

ANNUAL REPORT



2015-16

ALPA LABORATORIES LTD.

33/2, A. B. Road, Pigdamber-453 446, Indore (M.P.)

Annual Report 2015-16

(Information as on date of signing Board Report)

THE BOARD OF DIRECTORS

Mr. Paresh Chawla, Managing Director
Mr. Mahendra Singh Chawla, Whole Time Director
Mr. Pravin C. Shah, Whole Time Director
Mr. Devendra Baheti, Independent Director
Mr. Sharad Chand Lunawat, Independent Director
Mr. Krishna Das Malani, Independent Director
Mrs. Jyoti Jain, Woman Independent Director

REGISTERED & CORPORATE OFFICE

33/2 Pigdamber, A.B. Road, Rau
Indore (M.P.) 453446, India
CIN: L85195MP1988PLC004446
Phone: +91-731-429-4567
Fax: +91-731-429-4444

Email:is@alpalabs.in Website: www.alpalabs.in

Factory:

33/2 Pigdamber, A. B. Road, Rau-
Indore (M.P.) 453446, India-

COMPLIANCE OFFICER

Ms. Megha Neema, Company Secretary

STATUTORY AUDITORS OF THE COMPANY

C. H. Padliya & Co., Chartered Accountants

COST AUDITORS OF THE COMPANY

Sudeep Saxena & Associates, Practicing Cost
Accountants

BANKERS

a) Bank of Baroda
A.B Road Indore Branch, Indore
b) Kotak Mahindra Bank
M.G Road Indore

REGISTRAR & TRANSFER AGENT

Bigshare Services Private Limited
E/2 Ansa Industrial Estate, Saki Vihar Road
Andheri (East), Mumbai 400072

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Cautionary Statement

Certain statements in this annual report may constitute "forward-looking statements". These forward-looking statements are subject to a number of risks, uncertainties and other factors that could cause actual results to differ materially from those that may be suggested by the forward-looking statements. These risks and uncertainties include, but are not limited to our ability to successfully implement our strategy, our growth and expansion plans, our ability to obtain regulatory approvals, technological changes, cash flow projections, our exposure to market risks as well as other risks.

NOTICE TO SHAREHOLDERS

Notice is hereby given that the 28th Annual General Meeting of the members of the Company will be held on Friday, **30th Day of September 2016**, at the registered office at 33/2 Pigdamber, A.B. Road, Rau, Indore, M.P. 11:45 AM to transact the following business:

ORDINARY BUSINESS

1. To consider and adopt the audited Financial Statement on standalone and consolidated basis, as at **31st March 2016** and the Profit & Loss Account for the year ended on that date together with the Report of the Directors and the Auditors thereon.
2. To appoint a director in place of Mr. Mahendra Singh Chawla (DIN 00362058), who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint C. H. Padliya & Co. Chartered Accountants (Firm Registration No. 003151C), as the statutory Auditors of the Company, to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting, at such remuneration as may be determined by the Board of Directors in consultation with the Auditors.

SPECIAL BUSINESS

4. To consider and, if thought fit, to pass, with or without modifications, the following resolution as Ordinary Resolution:

RESOLVED THAT Mr. Paresh Chawla, (DIN 00520411), a Director who was appointed as an additional Director in capacity of Additional Executive Director in the meeting of the Board of Directors of the Company held on dt. 28th May, 2016 and who holds office as such upto the date of Annual General Meeting and in respect of whom notices under Section 160 of the Companies Act, 2013 have been received from a member signifying his intention to propose Mr. Paresh Chawla, as a candidate for the office of Director of the company, be and is hereby appointed as a regular Director of the Company.

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

RESOLVED THAT Mrs. Jyoti Jain, (DIN 07554658), a Director who was appointed as an additional Director in capacity of Women Independent Director in the meeting of the Board of Directors of the Company held on dt. 20th July, 2016 and who holds office as such upto the date of Annual General Meeting and in respect of whom notices under Section 160 of the Companies Act, 2013 have been received from a member signifying his intention to propose Mrs. Jyoti Jain, as a candidate for the office of Women Independent Director of the company, be and is hereby appointed as a Women Independent Director of the Company.

