



**ANNUAL REPORT 2015-16**

**MAKERS LABORATORIES LIMITED**



## Five Years' Highlights

(₹ Lacs)

|                          | 2011-12 | 2012-13 | 2013-14 | 2014-15 | <b>2015-16</b> |
|--------------------------|---------|---------|---------|---------|----------------|
| Total Income*            | 6300.23 | 6314.16 | 6892.03 | 6537.97 | <b>6202.84</b> |
| Profit/(Loss) Before Tax | (64.52) | 348.83  | 118.75  | 339.99  | <b>350.34</b>  |
| Profit/(Loss) After Tax  | (57.21) | 244.14  | 59.56   | 235.19  | <b>230.61</b>  |
| Share Capital            | 491.70  | 491.70  | 491.70  | 491.70  | <b>491.70</b>  |
| Reserves & Surplus       | 1494.91 | 1739.05 | 1798.61 | 1970.84 | <b>2142.27</b> |
| Net Worth                | 1986.61 | 2230.75 | 2290.31 | 2462.54 | <b>2633.97</b> |
| Net Block                | 1238.08 | 1226.78 | 1385.05 | 1417.65 | <b>1461.78</b> |
| Earnings Per Share (₹)   | (1.16)  | 4.97    | 1.21    | 4.78    | <b>4.69</b>    |
| Book Value Per Share (₹) | 40.40   | 45.37   | 46.58   | 50.08   | <b>53.57</b>   |

\*Net of Excise Duty and Sales Tax

**BOARD OF DIRECTOS**

|                     |                        |                |
|---------------------|------------------------|----------------|
| K. C. Jain          | - Independent Director | (DIN 00021239) |
| Sudarshan Loyalka   | - Independent Director | (DIN 00016533) |
| Dr. Rajeshwar Singh | - Independent Director | (DIN 00347864) |
| Purnima Jain        | - Wholetime Director   | (DIN 00937041) |
| Saahil Parikh       | - Wholetime Director   | (DIN 00400079) |

**COMPANY SECRETARY**

Khushbu Thakkar (ACS 28375)

**AUDITORS**

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

**COST AUDITORS**

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

**BANKERS**

Yes Bank Ltd.

**REGISTERED AND ADMINISTRATIVE OFFICE**

54-D, Kandivli Industrial Estate,  
Charkop, Kandivli (West),  
Mumbai 400 067.  
Tel : 022 - 6111 2800 Fax : 022 - 6111 2835

**REGISTRAR & SHARE TRANSFER AGENT**

Link Intime India Pvt. Ltd.  
C-13, Pannalal Silk Mills Compound,  
L.B.S. Marg, Bhandup (West),  
Mumbai-400 078.  
Tel : 022 - 2596 3838 Fax : 022 - 2596 2691

**WORKS**

Plot No. 29/3, Phase III,  
GIDC Industrial Estate,  
Naroda, Ahmedabad 382 330  
Gujarat.  
Tel : 079 - 2281 3057 Fax : 079 - 2282 2133

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NOTICE is hereby given that the 31<sup>st</sup> ANNUAL GENERAL MEETING of Makers Laboratories Limited will be held at Anand Mangal Hall, Plot No. 150, Govt. Industrial Estate, Charkop, Kandivli (West), Mumbai – 400 067 on Tuesday, 9<sup>th</sup> August, 2016, at 11.00 a.m. to transact the following business.

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended on 31<sup>st</sup> March, 2016 together with the Reports of the Board of Directors and Auditors thereon.
2. To declare dividend on equity shares.
3. To appoint a Director in place of Mrs. Purnima Jain (DIN 00937041) who retires by rotation and being eligible, offers herself for re-appointment.
4. To appoint Auditors and fix their remuneration and in this regard to consider and, if thought fit, to pass the following resolution as an Ordinary Resolution :

“RESOLVED THAT M/s. Agarwal & Mangal., Chartered Accountants (Firm Registration No. 100061W) be and are hereby re-appointed as the Statutory Auditors of the Company to hold the office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting upon such remuneration, taxes and out of pocket expenses, as may be fixed by the Board of Directors of the Company.”

**SPECIAL BUSINESS:**

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

“RESOLVED THAT pursuant to Section 188 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder and pursuant to Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI Regulations) as applicable and subject to such other approvals, consents, permissions and sanctions of any authorities as may be necessary, consent of the Company be and is hereby accorded to the Board of Directors of the Company to enter into contracts/transactions with M/s. Ipca Laboratories Limited, a related party, on such terms and conditions as may be mutually agreed upon, to purchase, sell or supply any materials, goods, plant & machineries or capital goods and also availing of / rendering of services like contract manufacturing services or loan license manufacturing services or provision of any other services, the value of which all taken together may exceed ten per cent of the turnover of the Company subject to however that the value of all the transactions aforesaid during any financial year shall not exceed in aggregate an amount of ₹ 15 crores (Rupees Fifteen Crores Only).

RESOLVED FURTHER THAT pursuant to Regulation 23(8) of SEBI Regulations all existing material related party contracts or arrangements entered into by the Company prior to the date of notification of the SEBI Regulations and which continue beyond such date and as provided in the explanatory statement annexed to the Notice convening this meeting be and are hereby approved.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to sign and execute necessary documents and papers on an ongoing basis and to do and perform all such acts, deeds and things as may be necessary in this regard.”

6. To consider and, if thought fit, to pass the following Resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 148 (3) and such other applicable provisions, if any, of the Companies Act, 2013 read with Rules made thereunder, M/s. Kale & Associates, Cost Accountants (Firm Registration No. 101144) who have been appointed as the Cost Auditors of the Company to conduct the audit of the cost records of the Company for the financial year 2016-17 be paid remuneration of ₹ 60,000/- (Rupees Sixty Thousand Only) plus service tax and reimbursement of traveling and other out of pocket expenses.”

**NOTES**

- (1) A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and a proxy need not be a member of the Company. Proxies, in order to be effective must be received at the registered office of the Company not less than 48 hours before the commencement of the meeting. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. In case a proxy is proposed to be appointed by a member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder. A Proxy Form is attached herewith.**
- (2) Corporate Members intending to send their authorised representative to attend the meeting are requested to send a certified true copy of the Board resolution authorising their representative to attend and vote on their behalf at the meeting.
- (3) The Register of Members and Share Transfer Books of the Company will remain closed from Thursday, 4<sup>th</sup> August, 2016 to Tuesday, 9<sup>th</sup> August, 2016 (both days inclusive).
- (4) The dividend if declared at the meeting will be paid to those members, whose names appear in the Register of Members on 9<sup>th</sup> August, 2016 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 Wednesday, 3<sup>rd</sup> August, 2016.
- (5) The information required to be provided regarding the directors seeking re-appointment is furnished in the Report on Corporate Governance.
- (6) Members are requested to:

  - (a) intimate to the Company / their Depository Participant (“DP”), changes, if any, in their registered address at an early date;
  - (b) quote their Registered Folio No. and/or DP Identity and Client Identity number in their correspondence;
  - (c) bring their copy of the Annual Report and the Attendance Slip with them at the Annual General Meeting.
  - (d) encash the dividend warrants on their receipt as dividend remaining unclaimed for seven years are now required to be transferred to the 'Investor Education and Protection Fund' established by the Central Government under the provisions of the Companies Act, 2013.
  - (e) The Ministry of Corporate Affairs (MCA) on 10<sup>th</sup> May, 2012 notified the IEPF (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012 (IEPF Rules) which is applicable to the Company. The objective of the IEPF Rules is to help the shareholders ascertain status of the unclaimed amounts. In terms of the said IEPF Rules, the Company has uploaded the information of the unclaimed dividends on the website of the Company viz. [www.makerslabs.com](http://www.makerslabs.com).
- (7) All documents referred in the notice will be available for inspection by the members at the Registered Office of the Company from 11.00 a.m. to 1.00 p.m. on all working days (excluding Saturday) upto the date of the Annual General Meeting and shall also be placed before the members at the said Annual General Meeting.
- (8) Statement setting out material facts under Section 102 of the Companies Act, 2013 in respect of special business is annexed hereto.
- (9) Electronic copy of the Notice of the 31<sup>st</sup> Annual General Meeting of the Company, inter alia, indicating the process and manner of e-voting along with Attendance Slip, Proxy Form and Ballot Form is being sent to all the members whose e-mail IDs are registered with the Company / Depository Participant(s) for communication purpose unless any member has requested for a hard copy of the same. For members

who have not registered their email address, physical copy of the notice of the 31<sup>st</sup> Annual General Meeting of the Company, inter-alia, indicating the process and manner of e-voting alongwith Attendance Slip and Proxy Form is being sent in the permitted mode.

(10) Members may also note that the Notice of 31<sup>st</sup> Annual General Meeting will also be available on the Company's website [www.makerslabs.com](http://www.makerslabs.com) for their download. Even after registering for e-communication, members are entitled to receive such communication in physical form upon making a request for the same. For any communication, shareholders may also send requests to the Company's investor e-mail id [investors@makerslabs.com](mailto:investors@makerslabs.com).

(11) Voting through electronic means:

I. In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 (Amended Rules 2015) and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide members facility to exercise their right to vote at the 31<sup>st</sup> Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by National Securities Depository Limited (NSDL).

II. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper. The shareholders who do not have access to remote e-voting or who do not wish to cast the vote electronically may request the Company for physical ballot paper for casting their vote, which will be provided by the Company upon request. Such ballot paper duly filled in and signed may be sent to The Scrutinizer c/o Makers Laboratories Limited, 54D, Kandivli Industrial Estate, Kandivli (West), Mumbai – 400 067 so as to reach the scrutinizer on or before 5.00 p.m. on 8<sup>th</sup> August, 2016.

III. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.

IV. The remote e-voting period commences on Saturday, 6<sup>th</sup> August, 2016 (9:00 am) and ends on Monday, 8<sup>th</sup> August, 2016 (5:00 pm). During this period members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 3<sup>rd</sup> August, 2016, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Any person who is not a Member as on the cut off date should treat this notice for information purpose only. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.

A Member can opt for only one mode of voting, i.e. either through e-voting or by Ballot. If a Member casts votes by both modes, then voting done through e-voting shall prevail and Ballot shall be treated as invalid.

V. The process and manner for remote e-voting are as under:

A. In case a Member receives an email from NSDL [for members whose email IDs are registered with the Company/Depository Participants]:

- (i) Open email and open PDF file viz; "Makers Laboratories remote e-voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for remote e-voting. Please note that the password is an initial password.
- (ii) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/>
- (iii) Click on Shareholder – Login

- (iv) Put user ID and password as initial password/PIN noted in step (i) above. Click Login.
  - (v) Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
  - (vi) Home page of remote e-voting opens. Click on remote e-Voting: Active Voting Cycles.
  - (vii) Select "REVEN" (Remote E-Voting Event Number) of Makers Laboratories Ltd.
  - (viii) Now you are ready for remote e-voting as Cast Vote page opens.
  - (ix) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
  - (x) Upon confirmation, the message "Vote cast successfully" will be displayed.
  - (xi) Once you have voted on the resolution, you will not be allowed to modify your vote.
  - (xii) Institutional shareholders (i.e. other than individuals, HUF, NRI, etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail [scrutinizer@makerslabs.com](mailto:scrutinizer@makerslabs.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
- B. In case a Member receives physical copy of the Notice of AGM [for members whose email IDs are not registered with the Company / Depository Participants or who request physical copy of notice]:
- (i) Initial password is provided as below at the bottom of the Attendance Slip for the AGM :  
REVEN (Remote E-Voting Event Number)\_USER ID\_PASSWORD/PIN
  - (ii) Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast vote.
- VI. In case of any queries, you may refer the frequently asked questions (FAQs) for members and remote e-voting user manual for members available at the downloads section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free No. 1800 222 990.
- VII. If you are already registered with NSDL for e-voting, then you can use your existing user ID and password/PIN for casting your vote.
- VIII. You can also update your mobile number and e-mail ID in the user profile details of the folio which may be used for sending future communication(s).
- IX. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 3<sup>rd</sup> August, 2016.
- X. Any person, who acquires shares of the Company and becomes member of the Company after despatch of notice and holding shares as of the cut-off date i.e. 3<sup>rd</sup> August, 2016 may obtain the login ID and password by sending an e-mail to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) by mentioning their Folio No. / DP ID and Client ID No. However, if you are already registered with NSDL for remote e-voting, then you can use your existing User ID and password for casting your vote. If you forget your password, you can reset your password by using "Forgot User Details / Password" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or contact NSDL at the following Toll Free No: 1800 222 990.
- XI. A person whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.
- XII. Ms. Jigyasa N. Ved (Membership No. FCS 6488 CP6018) or failing her Mr. P. N. Parikh (Membership



No. FCS327 CP1228) or failing them Mr. Mitesh Dhabliwala (Membership No. FCS8331 CP9511) of M/s. Parikh & Associates, Practising Company Secretaries has been appointed as the Scrutinizer to scrutinize the remote e-voting process (including voting at the meeting) in a fair and transparent manner.

- XIII. The Chairman shall, at the AGM, at the end of discussion on resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of ballot paper for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting / physical ballot facility.
- XIV. The Scrutinizer shall after the conclusion of voting at the AGM, will first count the votes cast at the meeting and physical ballot form received by mail and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than 48 hours of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- XV. The Results declared alongwith the report of the Scrutinizer shall be displayed at the Registered Office of the Company and placed on the website of the Company [www.makerslabs.com](http://www.makerslabs.com) and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to BSE Ltd. (BSE) and Ahmedabad Stock Exchange Limited (ASE), where the Company's shares are listed.

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

By Order of the Board  
For Makers Laboratories Limited

Khushbu Thakkar  
Company Secretary  
ACS 28375

Mumbai  
27<sup>th</sup> May, 2016

**EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013****Item No. 5**

The Companies Act, 2013, under Section 188, inter-alia, provides that no contract or arrangement or transactions for sale, purchase or supply of any goods or materials exceeding ten per cent of the turnover of the Company or ₹ 100 crores whichever is lower or availing/rendering of any services exceeding ten per cent of the turnover of the Company or ₹ 50 crores whichever is lower shall be entered into by the Company except with the prior approval of the shareholders by a resolution.

The Regulation 23 (8) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI Regulations), inter alia, provides that all existing material related party contracts or arrangements entered into prior to the date of notification of the said SEBI Regulations and which continue beyond such date shall be placed for approval of the shareholders in the first general meeting subsequent to notification of those regulations.

It is proposed to enter into contracts/transactions for purchase/supply of materials, goods or providing of loan license / contract manufacturing services in the ordinary course of Company's business with M/s. Ipca Laboratories Limited, a related party within the definition under the Companies Act, 2013 and SEBI Regulations.

The aggregate value of all such contracts/transactions for purchase or supply of materials, goods or rendering or availing of services is likely to exceed the limits under Section 188 of the Act read with Rules made thereunder. Therefore, the transactions of the Company with M/s. Ipca Laboratories Ltd. would be a material transaction in terms of Regulation 23 (1) of the SEBI Regulations. It is, therefore, proposed to obtain approval of the members to enter into such transactions with M/s. Ipca Laboratories Ltd. under Section 188 of the Companies Act, 2013 and Regulation 23 (4) of the SEBI Regulations by way of an Ordinary Resolution.

The Company also has certain existing material related party contracts/arrangements with M/s. Ipca Laboratories Ltd. which were entered into prior to 2<sup>nd</sup> September, 2015, the date of notification of SEBI Regulations and still continuing. These contracts also require approval of shareholders under Regulation 23(8) of the said SEBI Regulations.

The particulars of the contracts/transactions, pursuant to para 3 of Explanation (1) to Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014 are as under:

- 1 Name of the related party: M/s. Ipca Laboratories Ltd.
- 2 Name of the director or Key managerial Person who is related: None.
- 3 Nature of relationship: Companies promoted by same promoters.
- 4 Monetary value: Estimated aggregate contract value for the matters proposed in the resolution will not exceed ₹ 15 Crores in any financial year.
- 5 Nature, material terms and particulars of arrangement:
  - i. Purchase/ sale of materials, capital goods, plant & machineries, packing materials, etc. at a market determined price that would be generally agreed by the trade / industry for similar nature of transaction.
  - ii. Availing of/rendering of services at a price that would be generally charged in the trade / industry for that particular type of service.
  - iii. Provision of common services at proportionate cost.
- 6 Period of contract: Continuous transactions on an ongoing basis.
- 7 The aggregate value of such contracts/transactions with M/s. Ipca Laboratories Ltd. should not exceed ₹ 15 crores in any financial year.

The memorandum of terms and conditions of the transactions to be entered/entered into with M/s. Ipca Laboratories Ltd. is available for inspection on all working days at the Registered Office of the Company except on Saturday and Sunday.

All entities falling under the definition of related parties shall abstain from voting on this resolution irrespective of whether the entity is a party to the particular transaction or not.

None of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in this resolution set out at Item No. 5.

The Board of Directors recommend the passing of ordinary resolution set forth in the Notice for the approval of members.

**Item No. 6**

The Board of Directors on the recommendation of the Audit Committee have appointed M/s Kale & Associates, Cost Accountants (Firm Registration No. 101144), as the Cost Auditors of the Company for the financial year 2016-17. A Certificate issued by the above firm regarding their eligibility for appointment as Cost Auditors will be available for inspection at the registered office of the Company during normal business hours on any working day, excluding Saturday.

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

None of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in this resolution set out at Item No. 6.

The Board of Directors accordingly recommend the resolution set out at Item No. 6 of the accompanying Notice for the approval of the members.

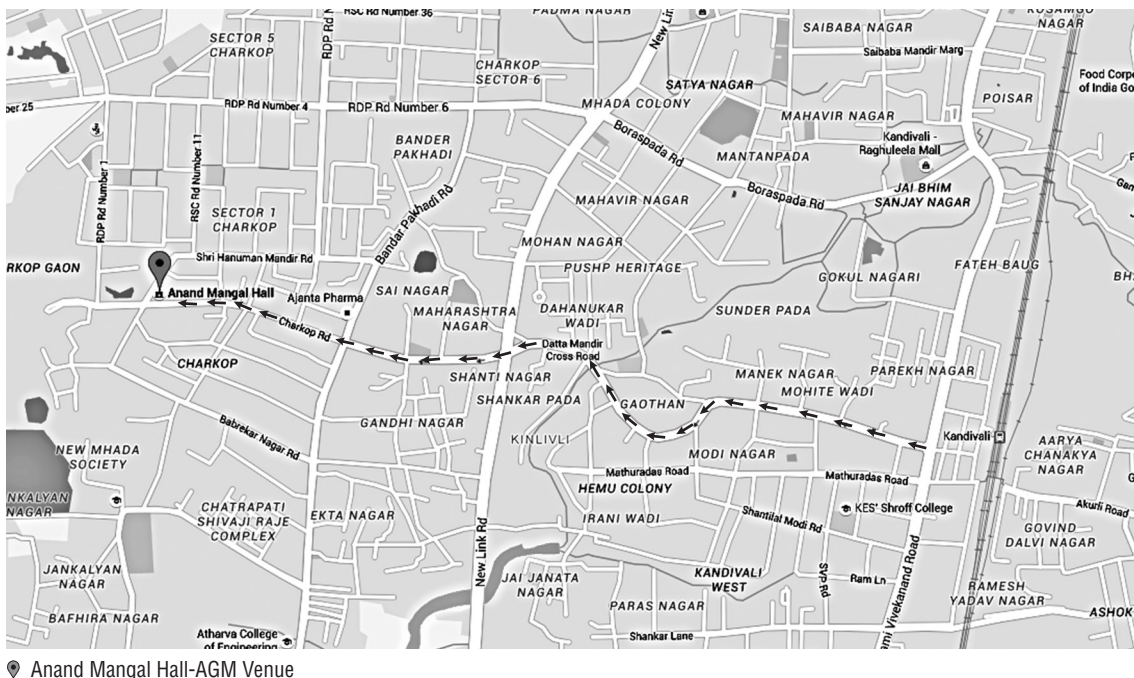
Registered Office:  
54-D, Kandivli Industrial Estate  
Kandivli (West), Mumbai – 400 067  
Tel : 022 – 6111 2800  
E-mail: investors@makerslabs.com  
Website: www.makerslabs.com  
CIN: L24230MH1984PLC033389

By Order of the Board  
For Makers Laboratories Limited

Khushbu Thakkar  
Company Secretary  
ACS 28375

Mumbai  
27<sup>th</sup> May, 2016

**ROUTE MAP OF THE AGM VENUE**



## DIRECTORS' REPORT

### TO THE MEMBERS

Your Directors have pleasure in presenting the 31<sup>st</sup> Annual Report and Financial Statements for the year ended 31<sup>st</sup> March, 2016.

### FINANCIAL RESULTS

|  | For the year ended<br>31.3.2016<br>(₹ Lacs) | For the year ended<br>31.3.2015<br>(₹ Lacs) |
|--|---|---|
| <b>Sales and other Income</b> (net of excise duty & sales tax)                       | <b>6202.84</b>                              | 6537.97                                     |
| Profit before finance cost, depreciation and taxation                                | <b>507.37</b>                               | 530.94                                      |
| Less : Finance Cost  | <b>32.01</b>                                | 38.24                                       |
| Depreciation & Amortisation  | <b>125.02</b>                               | 152.71                                      |
| <b>Profit before tax</b>   | <b>350.34</b>                               | 339.99                                      |
| Provision for taxation   |   |   |
| Current  | <b>140.00</b>                               | 110.00                                      |
| Deferred   | <b>(15.43)</b>                              | (7.72)                                      |
| Tax provision for earlier years  | <b>(4.84)</b>                               | 2.52  |
| <b>Net Profit after Tax</b>  | <b>230.61</b>                               | 235.19                                      |
| <b>YOUR DIRECTORS RECOMMEND THE FOLLOWING APPROPRIATIONS</b>                         |   |   |
| Surplus in Statement of Profit & Loss as per last Balance Sheet                      | <b>559.44</b>                               | 487.21                                      |
| Net Profit for the year  | <b>230.61</b>                               | 235.19                                      |
| Less:  |   |   |
| Depreciation on assets which have completed the useful life<br>(Net of deferred tax) | -   | 3.78  |
| Transfer to General Reserve  | <b>100.00</b>                               | 100.00                                      |
| Proposed dividend  | <b>49.17</b>                                | 49.17                                       |
| Tax on Proposed Dividend   | <b>10.01</b>                                | 10.01                                       |
| Balance as at year end   | <b>630.87</b>                               | 559.44                                      |

### TRANSFER TO RESERVES

The Company proposes to transfer ₹ 100.00 lacs to the general reserve out of the amount available for appropriation and an amount of ₹ 630.87 lacs is proposed to be retained in the Statement of profit and loss.

### MANAGEMENT DISCUSSION AND ANALYSIS

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

Sales and other income for the financial year under report amounted to ₹ 6202.84 lacs as compared with ₹ 6537.97 lacs for the previous year, degrowth of 5%. The decrease in the income is mainly on account of reduction in selling prices of few generics products and rationalization of products portfolio and sales territories as well as closure during the year of Company's APIs manufacturing unit situated at A-163, Phase I, MIDC, Dombivli (East) - 421203, District – Thane, Maharashtra.

During the financial year under report, the operations of the Company resulted in a net profit of ₹ 230.61 lacs as compared to a net profit of ₹ 235.19 lacs in the previous financial year.

During the year under Report, the Company closed down its bulk drugs manufacturing unit situated at A-163, Phase I, MIDC, Dombivli (East) - 421203, District – Thane, Maharashtra due to space constraints in safely handling manufacturing operations and for storage of solvents and materials. This manufacturing unit consisting of leasehold land admeasuring about 750 sq mtrs alongwith buildings/sheds standing thereon was sold by the Company in the month of April, 2016 at a consideration of ₹ 130 lacs. The plant and machineries of this manufacturing unit were also sold/scrapped in the month of April, 2016.

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

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

During the year under report, there was no change in the nature of Company's business.

**(c) Internal Control Systems**

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

**(d) Human Resources**

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

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

Your Company has 108 permanent employees as at 31<sup>st</sup> March, 2016.

**(e) Cautionary Statement**

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

**MATERIAL CHANGES AND COMMITMENTS AFTER THE END OF THE FINANCIAL YEAR**

No material changes or commitments affecting the financial position of the Company have occurred between the end of the financial year to which financial statements in this report relate and the date of this report.

**SHARE CAPITAL**

The paid-up equity share capital of the Company as at 31<sup>st</sup> March, 2016 is ₹ 491.70 lacs. The Company currently has no outstanding shares issued with differential rights, sweat equity or ESOS.

