



ANNUAL REPORT 2010-11

MAKERS LABORATORIES LIMITED



Five Years' Highlights

(Rs. Lacs)

	2006-07	2007-08	2008-09	2009-10	2010-11
Total Income*	4427.65	4790.71	4233.22	4631.33	5421.27
Profit Before Tax	137.65	168.09	364.52	464.27	513.20
Profit After Tax	86.93	(20.36)	238.62	279.74	345.44
Share Capital	434.55	434.55	434.55	434.55	491.70
Reserves & Surplus	532.62	510.55	749.16	978.23	1552.12
Net Worth	967.17	945.10	1183.72	1412.78	2043.82
Net Block	640.82	311.60	308.37	620.29	1212.16
Earnings Per Share (Rs.)	2.00	(0.47)	5.49	6.44	7.03
Book Value per Share (Rs.)	22.26	21.75	27.24	32.51	41.57

* Net of Excise Duty and Sales Tax

BOARD OF DIRECTOS

K. C. Jain	-	Director
Sudarshan Loyalka	-	Director
Dr. Rajeshwar Singh	-	Director
Prashant Godha	-	Executive Director
Purnima Jain	-	Wholetime Director

AUDITORS

Agarwal & Mangal
Chartered Accountants
14/16, Papatwadi,
1st Floor, Kalbadevi Road,
Mumbai - 400 002.

BANKERS

Axis Bank Ltd.

REGISTERED AND ADMINISTRATIVE OFFICE

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

REGISTRAR & SHARE TRANSFER AGENT

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

WORKS

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

CONTENTS

Notice.....	3
Director’s Report.....	4
Report on Corporate Governance.....	12
Auditor’s Report.....	23
Annexure to Auditor’s Report.....	24
Balance Sheet.....	26
Profit and Loss Account.....	27
Cash Flow Statement.....	28
Schedules to the Accounts.....	29
Balance Sheet Abstract and Company’s General Business Profile.....	42
Attendance Slip/Proxy Form.....	End of the Report
Five Year’s Highlights.....	Inside Front Cover

NOTICE is hereby given that the 26th ANNUAL GENERAL MEETING of Makers Laboratories Limited will be held at Plot No. 47, Kandivli Industrial Estate, Opposite Anand Mangal Hall, Charkop, Kandivli (West), Mumbai- 400 067 on Wednesday, 10th August, 2011 at 4.00 p.m. to transact the following business.

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2011 and the Profit & Loss Account for the year ended on that date together with the Reports of the Directors and Auditors thereon.
2. To declare dividend on equity shares.
3. To appoint a Director in place of Dr. Rajeshwar Singh who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Mr. S. V. Loyalka who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint Auditors until the conclusion of the next Annual General Meeting and to fix their remuneration.

NOTES

- (1) A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES IN ORDER TO BE EFFECTIVE MUST BE RECEIVED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
- (2) The Register of Members and Share Transfer Books of the Company will remain closed from Tuesday, 2nd August, 2011 to Wednesday, 10th August, 2011, both days inclusive.
- (3) The dividend if sanctioned at the meeting will be paid to those Members, whose names appear in the Register of Members on 10th August, 2011 and to those beneficial owners whose names are provided by National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) as at the close of business hours on 1st August, 2011.
- (4) Members are requested to:
 - (a) intimate to the Company's Registrar & Transfer Agent, M/s Link Intime India Pvt. Ltd. / their Depository Participant ("DP"), changes, if any, in their registered address at an early date;
 - (b) quote their Registered Folio No. and/or DP Identity and Client Identity number in their correspondence; and
 - (c) bring their copy of the Annual Report and the Attendance Slip with them at the Annual General Meeting.
- (5) A brief note on Directors retiring by rotation and eligible for re-appointment is furnished in the Report on Corporate Governance.
- (6) All documents referred to in the notice are available for inspection by the members at the registered office of the Company on all working days till the date of the Annual General Meeting and shall also be placed before the members at the said Annual General Meeting.

Registered Office:

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

By Order of the Board
For **Makers Laboratories Limited**

Prashant Godha
Executive Director

Mumbai
20th May, 2011

DIRECTORS' REPORT

TO THE MEMBERS

Your Directors have pleasure in presenting the 26th Annual Report and Audited Accounts for the year ended 31st March, 2011.

FINANCIAL RESULTS

	For the year ended 31.3.2011 (Rs.Lacs)	For the year ended 31.3.2010 (Rs.Lacs)
Sales and other Income (net of excise duty & sales tax)	<u>5421.27</u>	<u>4631.33</u>
Profit before financial cost, Depreciation and taxation	648.06	527.95
Less: Financial Cost	64.40	45.74
Depreciation	70.46	17.94
Profit before tax	<u>513.20</u>	<u>464.27</u>
Less: Provision for taxation		
Current	150.00	181.00
Deferred	17.76	0.63
Less: Short Tax provision of earlier years	-	2.90
Net Profit after Tax	<u>345.44</u>	<u>279.74</u>
ADJUSTMENTS		
Balance of profit brought forward	252.43	123.36
Amount Available for Appropriation	<u>597.87</u>	<u>403.10</u>
APPROPRIATIONS		
General Reserve	300.00	100.00
Proposed Dividend	49.17	43.45
Tax on dividend	7.98	7.22
Balance carried forward to Balance Sheet	240.72	252.43
	<u>597.87</u>	<u>403.10</u>

Management Discussion and Analysis

a) Financial Performance and Operations Review

Sales and other income for the financial year under report amounted to Rs. 5421.27 lacs as compared with Rs. 4631.33 lacs for the previous year, a growth of 17%.

During the financial year under report, the Company has made a net profit after tax of Rs. 345.44 lacs as compared to a net profit after tax of Rs. 279.74 lacs in the previous financial year, a growth of 23%.

The Company is continuously adding new products and improving the distribution channel in the Indian market.

b) Merger of Harleystreet Pharmaceuticals Limited with the Company

Harleystreet Pharmaceuticals Ltd., a Company engaged in the manufacturing of pharmaceuticals, has merged with the Company pursuant to a Scheme of Amalgamation under Sections 391 to 394 of the Companies Act, 1956 sanctioned by the Hon'ble High Court of Judicature at Bombay vide order dated 25th March, 2011.

Please refer Note No. 4 to the accounts enclosed herewith for accounting treatment given for this merger in the Company's books of accounts. In view of this merger, the figures for the current year are not strictly comparable with that of previous year.

c) Opportunities, Threats, Risk and Concerns

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

d) Internal Control Systems

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

e) Human Resources

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

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

Your Company has 191 permanent employees as at 31st March, 2011.

f) Cautionary Statement

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

COMPLIANCE CERTIFICATE

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

DIVIDEND

Your directors are pleased to recommend a equity dividend of Re. 1/- per share (10%) for the financial year under report. The dividend will be tax free in the hands of the shareholders.

The dividend amounting to Rs. 49.17 lacs and dividend tax amounting to Rs. 7.98 lacs, if approved at the ensuing Annual General Meeting, will be appropriated out of the profits for the year.

DIRECTORS

Dr. Rajeshwar Singh and Mr. S. V. Loyalka retire as directors by rotation at the ensuing Annual General Meeting and, being eligible, offer themselves for re-appointment.

A brief note on Directors retiring by rotation and eligible for re-appointment is furnished in the Report on Corporate Governance.

DIRECTORS' RESPONSIBILITY STATEMENT

Your Directors confirm:

- i) that in the preparation of the annual accounts, the applicable accounting standards had been followed;
- ii) that the Directors had selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year ended 31st March, 2011 and of the profit of the Company for the year;
- iii) that the Directors had taken proper and sufficient care 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) that the Directors had prepared the annual accounts on a going concern basis.

CORPORATE GOVERNANCE

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

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

FIXED DEPOSITS

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

AUDITORS AND AUDIT REPORT

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

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

PARTICULARS OF EMPLOYEES

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

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

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

ACKNOWLEDGEMENTS

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

For and on behalf of the Board

Mumbai
20th May, 2011

K. C. Jain **Prashant Godha**
Director Executive Director

Annexure I

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

1. CONSERVATION OF ENERGY

(i) Energy conservation measures taken :

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

(ii) Additional investments and proposals being implemented for reduction of energy consumption :

Not Significant

(iii) Impact of the above measures :

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

(iv) A. Power and fuel Consumption:

	2010-11	2009-10
a) Electricity :		
(i) Purchased :		
Units (KWH)	1188740	364939
Total Amount (Rs. in lacs)	64.91	17.99
Rate / Unit (Rs.)	5.46	4.93
(ii) Own Generation :		
Through Diesel Generator		
Units (KWH)	41033	16990
Units per Ltr. Of Diesel Oil / LDO (KWH)	2.27	1.40
Cost of Diesel/LDO & others per KWH (Rs.)	19.13	26.3
b) Light Diesel Oil (LDO) :		
Quantity (K.Ltrs.)	133.351	123.704
Total Amount (Rs. in lacs)	58.98	45.09
Average Rate/Ltr. (Rs.)	44.23	36.45
c) Others (Rs. in lacs) :		
H.S. Diesel / Diesel	32.25	-

B. Consumption per unit of Production:

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

2. TECHNOLOGY ABSORPTION

Research & Development

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

None

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

None

(C) Future Plan of Action :

None

(D) Expenditure on R & D:

None

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

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

3. FOREIGN EXCHANGE EARNINGS AND OUTGO

None

For and on behalf of the Board

Mumbai
20th May, 2011

K. C. Jain
Director

Prashant Godha
Executive Director

CIN No:L24230MH1984PLC033389

Authorised Capital: *Rs. 6,00,00,000/-

Compliance Certificate

To,

The Members

MAKERS LABORATORIES LIMITED54 D, Kandivli Industrial Estate,
Kandivli (West), Mumbai 400 067

We have examined the registers, records, books and papers of **MAKERS LABORATORIES LIMITED** as required to be maintained under the Companies Act, 1956 (the Act) and the rules made thereunder and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended on **31st March, 2011**. In our opinion and to the best of our information and according to the examinations carried out by us and explanations furnished to us by the Company, its Officers and Agents, we certify that in respect of the aforesaid financial year:

1. The Company has kept and maintained the registers as stated in Annexure `A` to this certificate, as per the provisions of the Act and the rules made thereunder and the entries therein have been recorded.
2. The Company has filed the forms and returns as stated in Annexure `B` to this certificate, with the Registrar of Companies, Regional Director, Central Government, Company Law Board or other authorities within the time as mentioned in the said Annexure.
3. The Company being a Public Limited Company, comments that a Private Limited Company has minimum prescribed paid-up capital, maximum number of members, invitation to public to subscribe for shares and acceptance of deposits from persons other than its members, directors or their relatives, are not required.
4. The Board of Directors duly met 5 (Five) times on 20.05.2010, 31.05.2010, 12.08.2010, 28.10.2010 and on 31.01.2011 in respect of which meetings notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose. (No circular resolution was passed)
5. The Company closed its Register of Members from Thursday, 19.08.2010 to Friday, 27.08.2010 (both days inclusive) and necessary compliance of Section 154 of the Act has been made.
6. The annual general meeting for the financial year ended on 31st March, 2010 was held on 27.08.2010 after giving notice to the members of the company and the resolutions passed there at were duly recorded in Minutes Book maintained for the purpose.
7. No extra ordinary general meeting was held during the financial year.
8. The Company has not advanced any loan to its Directors and/ or persons or firms or companies referred to in the Section 295 of the Act during the financial year.
9. The Company has not entered into any contracts falling within the purview of Section 297 of the Act.
10. The company has made necessary entries in the register maintained under section 301 of the Act.
11. As there were no instances falling within the purview of Section 314 of the Act, the company has not obtained any approvals from the Board of Directors, members or the previous approval of the Central Government.
12. The company has not issued any duplicate share certificates during the financial year.
13. (i) *The Company has delivered all the certificates on lodgment thereof for transfer/transmission or any other purpose in accordance with the provisions of the Act. There was no allotment of securities during the year.