6. To consider and, if thought fit, to pass, with or without modifications, the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions of the Companies Act, 2013, and Companies (Audit and Auditors) Rules, 2014 including any statutory modification or re-enactments thereof, Sudeep Saxena and Associates, Cost Accountants, Indore (Firm Reg No. 100980), be and are hereby confirmed as Cost Auditor of the Company, as appointed by the Board of directors of the Company, to conduct the audit of the cost records of the Company, as applicable, for the Financial Year ending 31st March 2017, be confirmed and be paid remuneration of ₹ 70,000 per year plus reimbursement of out of pocket expenses.”

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

“RESOLVED THAT pursuant to the provisions of section 196, 197, 198 and 203 read with Schedule V of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personal) Rules, 2014 and other applicable provisions, if any, including any statutory modifications or re-enactment thereof for the time being enforced, the approval of the Members of the Company be and is hereby accorded for confirmation of Appointment of Mr. Paresh Chawla (DIN 00520411) as Managing Director and for enhancement of Remuneration of Mr. Paresh Chawla as Managing Director, up to ₹. 700,000 per month, wef 1st October, 2016.

FURTHER RESOLVED THAT even in the event of there being any loss or inadequacy of profit for any financial year, the aforesaid remuneration payable to Mr. Paresh Chawla, shall be the minimum remuneration payable by the Company.

FURTHER RESOLVED THAT Board of Directors be and is hereby authorized to do all such acts, deeds, matters and things and to decide breakup of his remuneration within the permissible limits in its absolute discretion as may be considered necessary, expedient or desirable and to vary, modify the terms and conditions and to settle any question, or doubt that may arise in relation thereto in order to give effect to the foregoing resolution, or as may be otherwise considered by it to be in the best interest of the Company.”

8. To consider and, if thought fit, to pass, with or without modifications, the following resolution as an Special Resolution:

“RESOLVED THAT pursuant to the provisions of section 196, 197, 198 and 203 read with Schedule V of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personal) Rules, 2014 and other applicable provisions, if any, including any statutory modifications or re-enactment thereof for the time being enforced, the approval of the Members of the Company be and is hereby accorded for enhancement of Remuneration of Mr. M. S. Chawla (DIN 00362058) as Whole Time Director up to ₹. 700,000 per month, wef 1st October, 2016.

FURTHER RESOLVED THAT even in the event of there being any loss or inadequacy of profit for any financial year, the aforesaid remuneration payable to Mr. M. S. Chawla shall be the minimum remuneration payable by the Company.

FURTHER RESOLVED THAT Board of Directors be and is hereby authorized to do all such acts, deeds, matters and things and to decide breakup of his remuneration within the permissible limits in its absolute discretion as may be considered necessary, expedient or desirable and to vary, modify the terms and conditions and to settle any question, or doubt that may arise in relation thereto in order to give effect to the foregoing resolution, or as may be otherwise considered by it to be in the best interest of the Company.”

9. To consider and, if thought fit, to pass, with or without modifications, the following resolution as an Special Resolution:

"RESOLVED THAT pursuant to Section 13 and other applicable provisions if any, of the Companies Act, 2013, and subject to approval of members in general meeting, the new set of Memorandum of Association, of the Company (as per Format required under Companies Act, 2013), as per the draft placed before the meeting, be and is hereby approved and adopted as the Memorandum of Association of the Company in place of the existing Memorandum of Association of the Company.

RESOLVED FURTHER THAT Board of Director be and is hereby authorized to sign all the necessary documents and to do necessary acts/deeds, etc. to give effect to the above-mentioned resolution.”

10. To consider and, if thought fit, to pass, with or without modifications, the following resolution as an Special Resolution:

"RESOLVED THAT pursuant to Section 14 and other applicable provisions if any, of the Companies Act, 2013, the new set of Articles of Association of the Company, as per the draft placed before the meeting, be and is hereby approved and adopted as the Articles of Association of the Company in place of the existing Articles of Association of the Company.