**SUBSIDIARY, JOINT VENTURE AND ASSOCIATE COMPANIES**

The Company has no subsidiary or joint venture companies. During the financial year under report, no company has become / ceased to be subsidiary or joint venture company.

**DIVIDEND**

Your directors are pleased to recommend a equity dividend of ₹ 1.00 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 ₹ 49.17 lacs and dividend tax amounting to ₹ 10.01 lacs, if approved at the ensuing Annual General Meeting, will be appropriated out of the profits for the year.

**DIRECTORS**

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

Pursuant to the provisions of Section 149 of the Companies Act, 2013, Mr. K. C. Jain, Mr. S. V. Loyalka and Dr. Rajeshwar Singh have been appointed as Independent Directors for a period of five years till 31<sup>st</sup> March, 2019 at the annual general meeting held on 28<sup>th</sup> July, 2014.

Mr. K. C. Jain, Mr. S. V. Loyalka and Dr. Rajeshwar Singh, who are independent directors, have submitted a declaration that each of them meets the criteria of independence as provided in Section 149(6) of the Companies Act, 2013 and there has been no change in the circumstances which may affect their status as independent director during the year.

In the opinion of the Board, the independent directors possess appropriate balance of skills, experience and knowledge, as required.

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

**KEY MANAGERIAL PERSONNEL**

During the year under report, the Company has appointed following persons as Key Managerial Personnel:

|                     |   |                          |
|---------------------|---|--------------------------|
| Mrs. Purnima Jain   | - | Wholetime Director/CEO   |
| Mr. Saahil Parikh   | - | Wholetime Director / CFO |
| Ms. Khushbu Thakkar | - | Company Secretary        |

There was no change in the Key Managerial Personnel during the financial year.

**POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION AND OTHER DETAILS**

The Nomination and Remuneration Committee has laid down the criteria for Directors' appointment and remuneration including criteria for determining qualifications, positive attributes and independence of a Director. The following attributes/criteria for selection have been laid by the Board on the recommendation of the Committee:

- the candidate should possess the positive attributes such as Leadership, Industrialist, Business Advisor or such other attributes which in the opinion of the Committee the candidate possess and are in the interest of the Company;
- the candidate should be free from any disqualifications as provided under Sections 164 and 167 of the Companies Act, 2013;
- the candidate should meet the conditions of being independent as stipulated under the Companies Act, 2013 and Listing Agreement entered into with Stock Exchanges in case of appointment as an independent director;
- the candidate should possess appropriate educational qualification, skills, experience and knowledge in one or more fields of finance, law, management, sales, marketing, administration, research, corporate governance, technical operations, infrastructure, medical, social service, professional teaching or such other areas or disciplines which are relevant for the Company's business.

**BOARD EVALUATION**

The Nomination and Remuneration Committee lays down the criteria for performance evaluation of independent directors, Board of Directors and Committees of the Board. The criteria for performance evaluation is based on the various parameters like attendance and participation at meetings of the Board and Committees thereof, contribution to strategic decision making, review of risk assessment and risk mitigation, review of financial statements, business performance and contribution to the enhancement of brand image of the Company.

The Board has carried out evaluation of its own performance as well as that of the Committees of the Board and all the Directors.

#### **REMUNERATION POLICY**

The objective and broad framework of the Company's Remuneration Policy is to consider and determine the remuneration, based on the fundamental principles of payment for performance, for potential and for growth. The Remuneration Policy reflects on certain guiding principles of the Company such as aligning remuneration with the longer term interests of the Company and its shareholders, promoting a culture of meritocracy and creating a linkage to corporate and individual performance and emphasising on line expertise and market competitiveness so as to attract the talent. The Nomination and Remuneration Committee recommends the remuneration of Directors and Key Managerial Personnel, which is approved by the Board of Directors, subject to the approval of shareholders, where necessary. The level and composition of remuneration shall be reasonable and sufficient to attract, retain and motivate the directors, key managerial personnel and other employees of the quality required to run the Company successfully. The relationship of remuneration to performance should be clear and meet appropriate performance benchmarks. The remuneration to directors, key managerial personnel and senior management personnel should also involve a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.

#### **FAMILIARISATION PROGRAM FOR INDEPENDENT DIRECTORS**

Details of the familiarisation program of independent directors are disclosed on the website of the Company [www.makerslabs.com](http://www.makerslabs.com).

#### **MEETINGS OF THE BOARD AND COMMITTEES THEREOF**

This information has been furnished under Report on Corporate Governance, which is annexed.

#### **DIRECTORS' RESPONSIBILITY STATEMENT**

Your Directors confirm:

- i) that in the preparation of the annual accounts, the applicable accounting standards have been followed alongwith proper explanation relating to material departures;
- ii) that your Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year March 31, 2016 and of the profit of the Company for the financial year;
- iii) that your Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv) that your Directors have prepared the annual accounts on a going concern basis;
- v) that your Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- vi) that your Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

#### **CORPORATE GOVERNANCE**

As per the requirement of listing agreement with the Stock Exchanges, your Company has voluntarily complied with the requirements of Corporate Governance in all material aspects, though the requirements of complying with the Corporate Governance provisions were not applicable to the Company since the Company's paid-up equity share capital was less than ₹ 10 crores and the net worth was less than ₹ 25 crores, as on the last day of the previous financial year ended 31<sup>st</sup> March, 2015.

A report on Corporate Governance (Annexure 1) 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 and as such no amount of principal or interest on deposits from public was outstanding as on the date of the balance sheet.

**AUDIT COMMITTEE**

Details of the Audit Committee along with its constitution and other details are provided in the Report on Corporate Governance.

**AUDITORS, AUDIT REPORT AND AUDITED ACCOUNTS**

M/s Agarwal & Mangal (Firm Registration No. 100061W), 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. There are no qualifications, reservations or adverse remarks made by the Auditors.

**COST AUDIT**

Pursuant to the provisions of Section 148 of the Companies Act, 2013, M/s. Kale & Associates, Cost Accountants (Firm Registration. No. 101144) were appointed as the Cost Auditors to conduct audit of cost records of the Company for the financial year 2015-16.

The Cost Audit Report for the financial year 2014-15, which was due to be filed with the Ministry of Corporate Affairs by 27<sup>th</sup> October, 2015 was filed on 21<sup>st</sup> October, 2015.

**SECRETARIAL AUDIT**

Pursuant to the provisions of Section 204 and other applicable provisions, if any, of the Companies Act, 2013, M/s. Parikh & Associates, Practising Company Secretaries were appointed as the Secretarial Auditors for auditing the secretarial records of the Company for the financial year 2015-16.

The Secretarial Auditors' Report is annexed hereto. There are no qualifications, reservations or adverse remarks made by the Secretarial Auditors.

**CORPORATE SOCIAL RESPONSIBILITY (CSR)**

The provisions of Section 135 of the Companies Act, 2013 pertaining to Corporate Social Responsibility (CSR) is not applicable to the Company.

**SAFETY, ENVIRONMENT AND HEALTH**

The Company considers safety, environment and health as the management responsibility. Regular employee training programmes are carried out in the manufacturing facilities on safety and environment.

**PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS**

The Company has not given any loans or guarantees or made investments in contravention of the provisions of the Section 186 of the Companies Act, 2013. The details of the loans and guarantees given and investments made by the Company are provided in the notes to the financial statements.

**RELATED PARTY TRANSACTIONS**

All related party transactions that were entered into during the financial year were on arm's length basis and were in the ordinary course of Company's business.

The Board has approved a policy for related party transactions which has been uploaded on the website of the Company ([http://www.makerslabs.com/pdf/Corporate\\_Policy/Related\\_Party\\_Transactions.pdf](http://www.makerslabs.com/pdf/Corporate_Policy/Related_Party_Transactions.pdf)).



All the related party transactions are placed before the Audit Committee as well as the Board for approval on a quarterly basis. Omnibus approval was also obtained from the Audit Committee and the Board on an annual basis for repetitive transactions.

Related party transactions are disclosed in the notes to the financial statements. Prescribed Form No. AOC-2 pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014 is furnished as Annexure 2 to this report.

#### **PARTICULARS OF EMPLOYEES**

The information required pursuant to Section 197 read with rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement showing the names and other particulars of the employees drawing remuneration and other details as set out in the said rules are provided as an Annexure 3 in this annual report. The Company had no employee drawing remuneration in excess of the amount as mentioned under Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

#### **CODE OF CONDUCT**

The Board has laid down a code of conduct for Board members and senior management personnel of the Company. The code incorporates the duties of independent directors as laid down in the Companies Act, 2013. The said code of conduct is posted on Company's website [www.makerslabs.com](http://www.makerslabs.com). The Board members and senior management personnel have affirmed compliance with the said code of conduct. A declaration signed by the Wholetime Director / CEO is given at the end of this Report.

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

There is a Whistle Blower Policy in the Company and that no personnel has been denied access to the Chairman of the Audit Committee. The policy provides for adequate safeguards against victimization of persons who use vigil mechanism. The Whistle Blowing Policy is posted on the website of the Company [www.makerslabs.com](http://www.makerslabs.com).

#### **PREVENTION OF INSIDER TRADING**

The Company has also adopted a code of conduct for prevention of insider trading. All the Directors, senior management employees and other employees who have access to the unpublished price sensitive information of the Company are governed by this code. During the year under Report, there has been due compliance with the said code of conduct for prevention of insider trading.

The Board at its meeting held on 29<sup>th</sup> May, 2015 has adopted a revised Code of Prevention of Insider Trading based on the SEBI (Prohibition of Insider Trading) Regulations, 2015. The same has been placed on the website of the Company [www.makerslabs.com](http://www.makerslabs.com).

#### **BUSINESS RISK MANAGEMENT**

Pursuant to the provisions of Section 134 of the Companies Act, 2013, the Company has constituted a Risk Management Committee. The details of the Committee and its terms of reference are provided in the Report on Corporate Governance, which is annexed.

#### **SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS**

There are no significant or material orders passed by any regulator, tribunal or court that would impact the going concern status of the Company and its future operations.

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

In accordance with the requirements of Section 134 of the Companies Act, 2013, statement showing particulars with respect to conservation of energy, technology absorption and foreign exchange earnings and outgo is furnished as Annexure 4 to this report.

**EXTRACT OF ANNUAL RETURN**

In accordance with the requirements of Section 92 (3) of the Companies Act, 2013 and rule 12 (1) of the Companies (Management and Administration) Rules, 2014, an abstract of Annual Return in Form MGT-9 is furnished as Annexure 5 to this report.

**ACKNOWLEDGEMENTS**

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

Mumbai  
27<sup>th</sup> May, 2016

For and on behalf of the Board

Purnima Jain  
Wholetime Director

Saahil Parikh  
Wholetime Director

## ANNEXURE 1

### REPORT ON CORPORATE GOVERNANCE

Pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, given below is a report on the Corporate Governance in the Company:

#### 1. Company's philosophy on Code 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 stakeholders.
- 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.
- v) The Company is in compliance with the requirements stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with regard to Corporate Governance.

#### 2. Board of Directors

##### a) Composition and Category of directors

The present strength of the Board of Directors of the Company is 5 directors of which 2 are professional Non-Promoter Wholetime Directors (out of which one is woman director) and 3 Directors who are Non-Executive Independent Directors comprising of at least one half of the total strength of the Board with independent judgement in the deliberation and decisions of the Board.

##### b) Details of attendance of each director at the meeting of the board of directors and the last annual general meeting and shareholding held by them in the Company

| Name of the Director                  | Category                            | No. of board meetings |          | Attendance at last AGM (04.08.2015) | No. of Equity shares held in the Company ** |
|---------------------------------------|-------------------------------------|-----------------------|----------|-------------------------------------|---|
|                                       |                                     | Held                  | Attended |                                     |   |
| Mr. K. C. Jain<br>(DIN 00021239)      | Non-Executive Independent Director  | 7                     | 7        | Yes                                 | 600   |
| Mr. S. V. Loyalka<br>(DIN 00016533)   | Non-Executive Independent Director  | 7                     | 6        | Yes                                 | Nil   |
| Dr. Rajeshwar Singh<br>(DIN 00347864) | Non-Executive Independent Director  | 7                     | 6        | Yes                                 | Nil   |
| Mrs. Purnima Jain<br>(DIN 00937041)   | Executive, Non Independent Director | 7                     | 7        | Yes                                 | 625   |
| Mr. Saahil Parikh<br>(DIN 00400079)   | Executive, Non Independent Director | 7                     | 5        | Yes                                 | 660   |

\*\*The above shareholding as at 31<sup>st</sup> March, 2016 is in respect of shares which are held by Directors as a first holder and in which shares they have beneficial interest.

**c) Number of other companies or committees of which the Director is Member or Chairperson**

| Name of Director    | No. of other Companies in which Director (including private companies) | No. of Committees in which Member (other than Makers) | No. of Committees of which he is Chairman (other than Makers) |
|---------------------|--|---|---|
| Mr. K. C. Jain      | 1  | None  | None  |
| Mr. S. V. Loyalka   | 7  | None  | None  |
| Dr. Rajeshwar Singh | None   | None  | None  |
| Mrs. Purnima Jain   | None   | None  | None  |
| Mr. Saahil Parikh   | None   | None  | None  |

Every Director informs the Company about the Committee positions he or she occupies in the other listed entities and any changes in them as and when they take place, if any.

**d) Number of meetings of the board of directors held during the financial year 2015-16 and dates on which held**

7 (Seven) board meetings were held during the Financial Year 2015-16. The dates on which the said meetings were held are as follows:

|                                  |                                |                                |
|----------------------------------|--------------------------------|--------------------------------|
| 16 <sup>th</sup> April, 2015     | 29 <sup>th</sup> May, 2015     | 4 <sup>th</sup> August, 2015   |
| 25 <sup>th</sup> September, 2015 | 6 <sup>th</sup> November, 2015 | 2 <sup>nd</sup> February, 2016 |
| 19 <sup>th</sup> February, 2016  |                                |                                |

The last Annual General Meeting of the Company was held on 4<sup>th</sup> August, 2015.

**e) Disclosure of relationships between directors inter-se**

None of the Directors are related to each other.

**f) Number of shares and convertible instruments held by Non-Executive Directors**

This information about number of shares held by Non-Executive Directors in the Company is given in table above. None of the Directors hold any convertible instruments of the Company.

**g) Web link where details of familiarisation programmes imparted to independent directors is disclosed**

The Company has conducted a familiarisation program for the Independent Directors with regards to their role, rights and responsibilities as Independent Directors. The Independent Directors are also regularly briefed on the nature of the pharmaceuticals industry and the Company's business model. The familiarisation programs have been uploaded on the website of the company at [www.makerslabs.com](http://www.makerslabs.com).

**3. Audit Committee**

**a) Brief description of terms of reference**

The terms of reference to this Committee, inter-alia, covers all the matters specified under Section 177 of the Companies Act, 2013 and also all the matters listed under Part C of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 such as oversight of the Company's financial reporting process; recommending the appointment/re-appointment, remuneration and terms of appointment of statutory auditors; review and monitor the Auditors independence and performance and effectiveness of audit process; approval of transactions with related parties; sanctioning of loans and investments; evaluation of internal financial control and risk management system; reviewing with the management annual financial statements and Auditors report thereon; quarterly financial statements and other matters as covered under role of Audit Committee in Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. 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 / Company's subsidiaries 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.

**b) Composition, name of members and chairperson**

The Audit Committee of the Company currently comprises of Mr. K. C. Jain, Chairman of the Committee, Dr. Rajeshwar Singh and Mr. S. V. Loyalka, all being Independent Directors with independent judgment in the deliberation and decisions of the Board as well as Audit Committee. Mrs. Purnima Jain, Wholetime Director / CEO and Mr. Saahil Parikh, Wholetime Director / CFO who is in-charge of Finance function of the Company along with Statutory Auditors, Internal Auditors and Cost Auditors are invitees to the meetings of the Audit Committee.

Ms. Khushbu Thakkar, Company Secretary is the Secretary of this Committee.

Mr. Chaital Jhaveri is appointed as the Internal Auditor of the Company under the provisions of Section 138 of the Companies Act, 2013.

**c) Audit Committee meetings and the attendance during the financial year 2015-16**

There were 6 (Six) meetings of the Audit Committee during the Financial Year 2015-16. The gap between two meetings did not exceed four months. The dates on which the said meetings were held are as follows:

|                                  |                                |                                |
|----------------------------------|--------------------------------|--------------------------------|
| 16 <sup>th</sup> April, 2015     | 29 <sup>th</sup> May, 2015     | 4 <sup>th</sup> August, 2015   |
| 25 <sup>th</sup> September, 2015 | 6 <sup>th</sup> November, 2015 | 2 <sup>nd</sup> February, 2016 |

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

| Name of the Director | No. of meetings held | No. of meetings attended |
|----------------------|----------------------|--------------------------|
| Mr. K. C. Jain       | 6                    | 6                        |
| Mr. S. V. Loyalka    | 6                    | 6                        |
| Dr. Rajeshwar Singh  | 6                    | 5                        |

The previous annual general meeting of the Company was held on 4<sup>th</sup> August, 2015 and was attended by Mr. K. C. Jain, Chairman of the Audit committee.

**4. Nomination and Remuneration Committee**

**a) Brief description of terms of reference**

- i. formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to the remuneration of the directors, key managerial personnel and other employees;
- ii. formulation of criteria for evaluation of performance of independent directors and the board of directors;
- iii. devising a policy on diversity of board of directors;
- iv. identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the board of directors their appointment and removal; and
- v. whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.

**b) Composition, name of members and chairperson**

The Company has a Nomination and Remuneration Committee of the Board which currently comprises of Mr. K.C. Jain, Chairman of the Committee, Mr. S. V. Loyalka and Dr. Rajeshwar Singh,

all independent directors to function in the manner and to deal with the matters specified in the Part D of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and also to review the overall compensation structure and policies of the Company to attract, motivate and retain employees.

The Nomination and Remuneration Committee has adopted the following policies which are displayed on the website of the Company:

- i. Formulation of the criteria to recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees ([http://www.makerslabs.com/pdf/Corporate\\_Policy/Remuneration\\_Policy.pdf](http://www.makerslabs.com/pdf/Corporate_Policy/Remuneration_Policy.pdf)).
- ii. Formulation of criteria for evaluation of Independent Directors and the Board ([http://www.makerslabs.com/pdf/Corporate\\_Policy/Evaluation\\_of\\_Directors.pdf](http://www.makerslabs.com/pdf/Corporate_Policy/Evaluation_of_Directors.pdf)).
- iii. Devising a policy on Board diversity which is displayed on the Company's website ([http://www.makerslabs.com/pdf/Corporate\\_Policy/Policy\\_on\\_Board\\_Diversity\\_of\\_the\\_Company.pdf](http://www.makerslabs.com/pdf/Corporate_Policy/Policy_on_Board_Diversity_of_the_Company.pdf)).
- iv. Oversee the familiarization programmes for directors ([http://www.makerslabs.com/pdf/appointment/Familiarisation\\_Programme\\_for\\_Independent\\_Directors.pdf](http://www.makerslabs.com/pdf/appointment/Familiarisation_Programme_for_Independent_Directors.pdf)).
- v. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board their appointment and removal ([http://www.makerslabs.com/pdf/Corporate\\_Policy/ Criteria\\_for\\_selection\\_of\\_Candidates\\_for\\_Senior\\_Management\\_and\\_Members\\_on\\_the\\_Board .pdf](http://www.makerslabs.com/pdf/Corporate_Policy/ Criteria_for_selection_of_Candidates_for_Senior_Management_and_Members_on_the_Board .pdf)).

**c) Meeting and attendance during the financial year 2015-16**

There were 3 (Three) meetings of this Committee during the Financial Year 2015-16. The dates on which the said meetings were held are as follows:

|                            |                                |                                |
|----------------------------|--------------------------------|--------------------------------|
| 29 <sup>th</sup> May, 2015 | 6 <sup>th</sup> November, 2015 | 2 <sup>nd</sup> February, 2016 |
|----------------------------|--------------------------------|--------------------------------|

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

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

**d) Performance evaluation criteria for independent directors**

Performance criteria for evaluation of Independent Directors and the Board is displayed on the Company's website (weblink [http://www.makerslabs.com/pdf/Corporate\\_Policy/Evaluation\\_of\\_Directors.pdf](http://www.makerslabs.com/pdf/Corporate_Policy/Evaluation_of_Directors.pdf)).

**5. Remuneration of Directors**

**a) All pecuniary relationship or transactions of the non-executive directors vis-à-vis the listed entity shall be disclosed in the annual report**

During the financial year under report, the non-executive Directors had no pecuniary relationship or transactions with the Company.

**b) Criteria of making payments to non-executive directors**

The non-executive Directors are paid only sitting fees and re-imbusement of out of pocket expenses incurred for attending the meetings of the Board of Directors and Committees thereof.

Details of payments made to Non-Executive Directors in the Financial Year 2015-16 are as under:

| Name of the Director | Sitting fees Paid (₹) | Commission paid (₹) |
|----------------------|-----------------------|---------------------|
| Mr. K. C. Jain       | 1,40,000              | Nil                 |
| Mr. S. V. Loyalka    | 1,10,000              | Nil                 |
| Dr Rajeshwar Singh   | 1,25,000              | Nil                 |

None of the Independent Directors have received any remuneration or commission from Company's holding or subsidiary companies.

**c) Disclosures with respect to remuneration paid / payable to Wholetime Directors for the financial year 2015-16**

i The details of the remuneration paid/payable to Wholetime Directors for the Financial Year 2015-16 are given below

(₹)

| Name of Directors                           | Salary*   | Benefits / Perquisites / Pension etc.* | Commission (performance linked) | Stock Options | Total     |
|---|-----------|--|---------------------------------|---------------|-----------|
| Mrs. Purnima Jain (Wholetime Director/ CEO) | 22,20,000 | 12,75,542                              | Nil                             | Nil           | 34,95,542 |
| Mr. Saahil Parikh (Wholetime Director/ CFO) | 17,85,000 | 10,40,436                              | Nil                             | Nil           | 28,25,436 |

\* Fixed Component

ii Details of fixed component and performance linked incentives, along with the performance criteria

The required details are given in the table above.

iii Service contracts, notice period, severance fees

The appointment of Whole-time Directors is contractual and is generally for a period of 3 years. The Company has entered into agreement with Mrs. Purnima Jain on 28<sup>th</sup> August, 2014 which is valid upto 29<sup>th</sup> October, 2017 and with Mr. Saahil Parikh on 27<sup>th</sup> August, 2014 which is valid upto 10<sup>th</sup> August, 2017. Either party is entitled to terminate the agreement by giving not less than 30 days / 60 days notice in writing to the other party. There is no separate provision for payment of severance fee in the agreements signed by the Company with them.

iv Stock option details, if any and whether issued at a discount as well as the period over which accrued and over which exercisable

The Company currently has no outstanding stock options or other convertible instruments.

## 6. Stakeholders Relationship Committee

### a. Name of Non-Executive Director heading the committee

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

### Meetings held and attendance during the financial year 2015-16

There were 4 (Four) meetings of this committee during the financial year 2015-16. The dates on which the said meetings were held are as follows:

|                                |                                |
|--------------------------------|--------------------------------|
| 29 <sup>th</sup> May, 2015     | 4 <sup>th</sup> August, 2015   |
| 6 <sup>th</sup> November, 2015 | 2 <sup>nd</sup> February, 2016 |

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

| Name of the Director | No. of meetings held | No. of meetings attended |
|----------------------|----------------------|--------------------------|
| Mr. K. C. Jain       | 4                    | 4                        |
| Dr. Rajeshwar Singh  | 4                    | 4                        |
| Ms. Purnima Jain     | 4                    | 4                        |

### b. Name and designation of Compliance officer

Ms. Khushbu Thakkar, Company Secretary is the Compliance Officer of the Company.

### c. Number of shareholders' complaints received

During the year, the Company received 4 complaints/communications from the shareholders, mostly regarding non-receipt of dividend warrants posted/request for revalidation of date expiry warrants, non-receipt of annual report posted, etc. all of which are attended to.

### d. Number not solved to the satisfaction of shareholders

The Company had no unattended request pending for transfer of its equity shares or any unattended complaints at the close of the financial year.