- (ii) The Company has deposited the amount of dividend declared in a separate bank account on 30th August, 2010 which is within five days from the date of declaration of such dividend.
 - (iii) The Company has posted warrants for dividends to all the members within the period of 30 days from the date of declaration of dividend and that all unclaimed /unpaid dividend has been transferred to Unpaid Dividend Account of the Company with Axis Bank, Mumbai-400053 on 1st October, 2010.
 - (iv) There are no unpaid dividends, application money due for refund, matured deposits, matured debentures or the interest accrued thereon which have remained unclaimed or unpaid for a period of seven years.
 - (v) The Company has complied with the requirements of section 217 of the Act.
14. The Board of Directors of the company is duly constituted. There was no appointment of additional directors, alternate directors and directors to fill casual vacancies during the financial year.
 15. The company has not appointed any Managing Director/Whole time Director/Manager during the Year.
 16. The Company has not appointed any sole selling agents during the financial year.
 17. *The Company was not required to obtain any approvals of the Central Government, Company Law Board, Regional Director, Registrar and/or such other authorities prescribed under the various provisions of the Act during the financial year.
 18. The directors have disclosed their interest in other firms/ companies to the Board of Directors pursuant to the provisions of the Act and the rules made thereunder.
 19. *The Company has not issued any shares, debentures or securities during the financial year.
 20. The Company has not bought back any shares during the financial year.
 21. There was no redemption of preference shares or debentures during the financial year.
 22. There were no transactions necessitating the company to keep in abeyance the rights to dividend, rights shares and bonus shares pending registration of transfer of shares.
 23. The Company has not invited/accepted any deposits including any unsecured loans falling within the purview of Section 58A during the financial year.
 24. The amount borrowed by the Company from financial institutions & banks during the financial year ending 31st March, 2011 is within the borrowing limits of the company.
 25. The company has made loans and investments or given guarantees or provided securities to other bodies corporate in compliance of the provisions of the Act and has made necessary entries in the register kept for the purpose.
 26. The Company has not altered the provisions of the Memorandum with respect to situation of the Company's registered office from one state to another during the year under scrutiny.
 27. The Company has not altered the provisions of the Memorandum with respect to the objects of the Company during the year under scrutiny.
 28. The Company has not altered the provisions of the Memorandum with respect to name of the Company during the year under scrutiny.
 29. *The Company has not altered the provisions of the Memorandum with respect to share capital of the Company during the year under scrutiny.

30. The Company has not altered its Articles of Association during the year under scrutiny.
31. There were no prosecution initiated against or show cause notices received by the Company and no fines or penalties or any other punishment was imposed on the company during the financial year, for offences under the Act.
32. The Company has not received any money as security from its employees during the financial year.
33. The Company has deposited both employees' and employer's contribution to Provident Fund with prescribed authorities pursuant to Section 418 of the Act.

For **Parikh Parekh & Associates**
Company Secretaries

J. U. Poojari
Partner
C. P. No. : 8187

Place : Mumbai
Date : 20.05.2011

***Note:**

Pursuant to scheme of amalgamation ('scheme') of the Harleystreet Pharmaceuticals Ltd (HPL) with the company Makers Laboratories Limited (MLL) under section 391 to 394 of the Companies Act, 1956 as sanctioned by the Honorable High Court of Judicature at Bombay vide its order dated 25th March 2011, the assets and liabilities of the said HPL were transferred to and vested in the Company with effect from the appointed date i.e. April 1, 2010. Accordingly, the scheme of amalgamation has been given effect to in these accounts.

MLL has credited to the Share Capital in its books of account, the aggregate face value of the New Equity Shares to be issued and allotted under the scheme to the equity shareholders of HPL.

571,440 Equity shares of MLL of Rupees 10/- each fully paid up are to be issued to the shareholders of HPL under the scheme of amalgamation, in the ratio of 6 fully paid up equity shares of Rs. 10/- each of MLL for every 10 fully paid up equity shares of Rs. 10/- each of HPL. The record date fixed for this purpose is 13th May 2011.

Annexure 'A'

Statutory Registers as maintained by the Company

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

Other Registers

1. Attendance Register of Board Meetings.
2. Attendance Register of Audit Committee Meetings.
3. Attendance Register of Shareholders' Greivance Committee Meetings.
4. Attendance Register of Remuneration Committee Meetings.
5. Attendance Register of General Meetings.

For **Parikh Parekh & Associates**
Company Secretaries

J. U. Poojari
Partner
C. P. No. : 8187

Place : Mumbai
Date : 20.05.2011

Annexure 'B'

Forms and Returns as filed by the Company with the Registrar of Companies during the financial year ended on March 31, 2011:

Sr. No.	Form No./Return	Filed under Section	For	Date of filing	Whether filed within prescribed time Yes/No	If delay in filing whether requisite additional fee paid. Yes/No
1.	Form 62	205C	Quarterly Return on IEPF for quarter ended 31.03.2010	13.04.2010	Yes	N.A.
2.	Form 8	125	Modification of Charge on 19.05.2010 Charge Identification Number- 90230038	11.06.2010	Yes	N.A
3.	Form 62	205C	Quarterly Return on IEPF for quarter ended 30.06.2010	22.07.2010	Yes	N.A.
4.	Form 66	383A	Compliance Certificate for the year ended 31.03.2010	17.09.2010	Yes	N.A.
5.	Form 23 AC & Form 23ACA alongwith Annual Report for the year ended 31.03.2010	220	Approved at the Annual General Meeting held on 27.08.2010	18.09.2010	Yes	N.A.
6.	Form 20B alongwith Annual Return made as on 27.08.2010	159	Annual General Meeting held on 27.08.2010	12.10.2010	Yes	N.A.
7.	Form 62	205C	Quarterly Return on IEPF for quarter ended 30.09.2010	20.10.2010	Yes	N.A.
8.	Form 62	205C	Quarterly Return on IEPF for quarter ended 31.12.2010	15.01.2011	Yes	N.A.
9.	Form 8	125	Modification of Charge on 24.12.2010 Charge Identification Number- 90230038	20.01.2011	Yes	N.A

For **Parikh Parekh & Associates**
Company Secretaries

J. U. Poojari
Partner
C. P. No.: 8187

Place : Mumbai
Date : 20.05.2011

REPORT ON CORPORATE GOVERNANCE

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

A. MANDATORY REQUIREMENTS

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

2. Board of Directors

The present strength of the Board of Directors of the Company is 5 directors of which 1 Director is a Promoter Executive Director, 1 professional Non-Promoter Wholetime Director and 3 Directors who are Non-Executive Independent Directors with independent judgement in the deliberation and decisions of the board.

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

5 (Five) Board Meetings were held during the Financial Year 2010-11. The date on which the said meetings were held are as follows:

20 th May, 2010	12 th August, 2010	31 st January, 2011
31 st May, 2010	28 th October, 2010	

- The last Annual General Meeting of the Company was held on 27th August, 2010.

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

Name of the Director	Category	No. of board meetings attended	Attendance at last AGM	No. of Equity shares held in the Co.
Mr. K. C. Jain	Non-Executive Independent Director	5	Yes	Nil
Mr. S. V. Loyalka	Non-Executive Independent Director	5	Yes	Nil
Mr. Prashant Godha	Promoter, Executive Director	4	Yes	1,09,375
Dr. Rajeshwar Singh	Non-Executive Independent Director	3	No	Nil
Ms. Purnima Jain	Executive, Non Independent Director	5	Yes	1,075

*The above shareholding as at 31st March, 2011 is in respect of shares which are held by Directors as a first holder and in which shares they have beneficial interest

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

Name of Director	No. of other public limited Companies in which Director	No. of Committees in which Member (other than Makers)	No. of Committees of which he is Chairman (other than Makers)
Mr. K. C. Jain	None	None	None
Mr. S. V. Loyalka	2	None	None
Mr. Prashant Godha	None	None	None
Dr. Rajeshwar Singh	None	None	None
Ms. Purnima Jain	None	None	None

Directorship held by Directors mentioned above does not include Directorship of private limited companies.

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

None of the Directors on the Board is a member of more than 10 committees and Chairman of more than 5 committees across all the companies in which they are Directors. All the Directors have made necessary disclosures in this regard to the Company.

The Company has not entered into any materially significant transactions during the year under report with promoters, directors, senior management staff, etc. other than the transactions entered into in the normal course of Company's business.

- **Code of Conduct**

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

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

Dr. Rajeshwar Singh

Dr. Rajeshwar Singh aged 73 years is a Non-Executive independent Director of the Company since May 2004. He has a degree in Veterinary Medicine/ Medical Sciences. Dr Singh has worked with several multinational companies like Pfizer, Roussel Pharmaceuticals, Warner Hindustan and also with J Walter Thompson, an international advertising agency. Since 1976, he is running his independent consultancy firm. He has a vast experience of nearly 48 years in the pharmaceutical industry. He was also the consulting Editor of Express Pharma Pulse.

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

Mr. S. V. Loyalka

Mr. S V Loyalka aged 64 years is the Director of your Company since April, 1988. He holds a Bachelor of Science degree in Mechanical Engineering (USA), Bachelor of Science in Industrial Engineering (USA) and Diploma in Publishing (USA).

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

He does not hold any equity shares in the Company.

He is also Director of the following companies:

1	Vasant Investment Corporation Ltd.	2	Ruby Trading Co. Pvt. Ltd.
3	The Colaba Land & Mill Co. Ltd.	4	Bharat Estates Pvt. Ltd.
5	Magudee Trading & Invt. Pvt. Ltd.		

3. Audit Committee

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

The Audit Committee of the Company comprises of Mr. K. C. Jain, Chairman of the Committee, Dr. Rajeshwar Singh and Mr. S. V. Loyalka, all being Independent Directors with independent judgement in the deliberation and decisions of the Board as well as Audit Committee. The Executive Director who is in-charge of Finance function of the Company along with Statutory Auditors are invitees to the meetings of the Audit Committee. The terms of Reference to this Committee, inter-alia, covers all the matters specified under Section 292 (A) of the Companies Act, 1956 and also all the matters listed under Clause 49 of the Listing Agreement with Stock Exchanges.