RESOLVED FURTHER THAT Board of Director be and is hereby authorized to sign all the necessary documents and to do necessary acts/deeds, etc. to give effect to the above-mentioned resolution."

For and on behalf of the Board of Directors of
ALPA LABORATORIES LIMITED

Pigdamber, Rau, Indore,
12th August, 2016

Paresh Chawla
Managing Director

CIN : L85195MP1988PLC004446
Registerd Office : 33/2 Pigdamber, A.B. Road, Rau
Indore (M.P.) 453446, India
Phone: +91-731-429-4567
Email: is@alpalabs.in Website: www.alpalabs.in

NOTES:

- (1) A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on poll instead of himself and a proxy need not be a member of the Company. A person can act as proxy on behalf of members not exceeding 50 and holding in the aggregate not more than 10% of the total share capital of the company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder. Proxies, to be effective, should be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting.**
- (2) Explanatory Statement pursuant to section 102 of the Companies Act, 2013 (“the Act”) is annexed hereunder and forms part of the Notice.
- (3) The ‘Register of Members’ and ‘Share Transfer Books’ will remain closed from Friday, 23rd September 2016 to Friday, 30th September 2016 (both days inclusive) for the purpose of Annual general Meeting.
- (4) Members/Proxies should fill the Attendance Slip for attending the Meeting and bring their Attendance Slips along with their copy of the Annual Report to the Meeting.
- (5) Members who hold the shares in dematerialized form are requested to bring details of their DP and client ID number for easier identification and attendance at the meeting.
- (6) Corporate Members are requested to send a duly certified copy of the Board Resolution authorizing their representative(s) to attend and vote on their behalf at the Meeting.
- (7) The information regarding the directors retiring by rotation and eligible for re-appointment as well as directors being appointed is furnished in the Explanatory Statement and Report on Corporate Governance.
- (8) Members seeking specific information are requested to write to the Company by email at is@alpalabs.in at least 7 days before the date of the AGM to enable the management to reply appropriately at the AGM.
- (9) Members are requested to: a) Immediately notify any changes in their address/ bank mandate to their respective Depository Participants (DPs) in respect of electronic share accounts and to the Registrar & Share Transfer Agent with all necessary details, in respect of physical share folios, b) Quote their ledger folio number in all their correspondence, c) bring their copy of the Annual Report and the Attendance Slip with them at the Annual General Meeting.
- (10) Nomination facility is available as per the provision of the Companies Act, 2013. Those who wish to avail themselves of this facility may send in their Nomination Forms either to the Registrar or to the Company at its Registered Office.
- (11) Electronic copy of this Notice of AGM inter alia indicating the process and manner of e-voting along with the Annual Report, Attendance Slip, Proxy Form and Ballot Form is being sent to the members whose email IDs are registered with the Company/ Depository Participants unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the above is being sent in the permitted mode. Members may also note that the above documents are also available for downloading on Company’s website at www.alpalabs.in
- (12) Documents referred to in this Notice of AGM are open for inspection by the members at the registered office of the Company on all working days between 11:00 A.M and 1:00 P.M up to the date of the meeting.
- (13) 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.
- (14) The route map showing directions to reach the venue of 28th AGM is annexed.

- (15) The instrument appointing proxy should be deposited at the registered office of the company not less than 48 hours before the commencement of the meeting.
- (16) In case of joint holders attending the AGM, the member whose name appears as the first holder on the order of names as per the Registers of Members of the company will be entitled to vote.
- (17) Resolution(s) passed by Members through e-voting is/are deemed to have been passed as if they have been passed at the AGM.
- (18) CS Shilpesh Dalal has been appointed as the Scrutinizer to scrutinize the e-voting process (including ballot form received from the members who do not have access to the e-voting facility) in a fair and transparent manner.
- (19) The Scrutinizer shall immediately count the Vote casted at the AGM and within a period not exceeding two (2) working days from the conclusion of the AGM unblock the information in the presence of at least two (2) witnesses not in the employment of the Company and submit the Consolidated Report of E-Voting and Poll to the Chairman of the Company.
- (20) The Results on above resolutions shall be declared not later than 48 hours from the conclusion of the AGM of the Company and the resolutions will be deemed to be passed on the AGM date subject to receipt of the requisite number of votes in favour of the Resolutions. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website www.alpalabs.in and on the website of CDSL within two (2) days of passing of the resolutions at the AGM of the Company and also communicated to the Bombay Stock Exchange Ltd. (BSE) and The National Stock Exchange of India Ltd. (NSE).