### e. Number of pending complaints

Nil

## 7. General Body Meetings

### a) Details of the location and time where the last three Annual General Meeting (AGM) and Extraordinary General Meeting (EGM) were held

| AGM for the financial year ended | Day, Date & Time of AGM                             | Place of AGM   | Special Resolutions Passed   |
|----------------------------------|---|--|--|
| 31-3-2015                        | Tuesday, 4 <sup>th</sup> August, 2015 at 11.00 a.m. | Plot No. 47, Kandivli Industrial Estate, Charkop, Kandivli (West), Mumbai- 400 067 | Adoption of new Articles of Association.   |
| 31-3-2014                        | Monday, 28 <sup>th</sup> July, 2014 at 4.00 p.m.    | Plot No. 47, Kandivli Industrial Estate, Charkop, Kandivli (West), Mumbai- 400 067 | Increase in the borrowing limit of the Company u/s 180 (1) (a) and (c) to ₹ 25 Crores. |
| 31-3-2013                        | Friday, 2 <sup>nd</sup> August, 2013 at 4.00 p.m.   | Plot No. 47, Kandivli Industrial Estate, Charkop, Kandivli (West), Mumbai- 400 067 | None.  |



All the resolutions including special resolutions set out in the respective notices calling the AGM notice were passed by the shareholders.

There is no proposal to pass any special resolution through postal ballot at the ensuing Annual General Meeting.

**b) Whether any special resolutions passed in the previous three annual general meetings**

Details of special resolutions passed in the previous 3 Annual General Meetings are given in the table above.

**c) Whether any special resolution passed last year through postal ballot**

The Company has passed a special resolution seeking members approval to sell / transfer / dispose off the Company's manufacturing unit located at A-163, Phase I, MIDC, Dombivli (East) - 421203, District – Thane, Maharashtra in the last financial year (2015-16) using postal ballot.

**d) Person who conducted the postal ballot exercise**

Mr. P. N. Parikh and failing him Ms. Jigyasa N. Ved of M/s. Parikh & Associates, Practicing Company Secretaries were appointed as the Scrutinizer for conducting the Postal Ballot / Electronic Voting process.

**e) Whether any special resolution is proposed to be conducted through postal ballot**

No special resolution is currently proposed to be conducted through postal ballot.

**f) Procedure for postal ballot**

Not applicable since no resolution is currently proposed to be passed through postal ballot.

**8. Means of communication**

|   |   |   |
|---|---|---|
| Quarterly / Annual Results                                      | : | The results of the Company are submitted to the stock exchanges where the shares of the Company are listed and published in the newspapers after the approval of the Board. |
| Newspapers wherein results normally published                   | : | The Free Press Journal and Nav Shakti.  |
| Website, where displayed  | : | www.makerslabs.com  |
| Whether website also displays official news releases            | : | Yes   |
| Presentation made to institutional investors or to the analysts | : | Presentations were not made to institutional investors or analysts during the financial year 2015-16.   |

**9. General Shareholders Information**

- a) AGM : Date, Time and Venue : Tuesday, 9<sup>th</sup> August, 2016 at 11.00 a.m. at Anand Mangal Hall, Plot No. 150, Govt. Industrial Estate, Charkop, Kandivli (West), Mumbai – 400 067.
- b) Financial Year : 1<sup>st</sup> April –31<sup>st</sup> March
- First quarter results : last week of July\*
- Second quarter results : last week of October\*
- Third quarter results : last week of January\*
- Annual results : last week of May\*
- \* tentative

- c) Dividend Payment dates : The Company has not paid any interim dividend on the equity share capital for the financial year 2015-16. It is now proposed to declare a dividend of ₹ 1/- per share (10%) on equity share capital for the financial year 2015-16 which if sanctioned will be paid on or before 30<sup>th</sup> August, 2016.
- Date of Book closure : Thursday, 4<sup>th</sup> August, 2016 to Tuesday, 9<sup>th</sup> August, 2016 (both days inclusive).
- d) The name and address of each stock exchange(s) at which the Company's securities are listed and a confirmation about payment of annual listing fee to each of such stock exchange(s) : BSE Ltd. (BSE)  
Phiroze Jeejeebhoy Towers  
Dalal Street, Mumbai 400 023  
  
Ahmedabad Stock Exchange Ltd. (ASE)  
Kamdheni Complex,  
Opp Sahajanand College  
Panjara Pole, Ahmedabad 380 015.
- Listing fees has been paid to BSE for the financial year 2016-17 in April, 2016. The fees of the depositories for the financial year 2016-17 have also been paid upon receipt of their bills. However, the Company is yet to receive the invoice from ASE and the listing fees will be paid to them upon receipt of their invoice.
- e) Stock code – Physical and ISIN Number for NSDL and CDSL : 506919 on BSE, 35210 on ASE  
Corporate Identity Number allotted by Ministry of Corporate Affairs : INE 987A01010  
L24230MH1984PLC033389
- f) Market price data: high, low during each month in last financial year : Please see Annexure 'A'
- g) Stock performance in comparison to BSE Sensex : Please see Annexure 'B'
- h) In case the securities are suspended from trading, the directors report shall explain the reason thereof : The securities of the Company are not suspended from trading by the Stock Exchanges.
- i) Registrars and share transfer agents : Link Intime India Private Limited  
C-13, Pannalal Silk Mills Compound  
L B S Marg, Bhandup (W)  
Mumbai 400 078  
Tel. No. (022) 2596 3838  
Fax. No.(022) 2594 6969
- j) Share transfer system : All share transfers subject to correctness and completion of all documents would normally be registered and returned within fifteen days from the date of receipt.
- k) Distribution of shareholding/ shareholding pattern as on 31.3.2016 : Please see Annexure 'C'
- l) Dematerialisation of shares and liquidity : 92.68% of the paid-up share capital has been dematerialised as on 31<sup>st</sup> March, 2016.

- m) Outstanding GDRs/ADRs/ warrants/ convertible instruments, conversion date and likely impact on equity : Not applicable since none of the said instruments are ever issued.
- n) Commodity Price Risk or Foreign Exchange Risk and Hedging Activities : The Company is not materially exposed to commodity price risk. The Company also does not carry out any commodity or currency hedging activities.
- o) Plant Locations : Plot No. 29/3, Phase III  
GIDC Industrial Estate  
Naroda, Ahmedabad – 382 330  
Gujarat
- p) Address for Correspondence : Company Secretary  
Makers Laboratories Limited  
54D, Kandivli Industrial Estate  
Kandivli (W), Mumbai 400 067  
E-mail: investors@makerslabs.com  
Tel: (022) 6111 2800  
Fax: (022) 6111 2835
- Share transfer and other communications may be addressed to the Registrars : Link Intime India Private Limited  
C-13, Pannalal Silk Mills Compound  
L B S Marg, Bhandup (W)  
Mumbai 400 078  
Tel. No. (022) 2596 3838

#### 10. Other Disclosures

**a) Disclosures on materially significant related party transactions that may have potential conflict with the interest of the Company at large**

The Board has approved a policy for related party transactions which has been uploaded on the website of the Company ([http://www.makerslabs.com/pdf/Corporate\\_Policy/Related\\_Party\\_Transactions.pdf](http://www.makerslabs.com/pdf/Corporate_Policy/Related_Party_Transactions.pdf)). There were no materially significant related party transactions during the year that may have potential conflict with the interest of the Company.

The Register of Contracts containing the related party transactions is placed before the Board and Audit Committee regularly for its approval. Disclosures from directors and senior management staff have been obtained to the effect that they have not entered into any material, financial and commercial transactions where they have personal interest that may have potential conflict with the interest of the Company at large.

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

**b) Details of non-compliance by the Company, penalties, strictures imposed on the Company by Stock Exchange(s) or the board or any other statutory authorities on any matter related to capital market during the last 3 financial years**

None.

**c) Details of establishment of vigil mechanism, whistle blower policy and affirmation that no personnel has been denied access to the audit committee**

There is a Whistle Blower Policy in the Company and that no personnel has been denied access to the Chairman of the Audit Committee. The policy provides for adequate safeguards against victimization of persons who use vigil mechanism. The Whistle Blowing Policy is posted on the website of the Company [www.makerslabs.com](http://www.makerslabs.com).

**d) Details of compliance with mandatory requirements and adoption of the non-mandatory requirements;**

The Company has voluntarily complied with all the applicable mandatory requirements of corporate governance under erstwhile clause 49 of the listing agreement (as amended from time to time) and also under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The details about adoption of non-mandatory requirements are given in the table below.

**e) Web link where policy for determining 'material' subsidiaries is disclosed**

The Company does not have any subsidiary company.

**f) Web link where policy on dealing with related party transactions is disclosed**

The Board has approved a policy for related party transactions which has been uploaded on the website of the Company ([http://www.makerslabs.com/pdf/Corporate\\_Policy/Related\\_Party\\_Transactions.pdf](http://www.makerslabs.com/pdf/Corporate_Policy/Related_Party_Transactions.pdf)).

**g) Disclosure of commodity price risks and commodity hedging activities**

The Company is engaged in the manufacturing and marketing of pharmaceuticals. Since the Company does not consume large quantities of commodities in its manufacturing activities, the Company is not materially exposed to commodity price risks nor does the Company do any commodity hedging.

**h) Non-Compliance of any requirement of Corporate Governance Report with reasons thereof**

None.

**11. Adoption of Discretionary Requirements**

|   |  |
|---|--|
| The Board   | The Company currently does not have a Chairman of the Board of Directors.  |
| Shareholders Rights                                       | At present, the Company does not send the statement of half yearly financial performance to the household of each shareholder. |
| Modified opinion(s) in audit report                       | The Company's financial statements are with unmodified audit opinion.  |
| Separate posts of chairperson and chief executive officer | Currently, the Company does not have any Chairman of the Board.  |
| Reporting of internal auditor                             | The Internal Auditor reports to the Wholetime Director / CFO as well as to the Audit Committee.                                |

**12. The disclosures of the compliance with corporate governance requirements specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46**

- a) The Company has a process to provide, inter-alia, the information to the Board as specified in Part A of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 pertaining to Corporate Governance. The Board also periodically reviews the compliances by the Company of all applicable laws.
- b) The Board of Directors in their meeting regularly discuss and are satisfied that the Company has plans in place for orderly succession for appointment to the Board of Directors and Senior Management.
- c) Code of Conduct for Board and Senior Managerial Personnel  
The Board has laid down a code of conduct for Board members and senior management personnel of the Company. The code incorporates the duties of independent directors as laid down in the

Companies Act, 2013. The said code of conduct is posted on Company's website [www.makerslabs.com](http://www.makerslabs.com).

The Board members and senior management personnel have affirmed compliance with the said code of conduct. A declaration in this regard signed by the Wholetime Director / CEO is given at the end of this Report.

The Company has adopted a code of conduct for prevention of insider trading based on SEBI (Prohibition of Insider Trading) Regulations, 2015. The same has been placed on the website of the Company [www.makerslabs.com](http://www.makerslabs.com). All the Directors, senior management employees and other employees who have access to the unpublished price sensitive information of the Company are governed by this code. During the year under Report, there has been due compliance with the said code of conduct for prevention of insider trading.

- d) The Company complies with the requirement of placing minimum information before the Board of Directors as contained in Part A of Schedule II of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015.
- e) The CEO/CFO compliance certification under Part B of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 forms part of this Annual Report.
- f) The Company has a Risk Management Committee which monitors and reviews risk management plan on regular basis. The Board of Directors also periodically review and monitor the risk management plan of the Company.
- g) The Board on an annual basis evaluates the performance of independent Directors.
- h) Risk Management Committee

The Risk Management Committee was constituted by the Board of Directors at its meeting held on 16<sup>th</sup> April, 2015 consisting of the following members:

Mr. Saahil Parikh, Wholetime Director & CFO, Mrs. Purnima Jain, Wholetime Director, Mr. Sandeep Kadam, Asst. Manager (Accounts) and Ms. Khushbu Thakkar, Company Secretary.

The roles and responsibilities of the Risk Management Committee are as prescribed under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and includes monitoring and review of risk management plan on a quarterly basis and reporting the same to the Board of Directors periodically as it may deem fit, in addition to any other terms as may be referred to them by the Board of Directors, from time to time.

The risk management policy is displayed on the Company's website ([http://www.makerslabs.com/pdf/Corporate\\_Policy/Risk\\_Management\\_Policy.pdf](http://www.makerslabs.com/pdf/Corporate_Policy/Risk_Management_Policy.pdf)).

- i) The Company has formulated a policy on materiality of related party transactions and dealing with related party transactions which is available on the website of the Company ([http://www.makerslabs.com/pdf/Corporate\\_Policy/Policy\\_for\\_Determination\\_of\\_Materiality\\_of\\_Event.pdf](http://www.makerslabs.com/pdf/Corporate_Policy/Policy_for_Determination_of_Materiality_of_Event.pdf)).
- j) All related party transactions entered into by the Company with related parties are at an arms length basis and in the ordinary course of Company's business. Transactions with related parties are disclosed under notes forming part of the accounts. The Board and the Audit Committee periodically reviews the details of the related party transactions entered into by the Company.
- k) Subsidiary Companies

The Company does not have any subsidiary company.

- l) None of the Directors are directors in more than 20 companies at the same time and are also not serving as independent director in more than 7 listed companies or serve as Wholetime Director in any other listed company. None of the Wholetime Directors of the Company serve as Independent Director in more than 3 listed entities.

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 directors have disclosed their committee positions to the Company. For determining this limit, Chairpersonship and Membership of Audit Committee and Stakeholders Relationship Committee only are considered.

The Shareholders have approved the appointment of Mr. K. C. Jain, Mr. S. V. Loyalka and Dr. Rajeshwar Singh as Independent directors for a term of five years. The terms and conditions of appointment of independent directors have been disclosed on the website of the Company [www.makerslabs.com](http://www.makerslabs.com). The maximum tenure of independent directors is in accordance with the Companies Act, 2013 and the rules made thereunder.

In accordance with requirements of Section 149(6) and (7) of the Companies Act, 2013, all the independent directors have given declaration of independence in the first board meeting of the current financial year held on 12<sup>th</sup> April, 2016.

m) Independent Directors Meeting

During the year under review, the Independent Directors met on 2<sup>nd</sup> February, 2016, without the attendance of non-independent directors and members of the management, inter-alia, to discuss:

- i Evaluation of the performance of Non-Independent Directors and the Board of Directors as a whole;
- ii Evaluation of the quality, content and timelines of flow of information between the management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

All the independent Directors were present at the said meeting.

- n) The Company maintains a functional website containing the basic information about the Company. The Company has disseminated all the required information on its website as required under Regulation 46 (2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- o) Information on Directors retiring by rotation and seeking appointment / re-appointment

**Mrs. Purnima Jain**

Mrs Purnima Jain, aged 65 years is Commerce and Law graduate and has experience of over 28 years in the field of commercial and general management. She is with the Company since February, 1989 and held the position of General Manager – Commercial before being appointed as Wholetime Director of the Company with effect from 30<sup>th</sup> October, 2006.

She holds 625 shares of the Company. She does not hold directorship in any other Company.

She is not related to any Director or Key Managerial Personnel of the Company.

Number of Board Meetings held and attended by her during her tenure as Director of the Company are given in the Corporate Governance Report of the respective financial year annexed with the Company's Annual Reports which are available on the Company's website [www.makerslabs.com](http://www.makerslabs.com).

p) Reconciliation of Share Capital Audit:

A qualified practicing Company Secretary carries out a share capital audit to reconcile the total admitted equity share capital with NSDL and CDSL and the total issued and listed equity share capital of the Company. The audit report confirms that the total issued/ paid-up capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.

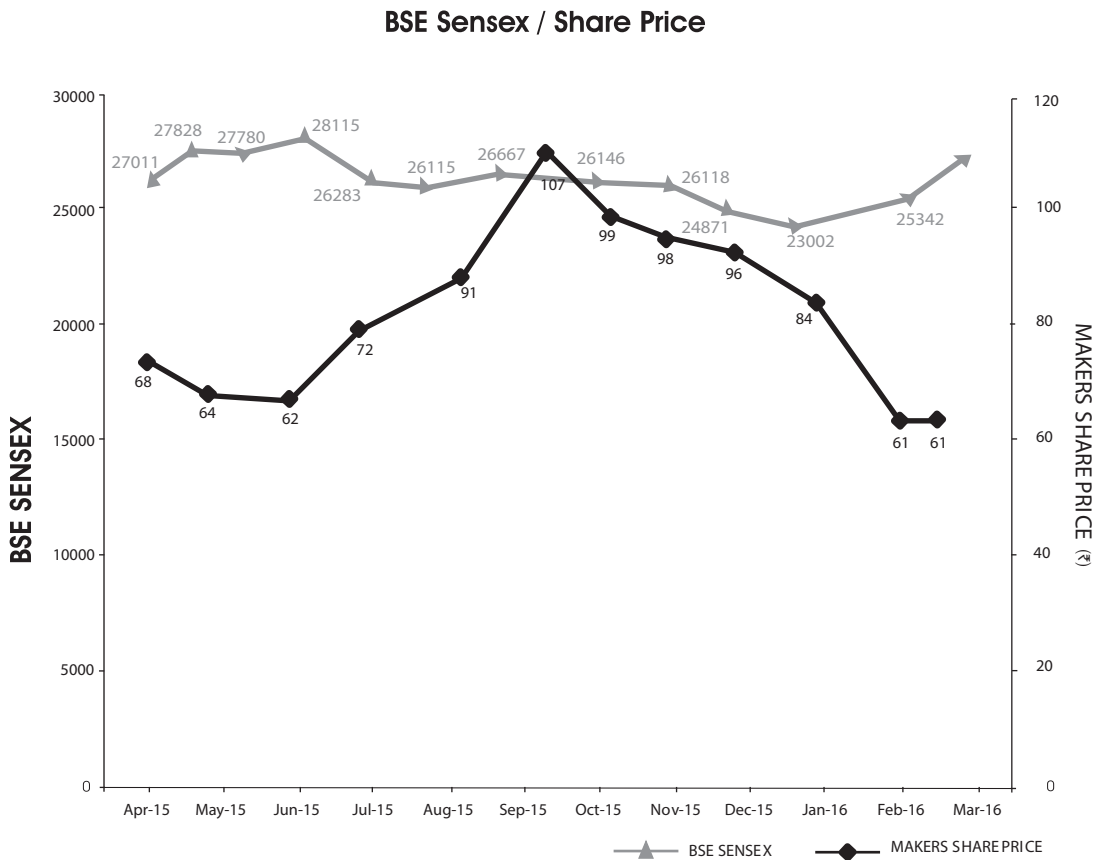
### Annexure A

High/Low of Market price of the Company's shares traded on BSE Ltd. (BSE) during the financial year 2015-16 is furnished below:

| Year | Month     | Highest (₹) | Lowest (₹) |       |
|------|-----------|-------------|------------|-------|
| 2015 | April     | 87.95       | 59.75      |       |
|      | May       | 74.30       | 61.10      |       |
|      | June      | 66.75       | 48.50      |       |
|      | July      | 75.95       | 57.55      |       |
|      | August    | 123.40      | 69.60      |       |
|      | September | 107.25      | 73.85      |       |
|      | October   | 112.60      | 93.40      |       |
|      | November  | 104.20      | 77.30      |       |
|      | December  | 103.90      | 93.00      |       |
|      | 2016      | January     | 116.10     | 78.00 |
|      |           | February    | 86.25      | 58.60 |
|      |           | March       | 75.00      | 56.00 |

### Annexure B

Graph of Share Price/ BSE Sensex



## Annexure C

The distribution of shareholding as on 31<sup>st</sup> March, 2016 is as follows :

| No. of equity shares held              |    |       | No. of shareholders % |               | No. of shares % |               |
|--|----|-------|-----------------------|---------------|-----------------|---------------|
| Upto                                   |    | 500   | 4221                  | 86.69         | 637457          | 12.96         |
| 501                                    | to | 1000  | 364                   | 7.48          | 290874          | 5.92          |
| 1001                                   | to | 2000  | 149                   | 3.06          | 228665          | 4.65          |
| 2001                                   | to | 3000  | 43                    | 0.88          | 108139          | 2.20          |
| 3001                                   | to | 4000  | 21                    | 0.43          | 76835           | 1.56          |
| 4001                                   | to | 5000  | 15                    | 0.31          | 68889           | 1.40          |
| 5001                                   | to | 10000 | 29                    | 0.60          | 204396          | 4.16          |
| 10001                                  | &  | above | 27                    | 0.55          | 3301725         | 67.15         |
| <b>Grand Total</b>                     |    |       | <b>4869</b>           | <b>100.00</b> | <b>4916980</b>  | <b>100.00</b> |
| No. of shareholders in Physical Mode   |    |       | 1833                  | 37.65         | 359744          | 7.32          |
| No. of shareholders in Electronic Mode |    |       | 3036                  | 62.35         | 4557236         | 92.68         |

Shareholding pattern as on 31<sup>st</sup> March, 2016 is as follows :

| Category                      | No. of shareholders | No. of shares  | % holding     |
|-------------------------------|---------------------|----------------|---------------|
| Indian Promoters              | 12                  | 2869947        | 58.37         |
| Banks and Insurance Companies | 1                   | 100            | 0.00          |
| UTI and Mutual Funds          | 0                   | 0              | 0.00          |
| FII and NRIs                  | 123                 | 68849          | 1.40          |
| Domestic Companies            | 83                  | 111056         | 2.26          |
| Resident Individuals          | 4650                | 1867028        | 37.97         |
| <b>Total</b>                  | <b>4869</b>         | <b>4916980</b> | <b>100.00</b> |

## CEO CERTIFICATION

To  
All the Members of  
Makers Laboratories Ltd.

27<sup>th</sup> May, 2016

It is hereby certified and confirmed in accordance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 that the Board members and the Senior Management personnel of the Company have affirmed compliance with the Code of Conduct of the Company for the financial year ended 31<sup>st</sup> March, 2016.

For Makers Laboratories Limited  
Purnima Jain  
Wholetime Director / CEO



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

27<sup>th</sup> May, 2016

### **CEO/CFO CERTIFICATION**

We hereby certify that:

- (a) We have reviewed financial statements and the cash flow statement for the year ended 31<sup>st</sup> March, 2016 and that to the best of our knowledge and belief;
  - i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - ii. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) No transaction is entered into by the Company during the year which is fraudulent, illegal or violative of the Company's code of conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) We have indicated to the auditors and the Audit Committee:
  - i. significant changes in internal control over financial reporting during the year;
  - ii. significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - iii. instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For Makers Laboratories Limited

Purnima Jain  
Wholetime Director

Saahil Parikh  
Wholetime Director

## AUDITORS CERTIFICATE ON CORPORATE GOVERNANCE

To  
The Members of  
**MAKERS LABORATORIES LIMITED**

1. We have examined the compliance of conditions of Corporate Governance by MAKERS LABORATORIES LIMITED for the period ended on 31<sup>st</sup> March, 2016 as stipulated in clause 49 of the Listing Agreement of the said Company with stock exchanges for the period April 1, 2015 to November 13, 2015 and as per Regulation 34(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
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 and SEBI Regulations.
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 Stakeholders Relationship 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**  
Firm Registration No. 100061W  
Chartered Accountants  
**(B. P. MANGAL)**  
Partner  
Membership No. 32973

Place: Mumbai  
Dated: 27<sup>th</sup> May, 2016

### DISCLOSURES WITH RESPECT TO DEMAT SUSPENSE ACCOUNT/ UNCLAIMED SUSPENSE ACCOUNT

|    |  |                |
|----|--|----------------|
| a) | Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year | None           |
| b) | Number of shareholders who approached listed entity for transfer of shares from suspense account during the year       | None           |
| c) | Number of shareholders to whom shares were transferred from suspense account during the year                           | None           |
| d) | Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year       | None           |
| e) | That the voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares    | Not Applicable |

Note: The Company has sent in the month of April 2016, first letter of reminder to the addresses of the shareholders whose unclaimed share certificates, which were returned undelivered and lying with the Company's Registrar's and Share Transfer Agents, requesting such shareholders to immediately claim their share certificate(s) by submitting the required proof. They have been informed about the requirement of transferring the unclaimed shares/share certificates to the share suspense account to be created by the Company in respect of such unclaimed shares.

**ANNEXURE 2****Form No. AOC-2**

(Pursuant to clause (h) of sub-section (3) of Section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

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

1. Details of contracts or arrangements or transactions not at arm's length basis:
  - (a) Name(s) of the related party and nature of relationship: Not Applicable
  - (b) Nature of contracts/arrangements/transactions: Not Applicable
  - (c) Duration of the contracts / arrangements/transactions: Not Applicable
  - (d) Salient terms of the contracts or arrangements or transactions including the value, if any: Not Applicable
  - (e) Justification for entering into such contracts or arrangements or transactions: Not Applicable
  - (f) Date(s) of approval by the Board: Not Applicable
  - (g) Amount paid as advances, if any: Not Applicable
  - (h) Date on which the special resolution was passed in general meeting as required under first proviso to Section 188: Not Applicable
2. Details of material contracts or arrangement or transactions at arm's length basis:
  - (a) Name(s) of the related party and nature of relationship: Not Applicable
  - (b) Nature of contracts/arrangements/transactions: Not Applicable
  - (c) Duration of the contracts / arrangements/transactions: Not Applicable
  - (d) Salient terms of the contracts or arrangements or transactions including the value, if any: Not Applicable
  - (e) Date(s) of approval by the Board, if any: Not Applicable
  - (f) Amount paid as advances, if any: Not Applicable

Note: All related party transactions that were entered into during the financial year were on arm's length basis and were in the ordinary course of Company's business.