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

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

Audit Committee meetings and the attendance during the financial year 2010-11.

There were 5 (five) meetings of the Audit Committee during the Financial Year 2010-11 as under:

20 th May, 2010	12 th August, 2010	31 st January, 2011
31 st May, 2010	28 th October, 2010	

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

Name of the Director	No. of meetings held	No. of meetings attended
Mr. K. C. Jain	5	5
Mr. S. V. Loyalka	5	5
Dr. Rajeshwar Singh	5	3

4. Remuneration Committee

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

There were 2 (two) meetings of the Remuneration Committee during the Financial Year 2010-11 as under:

31 st May, 2010	28 th October, 2010
----------------------------	--------------------------------

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

Name of the Director	No. of meetings held	No. of meetings attended
Mr. K. C. Jain	2	2
Mr. S. V. Loyalka	2	2
Dr. Rajeshwar Singh	2	1

- A) The details of the remuneration paid to Executive and Whole time Director for the Financial Year 2010-11 is given below :

(Rs. lacs)

Name of the Director	Designation	Salary	Benefits and Perquisites	Commission	Total
Mr. Prashant Godha	Executive Director	19.80	14.59	Nil	34.39
Ms. Purnima Jain	Whole time Director	10.73	6.02	Nil	16.75

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

The appointment of Executive Director and Whole-time Director is contractual and is generally for a period of 5 years. The Company has entered into agreement with Mr. Prashant Godha on 29th April, 2009 which is valid upto 19th May, 2014 and with Ms. Purnima Jain on 30th October 2006 which is valid upto 29th October, 2011. Either party is entitled to terminate the agreement by giving not less than one month notice in writing to the other party.

- B) The Non-Executive Directors do not draw any remuneration from the Company. The Non-Executive Directors are entitled only to the sitting fees for every meeting of the Board and Committee thereof attended by them. Details of sitting fees payment made to the Non-Executive Directors in the Financial Year 2010-11 are as under :

Name of the Director	Sitting fees Paid (Rs)	Commission paid (Rs)
Mr. K. C. Jain	52,000	Nil
Mr. S. V. Loyalka	46,000	Nil
Dr Rajeshwar Singh	30,000	Nil

5. Shareholders / Investors Grievance Committee

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

The Shareholders / Investors Grievance Committee comprises of Mr. K. C. Jain, Chairman of the Committee, Dr. Rajeshwar Singh, the Non-Executive Independent Director and Mr. Prashant Godha, Executive Director. Mr. Prashant Godha is also the Compliance Officer of the Company.

There were 2 (two) meetings of the Shareholders/Investor Grievance Committee during the Financial Year 2010-11 as under:

31 st May, 2010	31 st January, 2011
----------------------------	--------------------------------

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

Name of the Director	No. of meetings held	No. of meetings attended
Mr. K. C. Jain	2	2
Dr. Rajeshwar Singh	2	1
Mr. Prashant Godha	2	2

During the year, the Company received 23 complaints from the shareholders all of which are attended to. The Company had no unattended cases pending for transfer of its equity shares at the close of the financial year.

6. General Body Meetings

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

AGM for the financial year ended	Date & time of AGM	Special Resolution passed
31st March, 2010	Friday, 27 th August, 2010 at 4.00 p.m.	1. None
31 st March, 2009	Friday, 21 st August, 2009 at 11.00 a.m.	2. Increase in the Remuneration payable to Ms. Purnima Jain 3. Reappointment of Mr. Prashant Godha as the Executive Director for further period of 5 years and remuneration payable to him
31 st March, 2008	Friday, 22 nd August, 2008 at 4.00 p.m.	None

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

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

7. Disclosures

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

None

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

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

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

None

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

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

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

8. Means of Communication

- Quarterly Results : The results of the Company are published in the Newspapers.
- Newspapers in which results are generally published : The Free Press Journal and Nav Shakti.
- Website, where displayed : The Company does not have its own website
- Whether website also displays official news releases; : N.A.
- Presentation made to institutional investors or to the analysts : Presentations were not made to institutional investors or analysts during the financial year 2010-11

9. Shareholders Information

- AGM : Date, Time and Venue : Wednesday, 10th August, 2011 at 4.00 p.m at Plot No.47, Kandivli Industrial Estate, Opposite Anand Mangal Hall, Charkop, Kandivli (West), Mumbai- 400 067
- Financial calendar : *1st April –31st March
- First quarter results : *31st July
- Second quarter results : *30th October
- Third quarter results : *31st January
- Annual results : *30th May
* Tentative
- Date of Book closure : Tuesday, 2nd August, 2011 to Wednesday, 10th August, 2011 (both days inclusive)
- Dividend Payment dates(s) : It is now proposed to declare dividend of Re. 1/- per share (10%) on equity share capital for the financial year 2010-11 which if sanctioned will be paid on or before 31st August, 2011.
- Listing on Stock Exchanges : Bombay Stock Exchange Ltd. (BSE) and the Ahmedabad Stock Exchange Ltd. (ASE).
: Listing fees have been paid to both the Stock Exchanges for the financial year 2011-12 in April, 2011. The fees of the depositories for the financial year 2011-12 is also paid in April, 2011.
- Corporate Identity Number allotted by Ministry of Corporate Affairs : L24230MH1984PLC033389
- Stock code – Physical : 506919 on BSE, 35210 on ASE
ISIN Number for NSDL & CDSL : INE 987A01010
- Market price date : High, Low during each month in last financial year : Please see Annexure 'A'

Stock performance in comparison to BSE sensex	: Please see Annexure 'B'
Registrars and Share Transfer Agents	: Link Intime India Pvt. Ltd. C-13, Pannalal Silks Mills Compound L B S Marg, Bhandup (W) Mumbai 400 078 Tel. No. (022) 2596 3838 Fax no. (022) 2596 2691
Share Transfer system	: All share transfers, subject to correctness and completion of all documents would normally be registered and returned within 2 weeks from the date of receipt.
Distribution of shareholding/ shareholding pattern as on 31.3.2011	: Please see Annexure 'C'
Dematerialisation of shares and liquidity	: 63.47% of the paid-up share capital has been dematerialised as on 31st March, 2011.
Outstanding GDRs/ADRs/warrants/ convertible instruments etc	: Not applicable since none of the said instruments are ever issued.
Plant Location	: Dombivali, (Thane Dist), Maharashtra GIDC, Naroda, Ahmedabad
Share Transfer and other communications may be addressed to the Registrars and Share Transfer Agents	: Link Intime India Pvt. Ltd. C-13, Pannalal Silks Mills Compound L B S Marg, Bhandup (W) Mumbai 400 078 Tel. No. (022) 2596 3838 Fax no. (022) 2596 2691
Investors complaint may be addressed to	: Mr. Prashant Godha - Executive Director Makers Laboratories Limited 54D, Kandivli Industrial Estate Kandivli (W), Mumbai 400 067 E-mail: makerslab@rediffmail.com Tel (022) 6111 2800 Fax (022) 6111 2835

Annexure A

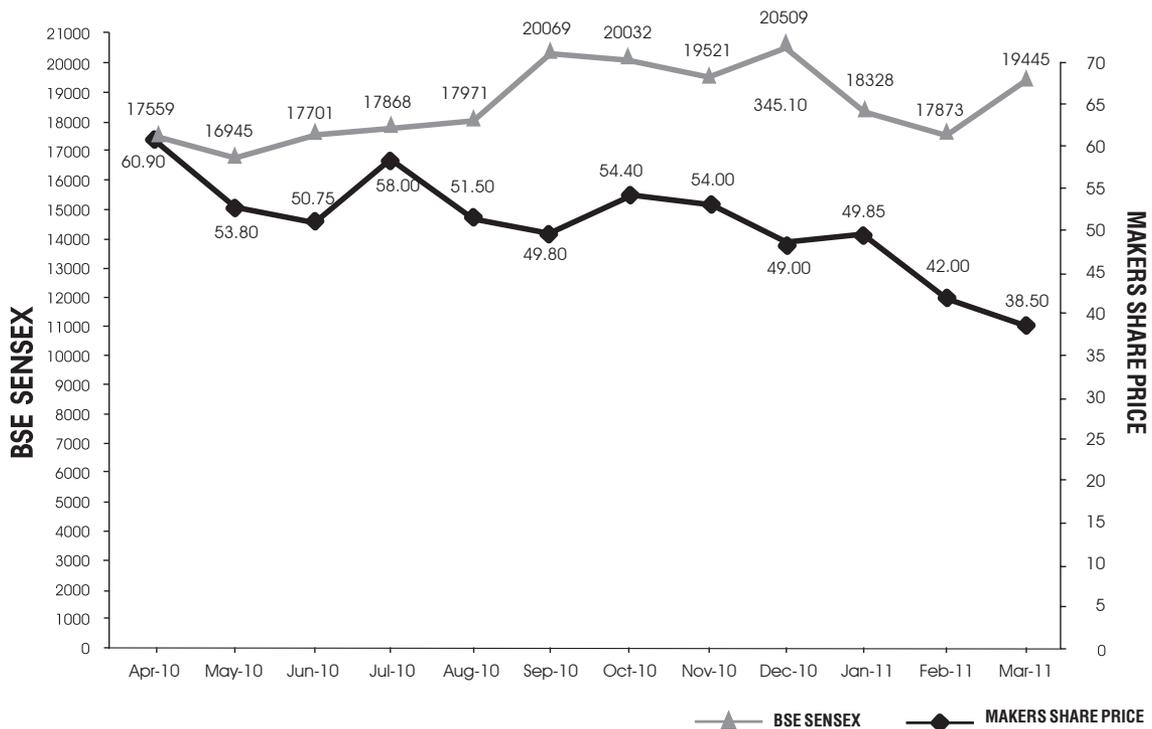
High/Low of Market price of the Company's shares traded on The Stock Exchange, Mumbai during the financial year 2010-11 is furnished below:

Year	Month	Highest (Rs.)	Lowest (Rs)	
2010	April	60.90	41.05	
	May	53.80	41.00	
	June	50.75	42.60	
	July	58.00	42.70	
	August	51.50	41.00	
	September	49.80	41.55	
	October	54.40	39.75	
	November	54.00	40.10	
	December	49.00	39.10	
	2011	January	49.85	39.30
		February	42.00	31.60
		March	38.50	29.35

Annexure B

Graph of Share Price/ BSE Sensex

BSE Sensex / Share Price



Annexure C

The distribution of shareholding as on 31st March, 2011 is as follows :

No. of equity shares held			No. of shareholders	%	No. of shares	%
Upto		500	2841	82.80	517147	11.90
501	to	1000	318	9.27	255913	5.89
1001	to	2000	128	3.73	196085	4.51
2001	to	3000	58	1.69	142966	3.29
3001	to	4000	20	0.58	70863	1.63
4001	to	5000	19	0.56	88946	2.05
5001	to	10000	23	0.67	162213	3.73
10001	&	above	24	0.70	2911407	67.00
Grand Total			3431	100.00	4345540	100.00
No. of shareholders in Physical Mode			969	28.24	1587273	36.53
No. of shareholders in Electronic Mode			2462	71.76	2758267	63.47

Shareholding pattern as on 31st March, 2011 is as follows :

Category	No. of shareholders	No. of shares	% holding
Indian Promoters	7	392895	9.04
Banks and Insurance Companies	1	100	0.00
UTI and Mutual Funds	0	0	0.00
FII's and NRI's	13	16714	0.38
Domestic Companies	101	2341703	53.89
Resident Individuals	3308	1594128	36.69
Total	3430	4345540	100.00

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To,
The Members of

MAKERS LABORATORIES LIMITED

1. We have examined the compliance of conditions of Corporate Governance by MAKERS LABORATORIES LIMITED for the period ended on 31st March, 2011 as stipulated in clause 49 of the Listing Agreement of the said Company with stock exchanges.
2. The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
3. In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has generally complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.
4. We state that no Investor grievance is pending for a period exceeding one month against the Company as per the records and other documents maintained by the Shareholders/Investors Grievance Committee.
5. We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the company.