(21) Voting through electronic means:

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

The instructions for e-voting are as under:

In case of members having Shareholding in Demat Account and receiving e-mail:

- (i) The voting period begins on Tuesday 27th Day of September, 2016 at 9:00 a.m. and ends on Thursday 29th Day of September, 2016 at 5:00 p.m.

During this period shareholder's of the company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record time) of Friday, 23rd September, 2016 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

- (ii) Log on to the e-voting website www.evotingindia.com
- (iii) Click on "Shareholders" tab
- (iv) Now, select the "COMPANY NAME" from the drop down menu and click on "SUBMIT"
- (v) Now Enter your User ID
a. For CDSL: 16 digits beneficiary ID
b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID
c. Members holding shares in Physical Form should enter Folio Number registered with the Company
- (vi) Next enter the Image Verification as displayed and Click on Login
- (vii) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an

earlier voting of any company, then your existing password is to be used.

(viii) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <p>- Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the last 8 digits of the demat account/folio number in the PAN field</p> <p>- In case the folio number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with folio number 100 then enter RA00000100 in the PAN field</p>
Dividend Bank Details Or Date of Birth (DOB)	<p>Enter the as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.</p> <p>Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio</p> <p>- Please enter the DOB or Dividend Bank Details in order to login.</p> <p>If the details are not recorded with the depository or company please enter the number of shares held by you as on the cut off date in the Dividend Bank details field</p>

- (ix) After entering these details appropriately, click on “SUBMIT” tab
- (x) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential
- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN for the relevant <Alpa Laboratories Limited> on which you choose to vote
- (xiii) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution
- (xiv) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details
- (xv) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote
- (xvi) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote
- (xvii) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page
- (xviii) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system

(xix) Note for Non-Individual Shareholders and Customers

- Non-Individual Shareholders (i.e. other than individuals, HUF, NRI etc.) and Custodian are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates.
 - They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to helpdesk.evoting@cdslindia.com
 - After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote
 - They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favor of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same
- (xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.co.in under help section or write an email to helpdesk.evoting@cdslindia.com
- (xxi) Shareholders can also cast their vote using CDSL’s mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play store. Apple and Windows phone users can download the app from the app store and the Windows Phone Stores respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.

For and on behalf of the Board of Directors of
ALPA LABORATORIES LIMITED

Place: Pigdamber, Rau, Indore,
Date: 12th, August 2016

Paresh Chawla
Managing Director

CIN : L85195MP1988PLC004446
Registered Office : 33/2 Pigdamber, A.B. Road, Rau
Indore (M.P.) 453446, India
Phone: +91-731-429-4567
Email: is@alpalabs.in Website: www.alpalabs.in

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

The Board had appointed Mr. Paresh Chawla, (DIN 00520411), as an Additional Director of the company. In terms of the provisions of Section 160 of the Companies Act, 1956; Mr. Paresh Chawla holds office as an Additional Director up to the date of the ensuing Annual General Meeting.

As per provisions of Section 160 of the Companies Act, 2013 and Companies (Appointment and Qualification of Directors) Rules, 2014, a member proposed to appoint him as regular Director in the company.