For and on behalf of the Board

Mumbai  
27<sup>th</sup> May, 2016

Purnima Jain  
Wholetime Director

Saahil Parikh  
Wholetime Director

### ANNEXURE 3

DETAILS OF REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5 (1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

- i. The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2015-16, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2015-16 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under:

| Sr. No. | Name of the Director/ Key Managerial Personnel and Designation | Remuneration of Director / KMP for the financial year 2015-16 (₹) | % increase/ (decrease) in remuneration in the financial year 2015-16 | Ratio of remuneration of each Director /to median remuneration of employees | Comparison of the Remuneration of the KMP against the performance of the Company  |
|---------|--|---|--|---|---|
| 1       | Mrs. Purnima Jain (Whole-time Director)                        | 34,95,542   | 16.15%   | 18.03   | During the year, the net total income of the Company decreased by 5% to ₹ 6202.84 lacs and profit after tax decreased by 2% to ₹ 230.61 lacs. |
| 2       | Mr. Saahil Parikh (Whole Time Director)                        | 28,25,436   | 10.59%   | 14.57   |   |
| 3       | Mr. K. C. Jain (Director)                                      | 1,40,000  | 21.73%   | 0.72  |   |
| 4       | Mr. S. V. Loyalka (Director)                                   | 1,10,000  | 4.76%  | 0.57  |   |
| 5       | Dr Rajeshwar Singh (Director)                                  | 1,25,000  | 25.00%   | 0.64  |   |
| 6       | Ms. Khushbu Thakkar (Company Secretary )                       | 5,97,982  | 21.69%   | 3.08  | Please see remarks above  |

- ii. The median remuneration of the employees of the Company during the financial year was ₹ 1,93,860.
- iii. In the financial year, there was an increase of 8.30% in the median remuneration of employees.
- iv. There were 108 permanent employees on the rolls of Company as on March 31, 2016.
- v. Relationship between average increase in remuneration and company performance:- The Profit before Tax for the financial year ended March 31, 2016 increased by 3% whereas the increase in median remuneration was 8.30%. The average increase in median remuneration was in line with the Company's business and industry trend.
- vi. Comparison of Remuneration of the Key Managerial Personnel(s) against the performance of the Company:  
The total remuneration of Key Managerial Personnel increased by 14.25% from ₹ 60.56 lacs in 2014-15 to ₹ 69.19 lacs in 2015-16. During the year, the net total income of the Company decreased by 5% to ₹ 6202.84 lacs and profit after tax decreased by 2% to ₹ 230.61 lacs.
- vii. a) Variations in the market capitalisation of the Company : The market capitalisation as on March 31, 2016 was ₹ 2972.31 lacs (₹ 2800.22 lacs as on March 31, 2015).
- b) Price Earnings ratio of the Company was 12.89 as at March 31, 2016 and was 11.91 as at March 31, 2015.

- c) Percent increase over/ decrease in the market quotations of the shares of the company as compared to the rate at which the company came out with the last public offer in the year:

In view of the IPO made by the Company long back and subsequent to that there was a merger of another company with the Company towards which merger, the equity shares of the Company were given to the shareholders of the merged company and also right equity issue made by the Company in the prior years, the compilation of these figures are not practical.

- viii. Average percentage increase made in the salaries of employees other than the managerial personnel in the last financial year i.e. 2015-16 was 5.37% whereas the increase in the managerial remuneration for the same financial year was 14.25%.
- ix. No component of variable remuneration was paid to the Directors or Key Managerial Personnel during the financial year.
- x. The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year – Not Applicable
- xi. It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.

For and on behalf of the Board

Mumbai  
27<sup>th</sup> May, 2016

Purnima Jain  
Wholetime Director

Saahil Parikh  
Wholetime Director

## ANNEXURE 4

### 1. CONSERVATION OF ENERGY

**i. The steps taken or impact on conservation of energy :**

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

**ii. The steps taken by the Company for utilizing alternate sources of energy :**

Presently none.

**iii. The capital investment on energy conservation equipments :**

The Company has not spent any material capital investment on energy conservation equipments except some investment on energy conservation consumables.

### 2. TECHNOLOGY ABSORPTION

Research & Development

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

None

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

None

- (c) Future Plan of Action :

Presently None

- (d) Expenditure incurred on R&D:

None

- (e) Imported technology (imported during last 5 years):

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

### 3. FOREIGN EXCHANGE EARNINGS AND OUTGO

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

For and on behalf of the Board

Mumbai  
27<sup>th</sup> May, 2016

Purnima Jain  
Wholetime Director

Saahil Parikh  
Wholetime Director

## ANNEXURE 5

**Form No. MGT-9  
EXTRACT OF ANNUAL RETURN  
as on the financial year ended 31<sup>st</sup> March, 2016**

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

### I. REGISTRATION AND OTHER DETAILS:

- i) CIN: L24230MH1984PLC033389
- ii) Registration Date: 09.07.1984
- iii) Name of the Company: Makers Laboratories Limited
- iv) Category / Sub-Category of the Company: Company limited by shares
- v) Address of the Registered office and contact details:  
54D, Kandivli Industrial Estate,  
Kandivli (W), Mumbai – 400 067.  
Tel: 022 – 6111 2800 e-mail: investors@makerslabs.com website: www.makerslabs.com
- vi) Whether listed company: Yes
- vii) Name, Address and Contact details of Registrar and Transfer Agent, if any:  
Link Intime India Private Limited  
C-13, Pannalal Silk Mills Compound,  
L.B.S. Marg, Bhandup (W),  
Mumbai - 400 078.  
Tel: 022 – 2596 3838 e-mail: rnt.helpdesk@linkintime.co.in

### II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

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

| Sl. No. | Name and Description of main products / services | NIC Code of the Product/service | % to total turnover of the company |
|---------|--|---------------------------------|------------------------------------|
| 1.      | Pharmaceuticals                                  | 21002                           | 100%                               |

### III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

| Sl. No. | Name And Address of the Company | CIN/GLN | Holding/ Subsidiary/ Associate | % of shares held | Applicable Section |
|---------|---------------------------------|---------|--------------------------------|------------------|--------------------|
| NONE    |                                 |         |                                |                  |                    |

### IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity):

#### i) Category-wise Share Holding

| Category of Shareholders                                    | No. of Shares held at the beginning of the year (01.04.2015) |           |                |                   | No. of Shares held at the end of the year (31.03.2016) |           |                |                   | % Change during the year |
|---|--|-----------|----------------|-------------------|--|-----------|----------------|-------------------|--------------------------|
|   | Demat  | Physical  | Total          | % of Total Shares | Demat  | Physical  | Total          | % of Total Shares |                          |
| <b>A. Promoters</b>   |  |           |                |                   |  |           |                |                   |                          |
| <b>(1) Indian</b>   |  |           |                |                   |  |           |                |                   |                          |
| a) Individual/HUF   | 392895   | --        | 392895         | 7.99              | 392895   | --        | 392895         | 7.99              | --                       |
| b) Central Govt.  | --   | --        | --             | --                | --   | --        | --             | --                | --                       |
| c) State Govt. (s)  | --   | --        | --             | --                | --   | --        | --             | --                | --                       |
| d) Bodies Corp.   | 2477052  | --        | 2477052        | 50.38             | 2477052  | --        | 2477052        | 50.38             | --                       |
| e) Banks / FI   | --   | --        | --             | --                | --   | --        | --             | --                | --                       |
| f) Any Other....  | --   | --        | --             | --                | --   | --        | --             | --                | --                       |
| <b>Sub-total (A) (1):-</b>                                  | <b>2869947</b>   | <b>--</b> | <b>2869947</b> | <b>58.37</b>      | <b>2869947</b>   | <b>--</b> | <b>2869947</b> | <b>58.37</b>      | <b>--</b>                |
| <b>(2) Foreign</b>  |  |           |                |                   |  |           |                |                   |                          |
| a) NRIs - Individuals                                       | --   | --        | --             | --                | --   | --        | --             | --                | --                       |
| b) Other – Individuals                                      | --   | --        | --             | --                | --   | --        | --             | --                | --                       |
| c) Bodies Corp.   | --   | --        | --             | --                | --   | --        | --             | --                | --                       |
| d) Banks / FI   | --   | --        | --             | --                | --   | --        | --             | --                | --                       |
| e) Any Other....  | --   | --        | --             | --                | --   | --        | --             | --                | --                       |
| <b>Sub-total (A) (2):-</b>                                  | <b>--</b>  | <b>--</b> | <b>--</b>      | <b>--</b>         | <b>--</b>  | <b>--</b> | <b>--</b>      | <b>--</b>         | <b>--</b>                |
| <b>Total shareholding of Promoter (A) = (A)(1) + (A)(2)</b> | <b>2869947</b>   | <b>--</b> | <b>2869947</b> | <b>58.37</b>      | <b>2869947</b>   | <b>--</b> | <b>2869947</b> | <b>58.37</b>      | <b>--</b>                |

| Category of Shareholders  | No. of Shares held at the beginning of the year (01.04.2015) |          |         |                   | No. of Shares held at the end of the year (31.03.2016) |          |         |                   | % Change during the year |
|---|--|----------|---------|-------------------|--|----------|---------|-------------------|--------------------------|
|   | Demat  | Physical | Total   | % of Total Shares | Demat  | Physical | Total   | % of Total Shares |                          |
| <b>A. Public Shareholding</b>   |  |          |         |                   |  |          |         |                   |                          |
| <b>(1) Institutions</b>   |  |          |         |                   |  |          |         |                   |                          |
| a) Mutual Funds   | --   | --       | --      | --                | --   | --       | --      | --                | --                       |
| b) Banks / FI   | 100  | --       | 100     | 0.00              | 100  | --       | 100     | 0.00              | --                       |
| c) Central Govt.  | --   | --       | --      | --                | --   | --       | --      | --                | --                       |
| d) State Govt. (s)  | --   | --       | --      | --                | --   | --       | --      | --                | --                       |
| e) Venture Capital Funds  | --   | --       | --      | --                | --   | --       | --      | --                | --                       |
| f) Insurance Companies  | --   | --       | --      | --                | --   | --       | --      | --                | --                       |
| g) FIs  | --   | --       | --      | --                | --   | --       | --      | --                | --                       |
| h) Foreign Venture Capital Funds  | --   | --       | --      | --                | --   | --       | --      | --                | --                       |
| i) Others (specify)   | --   | --       | --      | --                | --   | --       | --      | --                | --                       |
| <b>Sub-total (B)(1):-</b>   | 100  | --       | 100     | 0.00              | 100  | --       | 100     | 0.00              | --                       |
| <b>(2) Non-Institutions</b>   |  |          |         |                   |  |          |         |                   |                          |
| a) Bodies Corp.   |  |          |         |                   |  |          |         |                   |                          |
| i) Indian   | 103540   | 2810     | 106350  | 2.16              | 108246   | 2810     | 111056  | 2.26              | 0.10                     |
| ii) Overseas  | --   | --       | --      | --                | --   | --       | --      | --                | --                       |
| b) Individuals  |  |          |         |                   |  |          |         |                   |                          |
| i) Individual shareholders holding nominal share capital upto ₹ 1 lakh          | 950802   | 318900   | 1269702 | 25.83             | 1101020  | 296724   | 1397744 | 28.43             | 2.60                     |
| ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh | 545288   | 28362    | 573650  | 11.67             | 346646   | 10650    | 357296  | 7.27              | (4.40)                   |
| c) Others (specify)   |  |          |         |                   |  |          |         |                   |                          |
| (c-i) Clearing Member   | 9898   | --       | 9898    | 0.20              | 22616  | --       | 22616   | 0.46              | 0.26                     |
| (c-ii) Market Maker   | 4600   | --       | 4600    | 0.09              | 4650   | --       | 4650    | 0.09              | 0.00                     |
| (c-iii) HUF   | 19224  | --       | 19224   | 0.39              | 84722  | --       | 84722   | 1.72              | 1.33                     |
| (c-iv) Foreign Holding  |  |          |         |                   |  |          |         |                   |                          |
| NRI (Repatriate)  | 4248   | 49560    | 53808   | 1.09              | 10888  | 49560    | 60448   | 1.23              | 0.14                     |
| NRI (Non Repatriate)  | 9701   | --       | 9701    | 0.20              | 8401   | --       | 8401    | 0.17              | (0.03)                   |
| <b>Sub-total (B)(2):-</b>   | 1647301  | 399632   | 2046933 | 41.63             | 1687189  | 359744   | 2046933 | 41.63             | --                       |
| <b>Total Public Shareholding (B)=(B)(1) + (B)(2)</b>                            | 1647401  | 399632   | 2047033 | 41.63             | 1687289  | 359744   | 2047033 | 41.63             | --                       |
| <b>B. Shares held by Custodian for GDRs &amp; ADRs</b>                          | --   | --       | --      | --                | --   | --       | --      | --                | --                       |
| <b>Grand Total (A+B+C)</b>  | 4517348  | 399632   | 4916980 | 100.00            | 4557236  | 359744   | 4916980 | 100.00            | --                       |

ii) Shareholding of Promoters

| Sl No. | Shareholder's Name                | Shareholding at the beginning of the year (01.04.2015) |                                  |  | Share holding at the end of the year (31.03.2016) |                                  |  | % change in share holding during the year |
|--------|-----------------------------------|--|----------------------------------|--|---|----------------------------------|--|---|
|        |                                   | No. of Shares  | % of total Shares of the company | % of Shares Pledged / encumbered to total shares | No. of Shares                                     | % of total Shares of the company | % of Shares Pledged / encumbered to total shares |   |
| 1      | Prashant Godha                    | 94375  | 1.92                             | --   | 94375   | 1.92                             | --   | --  |
| 2      | Bhawna Godha                      | 32400  | 0.66                             | --   | 32400   | 0.66                             | --   | --  |
| 3      | Exon Laboratories P. Ltd.         | 650000   | 13.22                            | --   | 650000  | 13.22                            | --   | --  |
| 4      | Kaygee Investments Pvt. Ltd.      | 854400   | 17.38                            | --   | 854400  | 17.38                            | --   | --  |
| 5      | Nirmal Jain                       | 73600  | 1.50                             | --   | 73600   | 1.50                             | --   | --  |
| 6      | Premchand Godha                   | 97520  | 1.98                             | --   | 97520   | 1.98                             | --   | --  |
| 7      | Usha P. Godha                     | 44000  | 0.89                             | --   | 44000   | 0.89                             | --   | --  |
| 8      | Paschim Chemicals P. Ltd.         | 766672   | 15.59                            | --   | 766672  | 15.59                            | --   | --  |
| 9      | Chandurkar Investments Pvt. Ltd.  | 64800  | 1.32                             | --   | 64800   | 1.32                             | --   | --  |
| 10     | Usha M. Chandurkar                | 33000  | 0.67                             | --   | 33000   | 0.67                             | --   | --  |
| 11     | Sameer M. Chandurkar              | 18000  | 0.37                             | --   | 18000   | 0.37                             | --   | --  |
| 12     | Mexin Medicaments Private Limited | 141180   | 2.87                             | --   | 141180  | 2.87                             | --   | --  |
|        | <b>Total</b>                      | <b>2869947</b>   | <b>58.37</b>                     | <b>--</b>  | <b>2869947</b>                                    | <b>58.37</b>                     | <b>--</b>  | <b>--</b>                                 |

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

| Sl. No. |  | Shareholding at the beginning of the year |                                  | Cumulative Shareholding during the year |                                  |
|---------|--|---|----------------------------------|---|----------------------------------|
|         |  | No. of shares                             | % of total shares of the company | No. of shares                           | % of total shares of the company |
|         | At the beginning of the year (01.04.2015)  | 2869947                                   | 58.37                            | --                                      | --                               |
|         | Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc): | Nil                                       | Nil                              | Nil                                     | Nil                              |
|         | At the End of the year (31.03.2016)  | --  | --                               | 2869947                                 | 58.37                            |

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

| Sl. No. | For Each of the Top 10 Shareholders  | Date       | Shareholding at the beginning of the year |                                  | Cumulative Shareholding during the year |                                  |
|---------|--|------------|---|----------------------------------|---|----------------------------------|
|         |  |            | No. of shares                             | % of total shares of the company | No. of shares                           | % of total shares of the company |
| 1.      | Neelima Karlapudi  |            |   |                                  |   |                                  |
|         | At the beginning of the year   | 01.04.2015 | 47761                                     | 0.97                             | --                                      | --                               |
|         | Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc): | 10.04.2015 | 880                                       | 0.02                             | 48641                                   | 0.99                             |
|         |  | 24.04.2015 | (10)                                      | (0.00)                           | 48631                                   | 0.99                             |
|         |  | 08.05.2015 | 14400                                     | 0.29                             | 63031                                   | 1.28                             |
|         |  | 05.06.2015 | (25)                                      | (0.00)                           | 63006                                   | 1.28                             |
|         |  | 14.08.2015 | 5000                                      | 0.10                             | 68006                                   | 1.38                             |
|         |  | 28.08.2015 | 500                                       | 0.01                             | 68506                                   | 1.39                             |
|         | At the End of the year   | 31.03.2016 | --  | --                               | 68506                                   | 1.39                             |
| 2.      | Vara Lakshmi G   |            |   |                                  |   |                                  |
|         | At the beginning of the year   | 01.04.2015 | 24894                                     | 0.51                             | --                                      | --                               |
|         | Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc): | 17.04.2015 | 12000                                     | 0.24                             | 36894                                   | 0.75                             |
|         |  | 24.04.2015 | 4474                                      | 0.09                             | 41368                                   | 0.84                             |
|         |  | 08.05.2015 | 14820                                     | 0.30                             | 56188                                   | 1.14                             |
|         |  | 15.05.2015 | (96)                                      | (0.00)                           | 56092                                   | 1.14                             |
|         |  | 05.06.2015 | (1080)                                    | (0.02)                           | 55012                                   | 1.12                             |
|         |  | 12.06.2015 | 10000                                     | 0.20                             | 65012                                   | 1.32                             |
|         |  | 21.08.2015 | (8500)                                    | (0.17)                           | 56512                                   | 1.15                             |
|         |  | 18.09.2015 | 2250                                      | 0.05                             | 58762                                   | 1.20                             |
|         |  | 27.11.2015 | 2200                                      | 0.04                             | 60962                                   | 1.24                             |
|         |  | 08.01.2016 | 4000                                      | 0.08                             | 64962                                   | 1.32                             |
|         | At the End of the year   | 31.03.2016 | --  | --                               | 64962                                   | 1.32                             |
| 3       | Rambhau Veldi  |            |   |                                  |   |                                  |
|         | At the beginning of the year   | 01.04.2015 | 31800                                     | 0.65                             | --                                      | --                               |
|         | Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc): | 17.04.2015 | 25000                                     | 0.51                             | 56800                                   | 1.16                             |
|         |  | 08.05.2015 | 400                                       | 0.00                             | 57200                                   | 1.16                             |
|         |  | 05.06.2015 | (263)                                     | (0.00)                           | 56937                                   | 1.16                             |
|         | At the End of the year   | 31.03.2016 | --  | --                               | 56937                                   | 1.16                             |



| Sl. No.                | For Each of the Top 10 Shareholders  | Date       | Shareholding at the beginning of the year |                                  | Cumulative Shareholding during the year |                                  |
|------------------------|--|------------|---|----------------------------------|---|----------------------------------|
|                        |  |            | No. of shares                             | % of total shares of the company | No. of shares                           | % of total shares of the company |
| 4.                     | Suresh Bhoorchand Shah   |            |   |                                  |   |                                  |
|                        | At the beginning of the year   | 01.04.2015 | --  | --                               | --                                      | --                               |
|                        | Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc): | 19.06.2015 | 40000                                     | 0.81                             | 40000                                   | 0.81                             |
|                        | At the End of the year   | 31.03.2016 | --  | --                               | 40000                                   | 0.81                             |
| 5.                     | Mudra Financial Services Limited   |            |   |                                  |   |                                  |
|                        | At the beginning of the year   | 01.04.2015 | 31781                                     | 0.65                             | --                                      | --                               |
|                        | Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc): | --         | --  | --                               | --                                      | --                               |
|                        | At the End of the year   | 31.03.2016 | --  | --                               | 31781                                   | 0.65                             |
| 6.                     | G V Eswar  |            |   |                                  |   |                                  |
|                        | At the beginning of the year   | 01.04.2015 | 30000                                     | 0.61                             | --                                      | --                               |
|                        | Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc): | --         | --  | --                               | --                                      | --                               |
|                        | At the End of the year   | 31.03.2016 | --  | --                               | 30000                                   | 0.61                             |
| 7.                     | Rajsekhar Guttikonda   |            |   |                                  |   |                                  |
|                        | At the beginning of the year   | 01.04.2015 | 10195                                     | 0.21                             | --                                      | --                               |
|                        | Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc): | 17.04.2015 | 13000                                     | 0.26                             | 23195                                   | 0.47                             |
|                        |  | 15.05.2015 | 4000                                      | 0.08                             | 27195                                   | 0.55                             |
|                        |  | 05.06.2015 | (247)                                     | (0.00)                           | 26948                                   | 0.55                             |
|                        |  | 24.07.2015 | 4950                                      | 0.10                             | 31898                                   | 0.65                             |
|                        |  | 28.08.2015 | 300                                       | 0.00                             | 32198                                   | 0.65                             |
|                        |  | 09.10.2015 | (6000)                                    | (0.12)                           | 26198                                   | 0.53                             |
| At the End of the year | 31.03.2016   | --         | --  | 26198                            | 0.53                                    |                                  |
| 8.                     | Sunil K Mehta  |            |   |                                  |   |                                  |
|                        | At the beginning of the year   | 01.04.2015 | 30940                                     | 0.63                             | --                                      | --                               |
|                        | Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc): | 10.04.2015 | (1940)                                    | (0.04)                           | 29000                                   | 0.59                             |
|                        |  | 17.04.2015 | (2750)                                    | (0.06)                           | 26250                                   | 0.53                             |
|                        |  | 08.05.2015 | 654                                       | 0.02                             | 26904                                   | 0.55                             |
|                        |  | 15.05.2015 | 346                                       | 0.00                             | 27250                                   | 0.55                             |
|                        |  | 26.06.2015 | 750                                       | 0.02                             | 28000                                   | 0.57                             |
|                        |  | 14.08.2015 | (3000)                                    | (0.06)                           | 25000                                   | 0.51                             |
|                        |  | 21.08.2015 | (2750)                                    | (0.06)                           | 22250                                   | 0.45                             |
|                        |  | 04.09.2015 | 500                                       | 0.01                             | 22750                                   | 0.46                             |
|                        |  | 05.02.2016 | 900                                       | 0.02                             | 23650                                   | 0.48                             |
|                        |  | 12.02.2016 | 250                                       | 0.01                             | 23900                                   | 0.49                             |
|                        |  | 04.03.2016 | 350                                       | 0.00                             | 24250                                   | 0.49                             |
|                        |  | 18.03.2016 | 250                                       | 0.01                             | 24500                                   | 0.50                             |
| At the End of the year | 31.03.2016   | --         | --  | 24500                            | 0.50                                    |                                  |