For **Agarwal & Mangal**
Chartered Accountants
Firm Reg. No. 100061W

B. P. MANGAL
Partner
Membership No. 32973

Place : Mumbai
Dated : 20th May, 2011

To,
All the Members of
Makers Laboratories Ltd.

It is hereby certified and confirmed that as provided in Clause 49 I (D) of the listing agreement with the stock exchanges, the Board members and the Senior Management personnel of the Company have affirmed compliance with the Code of Conduct of the Company for the financial year ended 31st March, 2011.

For **Makers Laboratories Limited**

Mumbai,
May 20, 2011

Prashant Godha
Executive Director / CEO

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

CEO/CFO CERTIFICATION

I hereby certify that:

- (a) I have reviewed financial statements and the cash flow statement for the year ended 31st March, 2011 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) No transaction is entered into by the company during the year which is fraudulent, illegal or violative of the Company's code of conduct.
- (c) I accept responsibility for establishing and maintaining internal controls for financial reporting and that I have evaluated the effectiveness of the internal control systems 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 was 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:
 - i. significant changes in internal control over financial reporting during the year;
 - ii. significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - iii. instances of significant fraud of which 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.

For **Makers Laboratories Limited**

Mumbai,
May 20, 2011

Prashant Godha
Executive Director / CEO / CFO

AUDITOR'S REPORT**TO THE MEMBERS OF
MAKERS LABORATORIES LIMITED**

1. We have audited the Balance Sheet of **MAKERS LABORATORIES LIMITED** as at 31st March, 2011 and the Profit and Loss Account and the Cash Flow Statement of the Company for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 (as amended) issued by the Central Government of India in terms of Section 227 (4A) of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred in paragraph 3 above, we report that :
 - (a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of the books.
 - (c) The Balance Sheet and the Profit and Loss Account dealt with by this report are in agreement with the books of accounts.
 - (d) In our opinion, the Balance Sheet and the Profit & Loss Account dealt with by this report comply with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956.
 - (e) On the basis of the written representations received from the Directors as on 31st March, 2011, and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on 31st March, 2011 from being appointed as a Director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956.
 - (f) In our opinion and to the best of our information and according to the explanations given to us, the accounts read with the Notes thereon, give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view, in conformity with the accounting principles generally accepted in India :
 - (i) in the case of the Balance Sheet of the state of affairs of the Company as at 31st March, 2011 ;
 - (ii) in the case of the Profit and Loss Account of the Profit for the year ended on that date; and
 - (iii) in the case of the Cash Flow Statement of the Cash Flows for the year ended on that date.

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

B. P. MANGAL
Partner
Membership No. 32973

Mumbai
20th May, 2011

Annexure referred to in paragraph 3 of our audit report of even date,

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) All the fixed assets of the Company have been physically verified by the management at reasonable intervals. No material discrepancies were noticed on such verification. In our opinion, having regard to size of the Company and the nature of its business, the frequency of verification is reasonable.
- (c) During the year, the Company has not disposed off substantial part of the Fixed Assets.
- (ii) (a) The inventory of the Company has been physically verified at reasonable intervals during the year by the management. In our opinion, the frequency of verification is reasonable.
- (b) The procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) On the basis of our examination of the records of inventory, we are of the opinion that the Company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical records and the book records were not material.
- (iii) (a) The Company has granted loans to four Companies covered in the register maintained under Section 301 of the Companies Act, 1956. The maximum amount involved during the year was Rs. 9.15 Crores and the year end balance of loan granted to such Companies was Rs. 3.76 Crores. In our opinion, the rate of interest and other terms and conditions of such loans are prima facie not prejudicial to the interests of the Company. The principal amount is not due for repayment and the interest charged is being received in time and there are no overdue amount of interest. There is no over due amount in excess of Rupees One Lac in respect of the loans granted to the companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956.
- (b) The Company has not taken any loans from companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956. Consequently, clause (iii) (f) and (iii) (g) of the Order are not applicable.
- (iv) In our opinion and according to the information and explanations given to us, there are 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 our audit, no major weakness was noticed in the internal control system.
- (v) (a) Based on the audit procedures applied by us and according to the information and explanations provided by the management, we are of the opinion that the particulars of contracts or arrangements referred to Section 301 of the Companies Act, 1956 have been so entered in the register required to be maintained under the said section.
- (b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained under Section 301 of the Companies Act, 1956 and exceeding the value of five lakh rupees in respect of any party during the year have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.
- (vi) The Company has not accepted any deposits from the public within the meaning of Section 58A and 58AA of the Act and the rules framed thereunder.
- (vii) In our opinion, the Company has an internal audit system commensurate with the size and the nature of its business.
- (viii) According to the records produced and information given to us, the cost records and accounts as prescribed by the Central Govt. under Section 209 (1) (d) of the Companies Act, 1956 have been made and maintained by the Company but no examination of such records and accounts have been carried out by us.

- (ix) (a) According to the records of the Company, the Company is regular in depositing with the appropriate authorities undisputed statutory dues including provident fund, investor education and protection fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, customs duty, excise duty, cess and other statutory dues applicable to it. According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, wealth tax, sales tax, service tax, customs duty, excise duty and cess were outstanding as at 31st March, 2011 for a period of more than six months from the date they became payable.
- (b) As at 31st March, 2011, there have been no disputed dues which have not been deposited with the respective authorities in respect of Income Tax, Wealth Tax, Sales Tax, Service Tax and Cess.
- (x) The Company does not have accumulated losses as on 31st March, 2011. The Company has not incurred any cash losses during the financial year covered by our audit and the immediately preceding financial year.
- (xi) Based on our audit procedures and on the basis of the information and explanations given by the management, the Company has not defaulted in repayment of dues to bank. The Company has not taken any loan from financial institutions. Further, no loan has been taken by way of issuance of debentures.
- (xii) According to the information and explanations given to us and based on the documents and records produced to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) In our opinion, the Company is not a chit fund or a nidhi / mutual benefit fund / society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
- (xiv) In our opinion, the Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
- (xv) In our opinion and according to the information and explanations given to us, the terms and conditions of the guarantees given by the Company, for loans taken by others from banks or financial institutions during the year, are not prejudicial to the interest of the Company.
- (xvi) Based on our examination of records and information and explanations given to us, we are of the opinion that the term loans were applied for the purpose for which the loans were obtained.
- (xvii) On the basis of overall examination of the balance sheet of the Company, in our opinion and according to the information and explanations given to us, there are no funds raised on a short-term basis which have been used for long-term investment.
- (xviii) During the year, the Company has not made any preferential allotment of shares to parties and companies covered in the Register maintained under Section 301 of the Companies Act, 1956.
- (xix) The Company has not issued any debentures during the year.
- (xx) The Company has not raised any money through public issue during the year.
- (xxi) Based on the information and explanations furnished by the management, which have been relied upon by us, there were no fraud on or by the Company noticed or reported during the year.

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

B. P. MANGAL
Partner
Membership No. 32973

Mumbai
20th May, 2011

BALANCE SHEET AS AT 31ST MARCH, 2011

	Schedule	31 st March, 2011		31 st March, 2010	
		Rupees	Rupees	Rupees	Rupees
SOURCES OF FUNDS					
Shareholders' Funds					
Share Capital	1	4,91,69,800		4,34,55,400	
Reserves and Surplus	2	<u>15,52,12,330</u>	<u>20,43,82,130</u>	<u>9,78,23,092</u>	14,12,78,492
Loan Funds					
Secured Loans	3	<u>11,44,72,344</u>		10,53,83,773	
Unsecured Loans	3	<u>99,70,000</u>	<u>12,44,42,344</u>	<u>1,04,20,000</u>	11,58,03,773
Deferred Tax Liability (Net)	4		<u>59,78,000</u>		27,55,000
			<u><u>33,48,02,474</u></u>		<u><u>25,98,37,265</u></u>
APPLICATION OF FUNDS					
Fixed Assets					
Gross Block	5	<u>17,35,35,906</u>		7,39,86,656	
Less: Depreciation		<u>5,23,19,547</u>		<u>1,19,57,256</u>	
Net Block		<u>12,12,16,359</u>		6,20,29,400	
Add: Capital Advances		<u>31,70,872</u>	<u>12,43,87,231</u>	<u>12,34,969</u>	6,32,64,369
Investments	6		<u>4,59,93,634</u>		4,40,12,557
Current Assets, Loans and Advances					
Interest Accrued on Investments		<u>6,010</u>		6,010	
Inventories	7	<u>7,89,03,146</u>		7,79,02,312	
Sundry Debtors	8	<u>7,14,99,647</u>		6,73,96,183	
Cash and Bank Balances	9	<u>78,61,096</u>		9,62,618	
Loans and Advances	10	<u>5,48,87,035</u>		<u>5,22,73,200</u>	
	(i)	<u>21,31,56,934</u>		19,85,40,323	
Less : Current Liabilities and Provisions					
Current Liabilities	11	<u>4,02,22,679</u>		3,72,91,950	
Provisions	11	<u>85,12,646</u>		<u>86,88,034</u>	
	(ii)	<u>4,87,35,325</u>		4,59,79,984	
Net Current Assets (i - ii)			<u><u>16,44,21,609</u></u>		15,25,60,339
			<u><u>33,48,02,474</u></u>		<u><u>25,98,37,265</u></u>
Significant Accounting Policies and					
Notes to the Accounts					
	18				