Particulars of Mr. Paresh Chawla are as follows :

Name	Mr. Paresh Chawla
Age	42 Years
Education/ University (Main Degree)	B.Com.
Diploma/other qualification	No.
Experience (Brief)	22 Years Experience in Marketing and sales operation of pharmaceutical products
Present service/occupation	Director in Alpa Laboratories Limited
Other Directorships	Designated Partner in Seabright Landmark Projects LLP
Number of Shares held in Company	30,44,980

Your Directors, therefore recommend for approval of members for the appointment of Mr. Paresh Chawla, as a Director of the Company by passing the resolution set out at item no. 4 of the notice as an Ordinary Resolution.

Your Directors recommend the resolution for approval. None of the Directors, Key Managerial Persons, Relatives thereof, except Mr. M.S. Chawla, being father of Mr. Paresh Chawla, are interested in the resolution.

As per opinion of Your Board of Directors, he fulfils the conditions specified in this Act for such an appointment.

Item No. 5

The Board had appointed Mrs. Jyoti Jain, (DIN 07554658), as an Additional Director of the company. In terms of the provisions of Section 160 of the Companies Act, 1956; Mrs. Jyoti Jain holds office as an Additional Director up to the date of the ensuing Annual General Meeting.

As per provisions of Section 160 of the Companies Act, 2013 and Companies (Appointment and Qualification of Directors) Rules, 2014, a member proposed to appoint her as regular Director in the company.

Particulars of Mrs. Jyoti Jain are as follows :

Name	MRS JYOTI JAIN
Age	50 Years
Education/ University (Main Degree)	B.A
Diploma/other qualification	No.
Experience (Brief)	10 Years Experience in Teaching in Economics and having an experience in Finance Sector also.
Present service/occupation	Teaching and serving as Independent Director in Alpa Laboratories Limited.
Other Directorships	No.
Number of Shares held	Nil

Your Directors, therefore recommend for approval of members for the appointment of Mrs. Jyoti Jain, as a Director of the Company by passing the resolution set out at item no. 5 of the notice as an Ordinary Resolution.

Your Directors recommend the resolution for approval. None of the Directors, Key Managerial Persons, except the appointee, is interested in the resolution.

As per opinion of Your Board of Directors, she fulfils the conditions specified in this Act for such an appointment.

Item No. 6

In pursuance of Section 148 of the Companies Act, 2013 and Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the Board has appointed M/s Sudeep Saxena & Associates, Cost Accountants on the recommendations of the Audit Committee, for conduct of Cost Audit of cost records of company for Financial Year 2016-17 at a remuneration of ₹. 70,000 plus out of pocket expenses.

The Board of Directors recommends the resolution set out at Item No. 6 of the accompanying Notice for the approval of the members as an Ordinary Resolution. None of the Directors or Key Managerial Persons or relative thereof is concerned or interested in the resolution.

Item No. 7:

At the Board Meeting held on 28th May, 2016, the Board had approved the Appointment and terms of remuneration of Mr. Paresh Chawla as Managing Director and Key Managerial Person of the Company for a period of 5 consecutive years w.e.f. 28th May, 2016. The Appointment was made on recommendation of Nomination and Remuneration Committee on the Remuneration of ₹ 350,000 per month.

Now as the remuneration is proposed to further enhance upto Rs. 700,000 per month, the approval of members required pursuant to Schedule V of the Companies Act, 2013. Nomination and Remuneration Committee has also approved the proposal.

The Aggregate of the remuneration as aforesaid shall be within the limits as laid down under Sections 196, 197, 198, read with Schedule V of the Act. In compliance with the provisions of Section 196, 197, 198 read with Schedule V of the Act. The reappointment and remuneration of Managing Director is now being placed before the members in general meeting for their approval by way of Special Resolution.

Mr. Paresh Chawla is a promoter and Director of the Company and has more than 22 years of experience in the pharmaceutical Industry. His duties towards the company is to provide Management and Operational Direction to the Company under supervision of the Board.

None of the Directors or Key Managerial Persons is concerned or interested in the resolution except, Mr. M. S. Chawla who is father of Mr. Paresh Chawla.