| Sl. No. | For Each of the Top 10 Shareholders  | Date       | Shareholding at the beginning of the year |                                  | Cumulative Shareholding during the year |                                  |
|---------|--|------------|---|----------------------------------|---|----------------------------------|
|         |  |            | No. of shares                             | % of total shares of the company | No. of shares                           | % of total shares of the company |
| 9.      | Gyan Chand Shadija   |            |   |                                  |   |                                  |
|         | At the beginning of the year   | 01.04.2015 | 93541                                     | 1.90                             | --                                      | --                               |
|         | Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc): | 10.04.2015 | (2540)                                    | (0.05)                           | 91001                                   | 1.85                             |
|         |  | 17.04.2015 | (6000)                                    | (0.12)                           | 85001                                   | 1.73                             |
|         |  | 01.05.2015 | (18000)                                   | (0.37)                           | 67001                                   | 1.36                             |
|         |  | 15.05.2015 | (956)                                     | (0.02)                           | 66045                                   | 1.34                             |
|         |  | 22.05.2015 | 2670                                      | 0.06                             | 68715                                   | 1.40                             |
|         |  | 29.05.2015 | (8465)                                    | (0.17)                           | 60250                                   | 1.23                             |
|         |  | 05.06.2015 | (2129)                                    | (0.05)                           | 58121                                   | 1.18                             |
|         |  | 12.06.2015 | (7650)                                    | (0.15)                           | 50471                                   | 1.03                             |
|         |  | 19.06.2015 | 35  | 0.00                             | 50506                                   | 1.03                             |
|         |  | 26.06.2015 | 7   | 0.00                             | 50513                                   | 1.03                             |
|         |  | 30.06.2015 | 23  | 0.00                             | 50536                                   | 1.03                             |
|         |  | 03.07.2015 | 2   | 0.00                             | 50538                                   | 1.03                             |
|         |  | 10.07.2015 | 331                                       | 0.00                             | 50869                                   | 1.03                             |
|         |  | 17.07.2015 | 44  | 0.00                             | 50913                                   | 1.03                             |
|         |  | 24.07.2015 | (375)                                     | (0.00)                           | 50538                                   | 1.03                             |
|         |  | 31.07.2015 | 2078                                      | 0.04                             | 52616                                   | 1.07                             |
|         |  | 07.08.2015 | (1368)                                    | (0.03)                           | 51248                                   | 1.04                             |
|         |  | 14.08.2015 | (497)                                     | (0.01)                           | 50751                                   | 1.03                             |
|         |  | 11.09.2015 | (320)                                     | (0.00)                           | 50431                                   | 1.03                             |
|         |  | 30.09.2015 | (375)                                     | (0.01)                           | 50056                                   | 1.02                             |
|         |  | 16.10.2015 | 562                                       | 0.01                             | 50618                                   | 1.03                             |
|         |  | 23.10.2015 | (617)                                     | (0.01)                           | 50001                                   | 1.02                             |
|         |  | 06.11.2015 | 30  | 0.00                             | 50031                                   | 1.02                             |
|         |  | 13.11.2015 | 7   | 0.00                             | 50038                                   | 1.02                             |
|         |  | 20.11.2015 | 28  | 0.00                             | 50066                                   | 1.02                             |
|         |  | 27.11.2015 | 37  | 0.00                             | 50103                                   | 1.02                             |
|         |  | 04.12.2015 | (96)                                      | 0.00                             | 50007                                   | 1.02                             |
|         |  | 11.12.2015 | (7571)                                    | (0.16)                           | 42436                                   | 0.86                             |
|         |  | 18.12.2015 | 345                                       | 0.01                             | 42781                                   | 0.87                             |
|         |  | 25.12.2015 | 7280                                      | 0.15                             | 50061                                   | 1.02                             |
|         |  | 31.12.2015 | 85  | 0.00                             | 50146                                   | 1.02                             |
|         |  | 01.01.2016 | 15  | 0.00                             | 50161                                   | 1.02                             |
|         |  | 08.01.2016 | 35  | 0.00                             | 50196                                   | 1.02                             |
|         |  | 15.01.2016 | (195)                                     | (0.00)                           | 50001                                   | 1.02                             |
|         |  | 22.01.2016 | 10  | 0.00                             | 50011                                   | 1.02                             |
|         |  | 29.01.2016 | 20  | 0.00                             | 50031                                   | 1.02                             |
|         |  | 05.02.2016 | (30)                                      | 0.00                             | 50001                                   | 1.02                             |
|         |  | 12.02.2016 | (43)                                      | 0.00                             | 49958                                   | 1.02                             |
|         |  | 19.02.2016 | (942)                                     | (0.02)                           | 49016                                   | 1.00                             |
|         |  | 26.02.2016 | 1085                                      | 0.02                             | 50101                                   | 1.02                             |
|         |  | 04.03.2016 | 20  | 0.00                             | 50121                                   | 1.02                             |
|         |  | 11.03.2016 | (30120)                                   | (0.61)                           | 20001                                   | 0.41                             |
|         | At the End of the year   | 31.03.2016 | --  | --                               | 20001                                   | 0.41                             |
| 10.     | Sneha Prakash Shah   |            |   |                                  |   |                                  |
|         | At the beginning of the year   | 01.04.2015 | 20000                                     | 0.41                             | --                                      | --                               |
|         | Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc): | 05.06.2015 | 3000                                      | 0.06                             | 23000                                   | 0.47                             |
|         |  | 21.08.2015 | (3000)                                    | (0.06)                           | 20000                                   | 0.41                             |
|         |  | 29.01.2016 | (290)                                     | (0.01)                           | 19710                                   | 0.40                             |
|         | At the End of the year   | 31.03.2016 | --  | --                               | 19710                                   | 0.40                             |

| Sl. No. | For Each of the Top 10 Shareholders  | Date       | Shareholding at the beginning of the year |                                  | Cumulative Shareholding during the year |                                  |
|---------|--|------------|---|----------------------------------|---|----------------------------------|
|         |  |            | No. of shares                             | % of total shares of the company | No. of shares                           | % of total shares of the company |
| 11.     | Siddharth Shantibhai Jain  |            |   |                                  |   |                                  |
|         | At the beginning of the year   | 01.04.2015 | 45000                                     | 0.92                             | --                                      | --                               |
|         | Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc): | 24.04.2015 | (4500)                                    | (0.09)                           | 40500                                   | 0.83                             |
|         |  | 15.05.2015 | (4183)                                    | (0.09)                           | 36317                                   | 0.74                             |
|         |  | 22.05.2015 | (317)                                     | (0.01)                           | 36000                                   | 0.73                             |
|         |  | 05.06.2015 | (10560)                                   | (0.21)                           | 25440                                   | 0.52                             |
|         |  | 12.06.2015 | (4500)                                    | (0.09)                           | 20940                                   | 0.43                             |
|         |  | 19.06.2015 | (4500)                                    | (0.09)                           | 16440                                   | 0.34                             |
|         |  | 10.07.2015 | (6319)                                    | (0.13)                           | 10121                                   | 0.21                             |
|         |  | 14.08.2015 | (1121)                                    | (0.03)                           | 9000                                    | 0.18                             |
|         | At the End of the year   | 31.03.2016 | --  | --                               | 9000                                    | 0.18                             |
| 12.     | Abhishek Sikaria   |            |   |                                  |   |                                  |
|         | At the beginning of the year   | 01.04.2015 | 37648                                     | 0.77                             | --                                      | --                               |
|         | Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc): | 08.05.2015 | (3494)                                    | (0.08)                           | 34154                                   | 0.69                             |
|         |  | 29.05.2015 | (2045)                                    | (0.04)                           | 32109                                   | 0.65                             |
|         |  | 26.06.2015 | (1235)                                    | (0.02)                           | 30874                                   | 0.63                             |
|         |  | 03.07.2015 | (30)                                      | (0.00)                           | 30844                                   | 0.63                             |
|         |  | 10.07.2015 | (2426)                                    | (0.05)                           | 28418                                   | 0.58                             |
|         |  | 17.07.2015 | (3418)                                    | (0.07)                           | 25000                                   | 0.51                             |
|         |  | 24.07.2015 | (3000)                                    | (0.06)                           | 22000                                   | 0.45                             |
|         |  | 31.07.2015 | (1155)                                    | (0.03)                           | 20845                                   | 0.42                             |
|         |  | 14.08.2015 | (1845)                                    | (0.03)                           | 19000                                   | 0.39                             |
|         |  | 21.08.2015 | (250)                                     | (0.01)                           | 18750                                   | 0.38                             |
|         |  | 04.09.2015 | (1000)                                    | (0.02)                           | 17750                                   | 0.36                             |
|         |  | 11.09.2015 | (2000)                                    | (0.04)                           | 15750                                   | 0.32                             |
|         |  | 09.10.2015 | (1793)                                    | (0.04)                           | 13957                                   | 0.28                             |
|         |  | 16.10.2015 | (2400)                                    | (0.05)                           | 11557                                   | 0.23                             |
|         |  | 30.10.2015 | (8524)                                    | (0.17)                           | 3033                                    | 0.06                             |
|         |  | 06.11.2015 | (283)                                     | (0.00)                           | 2750                                    | 0.06                             |
|         |  | 04.12.2015 | (250)                                     | (0.01)                           | 2500                                    | 0.05                             |
|         |  | 11.12.2015 | (500)                                     | (0.01)                           | 2000                                    | 0.04                             |
|         |  | 25.12.2015 | (100)                                     | (0.00)                           | 1900                                    | 0.04                             |
|         |  | 08.01.2016 | (400)                                     | (0.01)                           | 1500                                    | 0.03                             |
|         |  | 15.01.2016 | (400)                                     | (0.01)                           | 1100                                    | 0.02                             |
|         | At the End of the year   | 31.03.2016 | --  | --                               | 1100                                    | 0.02                             |
| 13.     | Anirudh Mohta  |            |   |                                  |   |                                  |
|         | At the beginning of the year   | 01.04.2015 | 84928                                     | 1.72                             | --                                      | --                               |
|         | Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc): | 28.08.2015 | (48588)                                   | (0.99)                           | 36340                                   | 0.73                             |
|         |  | 04.09.2015 | (22378)                                   | (0.45)                           | 13962                                   | 0.28                             |
|         |  | 11.09.2015 | (13962)                                   | (0.28)                           | --                                      | --                               |
|         | At the End of the year   | 31.03.2016 | --  | --                               | --                                      | --                               |
| 14.     | Purshottam Bohra   |            |   |                                  |   |                                  |
|         | At the beginning of the year   | 01.04.2015 | 40000                                     | 0.81                             | --                                      | --                               |
|         | Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc): | 12.06.2015 | (40000)                                   | (0.81)                           | --                                      | --                               |
|         | At the End of the year   | 31.03.2016 | --  | --                               | --                                      | --                               |

v) Shareholding of Directors and Key Managerial Personnel:

| Sl. No. | For Each of the Directors and KMP  | Date       | Shareholding at the beginning of the year |                                  | Cumulative Shareholding during the year |                                  |
|---------|--|------------|---|----------------------------------|---|----------------------------------|
|         |  |            | No. of shares                             | % of total shares of the company | No. of shares                           | % of total shares of the company |
| 1.      | Mr. K.C.Jain<br>Independent Director   |            |   |                                  |   |                                  |
|         | At the beginning of the year   | 01.04.2015 | 600                                       | 0.01                             | --                                      | --                               |
|         | Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc): | --         | --  | --                               | --                                      | --                               |
|         | At the End of the year   | 31.03.2016 | --  | --                               | 600                                     | 0.01                             |
| 2.      | Mr. S. V. Loyalka<br>Independent Director  |            |   |                                  |   |                                  |
|         | At the beginning of the year   | 01.04.2015 | --  | --                               | --                                      | --                               |
|         | Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc): | --         | --  | --                               | --                                      | --                               |
|         | At the End of the year   | 31.03.2016 | --  | --                               | --                                      | --                               |
| 3.      | Dr. Rajeshwar Singh<br>Independent Director  |            |   |                                  |   |                                  |
|         | At the beginning of the year   | 01.04.2015 | --  | --                               | --                                      | --                               |
|         | Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc): | --         | --  | --                               | --                                      | --                               |
|         | At the End of the year   | 31.03.2016 | --  | --                               | --                                      | --                               |
| 4.      | Mrs. Purnima Jain<br>Wholetime Director  |            |   |                                  |   |                                  |
|         | At the beginning of the year   | 01.04.2015 | 1075                                      | 0.02                             | --                                      | --                               |
|         | Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc): | 23.04.2015 | (250)                                     | (0.01)                           | 825                                     | 0.01                             |
|         |  | 30.04.2015 | (200)                                     | (0.00)                           | 625                                     | 0.01                             |
|         |  | 09.10.2015 | (400)                                     | (0.01)                           | 225                                     | 0.00                             |
|         |  | 12.10.2015 | 400                                       | 0.01                             | 625                                     | 0.01                             |
|         | At the End of the year   | 31.03.2016 | --  | --                               | 625                                     | 0.01                             |
| 5.      | Mr. Saahil Parikh<br>Wholetime Director and CFO  |            |   |                                  |   |                                  |
|         | At the beginning of the year   | 01.04.2015 | 660                                       | 0.01                             | --                                      | --                               |
|         | Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc): | --         | --  | --                               | --                                      | --                               |
|         | At the End of the year   | 31.03.2016 | --  | --                               | 660                                     | 0.01                             |
| 6.      | Ms. Khushbu Thakkar<br>Company Secretary   |            |   |                                  |   |                                  |
|         | At the beginning of the year   | 01.04.2015 | 1   | 0.00                             | --                                      | --                               |
|         | Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc): | --         | --  | --                               | --                                      | --                               |
|         | At the End of the year   | 31.03.2016 | --  | --                               | 1                                       | 0.00                             |

## V. INDEBTEDNESS

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

|   | Secured Loans<br>excluding<br>deposits | Unsecured<br>Loans | Deposits | Total<br>Indebtedness<br>(₹) |
|---|--|--------------------|----------|------------------------------|
| <b>Indebtedness at the beginning of the financial year<br/>(01.04.2015)</b> |  |                    |          |                              |
| i) Principal Amount   | 79,73,207                              | --                 | --       | 79,73,207                    |
| ii) Interest due but not paid   | --                                     | --                 | --       | --                           |
| iii) Interest accrued but not due   | --                                     | --                 | --       | --                           |
| <b>Total (i+ii+iii)</b>   | 79,73,207                              | --                 | --       | 79,73,207                    |
| <b>Change in Indebtedness during the financial year</b>                     |  |                    |          |                              |
| • Addition  | --                                     | 17,98,205          | --       | 17,98,205                    |
| • Reduction   | 79,73,207                              | --                 | --       | 79,73,207                    |
| <b>Net Change</b>   | (79,73,207)                            | 17,98,205          | --       | (61,75,002)                  |
| <b>Indebtedness at the end of the financial year<br/>(31.03.2016)</b>       |  |                    |          |                              |
| i) Principal Amount   |  | 17,98,205          | --       | 17,98,205                    |
| ii) Interest due but not paid   | --                                     | --                 | --       | --                           |
| iii) Interest accrued but not due   | --                                     | --                 | --       | --                           |
| <b>Total (i+ii+iii)</b>   | --                                     | 17,98,205          | --       | 17,98,205                    |

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

| Sl.<br>no. | Particulars of Remuneration   | Name of MD/WTD/ Manager  |                                | Total Amount<br>(₹) |
|------------|---|--|--------------------------------|---------------------|
|            |   | Mrs. Purnima Jain<br>WTD/CEO   | Mr. Saahil Parikh<br>WTD / CFO |                     |
| 1.         | Gross salary  |  |                                |                     |
|            | (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | 22,20,000  | 17,85,000                      | 40,05,000           |
|            | (b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961                      | 12,75,542  | 10,40,436                      | 23,15,978           |
|            | (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961              | -  | -                              | -                   |
| 2.         | Stock Option  | -  | -                              | -                   |
| 3.         | Sweat Equity  | -  | -                              | -                   |
| 4.         | Commission<br>- as % of profit<br>- others, specify...                              | -  | -                              | -                   |
| 5.         | Others, please specify  | -  | -                              | -                   |
|            | <b>Total (A)</b>  | 34,95,542  | 28,25,436                      | 63,20,978           |
|            | Ceiling as per the Act  | ₹ 41.35 lacs (being 10% of the profits of the Company calculated as per the Section 197 and 198 of the Companies Act, 2013). However, the remuneration paid is within the prescribed limits under Schedule V of the Companies Act, 2013. |                                |                     |

**B. Remuneration to other directors:**

| Sl. no. | Particulars of Remuneration                    | Name of Directors  |                   |                     | Total Amount (Rupees) |
|---------|--|--|-------------------|---------------------|-----------------------|
|         |  | Mr. K. C. Jain   | Mr. S. V. Loyalka | Dr. Rajeshwar Singh |                       |
| 1.      | Independent Directors                          |  |                   |                     |                       |
|         | • Fee for attending board / committee meetings | 1,40,000   | 1,10,000          | 1,25,000            | 3,75,000              |
|         | • Commission                                   | -  | -                 | -                   | -                     |
|         | • Others, please specify                       | -  | -                 | -                   | -                     |
|         | Total (1)                                      | 1,40,000   | 1,10,000          | 1,25,000            | 3,75,000              |
| 2.      | Other Non-Executive Directors                  |  |                   |                     |                       |
|         | • Fee for attending board / committee meetings | -  | -                 | -                   | -                     |
|         | • Commission                                   | -  | -                 | -                   | -                     |
|         | • Others, please specify                       | -  | -                 | -                   | -                     |
|         | Total (2)                                      | -  | -                 | -                   | -                     |
|         | Total (B)=(1+2)                                | 1,40,000   | 1,10,000          | 1,25,000            | 3,75,000              |
|         | Total Managerial Remuneration (A+B)            | -  | -                 | -                   | 66,95,978             |
|         | Overall Ceiling as per the Act                 | 11% of the net profit as per Section 197 and 198 of the Act – ₹ 45.49 lacs. However, the managerial remuneration paid is within the prescribed limits under Schedule V of the Companies Act, 2013. |                   |                     |                       |

**C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD**

| Sl. no. | Particulars of Remuneration   | Key Managerial Personnel                | Total (₹) |
|---------|---|---|-----------|
|         |   | Company Secretary (Ms. Khushbu Thakkar) |           |
| 1.      | Gross salary  |   |           |
|         | (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | 5,97,982                                | 5,97,982  |
|         | (b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961                      | -                                       | -         |
|         | (c) Profits in lieu of salary under section 17(3) of the Income- tax Act, 1961      | -                                       | -         |
| 2.      | Stock Option  | -                                       | -         |
| 3.      | Sweat Equity  | -                                       | -         |
| 4.      | Commission<br>- as % of profit<br>- others, specify.                                | -                                       | -         |
| 5.      | Others, please specify  | -                                       | -         |
|         | <b>Total</b>  | 5,97,982                                | 5,97,982  |

- Remuneration of CEO and CFO who are Wholtime Directors are given in Item No. VI (A)

**VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:**

| Type                             | Section of the Companies Act | Brief Description | Details of Penalty / Punishment/ Compounding fees imposed | Authority [RD / NCLT/ COURT] | Appeal made, if any (give Details) |
|----------------------------------|------------------------------|-------------------|---|------------------------------|------------------------------------|
| Penalty                          |                              |                   | NIL   |                              |                                    |
| Punishment                       |                              |                   |   |                              |                                    |
| Compounding                      |                              |                   |   |                              |                                    |
| <b>OTHER OFFICERS IN DEFAULT</b> |                              |                   |   |                              |                                    |
| Penalty                          |                              |                   | NIL   |                              |                                    |
| Punishment                       |                              |                   |   |                              |                                    |
| Compounding                      |                              |                   |   |                              |                                    |

**SECRETARIAL AUDIT REPORT****FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2016**

(Pursuant to Section 204 (1) of the Companies Act, 2013 and rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014)

To  
The Members,  
Makers Laboratories Limited

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company, the information provided by the company, its officers, agents and authorised representatives during the conduct of secretarial audit, the explanations and clarifications given to us and the representations made by the Management, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2016 generally complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records made available to us and maintained by the Company for the financial year ended on 31<sup>st</sup> March, 2016 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contract (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act');
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 and Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 and amendments from time to time;
  - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (Not applicable to the Company during the audit period);
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not applicable to the Company during the audit period);
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client (Not applicable to the Company during the audit period);

- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not applicable to the Company during the audit period); and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (Not applicable to the Company during the audit period).
- (vi) Other laws applicable specifically to the Company namely :
  - (1) Pharmacy Act, 1948,
  - (2) Drugs and Cosmetics Act, 1940,
  - (3) Drugs and Magic Remedies (Objectionable Advertisement) Act, 1954,
  - (4) Narcotic Drugs and Psychotropic Substances Act, 1985,
  - (5) Drug Pricing Control Order, 2013.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India with respect to board and general meetings.
- (ii) The Listing Agreements entered into by the Company with BSE Limited read with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

We further report that:

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

Adequate notice was given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Decisions at the Board Meetings were taken unanimously.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period the Company had following events which had bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc.

1. Sale, transfer and disposal of the Company's manufacturing unit situated at MIDC, Dombivli, District - Thane (Maharashtra) under section 180(1)(a) of the Companies Act, 2013.

For Parikh & Associates  
Company Secretaries

Jigyasa N. Ved  
Partner

Place: Mumbai  
Date : 27.05.2016

FCS No: 6488 CP No: 6018

This Report is to be read with our letter of even date which is annexed as Annexure A and Forms an integral part of this report.



**‘Annexure A’**

To  
The Members  
Makers Laboratories Limited

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

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the process and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc.
5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For Parikh & Associates  
Company Secretaries

Jigyasa N. Ved  
Partner

FCS No: 6488 CP No: 6018

Place: Mumbai  
Date : 27.05.2016

## **INDEPENDENT AUDITORS' REPORT**

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

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

We have audited the accompanying financial statements of **MAKERS LABORATORIES LIMITED** ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March, 2016, the Statement of Profit and Loss and Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

#### **Management's Responsibility for the Financial Statements:**

The management and Board of Directors of the Company are responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ('the act') with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with rule 7 of Companies (Accounts) Rules, 2014. This responsibility includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; design, implementation and maintenance of adequate internal financial controls, that are operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

#### **Auditor's Responsibility:**

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements, that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's management and Board of Directors, as well as evaluating the overall presentation of the financial statements.

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

#### **Opinion:**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- a) In the case of the Balance Sheet, of the state of affairs of the Company as at 31<sup>st</sup> March, 2016;
- b) In the case of the Statement of Profit and Loss, of the Profit for the year ended on that date; and
- c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

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

1. As required by Section 143 (3) of the Act, we report that:
  - a. We have sought and obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - b. In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
  - c. The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - d. In our opinion, the Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
  - e. On the basis of the written representations received from the Directors as on 31<sup>st</sup> March, 2016, and taken on record by the Board of Directors, none of the Directors is disqualified as on 31<sup>st</sup> March, 2016, from being appointed as a Director in terms of Section 164 (2) of the Act;
  - f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting
  - g. With respect to the other matters to be included in the Auditor's report in accordance with Rule 11 of the Companies (audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanation given to us:
    - i. The Company does not have any pending litigations which would impact its financial position.
    - ii. The Company did not have any long-term contracts including derivative contracts that require provision under any law or accounting standards for which there were any material foreseeable losses.
    - iii. There were no amounts which are required to be transferred to the Investor Education and Protection Fund by the Company during the year.
2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), as amended, issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the "Annexure B" statement on the matters specified in paragraphs 3 and 4 of the Order.

**For AGARWAL & MANGAL**  
Chartered Accountants  
Firm Reg. No. 100061W  
**B. P. MANGAL**  
Partner  
Membership No. 32973

Place : Mumbai  
Dated : 27<sup>th</sup> May, 2016

**“ANNEXURE A” TO INDEPENDENT AUDITORS’ REPORT**

**(Referred to in paragraph 1 (f) under ‘Report on Other Legal and Regulatory Requirements’ of our report of even date)**

**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)**

We have audited the internal financial controls over financial reporting of **MAKERS LABORATORIES LIMITED** (“the Company”) as of 31<sup>st</sup> March, 2016 in conjunction with our audit of these financial statements of the Company for the year ended on that date.

**Management’s Responsibility for Internal Financial Controls**

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditor’s Responsibility**

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

**Meaning of Internal Financial Controls Over Financial Reporting**

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of

management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

**Inherent Limitations of Internal Financial Controls Over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> March, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Place : Mumbai  
Dated : 27<sup>th</sup> May, 2016

**For AGARWAL & MANGAL**  
Chartered Accountants  
Firm Reg. No. 100061W  
**B. P. MANGAL**  
Partner  
Membership No. 32973

**“ANNEXURE B” TO INDEPENDENT AUDITORS’ REPORT**

**(Referred to in paragraph 2 under the heading of ‘Report on Other Legal and Regulatory Requirements’ of our report of even date)**

- 1) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;
  - (b) The Fixed Assets have been physically verified by the management in a phased manner, designed to cover all the items over a period of three years, which in our opinion, is reasonable having regard to the size of the company and nature of its business. Pursuant to the program, a portion of the fixed asset has been physically verified by the management during the year and no material discrepancies between the books records and the physical fixed assets have been noticed.
  - (c) The title deeds of immovable properties are held in the name of the Company except immovable properties of land and buildings at Dombivli that have been taken on lease and disclosed as fixed asset in the financial statements, the lease agreements are in the name of the Company, where the Company is the lessee in the agreement.
- 2) As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals and no material discrepancies were noticed on physical verification.
  - 3) The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the Register maintained under Section 189 of the Act. Accordingly, the provisions of clause 3 (iii) (a) to (c) of the Order are not applicable to the Company and hence not commented upon.
  - 4) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees, and security.
  - 5) The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
  - 6) According to the records produced and information given to us, the cost records and accounts as prescribed by the Central Govt. under sub-section (1) of Section 148 of the act have been made and maintained by the company but no examination of such records and accounts have been carried out by us.
  - 7) (a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Sales tax, Service Tax, Duty of Customs, Duty of Excise, Value added Tax, Cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at 31<sup>st</sup> March, 2016 for a period of more than six months from the date on when they become payable.
  - (b) According to the information and explanation given to us, there are no dues of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax outstanding on account of any dispute.
- 8) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks. The Company has not taken any loan either from financial institutions or from the government and has not issued any debentures.