As per our Report of even date attached

For **AGARWAL & MANGAL**

Chartered Accountants

Firm Reg. No. 100061W

B. P. MANGAL

Partner

Membership No.32973

Mumbai,

20th May, 2011

For and on behalf of the Board

Prashant Godha - Executive Director

Purnima Jain - Wholetime Director

K. C. Jain - Director

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2011

	Schedule	2010 - 2011		2009 - 2010	
		Rupees	Rupees	Rupees	Rupees
INCOME					
Sales:			49,22,75,966		47,15,78,563
Less: Excise Duty		1,46,07,268		1,25,99,120	
Sales Tax		2,18,95,807	3,65,03,075	1,93,89,615	3,19,88,735
Net Sales			45,57,72,891		43,95,89,828
Income from Operations	12	8,46,62,518		2,30,66,206	
Other Income	13	16,91,739	8,63,54,257	4,76,584	2,35,42,790
			54,21,27,148		46,31,32,618
EXPENDITURE					
Material Cost and Inventory Adjustments	14	33,11,60,655		31,11,41,103	
Personnel Cost	15	5,28,35,049		2,97,67,587	
Manufacturing and Other Expenses	16	9,33,26,078		6,94,28,750	
Financial Cost	17	64,40,166		45,74,085	
Depreciation	5	70,45,604	49,08,07,552	17,94,294	41,67,05,819
PROFIT BEFORE TAXATION			5,13,19,596		4,64,26,799
Less:- Provision for Taxation					
- Current Tax		1,50,00,000		1,81,00,000	
- Deferred Tax (net)		17,76,000		63,000	
- Tax Provision for earlier years		(780)	1,67,75,220	2,89,742	1,84,52,742
PROFIT AFTER TAXATION			3,45,44,376		2,79,74,057
- Balance of Profit brought forward			2,52,42,712		1,23,35,935
AMOUNT AVAILABLE FOR APPROPRIATION			5,97,87,088		4,03,09,992
APPROPRIATIONS					
- General Reserves			3,00,00,000		1,00,00,000
- Proposed Dividend			49,16,980		43,45,540
- Tax on Dividend			7,97,657		7,21,740
- Balance carried forward to Balance Sheet			2,40,72,451		2,52,42,712
			5,97,87,088		4,03,09,992
Earnings Per Share (In Rupees)					
(Nominal value of each share Rs. 10/-)					
Basic and Diluted			7.03		6.44
Significant Accounting Policies and Notes to the Accounts					
	18				

As per our Report of even date attached

For **AGARWAL & MANGAL**

Chartered Accountants

Firm Reg. No. 100061W

B. P. MANGAL

Partner

Membership No.32973

Mumbai,

20th May, 2011

For and on behalf of the Board

Prashant Godha - Executive Director

Purnima Jain - Wholetime Director

K. C. Jain - Director

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2011

	2010 - 2011		2009 - 2010	
	Rupees	Rupees	Rupees	Rupees
A Cash Flow from Operating activities				
Net Profit Before Tax		5,13,19,596		4,64,26,799
Adjustments for:				
Depreciation	70,45,604		17,94,294	
Provision for Leave Encashment	(1,43,914)		4,25,117	
Provision for Gratuity	-		10,64,697	
Provision for Leave Travel Allowance	3,20,336		92,945	
Assets Scrapped	2,00,619		-	
Bad Debts Written off	5,29,177		12,54,271	
Loss on Sale of Assets	45,768		5,27,057	
Profit on Sale of Assets	(45,652)		(33,828)	
Provision for Diminution in the value of Investments	-		46,53,821	
Dividend Income	(3,22,440)		(2,83,448)	
Interest Income	(31,82,886)		(22,86,742)	
Interest Expense	93,32,735	1,37,79,347	62,88,042	1,34,96,226
Operating profit before Working Capital Changes		6,50,98,943		5,99,23,025
Working Capital Changes:				
(Increase) / Decrease in Inventories	16,41,818		(90,75,620)	
(Increase) / Decrease in Sundry Debtors and Advances	1,09,56,068		(4,72,44,154)	
Increase / (Decrease) in Short Term Borrowings	1,57,12,059		1,94,41,638	
Increase / (Decrease) in Trade Payables	(1,33,04,231)	1,50,05,714	25,91,097	(3,42,87,039)
Cash Generated from Operations		8,01,04,657		2,56,35,986
Gratuity contribution to LIC	(13,66,737)		(5,32,317)	
Income Tax paid	(1,84,45,180)	(1,98,11,917)	(1,55,83,269)	(1,61,15,586)
Net Cash Flow from Operating activities - I		6,02,92,740		95,20,400
B Cash Flow for Investing Activities :				
Purchase of Fixed Assets	(3,57,40,373)		(2,75,07,047)	
Purchase of Investment	(11,77,072)		-	
Proceeds from Sale of Assets	2,47,088		4,88,286	
Dividend Received	3,22,440		2,83,448	
Net Cash Flow for Investing activities - II		(3,63,47,917)		(2,67,35,313)
Cash Flow after Investing activities - III = (I - II)		2,39,44,823		(1,72,14,913)
C Cash Flow from Financing activities				
Increase/ (Decrease) in Long Term Borrowings	(70,73,488)		2,12,65,000	
Dividend Paid	(61,77,862)		-	
Interest Received	31,82,886		22,86,742	
Interest Paid	(93,32,735)		(62,88,042)	
Net Cash flow from Financing activities - IV		(1,94,01,199)		1,72,63,700
Net Cash flow after financing activities - V = (III + IV)		45,43,624		48,787
Opening Cash and Cash equivalents	9,62,618		9,13,831	
Add: - Cash and Cash equivalents received on amalgamation	23,54,854		-	
Closing Cash and Cash equivalents	78,61,096		9,62,618	
Net Increase / (Decrease) in Cash & Cash Equivalents		45,43,624		48,787

Note: - The above Cash Flow does not take into effect the Amalgamation of the Harleystreet Pharmaceuticals Limited since it is a non-cash transaction.

As per our Report of even date attached

For **AGARWAL & MANGAL**

Chartered Accountants

Firm Reg. No. 100061W

B. P. MANGAL

Partner

Membership No.32973

Mumbai,

20th May, 2011

For and on behalf of the Board

Prashant Godha - Executive Director

Purnima Jain - Wholetime Director

K. C. Jain - Director

SCHEDULES TO THE ACCOUNTS

Schedules 1 to 18 forming part of the Balance Sheet as at 31st March, 2011 and Profit and Loss Account for the year ended 31st March, 2011.

	31.03.2011		31.03.2010	
	Rupees	Rupees	Rupees	Rupees
SCHEDULE 1				
SHARE CAPITAL				
Authorised :				
75,00,000 Equity Shares of Rs.10/- each. (P. Y. 60,00,000 Equity Shares of Rs. 10/- each)		<u>7,50,00,000</u>		<u>6,00,00,000</u>
Issued, Subscribed and Paid-up :				
49,16,980 Equity Shares of Rs.10/- each fully paid-up. (P. Y. 43,45,540 Equity Shares of Rs. 10/- each fully paid-up)		<u>4,91,69,800</u>		<u>4,34,55,400</u>
PER BALANCE SHEET		<u>4,91,69,800</u>		<u>4,34,55,400</u>
Of the above :				
3,02,700 Equity Shares of Rs.10/- each allotted as fully paid-up to the shareholders of erstwhile Makers Drugs & Food Products Ltd., pursuant to the Scheme of Amalgamation.				
5,71,440 Equity Shares of Rs.10/- each being allotted as fully paid-up to the shareholders of Harleystreet Pharmaceuticals Ltd pursuant to the Scheme of Amalgamation.				
As per the Scheme of Amalgamation, the Authorised Share Capital of Harleystreet Pharmaceuticals Ltd of Rs. 1,50,00,000/- is combined with the Authorised Share Capital of the Company.				
SCHEDULE 2				
RESERVES AND SURPLUS				
Capital Reserve				
Per last Balance Sheet		17,16,530		17,16,530
Addition on Amalgamation of Harleystreet Pharmaceuticals Ltd		<u>2,85,59,499</u>		
		3,02,76,029		
Share Premium Account				
Per Last Balance Sheet		1,08,63,850		1,08,63,850
General Reserve				
Per last Balance Sheet		6,00,00,000	5,00,00,000	
Add: Transferred from Profit and Loss Account		<u>3,00,00,000</u>	<u>1,00,00,000</u>	6,00,00,000
		2,40,72,451		2,52,42,712
Profit and Loss Account				
		<u>15,52,12,330</u>		<u>9,78,23,092</u>
PER BALANCE SHEET				
SCHEDULE 3				
LOAN FUNDS				
a) Secured Loans				
Demand Cash Credit from AXIS Bank Ltd		10,04,95,832		8,47,83,773
Term Loan from AXIS Bank Ltd		<u>1,39,76,512</u>		<u>2,06,00,000</u>
PER BALANCE SHEET (Refer Note No.8)		<u>11,44,72,344</u>		<u>10,53,83,773</u>
b) Unsecured Loans				
Dealers Deposits		99,45,000		1,03,95,000
Other Deposits		<u>25,000</u>		<u>25,000</u>
PER BALANCE SHEET		<u>99,70,000</u>		<u>1,04,20,000</u>
SCHEDULE 4				
DEFERRED TAX LIABILITY (Net)				
Deferred Tax Liability :				
- On Depreciation of Fixed Assets		66,52,000		34,71,000
Less : Deferred Tax Asset :				
- On Provision for Gratuity		-		(1,00,000)
- On Provision for Leave Encashment		<u>(6,74,000)</u>		<u>(6,16,000)</u>
PER BALANCE SHEET		<u>59,78,000</u>		<u>27,55,000</u>

SCHEDULE 5 FIXED ASSETS

SR. NO.	DESCRIPTION OF ASSETS	GROSS BLOCK (Rupees)			DEPRECIATION (Rupees)			NET BLOCK (Rupees)				
		As on 01.04.2010	Addition on Amalgamation during the year	Additions during the year	As on 31.03.2011	Up to 01.04.2010	Addition on Amalgamation the year	For the year	Sales, w/off, adjustments during the year	Up to 31.03.2011	As on 31.03.2011	As on 31.03.2010
1	Land :											
	- Free hold	1,80,35,522	18,04,109	-	1,98,39,631	-	-	-	-	-	1,98,39,631	1,80,35,522
	- Lease hold	1,64,755	-	-	1,64,755	-	-	-	-	-	1,64,755	1,64,755
2	Buildings	2,38,80,294	1,83,03,964	43,54,273	4,65,38,531	8,69,846	79,33,549	15,13,093	-	1,03,16,488	3,62,22,043	2,30,10,448
3	Plant & Machineries	2,35,44,265	4,35,26,772	2,92,75,667	9,55,01,159	92,89,783	2,43,46,965	45,96,068	(4,96,512)	3,77,36,304	5,77,64,855	1,42,54,482
4	Intangible Assets (Software)	1,36,968	2,00,000	21,630	3,58,598	1,05,484	1,28,491	30,607	-	2,64,582	94,016	31,484
5	Effluent Treatment Plant	1,97,985	25,800	-	2,23,785	1,07,790	10,675	12,557	-	1,31,022	92,763	90,195
6	Furniture & Fixtures	43,45,773	15,73,265	2,55,906	61,17,810	7,25,555	9,83,821	3,67,325	(39,682)	20,37,019	40,80,791	36,20,218
7	Vehicles	36,81,094	14,62,397	-	47,91,637	8,58,798	7,19,896	5,25,954	(2,70,516)	18,34,132	29,57,505	28,22,296
	TOTAL	7,39,86,656	6,68,96,307	3,39,07,476	17,35,35,906	1,19,57,256	3,41,23,397	70,45,604	(8,06,710)	5,23,19,547	12,12,16,359	
	Previous Year	4,22,38,025	-	3,39,68,659	7,39,86,656	1,14,01,474	-	17,94,294	(12,38,512)	1,19,57,256		6,20,29,400
8	Capital Advances / Construction Work in Progress										31,70,872	12,34,969
	PER BALANCE SHEET										12,43,87,231	6,32,64,369