Name	Mr. Paresh Chawla
Age	42 Years
Education/ University (Main Degree)	B.Com.
Diploma/other qualification	No.
Experience (Brief)	22 Years Experience in Marketing and sales operation of pharmaceutical products
Present service/occupation	Director in Alpa Laboratories Limited
Other Directorships	Designated Partner in Seabright Landmark Projects LLP
Number of Shares held in Company	30,44,980

Item No. 8:

At the Board Meeting held on 28th May, 2016, the Board had approved the enhancement of remuneration upto Rs. 350,000 Per month, of Mr. M. S. Chawla, as Whole time Director and Key Managerial Person of the Company w.e.f. 1st April, 2016. The enhancement of Remuneration was made on recommendation of Nomination and Remuneration Committee. Now as the remuneration is proposed to further enhance upto ₹. 700,000 per month, the approval of members required pursuant to Schedule V of the Companies Act, 2016. Nomination and Remuneration Committee also approved the aforesaid proposal.

The Aggregate of the remuneration as aforesaid shall be within the limits as laid down under Sections 196, 197, 198, read with Schedule V of the Act. In compliance with the provisions of Section 196, 197, 198 read with Schedule V of the Act, the proposal for enhancement of remuneration of Mr. M.S. Chawla, Whole Time Director is now being placed before the members in general meeting for their approval by way of Special Resolution.

Mr. M. S. Chawla is a promoter director of the Company and has more than 48 years of experience in the pharmaceutical Industry and is a co-founder of the Company. He provide Operational Direction to the Company. He is not holding any other directorship in any other company.

None of the Directors or Key Managerial Persons is concerned or interested in the resolution except Mr. Paresh Chawla, is interested in Resolution being Son of Mr. M.S. Chawla.

Board of Directors propose to pass resolution as Special Resolution.

Item No. 9:

To comply with requirement of the Companies Act, 2013 and to commensurate with Format prescribed under the Companies Act, 2013, your Board of Directors proposed to adopt new set of Memorandum of Association. Adoption of new set of Memorandum of Association require approval of share holders by way of Special Resolution.

None of the directors or KMP are concerned or interested in the Resolution.

Item No. 10:

To comply with requirement of the Companies Act, 2013 and to commensurate with Format prescribed under the Companies Act, 2013, your Board of Directors proposed to adopt new set of Articles of Association. Adoption of new set of Articles of Association require approval of share holders by way of Special Resolution.

None of the directors or KMP are concerned or interested in the Resolution.

For and on behalf of the Board of Directors of
ALPA LABORATORIES LIMITED

Place: Pigdamber, Rau, Indore,
Date: 12th August 2016

Paresh Chawla
Managing Director

Management Discussion and Analysis Report

a) Industry Outlook: The Indian Pharmaceutical market is the third largest in terms of volume and thirteenth largest in terms of value and is expected to grow over 4-5 percent per annum. The steadily increasing demand for innovative drugs has thus triggered a significant rise in R&D investment in the pharmaceutical industry.

b) Financial Performance: The company generated a revenue of ₹ 5959.42 lacs during the financial year and earned a profit of ₹. 773.96 lacs after taxes, in the past few years our company have witnessed losses due to extra resources required in Unit-II of the company which were jeopardizing the business of Unit-I. by considering the various factors company decided to sale the unit and concentrate on Unit-I to generate the more value to the stakeholders. company is on rock path to achieve the vision to become a big leader in pharmaceutical sector and will be seen in future.

c)Income: Income of a company has tremendously rise from (139.68) to 773.96 lacs, it can be clearly demonstrated that company is putting full efforts to maintain the company into profit making and make a better use of resources

d) Expenses: Company is regularly reviewing the cost sheet with variance report and identified the major factors affecting the cost to the company, we have kept all necessary controls to maintain the cost as targeted in the beginning of the year and it is witnessed during the financial year that major expenses is slightly controlled by implementing Cost Control over the expenses.