- 9) Based upon the audit procedures performed and the information and explanations given by the management, the Company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable to the Company and hence not commented upon.
- 10) Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.
- 11) Based upon the audit procedures performed and the information and explanations given by the management, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Companies Act, 2013.
- 12) The Company is not a Nidhi Company and hence reporting under clause (xii) of the CARO 2016 Order is not applicable.
- 13) Based upon the audit procedures performed and the information and explanations given by the management, all transactions with the related parties are in compliance with Section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
- 14) Based upon the audit procedures performed and the information and explanations given by the management, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Company and hence not commented upon.
- 15) Based upon the audit procedures performed and the information and explanations given by the management, the Company has not entered into any non-cash transactions with Directors or persons connected with them. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.
- 16) In our opinion, the Company is not required to be registered under Section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company.

**For AGARWAL & MANGAL**  
Chartered Accountants  
Firm Reg. No. 100061W  
**B. P. MANGAL**  
Partner  
Membership No. 32973

Place : Mumbai  
Dated : 27<sup>th</sup> May, 2016

## Balance Sheet as at 31<sup>st</sup> March, 2016

| Particulars   | Note<br>Ref | As at<br>31 <sup>st</sup> March, 2016<br>(₹) | As at<br>31 <sup>st</sup> March, 2015<br>(₹) |
|---|-------------|--|--|
| <b>I EQUITY &amp; LIABILITIES</b>                   |             |  |  |
| <b>1. Shareholders' Funds</b>                       |             |  |  |
| (a) Share Capital                                   | 1           | 4,91,69,800                                  | 4,91,69,800                                  |
| (b) Reserves & Surplus                              | 2           | 21,42,27,046                                 | 19,70,84,061                                 |
| (c) Money Received Against Share Warrants           |             | --   | --   |
|   |             | <u>26,33,96,846</u>                          | <u>24,62,53,861</u>                          |
| <b>2. Share Application Money Pending Allotment</b> |             |  |  |
|   |             | --   | --   |
| <b>3. Non-Current Liabilities</b>                   |             |  |  |
| (a) Long-Term Borrowings                            |             | --   | --   |
| (b) Deferred Tax Liabilities (net)                  | 3           | 50,00,000                                    | 65,43,000                                    |
| (c) Other Long Term Liabilities                     | 4           | 3,71,65,000                                  | 3,77,35,000                                  |
| (d) Long Term Provisions                            | 5           | 17,56,944                                    | 18,14,715                                    |
|   |             | <u>4,39,21,944</u>                           | <u>4,60,92,715</u>                           |
| <b>4. Current Liabilities</b>                       |             |  |  |
| (a) Short-Term Borrowings                           | 6           | 17,98,205                                    | 79,73,207                                    |
| (b) Trade Payables                                  | 7           | 7,50,45,330                                  | 7,54,86,745                                  |
| (c) Other Current Liabilities                       | 8           | 56,91,789                                    | 37,87,750                                    |
| (d) Short-Term Provisions                           | 5           | 1,22,44,856                                  | 1,13,70,216                                  |
|   |             | <u>9,47,80,180</u>                           | <u>9,86,17,918</u>                           |
| <b>Total</b>  |             | <u><u>40,20,98,970</u></u>                   | <u><u>39,09,64,494</u></u>                   |
| <b>II ASSETS</b>                                    |             |  |  |
| <b>1. Non-Current Assets</b>                        |             |  |  |
| (a) Fixed Assets                                    |             |  |  |
| (i) Tangible Assets                                 | 9           | 10,35,02,700                                 | 11,39,68,282                                 |
| (ii) Intangible Assets                              | 9           | 4,14,477                                     | 6,94,438                                     |
| (iii) Capital Work-in-Progress                      |             | 4,22,61,291                                  | 2,71,02,757                                  |
| (iv) Intangible Assets Under Development            |             | --   | --   |
|   |             | <u>14,61,78,468</u>                          | <u>14,17,65,477</u>                          |
| (b) Non-Current Investments                         | 10          | 2,35,21,921                                  | 2,35,21,921                                  |
| (c) Deferred Tax Assets (net)                       |             | --   | --   |
| (d) Long-Term Loans and Advances                    | 11          | 30,62,040                                    | 31,19,153                                    |
| (e) Other Non-Current Assets                        | 12          | 31,62,174                                    | 40,55,470                                    |
|   |             | <u>17,59,24,603</u>                          | <u>17,24,62,021</u>                          |
| <b>2. Current Assets</b>                            |             |  |  |
| (a) Current Investments                             |             | --   | --   |
| (b) Inventories                                     | 13          | 6,10,68,787                                  | 9,24,86,128                                  |
| (c) Trade Receivables                               | 14          | 14,40,61,950                                 | 11,83,54,031                                 |
| (d) Cash and Bank Balances                          | 15          | 1,21,06,448                                  | 7,44,926                                     |
| (e) Short-term Loans and Advances                   | 11          | 41,42,046                                    | 43,14,128                                    |
| (f) Other Current Assets                            | 12          | 47,95,136                                    | 26,03,260                                    |
|   |             | <u>22,61,74,367</u>                          | <u>21,85,02,473</u>                          |
| <b>Total</b>  |             | <u><u>40,20,98,970</u></u>                   | <u><u>39,09,64,494</u></u>                   |

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

As per our Report of even date attached

For **AGARWAL & MANGAL**

Chartered Accountants

Firm Reg. No. 100061W

**B. P. MANGAL**

Partner

Memb. No.32973

Mumbai,

27<sup>th</sup> May, 2016

For and on behalf of the Board of Directors

**PURNIMA JAIN** - Wholtime Director  
(DIN 00937041)

**SAAHIL PARIKH** - Wholtime Director  
(DIN 00400079)

**K. C. JAIN** - Director  
(DIN 00021239)

**KHUSHBU THAKKAR** - Company Secretary  
(ACS 28375)



## Statement of Profit and Loss for the year ended 31<sup>st</sup> March, 2016

| Particulars   | Note Ref | 2015-16       |              | 2014-15       |              |
|---|----------|---------------|--------------|---------------|--------------|
|   |          | (₹)           | (₹)          | (₹)           | (₹)          |
| <b>Revenue</b>  |          |               |              |               |              |
| <b>I Revenue from Operations (Gross):</b>                                     |          |               |              |               |              |
| Sale of products  | 16       | 53,78,27,425  |              | 57,82,92,364  |              |
| Manufacturing Charges Income  |          | 8,69,50,379   |              | 8,73,04,432   |              |
| Other operating revenue   | 17       | 31,85,523     |              | 21,13,510     |              |
| Less : Excise duty  |          | (1,38,63,050) | 61,41,00,277 | (1,85,69,413) | 64,91,40,893 |
| <b>II Other Income</b>  | 18       |               | 61,83,583    |               | 46,55,796    |
| <b>III Total Revenue (I + II)</b>   |          |               | 62,02,83,860 |               | 65,37,96,689 |
| <b>IV Expenses</b>  |          |               |              |               |              |
| Cost of Materials Consumed  | 19       | 16,16,65,797  |              | 19,46,34,613  |              |
| Purchase of Traded Goods  |          | 17,79,22,085  |              | 20,79,95,687  |              |
| Changes in inventories of Finished Goods, Work-in-Progress and Stock-in-Trade | 20       | 3,12,38,783   |              | 9,06,774      |              |
| Employee Benefit Expenses   | 21       | 7,70,88,073   |              | 6,85,99,154   |              |
| Finance Cost  | 22       | 32,00,518     |              | 38,24,415     |              |
| Depreciation & Amortisation   | 23       | 1,25,01,591   |              | 1,52,71,372   |              |
| Other Expenses  | 24       | 12,16,33,271  | 58,52,50,118 | 13,57,24,993  | 62,69,57,008 |
| <b>Total Expenses (IV)</b>  |          |               | 58,52,50,118 |               | 62,69,57,008 |
| <b>V Profit Before exceptional, extraordinary items and Tax (III-IV)</b>      |          |               | 3,50,33,742  |               | 2,68,39,681  |
| <b>VI Exceptional Items</b>   |          |               |              |               |              |
| Reversal of provision for dimunition in value of investments                  |          |               | --           |               | (71,59,685)  |
| <b>VII Profit Before extraordinary items and Tax (V-VI)</b>                   |          |               | 3,50,33,742  |               | 3,39,99,366  |
| <b>VIII Extraordinary Items</b>   |          |               |              |               | --           |
| <b>IX Profit Before Tax (VII-VIII)</b>  |          |               | 3,50,33,742  |               | 3,39,99,366  |
| <b>X Tax Expense</b>  |          |               |              |               |              |
| 1 Current Tax   |          | 1,40,00,000   |              | 1,10,00,000   |              |
| 2 Deferred Tax  |          | (15,43,000)   |              | (7,72,000)    |              |
| 3 Tax Provision for earlier years   |          | (4,84,205)    | 1,19,72,795  | 2,51,977      | 1,04,79,977  |
| <b>XI Profit After Tax (IX-X)</b>   |          |               | 2,30,60,947  |               | 2,35,19,389  |
| <b>XII Earnings per Equity Share (₹):</b>                                     |          |               |              |               |              |
| Basic/Diluted (Before exceptional item)                                       | 28       |               | 4.69         |               | 3.33         |
| Basic/Diluted (After exceptional item)  |          |               | 4.69         |               | 4.78         |
| Par Value   |          |               | ₹ 10/- each  |               | ₹ 10/- each  |

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

As per our Report of even date attached

For **AGARWAL & MANGAL**

Chartered Accountants

Firm Reg. No. 100061W

**B. P. MANGAL**

Partner

Memb. No.32973

Mumbai,

27<sup>th</sup> May, 2016

For and on behalf of the Board of Directors

**PURNIMA JAIN**  
(DIN 00937041)

- Wholetime Director

**SAAHIL PARIKH**  
(DIN 00400079)

- Wholetime Director

**K. C. JAIN**  
(DIN 00021239)

- Director

**KHUSHBU THAKKAR**  
(ACS 28375)

- Company Secretary

## Cash Flow Statement for the year ended 31<sup>ST</sup> March, 2016

| Particulars   | 2015 - 2016   |                      | 2014 - 2015   |                      |
|---|---------------|----------------------|---------------|----------------------|
|   | (₹)           | (₹)                  | (₹)           | (₹)                  |
| <b>A Cash Flow from Operating Activities</b>                        |               |                      |               |                      |
| Net Profit / ( Loss ) before taxation and extraordinary item        |               | 3,50,33,742          |               | 2,68,39,681          |
| <b>Adjustments for:</b>   |               |                      |               |                      |
| Depreciation  | 1,25,01,591   |                      | 1,52,71,372   |                      |
| Assets Scrapped   | --            |                      | 15,269        |                      |
| Bad Debts Written off   | 25,15,010     |                      | 20,11,734     |                      |
| Loss on Sale of Fixed Assets  | 21,11,633     |                      | 3,53,578      |                      |
| Loss on Sale of Investments   | --            |                      | 20,16,882     |                      |
| Profit on Sale of Fixed Assets                                      | (1,13,365)    |                      | (1,40,530)    |                      |
| Dividend Income   | (5,59,571)    |                      | (5,47,448)    |                      |
| Interest Income   | (34,79,682)   |                      | (21,80,185)   |                      |
| Interest Expense  | 32,00,518     | 1,61,76,134          | 38,24,415     | 2,06,25,087          |
| <b>Operating profit before Working Capital Changes</b>              |               | <b>5,12,09,876</b>   |               | <b>4,74,64,768</b>   |
| <b>Working Capital Changes:</b>                                     |               |                      |               |                      |
| (Increase) / Decrease in Inventories                                | 3,14,17,341   |                      | 67,04,955     |                      |
| (Increase) / Decrease in Receivables                                | (2,92,90,084) |                      | 70,08,932     |                      |
| Increase / (Decrease) in Short Term Borrowings                      | (61,75,002)   |                      | (1,32,16,633) |                      |
| Increase / (Decrease) in Sundry Creditors & Provisions              | 6,972         | (40,40,773)          | (3,05,04,937) | (3,00,07,683)        |
| <b>Cash Generated from Operations</b>                               |               | <b>4,71,69,103</b>   |               | <b>1,74,57,085</b>   |
| Income Tax paid   |               | (1,19,80,992)        |               | (42,54,339)          |
| <b>Net Cash Flow from Operating Activities - I</b>                  |               | <b>3,51,88,111</b>   |               | <b>1,32,02,746</b>   |
| <b>B Cash Flow from Investing Activities :</b>                      |               |                      |               |                      |
| Purchase of Fixed Assets  | (2,04,67,563) |                      | (2,01,68,673) |                      |
| Proceeds from sale of Investments                                   | --            |                      | 65,94,052     |                      |
| Interest received   | 34,77,452     |                      | 21,78,012     |                      |
| Proceeds from sale of Fixed Assets                                  | 15,54,713     |                      | 8,29,746      |                      |
| Dividend Received   | 5,59,571      |                      | 5,47,448      |                      |
| <b>Net Cash Flow from Investing Activities - II</b>                 |               | <b>(1,48,75,827)</b> |               | <b>(1,00,19,415)</b> |
| <b>Cash Flow after Investing Activities - III = (I + II)</b>        |               | <b>2,03,12,284</b>   |               | <b>31,83,331</b>     |
| <b>C Cash Flow from Financing Activities</b>                        |               |                      |               |                      |
| Interest paid   | (32,00,518)   |                      | (38,24,415)   |                      |
| Dividend & Dividend Tax paid  | (59,17,961)   |                      | --            |                      |
| <b>Net Cash Flow from Financing Activities - IV</b>                 |               | <b>(91,18,479)</b>   |               | <b>(38,24,415)</b>   |
| <b>Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)</b> |               | <b>1,11,93,805</b>   |               | <b>(6,41,084)</b>    |
| Opening Cash and Cash Equivalents                                   |               | 3,25,481             |               | 9,66,565             |
| Closing Cash and Cash Equivalents                                   |               | <b>1,15,19,286</b>   |               | <b>3,25,481</b>      |
| <b>Components of Cash &amp; Cash Equivalents:</b>                   |               |                      |               |                      |
| Cash Balances   |               | 1,76,116             |               | 81,683               |
| Balances with banks   |               | 1,13,43,170          |               | 2,43,798             |
|   |               | <b>1,15,19,286</b>   |               | <b>3,25,481</b>      |

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

**B. P. MANGAL**  
Partner  
Memb. No.32973

Mumbai,  
27<sup>th</sup> May, 2016

For and on behalf of the Board of Directors

**PURNIMA JAIN** - Wholetime Director  
(DIN 00937041)

**SAAHIL PARIKH** - Wholetime Director  
(DIN 00400079)

**K. C. JAIN** - Director  
(DIN 00021239)

**KHUSHBU THAKKAR** - Company Secretary  
(ACS 28375)

**Notes forming part of the Financial Statements for the Year ended 31<sup>st</sup> March, 2016****Significant Accounting Policies:****a. Basis of Preparation of Financial Statements:**

- i) The Financial Statements have been prepared to comply in all material respects with the notified accounting standards by the Companies Accounting Standards Rules, 2006 specified in Section 133 of the Companies Act, 2013 read with rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013. The financial statements have been prepared under the historical cost convention, on an accrual basis of accounting. The classification of assets and liabilities of the Company is done into current and non-current based on the operating cycle of the business of the Company. The operating cycle of the business of the Company is less than twelve months and therefore all current and non-current classifications are done based on the status of realisability and expected settlement of the respective asset and liability within a period of twelve months from the reporting date as required by Schedule III to the Companies Act, 2013.
- ii) "Change in Accounting Policy: The accounting policies adopted in the preparation of financial statements are consistent with those used in the previous year."

**b. Use of Estimates:**

The preparation of the financial statements in conformity with GAAP requires the management to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to contingent liabilities as at the date of financial statements and reported amounts of income and expenses during the period. The estimates and assumptions used in the financial statements are based upon the management's evaluation of the relevant facts and circumstances as on the date of financial statements. Accounting estimates could change from period to period. Actual results could differ from those estimates

**c. Revenue Recognition:**

- i) Revenue from sale of goods is recognised net of returns on transfer of significant risk and rewards in respect of ownership to the buyer which is generally on dispatch of goods. Local sales includes excise duty.
- ii) Revenue in respect of insurance/other claims, commission, etc. are recognised only when it is reasonably certain that ultimate collection will be made.
- iii) Interest income is recognised on time proportion basis.
- iv) Dividend income is accounted when the right to receive the same is established.

**d. Fixed Assets:**

Tangible assets are stated at cost, less accumulated depreciation and impairment, if any. Direct costs are capitalized till the assets are ready for use and include financing costs relating to any borrowing attributable to the acquisition of qualifying fixed assets. Capital work in progress and Intangible assets in progress comprises the cost of fixed assets that are not yet ready for their intended use at the reporting date.

Intangible assets are recorded at the consideration paid for acquisition of such assets and are carried at cost less accumulated amortization and impairment.

**e. Depreciation / Amortization / Impairment:**

Depreciation on Fixed Assets is provided on the useful lives of the assets in the manner prescribed in Schedule II of Companies Act, 2013. Depreciation for asset purchased/sold during a period is

proportionately charged. Intangible Asset are amortized over their respective individual estimated useful lives on a straight-line basis, commencing from the date the asset is available to the company for its use.

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. Leased Asset :- Operating Leases:**

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor, are recognized as operating lease. Lease payments under operating leases are recognized as an expenses with reference to lease terms and other considerations.

**g. Foreign Currency Transactions:**

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

**h. Investments:**

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

**i. 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.

**j. Employee Benefits:**

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

**k. Taxation:**

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

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.

**l. Cash Flow Statement:**

Cash flows are reported using indirect method, whereby net profits after tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating, investing and financing activities of the Company are segregated.

**m. Cash and Cash Equivalent:**

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

**n. Earnings Per Share:**

The earnings considered in ascertaining the Company's earnings per share comprise the net profit after tax and include the post-tax effect of any extra-ordinary items. The number of shares used in computing basic earnings per share, is the weighted average number of shares outstanding during the period. The number of shares used in computing diluted earnings per share comprises the shares considered for deriving basic earnings per share and also number of equity shares that could have been issued on the conversion of all dilutive potential equity shares.

**o. Borrowing Costs:**

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

**p. Provisions, Contingent Liabilities and Contingent Assets:**

A provision is recognized when the Company has a present obligation as a result of past event and its probable that an outflow of resources will be required to settle the obligation, in respect of which reliable estimate can be made. The provisions (excluding retirement benefits) are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect current best estimates. Contingent liabilities are not recognized in the financial statements but disclosed in Notes to Accounts. A contingent asset is neither recognized nor disclosed in the financial statements.

## Notes on Financial Statements for the Year ended 31<sup>st</sup> March, 2016

### 1 SHARE CAPITAL

| Particulars                            | As at 31-Mar-16            |                    | As at 31-Mar-15            |                    |
|--|----------------------------|--------------------|----------------------------|--------------------|
|  | Number                     | (₹)                | Number                     | (₹)                |
| Face Value                             | ₹ 10/- each                |                    | ₹ 10/- each                |                    |
| Class of Shares                        | Equity Shares (Fully paid) |                    | Equity Shares (Fully paid) |                    |
| Authorised Capital                     | 75,00,000                  | 7,50,00,000        | 75,00,000                  | 7,50,00,000        |
| Issued, Subscribed And Paid up Capital | 49,16,980                  | 4,91,69,800        | 49,16,980                  | 4,91,69,800        |
| <b>PER BALANCE SHEET</b>               | <b>49,16,980</b>           | <b>4,91,69,800</b> | <b>49,16,980</b>           | <b>4,91,69,800</b> |

#### Of the above :

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

#### i) Reconciliation of number of shares

| Particulars                                      | As at 31-Mar-16  |                    | As at 31-Mar-15  |                    |
|--|------------------|--------------------|------------------|--------------------|
|  | No. of shares    | (₹)                | No. of shares    | (₹)                |
| Shares outstanding at the beginning of the year  | 49,16,980        | 4,91,69,800        | 49,16,980        | 4,91,69,800        |
| Shares Issued during the year                    | --               | --                 | --               | --                 |
| <b>Shares outstanding at the end of the year</b> | <b>49,16,980</b> | <b>4,91,69,800</b> | <b>49,16,980</b> | <b>4,91,69,800</b> |

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

| Name of Shareholder          | As at 31-Mar-16       |            | As at 31-Mar-15       |            |
|------------------------------|-----------------------|------------|-----------------------|------------|
|                              | Number of shares held | Percentage | Number of shares held | Percentage |
| Exon Laboratories Pvt. Ltd.  | 6,50,000              | 13.22%     | 6,50,000              | 13.22%     |
| Kaygee Investments Pvt. Ltd. | 8,54,400              | 17.38%     | 8,54,400              | 17.38%     |
| Paschim Chemicals Pvt. Ltd.  | 7,66,672              | 15.59%     | 7,66,672              | 15.59%     |

### 2 RESERVES & SURPLUS

| Particulars   | As at 31-Mar-16 |                     | As at 31-Mar-15 |                     |
|---|-----------------|---------------------|-----------------|---------------------|
|   | (₹)             | (₹)                 | (₹)             | (₹)                 |
| <b>a) Capital Reserve</b>   |                 |                     |                 |                     |
| Balance as per last Balance Sheet   |                 | 3,02,76,029         |                 | 3,02,76,029         |
| <b>b) Securities Premium Reserve</b>  |                 |                     |                 |                     |
| Balance as per last Balance Sheet   |                 | 1,08,63,850         |                 | 1,08,63,850         |
| <b>c) Other Reserves</b>  |                 |                     |                 |                     |
| General Reserve *   |                 |                     |                 |                     |
| Balance as per last Balance Sheet   | 10,00,00,000    |                     | 9,00,00,000     |                     |
| Add: Current Year Transfer  | 1,00,00,000     | 11,00,00,000        | 1,00,00,000     | 10,00,00,000        |
| <b>d) Surplus in Profit &amp; Loss account</b>  |                 |                     |                 |                     |
| Balance as per last Balance Sheet   | 5,59,44,182     |                     | 4,87,21,299     |                     |
| Add: Net Profit for the year  | 2,30,60,947     |                     | 2,35,19,389     |                     |
|   | 7,90,05,129     |                     | 7,22,40,688     |                     |
| Less:   |                 |                     |                 |                     |
| Depreciation on Assets which have completed the useful life as per Schedule II as on 01.04.2014 net of deferred tax of ₹ 2,00,000/- (see note no. 23) | --              |                     | 3,78,545        |                     |
| Transfer to General Reserve   | 1,00,00,000     |                     | 1,00,00,000     |                     |
| Proposed Dividend   | 49,16,980       |                     | 49,16,980       |                     |
| Tax on proposed dividend  | 10,00,982       |                     | 10,00,981       |                     |
|   | 1,59,17,962     | 6,30,87,167         | 1,62,96,506     | 5,59,44,182         |
| <b>PER BALANCE SHEET</b>  |                 | <b>21,42,27,046</b> |                 | <b>19,70,84,061</b> |

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

**3 DEFERRED TAX LIABILITIES (NET)**

| <u>Particulars</u>                            | <u>As at 31-Mar-16</u> | <u>As at 31-Mar-15</u> |
|---|------------------------|------------------------|
|   | (₹)                    | (₹)                    |
| <b>Deferred tax liability on account of :</b> |                        |                        |
| Depreciation                                  | <b>65,62,000</b>       | 80,42,000              |
| <b>Deferred tax asset on account of :</b>     |                        |                        |
| Leave Encashment                              | <b>(8,26,000)</b>      | (9,22,000)             |
| Other Tax Disallowances                       | <b>(7,36,000)</b>      | (5,77,000)             |
| <b>PER BALANCE SHEET</b>                      | <b>50,00,000</b>       | 65,43,000              |

**4 OTHER LONG TERM LIABILITIES**

| <u>Particulars</u>               | <u>As at 31-Mar-16</u> | <u>As at 31-Mar-15</u> |
|----------------------------------|------------------------|------------------------|
|                                  | (₹)                    | (₹)                    |
| Security deposits from customers | <b>3,71,65,000</b>     | 3,77,35,000            |
| <b>PER BALANCE SHEET</b>         | <b>3,71,65,000</b>     | 3,77,35,000            |