	No. of Shares		Face value (Rs)	31.03.2011	31.03.2010
	31.03.2011	31.03.2010		Rupees	Rupees
SCHEDULE 6					
INVESTMENTS-At cost					
A) Unquoted :					
(i) Government Securities					
National Savings Certificates				10,000	10,000
(ii) Investments (trade)					
Ellora Organics Pvt.Ltd.	1,610	800	100	1,61,405	80,000
Paschim Chemicals Pvt.Ltd.	25,000	21,000	100	27,42,600	22,20,000
Halewood Laboratories Pvt. Ltd.	81,200	56,200	10	7,62,000	5,62,000
Mexin Medicaments Pvt. Ltd.	11,990	11,990	100	1,31,89,000	1,31,89,000
Exon Laboratories Pvt. Ltd.	30,000	30,000	10	1,50,00,000	1,50,00,000
Total (i+ii)				<u>3,18,65,005</u>	<u>3,10,61,000</u>
B) Quoted :					
Mangalam Drugs & Organics Ltd	3,07,468	3,07,468	10	86,10,934	86,10,934
Less- Provision for diminution in the value of Investments				46,53,821	46,53,821
				39,57,113	39,57,113
Ipca Laboratories Ltd	1,01,480	97,480	2	1,01,71,516	89,94,444
Total				<u>1,41,28,629</u>	<u>1,29,51,557</u>
PER BALANCE SHEET				<u>4,59,93,634</u>	<u>4,40,12,557</u>

Aggregate Book Value of Investment :					
Unquoted				3,18,65,005	3,10,61,000
Quoted				1,41,28,629	1,29,51,557
Aggregate Market Value of Quoted Investment :				3,43,63,627	3,02,57,217

SCHEDULE 7

INVENTORIES

(As taken, valued and certified by the Management)

Stock in Trade :

Raw Materials				2,92,91,851	2,01,57,911
Packing Materials				59,30,737	23,92,436
Work-in-Process				23,93,369	28,49,877
Finished Goods				4,10,37,142	5,21,45,126
Stores & Spares				2,50,047	3,56,962
PER BALANCE SHEET				<u>7,89,03,146</u>	<u>7,79,02,312</u>

SCHEDULE 8

SUNDRY DEBTORS

(Unsecured , considered good)

i) Outstanding for more than six months					
- Considered good				18,74,490	14,48,940
ii) Other Debts				6,96,25,157	6,59,47,243
PER BALANCE SHEET				<u>7,14,99,647</u>	<u>6,73,96,183</u>

	31.03.2011		31.03.2010	
	Rupees	Rupees	Rupees	Rupees
SCHEDULE 9				
CASH AND BANK BALANCES				
Cash on Hand		1,00,091		1,70,226
Balances with Scheduled Banks:				
On Current Accounts	75,92,981		5,31,757	
On Deposit Accounts	1,68,024	77,61,005	2,60,635	7,92,392
		<u>78,61,096</u>		<u>9,62,618</u>
PER BALANCE SHEET				
(Refer Note no.11)				
SCHEDULE 10				
LOANS AND ADVANCES				
(Unsecured considered good)				
Advances recoverable in cash or in kind or for value to be received		4,92,50,319		5,14,66,915
Deposits		29,28,266		27,12,597
Loan to Employees		4,65,695		3,33,052
Income tax paid (net of provision for taxation)		22,42,755		(22,39,364)
		<u>5,48,87,035</u>		<u>5,22,73,200</u>
PER BALANCE SHEET				
SCHEDULE 11				
CURRENT LIABILITIES AND PROVISIONS				
Current Liabilities				
Sundry Creditors				
- Micro, Small & Medium Enterprises		-		-
(Refer Note no.12)				
- Others	2,94,15,772		3,18,21,625	
	<u>2,94,15,772</u>		<u>3,18,21,625</u>	
Other Liabilities	<u>1,08,06,907</u>	4,02,22,679	<u>54,70,325</u>	3,72,91,950
Provisions				
Proposed Dividend	49,16,980		43,45,540	
Provision for Tax on Dividend	7,97,657		7,21,740	
Provision for Leave Travel Assistance (LTA)	7,20,126		3,99,790	
Provision for Gratuity	-		13,66,737	
Provision for Leave Encashment	20,77,883	85,12,646	18,54,227	86,88,034
		<u>4,87,35,325</u>		<u>4,59,79,984</u>
PER BALANCE SHEET				

	2010-2011		2009-2010	
	Rupees	Rupees	Rupees	Rupees
SCHEDULE 12				
INCOME FROM OPERATIONS				
Manufacturing Charges Income		8,38,55,107		2,16,94,323
Miscellaneous Income from Operations		8,07,411		13,71,883
		<u>8,46,62,518</u>		<u>2,30,66,206</u>
PER PROFIT AND LOSS ACCOUNT				
SCHEDULE 13				
OTHER INCOME				
Profit on Sale of Assets		45,652		33,828
Dividend Income		3,22,440		2,83,448
Miscellaneous Income		13,23,647		1,59,308
		<u>16,91,739</u>		<u>4,76,584</u>
PER PROFIT AND LOSS ACCOUNT				
SCHEDULE 14				
MATERIAL COST AND INVENTORY ADJUSTMENTS				
Raw Materials Consumed:				
Opening Stock	2,01,57,911		1,52,97,082	
Add : Addition on Amalgamation	8,54,464		-	
Add : Purchases	<u>19,46,76,918</u>		<u>17,68,59,623</u>	
	21,56,89,293		19,21,56,705	
Less : Closing Stock	<u>2,92,91,851</u>	18,63,97,442	<u>2,01,57,911</u>	17,19,98,794
Packing Materials Consumed:				
Opening Stock	23,92,436		22,78,843	
Add : Addition on Amalgamation	16,61,173		-	
Add : Purchases	<u>2,85,26,811</u>		<u>1,50,26,684</u>	
	3,25,80,420		1,73,05,527	
Less : Closing Stock	<u>59,30,737</u>	2,66,49,683	<u>23,92,436</u>	1,49,13,091
Finished Goods Purchased		10,54,93,432		12,81,13,096
Inventory Adjustments:				
Stock at Commencement :				
Work-in-Process	28,49,877		40,98,858	
Add : Addition on Amalgamation	77,478		-	
Finished Goods	<u>5,21,45,126</u>		<u>4,70,32,585</u>	
	5,50,72,481		5,11,31,443	
Less : Stock at Close :				
Work-in-Process	23,93,369		28,49,877	
Finished Goods	<u>4,10,37,142</u>		<u>5,21,45,126</u>	
	4,34,30,511	1,16,41,970	5,49,95,003	(38,63,560)
Insurance Claim on Loss of Stock		-		(20,318)
Variation in Excise Duty on :				
Closing Stock of Finished Goods	9,78,128		-	
Less : Opening Stock of Finished Goods	-	9,78,128	-	-
		<u>33,11,60,655</u>		<u>31,11,41,103</u>
PER PROFIT AND LOSS ACCOUNT				

	2010-2011		2009-2010	
	Rupees	Rupees	Rupees	Rupees
SCHEDULE 15				
PERSONNEL COST				
Payment to and provision for Salaries, Wages and Bonus		4,84,44,467		2,75,21,403
Contribution to Provident Fund, Employees State Insurance and other funds		25,71,692		16,62,583
Welfare expenses		11,05,498		4,46,635
Recruitment and Training expenses		7,13,392		1,36,966
PER PROFIT AND LOSS ACCOUNT		5,28,35,049		2,97,67,587
(Refer Note no. 7)				
SCHEDULE 16				
MANUFACTURING AND OTHER EXPENSES				
Outside Manufacturing Charges		1,57,82,987		1,53,77,118
Consumable Stores		34,28,107		8,47,501
Power, Fuel, Gas & Water Charges		1,74,11,359		73,07,205
Repairs :				
- Building	26,27,632		2,97,049	
- Machinery	27,95,630		11,87,435	
- Other Repairs	2,28,132	56,51,394	96,028	15,80,512
Insurance		10,91,300		7,92,581
Rent		20,63,802		18,20,913
Rates and Taxes		22,56,600		10,80,013
Freight, Forwarding and Transportation		1,08,56,780		1,19,11,908
Commission on sales		91,51,848		92,97,781
Field Staff expenses		61,00,273		51,54,801
Auditors' Remuneration :				
- Audit Fees (Including Tax Audit)	1,15,358		96,273	
- Taxation Matters	46,156		50,896	
- Certification & other matters	65,792		31,347	
- Reimbursement of expenses	34,838	2,62,144	6,686	1,85,202
Loss on Sale of Assets		45,768		5,27,057
Assets scrapped		2,00,619		-
Bad Debts Written off		5,29,177		12,54,271
Marketing & Sales Administrative expenses		80,26,824		35,78,354
Miscellaneous expenses		1,04,67,096		40,59,712
Provision for diminution in value of Investments		-		46,53,821
PER PROFIT AND LOSS ACCOUNT		9,33,26,078		6,94,28,750
SCHEDULE 17				
FINANCIAL COST				
Interest :				
- On Fixed Loans	19,63,494		4,57,554	
- Others	73,69,241		58,30,488	
	93,32,735		62,88,042	
Less : Interest Income (Including Tax Deducted at Source Rs. 3,11,262/- (Previous year Rs. 2,69,163/-)	31,82,886	61,49,849	22,86,742	40,01,300
Bank Charges		2,90,317		5,72,785
PER PROFIT AND LOSS ACCOUNT		64,40,166		45,74,085

SCHEDULE 18**SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO THE ACCOUNTS****1. ACCOUNTING POLICIES****a) System of Accounting**

The Company follows accrual system of accounting for all items of revenue and costs.

b) Use of Estimates

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

c) Inflation

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

d) Fixed Assets

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

e) Depreciation , Amortisation and Impairment

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

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

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

f) Borrowing Costs

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

g) Investments

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

h) Inventories

Item of inventories are valued on the basis given below:

Raw Materials and Packing Materials:	At cost net of CENVAT computed on First-In-First-Out method.
Work- in- process and Finished Goods:	At cost including material cost net of CENVAT, labour cost and production overheads incurred till the stage of completion of production for Work-In-Process and the same or net realisable value whichever is lower in case of Finished Goods. Excise duty is considered as cost of finished goods wherever applicable.
Stores & Spares :	Stores and spare parts are valued at purchase cost.

i) CENVAT Credit

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

j) Service Tax Credit

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

k) Sales

Local Sales include Excise duty & Sales tax. Export sales include exchange difference on realisation / negotiation.

l) Revenue Recognition

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

m) Contingent Liabilities

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

n) Retirement Benefits

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

o) Research & Development

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

p) Foreign Exchange Transactions

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

q) Taxation

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

Deferred Tax is recognised on timing differences being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

	<u>31.03.2011</u>	<u>31.03.2010</u>
	Rupees	Rupees
2. Estimated amount of contracts remaining to be executed on capital account (Net of advances)	27,32,000	32,44,989
3. Contingent liabilities not provided for in respect of:		
a) Corporate Guarantee given to AXIS Bank Ltd on behalf of Halewood Laboratories Pvt. Ltd, under third party manufacturing arrangement for which the Company holds counter Guarantee.	1,50,00,000	1,50,00,000
b) Counter Guarantees given to AXIS Bank & State Bank of India in respect of guarantees given by the bank on behalf of the Company to Government Authorities.	1,68,024	2,60,635

- 4. Pursuant to scheme of amalgamation (‘the scheme‘) of the Harleystreet Pharmaceuticals Ltd. (HPL) with the company Makers Laboratories Limited, (‘MLL’) under Section 391 to 394 of the Companies Act, 1956 as sanctioned by the Honorable High Court of Judicature at Bombay vide its order dated 25th March, 2011, the assets and liabilities of the said HPL were transferred to and vested in the Company with effect from the appointed date i.e. 1st April, 2010. Accordingly, this scheme of amalgamation has been given effect to in these accounts.**

HPL was engaged in the business of manufacturing of pharmaceutical formulations.

The accounting for this amalgamation has been done in accordance with the “Purchase Method “referred in Accounting Standard 14 - Accounting for Amalgamation (AS - 14). Accordingly, MLL has accounted for the Scheme in its books of accounts with effect from the Appointed Date i.e. 1st April, 2010 as under :-

- I With effect from the Appointed Date, all assets and liabilities appearing in the books of accounts of HPL have been transferred to and vested in MLL and have been recorded by MLL at their fair value.
- II. MLL has credited to the Share Capital in its books of account, the aggregate face value of the New Equity Shares to be issued and allotted under the scheme to the equity share holders of HPL.
- III. The difference of Rs. 2,85,59,499/- between the fair value of net assets of HPL transferred to MLL, pursuant to this scheme and the value of New Equity Shares to be issued and allotted by MLL to shareholders of HPL has been credited to capital reserve account.
- IV. All inter - company balance(s) have been cancelled.
- V. 571,440 Equity Shares of MLL of Rupees 10/- each fully paid up are to be issued to the shareholders of HPL under this amalgamation, in the ratio of 6 fully paid up equity shares of Rs. 10/- each of MLL for every 10 fully paid up equity shares of Rs. 10/- each of HPL. The record date fixed for this purpose is 13th May, 2011.
- VI. The Company shall proceed to issue these equity shares to the shareholders of HPL in due course of time upon receipt of necessary in principle listing and trading permissions from stock exchanges where the Company’s share are listed. The Company has already made necessary applications to these stock exchanges in this regard.

- 5. In view of the aforesaid amalgamation, the figures for the current year are not strictly comparable to those of the previous year.**

6. Additional information pursuant to paragraphs 3, 4, 4A, 4C and 4D of Part II of Schedule VI to the Companies Act, 1956
A. Installed Capacity, Actual Production, Purchases, Sales and Stock :

(Rs Lacs)

Class of Goods	Units	Basis	Installed Capacity	Actual Production	Opening Stock		Purchases		Sales		Closing Stock	
					Quantity	Value	Quantity	Value	Quantity	Value	Quantity	Value
Tablets / Capsules	Lacs	Single Shift	-	12,847	1,752	365.12	1,941	718.17	15,352	3,437.01	1,188	316.98
			-	(13,148)	(1,278)	(315.71)	(2,262)	(833.71)	(14,936)	(3,545.76)	(1,752)	(365.12)
Orals/Liquids	Kilo Ltrs	Single Shift	-	9	96	83.43	173	175.69	238	305.41	40	43.49
			-	-	(102)	(90.54)	(263)	(250.26)	(269)	(373.10)	(96)	(83.43)
Ointment/ Cream	M T	Single Shift	-	-	6	19.61	20	69.11	22	119.06	4	14.57
			-	-	(6)	(22.36)	(28)	(90.86)	(29)	(147.27)	(6)	(19.61)
Injectables	Lacs	Single Shift	396	149	11	40.97	22	66.50	170	395.79	12	34.96
			-	(17)	(12)	(39.23)	(21)	(68.77)	(40)	(262.15)	(11)	(40.97)
Bulk Drugs/ Intermediates	M T	Triple Shift	60	106	-	-	-	-	106	620.35	-	-
			(60)	(61)	-	-	-	-	(61)	(356.31)	-	-
Others			-	-	-	12.32	-	25.47	-	45.14	-	0.37
			-	-	-	(2.49)	-	(37.53)	-	(31.20)	-	(12.32)
Total			-	-	-	521.45	-	1,054.94	-	4,922.76	-	410.37
			-	-	-	(470.33)	-	(1,281.13)	-	(4,715.79)	-	(521.45)

Notes :-

- As the industrial licensing in respect of drugs and pharmaceuticals produced by the Company has been abolished under the Industrial Policy, the particulars of licensed capacity are not stated.
- Installed capacity, being of a technical nature is not verified by the Auditors.
- Production includes production under contract manufacturing.
- Previous year's figures are given in bracket.

B. Raw Materials Consumed:

	Units	2010 - 2011		2009 - 2010	
		Qty	Rs. Lacs	Qty	Rs. Lacs
Paracetamol IP	M.T.	315.745	589.12	313.680	614.50
Chloroquine Phosphate	M.T.	20.415	148.53	24.313	188.02
Others (none of which individually forms more than 10% of the total consumption)			1,126.32		917.47
Total			1,863.97		1,719.99

C. Imported & Indigenous Consumption:

	2010 - 2011		2009 - 2010	
	Rs. lacs	Percentage	Rs. lacs	Percentage
i) Raw materials:				
Imported (High Seas purchases)	-	-	-	-
Indigenous	1,863.97	100.00	1,719.99	100.00
Total	1,863.97	100.00	1,719.99	100.00
ii) Stores, spares and components:				
Imported	-	-	-	-
Indigenous	34.28	100.00	8.48	100.00
Total	34.28	100.00	8.48	100.00

	2010 - 2011	2009 - 2010
	Rupees	Rupees
D. Value of Imports on CIF basis:		
Raw materials	Nil	Nil
Capital goods	18,78,262	Nil
Machine Components	Nil	Nil
E. Expenditure in Foreign Currency:	Nil	Nil
F. Earnings in Foreign Currency other than Exports:	Nil	Nil
G. F.O.B Value of Exports:	Nil	Nil

7. As per Accounting Standard -15 “Employee Benefits” and as defined in the accounting standard, the summarised components of net benefit expense recognised in the profit and loss account and the funded status and amounts recognised in the balance sheet are given herein below :

(Rupees)

	Particulars	Gratuity		Leave Encashment	
		2010 - 2011	2009 - 2010	2010 - 2011	2009 - 2010
I.	Change in Benefit Obligation				
	Liability at the beginning of the year	41,06,359	31,61,305	18,54,227	14,29,110
	Addition due to Amalgamation	8,22,071	-	3,67,570	-
	Interest Cost	3,94,275	2,52,904	1,03,547	81,550
	Current Service Cost	2,85,267	2,15,832	1,89,667	3,45,201
	Past year Service Cost	-	-	-	-
	Benefit Paid	(2,87,755)	(5,62,254)	(4,92,507)	(58,119)
	Actuarial (gain)/loss on obligations	11,59,583	10,38,572	55,379	56,485
	Curtailments and Settlements	-	-	-	-
	Liability at the end of the year	64,79,800	41,06,359	20,77,883	18,54,227
II.	Fair Value of Plan Assets				
	Fair Value of Plan Assets at the beginning of the year	27,39,622	23,26,948	-	-
	Addition due to Amalgamation	6,92,468	-	-	-
	Expected Return on Plan Assets	4,50,471	2,32,635	-	-
	Contributions	32,39,730	7,42,293	-	-
	Benefit Paid	(2,87,755)	(5,62,254)	-	-
	Actuarial gain/(loss) on Plan Assets	-	-	-	-
	Fair Value of Plan Assets at the end of the year	68,34,536	27,39,622	-	-
III.	Actual Return on Plan Assets				
	Expected Return on Plan Assets	4,50,471	2,32,635	-	-
	Actuarial gain/(loss) on Plan Assets	-	-	-	-
	Actual Return on Plan Assets	4,50,471	2,32,635	-	-
IV.	Amount Recognised in the Balance Sheet				
	Liability at the end of the year	64,79,800	41,06,359	20,77,883	18,54,227
	Fair Value of Plan Assets at the end of the year	68,34,536	27,39,622	-	-
	Difference	(3,54,736)	13,66,737	20,77,883	18,54,227
	Unrecognised Past Service Cost	-	-	-	-
	Amount Recognised in the Balance Sheet	(3,54,736)	13,66,737	20,77,883	18,54,227
V.	Expenses Recognised in the Income Statement				
	Current Service Cost	2,85,267	2,15,832	1,89,667	3,45,201
	Interest Cost	3,94,275	2,52,904	1,03,547	81,550
	Expected Return on Plan Assets	(4,50,471)	(2,32,635)	-	-
	Net Actuarial (gain)/loss to be Recognised	11,59,583	10,38,572	55,379	56,485
	Past Service Cost (Non Vested Benefit) Recognised	-	-	-	-
	Past Service Cost (Vested Benefit) Recognised	-	-	-	-
	Effect of Curtailment or Settlements	-	-	-	-
	Expense Recognised in Profit and Loss Account	13,88,654	12,74,673	3,48,593	4,83,236
VI.	Balance Sheet Reconciliation				
	Opening Net Liability	13,66,737	8,34,357	18,54,227	14,29,110
	Addition due to Amalgamation	1,29,603	-	3,67,570	-
	Expense as above	13,88,654	12,74,673	3,48,593	4,83,236
	Past year Service cost	-	-	-	-
	Employers Contribution	(32,39,730)	(7,42,293)	(4,92,507)	(58,119)
	Amount Recognised in Balance Sheet	(3,54,736)	13,66,737	20,77,883	18,54,227
VII.	Actuarial Assumptions				
	Discount Rate	8%	8%	7.50%	7.50%

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

8. Secured Loan from Axis Bank Ltd is secured by way of mortgage of immovable properties of the Company situated at Mumbai and Dombivli, hypothecation of all plant and machineries both present and future and hypothecation of stock-in-trade and book debts.
9. In the opinion of the Board of Directors , all the Current Assets, Loans & Advances have value on realisation at least equal to the amount at which they are stated in the Balance Sheet
10. Provision for Taxation includes provision for Wealth Tax of Rs. 5,000/- (previous year Rs.5,000/-).
11. Balances with Scheduled Banks include Rs. 2,47,157/- (previous year Rs. NIL) on account of Unclaimed Dividend.
12. The Company has obtained details from Sundry Creditors who are registered under the Micro,Small & Medium Enterprises Development Act, 2006. To the extent that the Company has received information it has evaluated that there are no amounts due to the Creditors who are Registered under the said Act beyond the period of 45 days.