e) Employee benefits expenses:

i) Gratuity: The company accounts for its gratuity liability, a defined retirement benefit plan covering eligible employees. The gratuity plan provides for a lump sum payment to employees as per the conditions mentioned in Gratuity Act, 1972 based on the respective employees salary and tenure of the employment

ii) Provident Fund: The eligible employees of the company are entitled to receive the benefits of Provident fund, a defined contribution plan, in which both employees and the company make monthly contributions at a specified percentage of the covered employee's salary (Currently at 12% of the basic salary) which are charged to profit and loss account on accrual basis.

iii) Other employee benefits: other employee benefits includes incentives and welfare expenses incurred to the benefit of the employees

f) Segmental Reporting: The Company operates in a single segment of Drugs and Chemicals which is the primary reportable segment as per Accounting Standards AS-17 and the same is also given in Notes to th financial statements.

g) Manufacturing Facilities: The company has a state of the art WHO-GMP certified manufacturing facility at Pigdamber, Indore that manufactures a wide range of dosage forms like Injections, Tablets, Ointments and Capsules. At Present the company is tapping the domestic market and export markets. The company also has a state of the art testing laboratory at this site.

h) Internal control systems and their adequacy: The company has reasonable system of internal controls in power, supervision, checks, policies and procedures, which are being tested on routine basis by the management. Moreover the company continuously upgrades these systems in line with the best accounting practices. The Audit Committee also review the adequacy of internal controls systems and the compliance thereof. Further, the annual financial statements of the company are reviewed and recommended by the audit committee for the consideration and approval of the board of directors. The committee also reviews internal controls systems, significant accounting policy, major accounting entries, related party transactions, etc..

i) Coverage of Risks: The company assets are adequately insured against the loss of fire and other risk factors which are considered necessary by the management from time to time.

j) Foreign Exchange Fluctuations: The company derives substantial portion of its revenue in foreign currency, exposing it to fluctuations in currency movements. Such a scenario makes earning volatile, the company regularly reviews a foreign exchange risk and takes a suitable measure to minimize the risk at minimal level.

k) Regulatory Risk: The company operation subject it to compliance with a broad range of decrees and regulatory controls on the development, manufacturing, testing, approval, distribution and marketing of its pharmaceutical products. The company works in complex legal and regulatory requirements that could be differ among jurisdictions, the company has implemented several mechanism to monitor and support compliance with the legal an regulatory requirements

l) Competition Risk: The Company's products face intense competition from products of other pharma companies in India and abroad and launching of new products by competitors may impair the company's competitive advantage and would result erosion of revenues.

l) Business Strategy: The company has its vision towards optimizing shareholders value. The company has consolidating its wide range to a more efficient range which has resulted in a higher profit for most products. The company is deriving its strength from diverse capability, established client relationship

Directors Report

1. Performance / Operations

The Directors have pleasure in presenting the Annual Report of the Company, together with the financial statements, for the year ended March 31, 2016.

During the Financial Year your management is striving to improve the performance of the company. However due to cut thought competition in the pharmaceutical market turnover of company reduced from previous financial year from ₹. 5739.39 Lacs to ₹. 5350.20. Lacs. But Profit after tax increased from ₹. (139.69) Lacs to ₹. 773.96 Lacs.

As the promoter group comprises of Three Group families, viz Patel Family, Chawla Family and Shah Family. During the year Patel Family exit from the promoter group as well as from management of the company. All the shares belonging to Patel Family were acquired by Chawla Family to provide them exit option.

Financial Summary (₹ in lacs)

Particulars	Financial Year ended			
	Standalone		Consolidated	
	31/03/2016	31/03/2015	31/03/2016	31/03/2015
Gross Total Revenue	5959.43	6018.20	5877.35	6018.20
Profit/(Loss) before tax	1063.10	(271.08)	973.74	(271.17)
Profit/(Loss) after tax	773.96	(139.68)	684.61	(139.77)
Balance Brought Forward from Previous Year	1090.78	1230.46	1090.69	1230.46
Profit carried to Balance Sheet	1864.74	1090.78	1775.30	1090.69

2. Company Performance

During the year under review, your Company witnessed a modest recovery in terms of increase in profit, after three years of down cycle.. Your Company improved its product range, facilitated by appropriate product mix. A sustained focus on meeting customer requirements and initiatives in network expansion resulted in improved results.