**5 PROVISIONS**

| <u>Particulars</u>                            | <u>Long Term</u>       |                        | <u>Short Term</u>      |                        |
|---|------------------------|------------------------|------------------------|------------------------|
|   | <u>As at 31-Mar-16</u> | <u>As at 31-Mar-15</u> | <u>As at 31-Mar-16</u> | <u>As at 31-Mar-15</u> |
|   | (₹)                    | (₹)                    | (₹)                    | (₹)                    |
| Provision for Gratuity                        | --                     | --                     | <b>10,49,132</b>       | 14,42,437              |
| Provision for Leave encashment                | <b>17,56,944</b>       | 18,14,715              | <b>6,28,804</b>        | 8,47,340               |
| Provision for Leave Travel Assistance(LTA)    | --                     | --                     | <b>7,99,616</b>        | 8,47,939               |
| Proposed Dividend                             | --                     | --                     | <b>49,16,980</b>       | 49,16,980              |
| Provision for tax on proposed dividend        | --                     | --                     | <b>10,00,982</b>       | 10,00,981              |
| Provision for Taxation (Net of Prepaid Taxes) | --                     | --                     | <b>38,49,342</b>       | 23,14,539              |
| <b>PER BALANCE SHEET</b>                      | <b>17,56,944</b>       | 18,14,715              | <b>1,22,44,856</b>     | 1,13,70,216            |

**Disclosures:**

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

| <u>Particulars</u> |  | <u>Gratuity</u>        |                        | <u>Leave Encashment</u> |                        |
|--------------------|--|------------------------|------------------------|-------------------------|------------------------|
|                    |  | <u>As at 31-Mar-16</u> | <u>As at 31-Mar-15</u> | <u>As at 31-Mar-16</u>  | <u>As at 31-Mar-15</u> |
| (₹)                |  |                        |                        |                         |                        |
| <b>I.</b>          | <b>Change in Benefit Obligation</b>    |                        |                        |                         |                        |
|                    | Liability at the beginning of the year | <b>98,42,703</b>       | 86,13,208              | <b>26,62,055</b>        | 3,102,752              |
|                    | Interest cost                          | <b>7,87,416</b>        | 6,91,843               | <b>1,80,084</b>         | 1,66,439               |
|                    | Current Service Cost                   | <b>5,82,451</b>        | 5,87,151               | <b>4,72,895</b>         | 3,79,969               |
|                    | Past year Service Cost                 | --                     | --                     | --                      | --                     |
|                    | Benefit Paid                           | --                     | (15,30,881)            | <b>(14,42,893)</b>      | (13,82,743)            |
|                    | Actuarial (gain)/loss on obligations   | <b>(31,08,825)</b>     | 14,81,382              | <b>5,13,607</b>         | 3,95,638               |
|                    | Curtailements and Settlements          | --                     | --                     | --                      | --                     |
|                    | Liability at the end of the year       | <b>81,03,745</b>       | 98,42,703              | <b>23,85,748</b>        | 26,62,055              |

**Disclosures: (Contd...)**

(₹)

| Particulars   | Gratuity           |                    | Leave Encashment   |                    |
|---|--------------------|--------------------|--------------------|--------------------|
|   | As at<br>31-Mar-16 | As at<br>31-Mar-15 | As at<br>31-Mar-16 | As at<br>31-Mar-15 |
| <b>II. Fair Value of Plan Assets</b>                      |                    |                    |                    |                    |
| Fair Value of Plan Assets at the beginning of the year    | 84,00,266          | 87,22,413          | --                 | --                 |
| Expected Return on Plan Assets                            | 8,27,333           | 7,30,788           | --                 | --                 |
| Contributions   | 20,70,832          | 4,77,946           | --                 | --                 |
| Benefit paid  | --                 | (15,30,881)        | --                 | --                 |
| Actuarial gain/(loss) on Plan Assets                      | --                 | --                 | --                 | --                 |
| Fair Value of Plan Assets at the end of the year          | 1,12,98,431        | 84,00,266          | --                 | --                 |
| Less:- Benefit paid but pending claim from LIC            | (42,43,818)        | --                 | --                 | --                 |
| Adjusted Fair Value of Plan Assets at the end of the year | 70,54,613          | 84,00,266          | --                 | --                 |
| <b>III. Actual Return on Plan Assets</b>                  |                    |                    |                    |                    |
| Expected Return on Plan Assets                            | 8,27,333           | 7,30,788           | --                 | --                 |
| Actuarial gain/(loss) on Plan Assets                      | --                 | --                 | --                 | --                 |
| Actual Return on Plan Assets                              | 8,27,333           | 7,30,788           | --                 | --                 |
| <b>IV. Amount Recognised in the Balance Sheet</b>         |                    |                    |                    |                    |
| Liability at the end of the year                          | 81,03,745          | 98,42,703          | 23,85,748          | 26,62,055          |
| Fair Value of Plan Assets at the end of the year          | 70,54,613          | 84,00,266          | --                 | --                 |
| Difference  | 10,49,132          | 14,42,437          | 23,85,748          | 26,62,055          |
| Unrecognised Past Service Cost                            | --                 | --                 | --                 | --                 |
| Amount Recognised in the Balance Sheet                    | 10,49,132          | 14,42,437          | 23,85,748          | 26,62,055          |
| <b>V. Expenses Recognised in the Income Statement</b>     |                    |                    |                    |                    |
| Current Service Cost                                      | 5,82,451           | 5,87,151           | 4,72,895           | 3,79,969           |
| Interest Cost   | 7,87,416           | 6,91,843           | 1,80,084           | 1,66,439           |
| Expected Return on Plan Assets                            | (8,27,333)         | (7,30,788)         | --                 | --                 |
| Net Actuarial (gain)/loss to be recognised                | (31,08,825)        | 14,81,382          | 5,13,607           | 3,95,638           |
| Benefit paid but pending claim from LIC                   | 42,43,818          | --                 | --                 | --                 |
| Past Service Cost (Non Vested Benefit) Recognised         | --                 | --                 | --                 | --                 |
| Past Service Cost (Vested Benefit) Recognised             | --                 | --                 | --                 | --                 |
| Effect of Curtailment or Settlements                      | --                 | --                 | --                 | --                 |
| Expense Recognised in the Statement of Profit and Loss    | 16,77,527          | 20,29,588          | 11,66,586          | 9,42,046           |
| <b>VI. Balance Sheet Reconciliation</b>                   |                    |                    |                    |                    |
| Opening Net Liability                                     | 14,42,437          | (1,09,205)         | 26,62,055          | 31,02,752          |
| Expense as above  | 16,77,527          | 20,29,588          | 11,66,586          | 9,42,046           |
| Past year Service cost                                    | --                 | --                 | --                 | --                 |
| Employers Contribution                                    | (20,70,832)        | (4,77,946)         | (14,42,893)        | (13,82,743)        |
| Amount Recognised in Balance Sheet.                       | 10,49,132          | 14,42,437          | 23,85,748          | 26,62,055          |
| <b>VII. Actuarial Assumptions</b>                         |                    |                    |                    |                    |
| Discount Rate   | 8.00%              | 8.00%              | 8.00%              | 8.00%              |
| Salary Escalation Rate                                    | 6.00%              | 6.00%              | 6.00%              | 6.00%              |

- 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.



**6 SHORT-TERM BORROWINGS**

| <u>Particulars</u>  | <u>As at 31-Mar-16</u> | <u>As at 31-Mar-15</u> |
|---|------------------------|------------------------|
|   | (₹)                    | (₹)                    |
| <b>Secured Loans:</b>   |                        |                        |
| Working Capital Loan from Axis Bank   | --                     | 79,73,207              |
| 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. During the year Working Capital limits cancelled with Axis Bank |                        |                        |
| <b>Unsecured Loans:</b>   |                        |                        |
| Working Capital from Yes Bank   | <b>17,98,205</b>       | --                     |
| <b>PER BALANCE SHEET</b>  | <b>17,98,205</b>       | <b>79,73,207</b>       |

**7 TRADE PAYABLES**

| <u>Particulars</u>                   | <u>As at 31-Mar-16</u> | <u>As at 31-Mar-15</u> |
|--------------------------------------|------------------------|------------------------|
|                                      | (₹)                    | (₹)                    |
| <b>Trade Payables</b>                |                        |                        |
| - Micro Small and Medium Enterprises | --                     | --                     |
| - Others                             | <b>7,50,45,330</b>     | 7,54,86,745            |
| <b>PER BALANCE SHEET</b>             | <b>7,50,45,330</b>     | <b>7,54,86,745</b>     |

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

**8 OTHER CURRENT LIABILITIES**

| <u>Particulars</u>        | <u>As at 31-Mar-16</u> | <u>As at 31-Mar-15</u> |
|---------------------------|------------------------|------------------------|
|                           | (₹)                    | (₹)                    |
| Unclaimed Dividend        | <b>5,87,162</b>        | 4,19,445               |
| Payable for Capital goods | <b>25,07,860</b>       | 8,10,978               |
| Advances from customers   | <b>4,08,036</b>        | --                     |
| Duties & Taxes Payable    | <b>18,21,947</b>       | 21,17,110              |
| Other Payables            | <b>3,66,784</b>        | 4,40,217               |
| <b>PER BALANCE SHEET</b>  | <b>56,91,789</b>       | <b>37,87,750</b>       |

**9 FIXED ASSETS**

(₹)

| Description of Assets      | Cost                              |                    |                                |                                    | Depreciation, Amortisation & Impairment |                             |                                |                                    | Net Block                   |                                |                                    |                                    |
|----------------------------|-----------------------------------|--------------------|--------------------------------|------------------------------------|---|-----------------------------|--------------------------------|------------------------------------|-----------------------------|--------------------------------|------------------------------------|------------------------------------|
|                            | As at 1 <sup>st</sup> April, 2014 | Additions (14-15)  | Disposals/ Adjustments (14-15) | As at 31 <sup>st</sup> March, 2015 | As at 1 <sup>st</sup> April, 2014       | Charge for the year (14-15) | Disposals/ Adjustments (14-15) | As at 31 <sup>st</sup> March, 2015 | Charge for the year (15-16) | Disposals/ Adjustments (15-16) | As at 31 <sup>st</sup> March, 2016 | As at 31 <sup>st</sup> March, 2015 |
| <b>A Tangible Assets</b>   |                                   |                    |                                |                                    |   |                             |                                |                                    |                             |                                |                                    |                                    |
| 1 Freehold Land            | 2,10,22,781                       | --                 | --                             | 2,10,22,781                        | --                                      | --                          | --                             | 2,10,22,781                        | --                          | --                             | 2,10,22,781                        | 2,10,22,781                        |
| 2 Leasehold Land           | 2,25,985                          | --                 | --                             | 2,25,985                           | --                                      | --                          | --                             | 2,25,985                           | --                          | --                             | 2,25,985                           | 2,25,985                           |
| 3 Buildings                | 5,12,31,495                       | 12,93,474          | --                             | 5,25,24,969                        | 16,75,295                               | --                          | 5,42,00,264                    | 1,49,88,817                        | 15,06,468                   | --                             | 1,80,35,439                        | 3,60,29,684                        |
| 4 Plant & Machinery        | 10,62,13,683                      | 1,03,43,272        | (16,28,529)                    | 11,49,28,426                       | 32,77,034                               | (77,30,500)                 | 11,04,74,960                   | 5,42,12,958                        | 1,21,20,654                 | (11,38,374)                    | 6,93,43,629                        | 4,97,33,188                        |
| 5 Effluent Treatment Plant | 6,18,233                          | 4,09,680           | (25,800)                       | 10,02,113                          | 1,84,143                                | (3,18,520)                  | 8,67,736                       | 2,05,351                           | 74,678                      | (19,037)                       | 3,13,514                           | 7,41,121                           |
| 6 Furniture & Fixtures     | 65,87,342                         | 1,62,916           | (13,468)                       | 67,36,790                          | 1,72,557                                | --                          | 69,09,347                      | 29,97,247                          | 7,31,202                    | (9,689)                        | 43,61,346                          | 30,18,030                          |
| 7 Vehicles                 | 76,11,287                         | --                 | (14,84,916)                    | 61,26,371                          | --                                      | (18,40,001)                 | 42,86,370                      | 27,39,360                          | 11,17,068                   | (9,27,550)                     | 24,30,815                          | 31,97,493                          |
| <b>Total-A</b>             | <b>19,35,10,806</b>               | <b>1,22,09,342</b> | <b>(31,52,713)</b>             | <b>20,25,67,435</b>                | <b>53,09,029</b>                        | <b>(98,89,021)</b>          | <b>19,79,87,443</b>            | <b>7,51,43,733</b>                 | <b>1,55,50,070</b>          | <b>(20,94,650)</b>             | <b>8,85,99,153</b>                 | <b>11,39,68,282</b>                |
| <b>B Intangible Assets</b> |                                   |                    |                                |                                    |   |                             |                                |                                    |                             |                                |                                    |                                    |
| 1 Software                 | 13,10,431                         | 10,000             | --                             | 13,20,431                          | --                                      | --                          | 13,20,431                      | 3,48,751                           | 2,94,195                    | --                             | 6,42,946                           | 6,77,485                           |
| 2 Trade Mark               | 2,00,000                          | --                 | --                             | 2,00,000                           | --                                      | --                          | 2,00,000                       | 1,77,395                           | 5,652                       | --                             | 1,83,047                           | 16,953                             |
| <b>Total-B</b>             | <b>15,10,431</b>                  | <b>10,000</b>      | <b>--</b>                      | <b>15,20,431</b>                   | <b>--</b>                               | <b>--</b>                   | <b>15,20,431</b>               | <b>5,26,146</b>                    | <b>2,99,847</b>             | <b>--</b>                      | <b>8,25,993</b>                    | <b>6,94,438</b>                    |
| <b>Total-A+B</b>           | <b>19,50,21,237</b>               | <b>1,22,19,342</b> | <b>(31,52,713)</b>             | <b>20,40,87,866</b>                | <b>53,09,029</b>                        | <b>(98,89,021)</b>          | <b>19,95,07,874</b>            | <b>7,56,69,879</b>                 | <b>1,58,49,917</b>          | <b>(20,94,650)</b>             | <b>8,94,25,146</b>                 | <b>11,46,62,720</b>                |

**10 INVESTMENTS - NON CURRENT INVESTMENTS**

| Sr. No.   | Name of the Body Corporate                  | Subsidiary / Associate / JV/ Con-trolled Entity / Others | No. of Shares / Units |               | Face Value | Quoted / Unquoted | Partly Paid / Fully paid | Extent of Holding (%) |               | Amount (₹)   |                    |                    |
|---|---|--|-----------------------|---------------|------------|-------------------|--------------------------|-----------------------|---------------|--------------|--------------------|--------------------|
|   |   |  | Current Year          | Previous Year |            |                   |                          | Current Year          | Previous Year | Current Year | Previous Year      |                    |
| (1)   | (2)   | (3)  | (4)                   | (5)           | (6)        | (7)               | (8)                      | (9)                   | (10)          | (11)         | (12)               |                    |
| <b>Investment in Equity Instruments</b>   |   |  |                       |               |            |                   |                          |                       |               |              |                    |                    |
| <b>(Stated at Cost)</b>   |   |  |                       |               |            |                   |                          |                       |               |              |                    |                    |
| 1   | Ellora Organics Pvt.Ltd.                    | Others   | 1,610                 | 1,610         | 100        | Unquoted          | Fully paid               | 8.05%                 | 8.05%         | 1,61,405     | 1,61,405           |                    |
| 2   | Mexin Medicaments Pvt Ltd                   | Shareholders   | 11,990                | 11,990        | 100        | Unquoted          | Fully paid               | 11.10%                | 11.10%        | 1,31,89,000  | 1,31,89,000        |                    |
| 3   | Ipca Laboratories Ltd                       | Associate  | 1,01,480              | 1,01,480      | 2          | Quoted            | Fully paid               | 0.08%                 | 0.08%         | 1,01,71,516  | 1,01,71,516        |                    |
| <b>PER BALANCE SHEET</b>  |   |  |                       |               |            |                   |                          |                       |               |              | <b>2,35,21,921</b> |                    |
| 1   | Aggregate Book Value of Investment          |  |                       |               |            |                   |                          |                       |               |              |                    |                    |
|   | Unquoted                                    |  |                       |               |            |                   |                          |                       |               |              |                    | <b>1,33,50,405</b> |
|   | Quoted                                      |  |                       |               |            |                   |                          |                       |               |              |                    | <b>1,01,71,516</b> |
| 2   | Aggregate Market Value of Quoted Investment |  |                       |               |            |                   |                          |                       |               |              |                    | <b>5,88,33,030</b> |
| Note : Details of loan given, investments made & guarantees given covered under Section 186(4) of the Companies Act,2013 are given in Statement 2 attached to the financial statements. |   |  |                       |               |            |                   |                          |                       |               |              | <b>6,48,00,054</b> |                    |

## 11 LOANS & ADVANCES

| Particulars                                | Long Term          |                    | Short Term         |                    |
|--|--------------------|--------------------|--------------------|--------------------|
|  | As at<br>31-Mar-16 | As at<br>31-Mar-15 | As at<br>31-Mar-16 | As at<br>31-Mar-15 |
|  | (₹)                | (₹)                | (₹)                | (₹)                |
| <b>Unsecured considered good</b>           |                    |                    |                    |                    |
| Loans & Advances given to Employees        | --                 | 46,270             | <b>14,001</b>      | 1,90,309           |
| Advances Receivable in Cash or in kind     | <b>15,718</b>      | 28,075             | <b>7,03,936</b>    | 9,73,432           |
| Deposits                                   | <b>19,92,732</b>   | 19,91,218          | <b>4,00,110</b>    | 1,60,750           |
| Prepaid Taxes (Net of Provision for Tax) * | <b>10,53,590</b>   | 10,53,590          | --                 | --                 |
| Advance to Suppliers                       | --                 | --                 | <b>30,23,999</b>   | 29,89,637          |
| <b>PER BALANCE SHEET</b>                   | <b>30,62,040</b>   | 31,19,153          | <b>41,42,046</b>   | 43,14,128          |

\* Provision for Taxation includes provision for Wealth Tax of ₹ Nil ( previous year ₹ 20,000/=).

## 12 OTHER ASSETS

| Particulars               | Non Current        |                    | Current            |                    |
|---------------------------|--------------------|--------------------|--------------------|--------------------|
|                           | As at<br>31-Mar-16 | As at<br>31-Mar-15 | As at<br>31-Mar-16 | As at<br>31-Mar-15 |
|                           | (₹)                | (₹)                | (₹)                | (₹)                |
| FD as Bank Margin         | <b>60,000</b>      | 2,70,175           | --                 | --                 |
| Duties & Taxes Refundable | <b>31,02,174</b>   | 37,85,295          | <b>5,24,496</b>    | 20,94,109          |
| Gratuity Claim Receivable | --                 | --                 | <b>42,43,818</b>   | 4,84,559           |
| Other Income Receivable   | --                 | --                 | <b>26,822</b>      | 24,592             |
| <b>PER BALANCE SHEET</b>  | <b>31,62,174</b>   | 40,55,470          | <b>47,95,136</b>   | 26,03,260          |

## 13 INVENTORIES

| Particulars              | As at 31-Mar-16 |                    | As at 31-Mar-15    |             |
|--------------------------|-----------------|--------------------|--------------------|-------------|
|                          | (₹)             | (₹)                | (₹)                | (₹)         |
| Raw Materials            |                 | <b>1,40,59,604</b> |                    | 1,50,08,275 |
| Packing Materials        |                 | <b>37,55,850</b>   |                    | 22,98,150   |
| Work In Progress         |                 | <b>44,10,392</b>   |                    | 61,73,868   |
| Finished Goods           |                 |                    |                    |             |
| In hand                  |                 |                    |                    |             |
| Own                      |                 | <b>1,13,60,617</b> |                    | 1,91,49,036 |
| Traded                   |                 | <b>2,52,19,820</b> | <b>3,65,80,437</b> | 4,56,05,880 |
| In transit               |                 |                    |                    |             |
| Own                      |                 | <b>11,54,831</b>   |                    | 11,24,366   |
| Traded                   |                 | <b>5,90,750</b>    | <b>17,45,581</b>   | 25,51,972   |
| Stores & Spares          |                 | <b>5,16,923</b>    |                    | 5,74,581    |
| <b>PER BALANCE SHEET</b> |                 | <b>6,10,68,787</b> |                    | 9,24,86,128 |

Valuation methodology

Raw Materials and Packing Materials

At cost

Work In Progress

At cost

Finished Goods

At cost or Net realisable value which ever is lower.

Stores & Spares

At cost

| <b>14 TRADE RECEIVABLES</b>               |  | As at 31-Mar-16     |     | As at 31-Mar-15     |     |
|---|--|---------------------|-----|---------------------|-----|
| <u>Particulars</u>                        |  |                     |     |                     |     |
|   |  | (₹)                 |     | (₹)                 |     |
| <b>Unsecured, considered good</b>         |  |                     |     |                     |     |
| Outstanding for more than six months      |  | 86,23,477           |     | 55,776              |     |
| Other Debts                               |  | 13,54,38,473        |     | 11,82,98,255        |     |
| <b>PER BALANCE SHEET</b>                  |  | <b>14,40,61,950</b> |     | <b>11,83,54,031</b> |     |
| <b>15 CASH AND BANK BALANCES</b>          |  | As at 31-Mar-16     |     | As at 31-Mar-15     |     |
| <u>Particulars</u>                        |  |                     |     |                     |     |
|   |  | (₹)                 | (₹) | (₹)                 | (₹) |
| <b>Cash &amp; Cash Equivalents</b>        |  |                     |     |                     |     |
| Cash Balances                             |  | 1,76,116            |     | 81,683              |     |
| Balances with Banks                       |  | 13,43,170           |     | 2,43,798            |     |
| Fixed Deposit with Bank                   |  | 1,00,00,000         |     | --                  |     |
| <b>Other Bank Balances</b>                |  |                     |     |                     |     |
| Unclaimed Dividend                        |  | 5,87,162            |     | 4,19,445            |     |
| <b>PER BALANCE SHEET</b>                  |  | <b>1,21,06,448</b>  |     | <b>7,44,926</b>     |     |
| <b>16 SALE OF PRODUCTS</b>                |  | 2015-16             |     | 2014-15             |     |
| <u>Particulars</u>                        |  |                     |     |                     |     |
|   |  | (₹)                 |     | (₹)                 |     |
| Sale of Products                          |  | 53,78,27,425        |     | 57,82,92,364        |     |
| <b>PER STATEMENT OF PROFIT &amp; LOSS</b> |  | <b>53,78,27,425</b> |     | <b>57,82,92,364</b> |     |
| Formulations                              |  | 49,74,72,935        |     | 50,59,81,595        |     |
| API/ Intermediates                        |  | 3,39,36,247         |     | 6,30,27,213         |     |
| Others                                    |  | 64,18,243           |     | 92,83,556           |     |
| <b>Total</b>                              |  | <b>53,78,27,425</b> |     | <b>57,82,92,364</b> |     |
| <b>17 OTHER OPERATING REVENUE</b>         |  | 2015-16             |     | 2014-15             |     |
| <u>Particulars</u>                        |  |                     |     |                     |     |
|   |  | (₹)                 |     | (₹)                 |     |
| Empty containers & closure sale           |  | 3,01,314            |     | 4,64,161            |     |
| Miscellaneous income from operations      |  | 28,84,209           |     | 16,49,349           |     |
| <b>PER STATEMENT OF PROFIT &amp; LOSS</b> |  | <b>31,85,523</b>    |     | <b>21,13,510</b>    |     |
| <b>18 OTHER INCOME</b>                    |  | 2015-16             |     | 2014-15             |     |
| <u>Particulars</u>                        |  |                     |     |                     |     |
|   |  | (₹)                 |     | (₹)                 |     |
| Dividend Income                           |  | 5,59,571            |     | 5,47,448            |     |
| Interest Income                           |  | 34,79,682           |     | 21,80,185           |     |
| Profit on sale of Assets                  |  | 1,13,365            |     | 1,40,530            |     |
| Other non-operating income                |  | 20,30,965           |     | 17,87,633           |     |
| <b>PER STATEMENT OF PROFIT &amp; LOSS</b> |  | <b>61,83,583</b>    |     | <b>46,55,796</b>    |     |

