 30<sup>th</sup> Annual General Meeting of the company, to be held on Tuesday, the 30<sup>th</sup> day of September, 2014 at 9:30 A.M. at The Classique Club, Behind Infinity Mall, Link Road, Oshiwara, Andheri (West), Mumbai-400 053 and at any adjournment thereof in respect of such resolutions as are indicated below:

<b>Resolution No.</b>	<b>Resolution</b>	<b>Tick(✓)</b>
1.	Consideration, approval and adoption of the Balance Sheet of the company as on 31 <sup>st</sup> March, 2014 and the Profit and Loss Account for the year ended on that date and the reports of the Directors' and the Statutory Auditors' thereon	
2.	Re-appointment of Shri Govind Das Garg, Whole-Time Director of the company, who is liable to retire by rotation and being eligible offers himself for re-appointment	
3.	Re-appointment of the Statutory Auditors of the Company to hold the office from the conclusion of ensuing Annual General Meeting till the conclusion of next Annual General Meeting of the company and to fix their remuneration	
4.	Appointment of Shri Dilip Kumar Sinha as Non-Executive Independent Director of the Company	
5.	Appointment of Shri Dharam Pal Khanna as Non-Executive Independent Director of the Company	
6.	Appointment of Shri Dilip Kumar Panchaity as Non-Executive Independent Director of the Company	
7.	Appointment of Shri Satish Chandra Consul as Non-Executive Independent Director of the Company	
8.	Ratification of remuneration of Cost Auditor of the Company	
9.	Re-appointment of Shri Govind Das Garg as Whole-Time Director of the Company	
10.	Adoption of new set of Articles of Association of the Company	
11.	Authority to create charge over the assets of the Company	
12.	Authority to the Board of Directors to borrow money	

Signed this \_\_\_\_\_ day of \_\_\_\_\_, 2014

\_\_\_\_\_  
**Signature of shareholder**

\_\_\_\_\_  
**Signature of Proxy holder(s)**

Affix  
Revenue  
Stamp

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. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in aggregate not more than ten percent 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 member.





To,

*If undelivered please return to :*



**PDIPL PARENTERAL DRUGS  
(INDIA) LIMITED**

Shree Ganesh Chambers, Navlakha Crossing,  
A.B. Road, Indore - 452 001 (M.P.) India