13. Managerial Remuneration:	2010 - 2011	2009 - 2010
	Rupees	Rupees
i) Managerial remuneration under Section 198 of the Companies Act, 1956 to Whole time Directors.		
Salary	47,47,446	40,09,778
Contribution to Provident Fund and other funds	3,66,395	3,07,432
	51,13,841	43,17,210
ii) Computation of Net Profit as per Section 349 read with Section 309(5) of the Companies Act, 1956.		
Profit after Taxation as per Profit and Loss Account	3,45,44,376	2,79,74,057
Add : Provision for Taxation	1,50,00,000	1,81,00,000
Provision for Diminution in the value of Investments	-	46,53,821
Provision for Deferred Taxation	17,76,000	63,000
Depreciation	70,45,604	17,94,294
Directors remuneration	51,13,841	43,17,210
Directors sitting fees	1,28,000	1,14,000
Loss on sale of Assets	45,768	5,27,057
	6,36,53,589	5,75,43,439
Less: Depreciation under Section 350	70,45,604	17,94,294
Net Profit for the purpose of Managerial Remuneration	5,66,07,985	5,57,49,145

iii) Company has not recommended any commission to the Wholetime Directors.

14. **Related Party Disclosure as required by Accounting Standard - 18 issued by the Institute of Chartered Accountants of India:**

Relationships:

A. Entities where control exists :

Shareholders of Makers Laboratories Ltd.

Kaygee Investments Pvt. Ltd.

Exon Laboratories Pvt. Ltd.

Paschim Chemicals Pvt. Ltd.

Others

Halewood Laboratories Pvt.Ltd.

Ellora Organic Industries Pvt Ltd.

B. Key Management Personnel

Mr. Prashant Godha

Mrs. Purnima Jain

C. Associates

Ipcalaboratories Ltd.

D. Other Related Parties (Entities in which Directors or their Relatives have significant influence)

Nipra Industries Pvt. Ltd.

Kaygee Loparex Pvt. Ltd

Keymed

Transactions with Related Parties						(Rupees)
Description	Entities where Control exists		Associates	Key Management Personnel	Other Related Parties	Total
	Shareholders of Makers	Others				
Purchase of goods and services	-	1,43,73,796	3,13,77,368	-	-	4,57,51,164
(Previous year)	-	(1,69,74,077)	(2,93,11,508)	-	-	(4,62,85,585)
Sales of goods and services	-	-	16,44,72,035	-	-	16,44,72,035
(Previous year)	-	-	(5,76,99,131)	-	-	(5,76,99,131)
Purchase of fixed assets	-	-	5,05,000	-	-	5,05,000
(Previous year)	-	-	-	-	-	-
Sale of fixed assets	-	-	48,475	-	-	48,475
(Previous year)	-	-	-	-	-	-
Net Loans and Advances given/ (recovered)	(2,00,00,000)	2,16,30,000	-	-	-	16,30,000
(Previous year)	(2,00,00,000)	(20,30,000)	-	-	-	(1,79,70,000)
Investment in Equity Shares	-	-	11,77,072	-	-	11,77,072
(Previous year)	-	-	-	-	-	-
Excise duty, Rent and other expenses paid	-	92,92,182	93,282	-	-	93,85,464
(Previous year)	-	(95,94,515)	(1,84,219)	-	-	(97,78,734)
Interest/Dividend Received, Rent Income, Excise duty credit and expenses recovered	51,123	1,33,37,156	49,72,284	-	-	1,83,60,563
(Previous year)	(2,82,623)	(1,14,47,763)	(8,37,198)	-	-	(1,25,67,584)
Remuneration to Directors	-	-	-	51,13,841	-	51,13,841
(Previous year)	-	-	-	(43,17,210)	-	(43,17,210)
Balance as on 31st March 2011						
Receivables	-	-	2,13,08,370	-	-	2,13,08,370
Payables	-	(29,33,163)	17,94,081	-	-	(11,39,082)
Balance as on 31st March 2010						
Receivables	-	-	2,35,58,160	-	-	2,35,58,160
Payables	-	(13,84,223)	26,21,555	-	-	12,37,332

Disclosure in respect of transactions which are more than 10% of the total transactions of the same type with related parties during the year.

Particulars	2010 - 2011 (Rupees)	2009 - 2010 (Rupees)
Purchase of goods and services :		
Ipca Laboratories Ltd	3,13,77,368	2,82,87,895
Halewood Laboratories Pvt Ltd	1,43,73,796	1,69,74,077
Sales of goods and services :		
Ipca Laboratories Ltd	16,44,72,035	5,76,99,131
Purchase of fixed assets :		
Ipca Laboratories Ltd	5,05,000	-
Sale of fixed assets :		
Ipca Laboratories Ltd	48,475	-
Purchase of shares :		
Ipca Laboratories Ltd	11,77,072	-
Excise duty, Rent and other expenses paid :		
Halewood Laboratories Pvt Ltd	92,92,182	95,94,515
Excise duty & other expenses recovered :		
Halewood Laboratories Pvt Ltd	1,16,50,940	1,07,16,891
Ipca Laboratories Ltd	33,65,844	4,34,100
Net Loans & advances given/(recovered) :		
Paschim Chemicals Pvt Ltd	(2,00,00,000)	2,00,00,000
Ellora Organic Industries Pvt Ltd	1,00,00,000	-
Halewood Laboratories Pvt Ltd	1,16,30,000	(20,30,000)
Interest Income :		
Paschim Chemicals Pvt Ltd	-	2,13,698
Halewood Laboratories Pvt Ltd	16,86,216	7,30,872
Dividend Income :		
Exon Laboratories Pvt Ltd	30,000	30,000
Ipca Laboratories Ltd	2,92,440	2,53,448
Rent Income		
Ipca Laboratories Ltd	13,14,000	1,49,650
Balance as on 31st March		
Receivables:		
Ipca Laboratories Ltd	1,95,19,756	2,09,38,239

15. The Company has one segment of activity namely "Pharmaceuticals". As such there is no separate reportable segment under Accounting Standard -17 on Segment Reporting.

16. Previous years figures have been regrouped and re-arranged wherever necessary.

17. Balance Sheet Abstract and Company's General Business Profile.

Additional information pursuant to Part IV of Schedule VI to the Companies Act, 1956.

I. Registration details	
Registration No.	: 33389
State Code	: 11
Balance Sheet	: 31.03.2011
II. Capital raised during the year	: (Rs. in Thousands)
Public Issue	: Nil
Right Issue	: Nil
Bonus Issue	: Nil
Private Placement	: Nil
III. Position of mobilisation and deployment of funds	: (Rs. in Thousands)
Total Liabilities	: 3,83,538
Total Assets	: 3,83,538
Sources of Funds	
Paid-Up Capital	: 49,170
Reserve & Surplus	: 1,55,212
Secured Loan	: 1,14,472
Unsecured Loan	: 9,970
Application of Funds	
Net Fixed Assets	: 1,24,387
Investments	: 45,994
Net Current Assets(net of provision for deferred taxation)	: 1,58,443
Misc. Expenditure	: Nil
Accumulated Losses	: Nil
IV. Performance of Company	: (Rs. in Thousands)
Turnover	: 5,42,127
Total Expenditure	: 4,90,807
Profit Before Tax	: 51,320
Profit / (Loss) After Tax	: 34,544
Earning Per Share	: Rs. 7.03
Dividend Rate	: 10%
V. Generic names of three principal products/services of the Company, (as per monetary terms)	
Item Code No. (ITC Code)	: 300490-31
Product Description	: CHLOROQUINE PHOSPHATE
Item Code No. (ITC Code)	: 300410-30
Product Description	: AMOXYCILLIN TRIHYDRATE
Item Code No. (ITC Code)	: 300490-05
Product Description	: PARACETAMOL TABLETS

Note: Classification of products/service under ITC code being of technical nature is not verified by the Auditors.

As per our Report of even date attached

For **AGARWAL & MANGAL**

Chartered Accountants

Firm Reg. No. 100061W

B. P. MANGAL

Partner

Membership No.32973

Mumbai,

20th May, 2011

For and on behalf of the Board

Prashant Godha - Executive Director

Purnima Jain - Wholetime Director

K. C. Jain - Director

Makers Laboratories Limited

PROXY

Registered Office: 54-D, Kandivli Industrial Estate, Charkop, Kandivli (W), Mumbai - 400 067.

I/We
ofin the district of.....being a member/members of the above named
Company hereby appoint.....
ofin the district of.....
or failing him.....
ofin the district of.....

..... as my/our proxy to vote for
me/us on my/our behalf at the 26th Annual General Meeting of the Company to be held on Wednesday, the 10th day of August, 2011 at
4.00 p.m. and at any adjournment thereof.

Signed this day of..... 2011

Signed by the said

Reg. Folio No.

No. of Shares held

* Client ID No.

* DP ID No.

Re. 1
Revenue
Stamp

Note.: The Companies Act, 1956 lays down that an instrument appointing a proxy shall be deposited at the Registered Office of the
Company not less than FORTY EIGHT hours before the time for holding the meeting.

* Applicable for investors holding shares in electronic form.

Makers Laboratories Limited

ATTENDANCE SLIP

Registered Office: 54-D, Kandivli Industrial Estate, Charkop, Kandivli (W), Mumbai - 400 067.

I hereby record my presence at the 26th Annual General Meeting held at Plot No. 47, Kandivli Industrial Estate, Opposite Anand Mangal
Hall, Charkop, Kandivli (W), Mumbai - 400 067 on Wednesday, the 10th day of August, 2011 at 4.00 p.m.

Name of the Shareholder (s)
(In Block Capitals)

Name of the Proxy or Company Representative
(In Block Capitals)

Signature of the Shareholder or
Proxy or Company Representative

Notes : 1. A Proxy attending on behalf of a Shareholder should please write the name of the Shareholder from whom he/she holds
Proxy.

2. Members are requested to bring their copy of the Annual Report with them to the Meeting as additional copies of the same
will not be made available at the Meeting.

Reg. Folio No.

No. of Shares held

* Client ID No.

* DP ID No.

* Applicable for investors holding shares in electronic form



Registered Office:

Makers Laboratories Limited

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