## 19 COST OF MATERIALS CONSUMED

| Particulars                               | 2015-16      |                     | 2014-15      |                     |
|---|--------------|---------------------|--------------|---------------------|
|   | (₹)          | (₹)                 | (₹)          | (₹)                 |
| <b>Raw Materials Consumed</b>             |              |                     |              |                     |
| Opening Stock                             | 1,50,08,275  |                     | 1,87,70,968  |                     |
| Add : Purchases ( Net of Discount )       | 14,27,73,190 |                     | 17,17,17,957 |                     |
| Less : Closing Stock                      | 1,40,59,604  | 14,37,21,861        | 1,50,08,275  | 17,54,80,650        |
| <b>Packing Materials Consumed</b>         |              |                     |              |                     |
| Opening Stock                             | 22,98,150    |                     | 42,10,960    |                     |
| Add : Purchases ( Net of Discount )       | 1,94,01,636  |                     | 1,72,41,153  |                     |
| Less : Closing Stock                      | 37,55,850    | 1,79,43,936         | 22,98,150    | 1,91,53,963         |
| <b>PER STATEMENT OF PROFIT &amp; LOSS</b> |              | <b>16,16,65,797</b> |              | <b>19,46,34,613</b> |

### Disclosures:

#### 1 Details of Raw Materials Consumption

|   |                     |  |                     |  |
|---|---------------------|--|---------------------|--|
| Paracetamol IP  | 4,44,56,088         |  | 4,11,43,775         |  |
| M.A.P.A   | 80,89,307           |  | 2,35,79,483         |  |
| Alpha Beta Arteether  | 1,37,75,556         |  | 1,69,82,620         |  |
| Chloroquine Phosphate   | 1,36,82,576         |  | 1,28,62,723         |  |
| Others (None of which individually forms more than 10% of the total consumption.) | 6,37,18,334         |  | 8,09,12,049         |  |
| <b>Total</b>  | <b>14,37,21,861</b> |  | <b>17,54,80,650</b> |  |

#### 2 Details of Indigenous and Imported Consumption

|                 | (₹)                 | Percentage    | (₹)                 | Percentage    |
|-----------------|---------------------|---------------|---------------------|---------------|
| Raw Materials : |                     |               |                     |               |
| Imported        | 1,68,067            | 0.12          | --                  | --            |
| Indigenous      | 14,35,53,794        | 99.88         | 17,54,80,650        | 100.00        |
| <b>Total</b>    | <b>14,37,21,861</b> | <b>100.00</b> | <b>17,54,80,650</b> | <b>100.00</b> |

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

| Particulars                               | 2015-16            |                    | 2014-15            |                 |
|---|--------------------|--------------------|--------------------|-----------------|
|   | (₹)                | (₹)                | (₹)                | (₹)             |
| <b>Inventory Adjustments - WIP</b>        |                    |                    |                    |                 |
| Work In progress at Opening               | 61,73,868          |                    | 68,38,984          |                 |
| Less : Work In progress at Closing        | 44,10,392          | 17,63,476          | 61,73,868          | 6,65,116        |
| <b>Inventory Adjustments - FG</b>         |                    |                    |                    |                 |
| Stock at Commencement                     | 6,84,31,254        |                    | 6,88,39,500        |                 |
| Less : Stock at Closing                   | 3,83,26,018        | 3,01,05,236        | 6,84,31,254        | 4,08,246        |
| <b>Variation in Excise duty on:</b>       |                    |                    |                    |                 |
| Closing Stock of finished goods           | 8,83,968           |                    | 15,13,897          |                 |
| Less : Opening Stock of finished goods    | 15,13,897          | (6,29,929)         | 16,80,485          | (1,66,588)      |
| <b>PER STATEMENT OF PROFIT &amp; LOSS</b> |                    | <b>3,12,38,783</b> |                    | <b>9,06,774</b> |
| <b>Details of Finished Goods</b>          |                    |                    |                    |                 |
| Formulations                              | 3,83,26,018        |                    | 6,62,00,963        |                 |
| API/ Intermediates                        | --                 |                    | 22,30,291          |                 |
| <b>Total</b>                              | <b>3,83,26,018</b> |                    | <b>6,84,31,254</b> |                 |

**21 EMPLOYEE BENEFITS**

| <u>Particulars</u>                        | <u>2015-16</u>     | <u>2014-15</u>     |
|---|--------------------|--------------------|
|   | (₹)                | (₹)                |
| Salaries , Bonus , Perquisites , etc      | 6,91,77,157        | 6,03,38,823        |
| Contribution to Employees welfare funds   | 31,42,904          | 33,59,890          |
| Leave Encashment                          | 11,66,586          | 9,42,046           |
| Leave Travel Assistance                   | 7,20,441           | 5,19,438           |
| Gratuity Fund Contributions               | 16,77,527          | 20,29,588          |
| Recruitment and Training                  | 80,357             | 64,374             |
| Staff Welfare expenses                    | 11,23,101          | 13,44,995          |
| <b>PER STATEMENT OF PROFIT &amp; LOSS</b> | <b>7,70,88,073</b> | <b>6,85,99,154</b> |

**22 FINANCE COST**

| <u>Particulars</u>                        | <u>2015-16</u>   | <u>2014-15</u>   |
|---|------------------|------------------|
|   | (₹)              | (₹)              |
| Interest expense                          | 32,00,518        | 38,24,415        |
| <b>PER STATEMENT OF PROFIT &amp; LOSS</b> | <b>32,00,518</b> | <b>38,24,415</b> |

**23 DEPRECIATION & AMORTIZATION EXPENSES**

| <u>Particulars</u>  | <u>2015-16</u>     | <u>2014-15</u>     |
|---|--------------------|--------------------|
|   | (₹)                | (₹)                |
| Depreciation  | 1,22,21,630        | 1,55,50,070        |
| Amortisation  | 2,79,961           | 2,99,847           |
| Less : Depreciation transferred to Surplus in Statement of Profit & Loss (Refer note below) | --                 | 5,78,545           |
| <b>PER STATEMENT OF PROFIT &amp; LOSS</b>   | <b>1,25,01,591</b> | <b>1,52,71,372</b> |

Note : In accordance with the provisions of Schedule II to the Companies Act, 2013, effective from 1<sup>st</sup> April, 2014, the Company has revised the useful lives of its fixed assets. As a consequence of such revision the charge for depreciation for the previous year is higher than the previously applied rates by ₹ 52,16,109/-. For assets that have completed the useful lives as a consequence of the aforesaid revision, the carrying value as on 1<sup>st</sup> April, 2014 of ₹ 5,78,545/- has been charged to the opening balance of the surplus in Statement of Profit & Loss net of deferred tax effect thereon of ₹ 2,00,000/-.

**24 OTHER EXPENSES**

| <u>Particulars</u>                     | <u>2015-16</u> |             | <u>2014-15</u> |             |
|--|----------------|-------------|----------------|-------------|
|  | (₹)            | (₹)         | (₹)            | (₹)         |
| Consumption of Stores                  |                | 58,09,930   |                | 56,21,496   |
| Outside Manufacturing Charges          |                | 1,47,89,581 |                | 1,47,82,853 |
| Power, Fuel, Gas & Water Charges       |                | 1,99,18,757 |                | 2,51,67,853 |
| Repairs :                              |                |             |                |             |
| - Building                             | 14,26,077      |             | 22,11,295      |             |
| - Machinery                            | 33,33,075      |             | 38,63,456      |             |
| - Others                               | 2,54,567       | 50,13,719   | 84,665         | 61,59,416   |
| Insurance                              |                | 15,14,539   |                | 17,73,262   |
| Rent                                   |                | 14,17,193   |                | 11,54,205   |
| Rates and Taxes                        |                | 26,72,261   |                | 36,47,903   |
| Freight, Forwarding and Transportation |                | 1,33,88,666 |                | 1,40,53,886 |
| Commission on sales                    |                | 2,97,71,102 |                | 3,62,85,645 |
| Field Staff expenses                   |                | 85,75,722   |                | 95,65,567   |

## 24 OTHER EXPENSES (Contd...)

| Particulars                               | 2015-16  |                     | 2014-15  |                     |
|---|----------|---------------------|----------|---------------------|
|   | (₹)      | (₹)                 | (₹)      | (₹)                 |
| Auditors' Remuneration :                  |          |                     |          |                     |
| - Audit Fees                              | 1,70,394 |                     | 1,45,394 |                     |
| - Taxation Matters                        | 68,625   |                     | 62,472   |                     |
| - Other Services                          | 34,086   |                     | 56,180   |                     |
| - Reimbursement of expenses               | 70,681   | 3,43,786            | 44,233   | 3,08,279            |
| Loss on Sale of Assets                    |          | 21,11,633           |          | 3,53,578            |
| Assets scrapped                           |          | --                  |          | 15,269              |
| Bad Debts Written off                     |          | 25,15,010           |          | 20,11,734           |
| Marketing & Sales Administrative expenses |          | 22,21,838           |          | 26,61,049           |
| Professional Charges                      |          | 15,68,183           |          | 13,09,930           |
| Security Charges                          |          | 18,57,831           |          | 16,65,619           |
| Excise Duty expenses                      |          | 17,11,759           |          | 3,84,463            |
| Analytical Charges                        |          | 32,65,589           |          | 34,82,025           |
| Communication expenses                    |          | 8,01,525            |          | 6,76,044            |
| Printing & Stationery                     |          | 6,80,278            |          | 8,26,659            |
| Bank charges                              |          | 3,62,461            |          | 1,22,216            |
| Loss on sale of investments               |          | --                  |          | 20,16,882           |
| Miscellaneous expenses                    |          | 13,21,908           |          | 16,79,160           |
| <b>PER STATEMENT OF PROFIT &amp; LOSS</b> |          | <b>12,16,33,271</b> |          | <b>13,57,24,993</b> |

### Disclosures:

#### Details of Indigenous and Imported Stores, Spares & Components

|              | (₹)              | Percentage    | (₹)              | Percentage    |
|--------------|------------------|---------------|------------------|---------------|
| Imported     | --               | --            | --               | --            |
| Indigenous   | 58,09,930        | 100.00        | 56,21,496        | 100.00        |
| <b>Total</b> | <b>58,09,930</b> | <b>100.00</b> | <b>56,21,496</b> | <b>100.00</b> |

## 25 CIF Value of Imports

| Particulars    | 2015-16   | 2014-15   |
|----------------|-----------|-----------|
|                | (₹)       | (₹)       |
| Raw Materials  | 1,38,103  | --        |
| Finished Goods | 16,04,423 | 54,73,837 |
| Capital Goods  | 16,54,225 | 6,33,360  |

## 26 Expenditure in foreign currency

| Particulars           | 2015-16 | 2014-15  |
|-----------------------|---------|----------|
|                       | (₹)     | (₹)      |
| Books & Subscriptions | --      | 3,52,031 |

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

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



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

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

| Particulars                                | 2015-16          |                    | 2014-15   |             |
|--|------------------|--------------------|-----------|-------------|
|  | (₹)              | (₹)                | (₹)       | (₹)         |
| Profit after tax (before exceptional item) |                  | <b>2,30,60,947</b> |           | 1,63,59,704 |
| Profit after tax (after exceptional item)  |                  | <b>2,30,60,947</b> |           | 2,35,19,389 |
| Equity Shares Outstanding (Nos)            |                  |                    |           |             |
| -Opening                                   | <b>49,16,980</b> |                    | 49,16,980 |             |
| -issued during the year                    | --               |                    | --        |             |
| -Closing                                   | --               | <b>49,16,980</b>   | --        | 49,16,980   |
| -Basic/Diluted                             |                  | <b>49,16,980</b>   |           | 49,16,980   |
| Nominal value of equity share (₹)          |                  | <b>₹ 10/- each</b> |           | ₹ 10/- each |
| Earnings per share (₹)                     |                  |                    |           |             |
| Basic/Diluted (before exceptional item)    |                  | <b>4.69</b>        |           | 3.33        |
| Basic/Diluted (after exceptional item)     |                  | <b>4.69</b>        |           | 4.78        |

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

**Relationships:**

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

**Details of related party transaction are given in Statement - 1**

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

| Particulars  | 2015-16          | 2014-15   |
|--|------------------|-----------|
|  | (₹)              | (₹)       |
| i Counter Guarantees given to AXIS Bank in respect of guarantees given by the bank on behalf of the Company to Government Authorities. | <b>60,000</b>    | 2,70,175  |
| ii Estimated amount of contracts remaining to be executed on capital account.(Net of Capital Advances)                                 | <b>24,40,105</b> | 39,51,258 |
| iii Other moneys for which the Company is contingently liable for tax, excise, customs and other matters not accepted by the Company   | --               | --        |

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

**32** The Balance Sheet, Statement of Profit & Loss, Cash Flow Statement, Statement of significant accounting policy and other explanatory notes form an integral part of the financial statements of the Company for the year ended on 31<sup>st</sup> March, 2016

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

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

**B. P. MANGAL**  
Partner  
Memb. No.32973

Mumbai,  
27<sup>th</sup> May, 2016

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

**PURNIMA JAIN** - Wholetime Director  
(DIN 00937041)

**SAAHIL PARIKH** - Wholetime Director  
(DIN 00400079)

**K. C. JAIN** - Director  
(DIN 00021239)

**KHUSHBU THAKKAR** - Company Secretary  
(ACS 28375)

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

| Description  | Entities where control exists |         |         |         | Key Management Personnel |           | Associates   |              | Other Related Parties |           | Total        |              |
|--|-------------------------------|---------|---------|---------|--------------------------|-----------|--------------|--------------|-----------------------|-----------|--------------|--------------|
|  | Shareholders                  |         | Others  |         | 2015-16                  | 2014-15   | 2015-16      | 2014-15      | 2015-16               | 2014-15   | 2015-16      | 2014-15      |
|  | 2015-16                       | 2014-15 | 2015-16 | 2014-15 |                          |           |              |              |                       |           |              |              |
| (₹)  |                               |         |         |         |                          |           |              |              |                       |           |              |              |
| <b>Purchase of goods and services:</b>             |                               |         |         |         |                          |           |              |              |                       |           |              |              |
| Ipcalaboratories Ltd                               | --                            | --      | --      | --      | --                       | --        | 2,23,66,187  | 2,39,54,757  | --                    | --        | 2,23,66,187  | 2,39,54,757  |
| <b>Total</b>                                       | --                            | --      | --      | --      | --                       | --        | 2,23,66,187  | 2,39,54,757  | --                    | --        | 2,23,66,187  | 2,39,54,757  |
| <b>Sales of goods and services:</b>                |                               |         |         |         |                          |           |              |              |                       |           |              |              |
| Ipcalaboratories Ltd                               | --                            | --      | --      | --      | --                       | --        | 12,86,80,539 | 16,00,69,412 | --                    | --        | 12,86,80,539 | 16,00,69,412 |
| <b>Total</b>                                       | --                            | --      | --      | --      | --                       | --        | 12,86,80,539 | 16,00,69,412 | --                    | --        | 12,86,80,539 | 16,00,69,412 |
| <b>Purchase of fixed assets:</b>                   |                               |         |         |         |                          |           |              |              |                       |           |              |              |
| Ipcalaboratories Ltd                               | --                            | --      | --      | --      | --                       | --        | --           | 4,49,277     | --                    | --        | --           | 4,49,277     |
| <b>Total</b>                                       | --                            | --      | --      | --      | --                       | --        | --           | 4,49,277     | --                    | --        | --           | 4,49,277     |
| <b>Sale of fixed assets:</b>                       |                               |         |         |         |                          |           |              |              |                       |           |              |              |
| Ipcalaboratories Ltd                               | --                            | --      | --      | --      | --                       | --        | 6,32,093     | 1,81,472     | --                    | --        | 6,32,093     | 1,81,472     |
| <b>Total</b>                                       | --                            | --      | --      | --      | --                       | --        | 6,32,093     | 1,81,472     | --                    | --        | 6,32,093     | 1,81,472     |
| <b>Excise duty and other expenses paid:</b>        |                               |         |         |         |                          |           |              |              |                       |           |              |              |
| Ipcalaboratories Ltd                               | --                            | --      | --      | --      | --                       | --        | 51,33,762    | 64,23,302    | --                    | --        | 51,33,762    | 64,23,302    |
| <b>Total</b>                                       | --                            | --      | --      | --      | --                       | --        | 51,33,762    | 64,23,302    | --                    | --        | 51,33,762    | 64,23,302    |
| <b>Salaries paid:</b>                              |                               |         |         |         |                          |           |              |              |                       |           |              |              |
| Others   | --                            | --      | --      | --      | --                       | --        | --           | --           | 17,05,771             | 15,21,849 | 17,05,771    | 15,21,849    |
| <b>Total</b>                                       | --                            | --      | --      | --      | --                       | --        | --           | --           | 17,05,771             | 15,21,849 | 17,05,771    | 15,21,849    |
| <b>Excise duty &amp; other expenses recovered:</b> |                               |         |         |         |                          |           |              |              |                       |           |              |              |
| Ipcalaboratories Ltd                               | --                            | --      | --      | --      | --                       | --        | 78,76,561    | 85,08,574    | --                    | --        | 78,76,561    | 85,08,574    |
| <b>Total</b>                                       | --                            | --      | --      | --      | --                       | --        | 78,76,561    | 85,08,574    | --                    | --        | 78,76,561    | 85,08,574    |
| <b>Dividend Income :</b>                           |                               |         |         |         |                          |           |              |              |                       |           |              |              |
| Ipcalaboratories Ltd                               | --                            | --      | --      | --      | --                       | --        | 1,01,480     | 2,53,700     | --                    | --        | 1,01,480     | 2,53,700     |
| <b>Total</b>                                       | --                            | --      | --      | --      | --                       | --        | 1,01,480     | 2,53,700     | --                    | --        | 1,01,480     | 2,53,700     |
| <b>Rent Income</b>                                 |                               |         |         |         |                          |           |              |              |                       |           |              |              |
| Ipcalaboratories Ltd                               | --                            | --      | --      | --      | --                       | --        | 20,39,556    | 18,33,041    | --                    | --        | 20,39,556    | 18,33,041    |
| <b>Total</b>                                       | --                            | --      | --      | --      | --                       | --        | 20,39,556    | 18,33,041    | --                    | --        | 20,39,556    | 18,33,041    |
| <b>Remuneration to Directors</b>                   |                               |         |         |         |                          |           |              |              |                       |           |              |              |
| Purnima Jain                                       | --                            | --      | --      | --      | 34,95,542                | 26,82,333 | --           | --           | --                    | --        | 34,95,542    | 26,82,333    |
| Saahil Parikh                                      | --                            | --      | --      | --      | 28,25,436                | 25,56,436 | --           | --           | --                    | --        | 28,25,436    | 25,56,436    |
| <b>Total</b>                                       | --                            | --      | --      | --      | 63,20,978                | 52,38,769 | --           | --           | --                    | --        | 63,20,978    | 52,38,769    |
| <b>Balance as on 31<sup>st</sup> March</b>         |                               |         |         |         |                          |           |              |              |                       |           |              |              |
| <b>Receivables:</b>                                |                               |         |         |         |                          |           |              |              |                       |           |              |              |
| Ipcalaboratories Ltd                               | --                            | --      | --      | --      | --                       | --        | 5,35,98,129  | 1,58,45,227  | --                    | --        | 5,35,98,129  | 1,58,45,227  |
| <b>Total</b>                                       | --                            | --      | --      | --      | --                       | --        | 5,35,98,129  | 1,58,45,227  | --                    | --        | 5,35,98,129  | 1,58,45,227  |
| <b>Payables:</b>                                   |                               |         |         |         |                          |           |              |              |                       |           |              |              |
| Ipcalaboratories Ltd                               | --                            | --      | --      | --      | --                       | --        | 39,10,516    | 64,21,785    | --                    | --        | 39,10,516    | 64,21,785    |
| <b>Total</b>                                       | --                            | --      | --      | --      | --                       | --        | 39,10,516    | 64,21,785    | --                    | --        | 39,10,516    | 64,21,785    |

**STATEMENT - 2 (Refer Note No. 10)**
**Details of Loans given, Investments made and Guarantees given covered u/s 186(4) of the Companies Act, 2013**
**The following is the details as of 31<sup>st</sup> March, 2016**

| Sr. No. | Name of the Party         | Nature        | Relation    | Purpose     | Amount (₹)  |             |
|---------|---------------------------|---------------|-------------|-------------|-------------|-------------|
|         |                           |               |             |             | 2015-16     | 2014-15     |
| 1       | Ellora Organics Pvt.Ltd.  | Equity Shares | Others      | Investments | 1,61,405    | 1,61,405    |
| 2       | Mexin Medicaments Pvt Ltd | Equity Shares | Shareholder | Investments | 1,31,89,000 | 1,31,89,000 |
| 3       | Ipcalaboratories Ltd      | Equity Shares | Associate   | Investments | 1,01,71,516 | 1,01,71,516 |
|         |                           |               |             |             | 2,35,21,921 | 2,35,21,921 |





**Makers Laboratories Limited**

Registered Office: 54D, Kandivli Industrial Estate, Kandivli (W), Mumbai - 400067 Tel: 022-6111 2800 Fax: 022-6111 2835  
CIN: L24230MH1984PLC033389, Email: investors@makerslabs.com, Website: www.makerslabs.com

**ATTENDANCE SLIP**

**31<sup>ST</sup> ANNUAL GENERAL MEETING ON TUESDAY, 9<sup>TH</sup> AUGUST, 2016 AT 11.00 A.M.**

Folio/D.P. & Client I.D. No. :  
Name :  
Address :  
Joint Holder (s) :  
No. of Equity shares held :

I / We hereby record my presence at the **31<sup>ST</sup> ANNUAL GENERAL MEETING** of the Company held at Anand Mangal Hall, Plot No. 150, Govt. Industrial Estate, Charkop, Kandivli (West), Mumbai – 400 067 on Tuesday, 9<sup>th</sup> August, 2016, at 11.00 a.m.

Member's/Proxy's name in Block Letters

Member's/Proxy's Signature

NOTE: Please complete and sign this Attendance Slip and hand it over at the attendance verification counter at the ENTRANCE OF THE MEETING HALL.

**Makers Laboratories Limited**

Registered Office: 54D, Kandivli Industrial Estate, Kandivli (W), Mumbai - 400067 Tel: 022-6111 2800 Fax: 022-6111 2835  
CIN: L24230MH1984PLC033389, Email: investors@makerslabs.com, Website: www.makerslabs.com

**FORM NO. MGT - 11  
PROXY FORM**

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

|                              |  |
|------------------------------|--|
| Name of the member(s):       |  |
| Registered address:          |  |
| No. of Shares held:          |  |
| Folio No/ DP Id & Client Id: |  |
| E-mail Id:                   |  |

I/We, being the member (s) of \_\_\_\_\_ shares of Makers Laboratories Limited hereby appoint:

- Name: ..... Address: .....  
E-mail Id: ..... Signature: ..... or failing him / her;
- Name: ..... Address: .....  
E-mail Id: ..... Signature: ..... or failing him / her;
- Name: ..... Address: .....  
E-mail Id: ..... Signature: .....

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 31<sup>ST</sup> ANNUAL GENERAL MEETING of the Company to be held at Anand Mangal Hall, Plot No. 150, Govt. Industrial Estate, Charkop, Kandivli (West), Mumbai – 400 067 on Tuesday, 9<sup>th</sup> August, 2016, at 11.00 a.m. and at any adjournment thereof in respect of such resolutions as are indicated below:

| Item No.                  | Resolution   | No. of Shares | I/We assent to the Resolution (FOR) | I/We dissent the Resolution (AGAINST) |
|---------------------------|--|---------------|-------------------------------------|---------------------------------------|
| <b>Ordinary Business:</b> |  |               |                                     |                                       |
| 1                         | Adoption of Audited Financial Statements, Report of the Board of Directors and Auditors for the year ended 31 <sup>st</sup> March, 2016. |               |                                     |                                       |
| 2                         | Declaration of dividend on equity shares.  |               |                                     |                                       |
| 3                         | Re-appointment of Mrs. Purnima Jain (DIN 00937041), who retires by rotation, as a Director.  |               |                                     |                                       |
| 4                         | Appointment of Auditors and fixing their remuneration.   |               |                                     |                                       |
| <b>Special Business:</b>  |  |               |                                     |                                       |
| 5                         | Approval for related party transactions.   |               |                                     |                                       |
| 6                         | Remuneration payable to Cost Auditors.   |               |                                     |                                       |

Signature of Shareholder: ..... Signed this..... day of ..... 2016

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



Notes:

- This form of proxy in order to be effective, should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the meeting.
- For the Resolutions, Explanatory Statement and Notes, please refer to the Notice of the 31<sup>st</sup> Annual General Meeting.







## **Makers Laboratories Limited**

Registered Office:

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

CIN : L24230MH1984PLC033389

Ph : 022 - 6111 2800

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

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