3. Dividend

The Directors do not recommend any dividend for the financial year ended March 31, 2016, with a view to retain internal accruals.

4. Changes to Equity Share Capital

There is no change in Share capital of Company. The company has not issued any Security during the Financial Year.

5. Human Resources

People are our most valuable asset in the Company and your Company places the engagement, development and retention of talent at its highest priority, to enable achievement of organizational goal and vision. Structure, Process and Culture are the corner-stones of our Human Resources strategy and we have made strides in each area during the last year.

Your Company sustained harmonious and healthy industrial relations which will set the trend in employee productivity, workforce flexibility.

6. Headcount

The total number permanent employees in the Company as on March 31, 2016 was 399 as against 366 as on March 31, 2015 as company is

7. Disclosure as required under Section 22 of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Company is committed to provide a healthy environment to all employees and thus does not tolerate any discrimination and/or harassment in any form. The Company has in place a Prevention of Sexual Harassment (POSH) policy in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Frequent communication of this policy is done at regular intervals to woman employees. Following are some of the awareness programs imparted to train Employees and Internal Complaints Committee (ICC).

1. Every employee is supposed to undergo mandatory learning module on "Prevention of Sexual Harassment" at workplace.
2. The internal complaints committee is regularly updated about the Law when the committee members are appointed in the committee.
3. Policy of "Prevention of Sexual Harassment" at workplace is available on intranet for employees to access as and when required.

The Company has setup an Internal Complaints Committee (ICC) at location where it operates in India. ICC has representation of men and women and is chaired by senior lady and has an external women representation.

On receipt of any complaint, ICC investigates the case and provides its recommendations to the Board of Directors. The apex authority upon receiving the recommendations from ICC arrives at the conclusion and acts upon such recommendations.

Penal consequences of Sexual Harassment ("SH") and the constitution of the ICC is displayed at conspicuous places. The posters are also displayed in regional languages at offices/works.

The following is the summary of the complaints received and disposed off during the financial year 2015-16:

- a) No. of complaints received: 0
- b) No. of complaints disposed off: 0

8. Board Committees

The Company has the following Committees of the Board:

- 1 Audit Committee;
- 2 Nomination and Remuneration Committee ;
- 3 Stakeholders Relationship Committee;
4. Risk Management Committee.
5. Internal Complaints Committee (ICC) for prevention and redressal of Sexual Harassment.

The composition of each of the above Committees, their respective role and responsibility is as detailed in the Report of Corporate Governance.

9. Corporate Governance:

Your Company is fully compliant with the Corporate Governance guidelines, as laid out in Regulation 49 of the Listing Agreement as well as Regulation 15 of SEBI (Listing Obligation and Disclosure Requirements) Regulations,

2015. The detailed report on the Corporate Governance is annexed and forms an integral part of this Annual Report. The Managing Director has given a certificate of compliance with the Code of Conduct, which forms part of this report.

The details of Related Party disclosures/transactions attracting provisions of Companies Act, 2013 or falling under ambit of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 has been provided in Corporate Governance Report.

The Related party transactions as per Accounting Standards AS-18, if any, are disclosed in the Notes to Accounts in the Financial Statements.

10. Consolidated Financial Statements

In accordance with the Accounting Standard (AS)-21 on Consolidated Financial Statements read with AS-23 on Accounting for Investments in Associates, the audited consolidated financial statement is provided in the Annual Report.

11. Subsidiaries, Associates and Joint Ventures

Pursuant to Section 129(3) of the Companies Act, 2013 read with Rule 5 of the Companies (Accounts) Rules, 2014, the statement containing salient features of the financial statements of the Company's Subsidiaries', Associates' and Joint Ventures (in Form AOC-1) is attached to the financial statements. **Annexure-A**

12. Directors

a. During the year under review there was no change in Directorship in the Company. All Independent directors have given declarations that they meet the criteria of independence as laid down under section 149 (6) of the Act and the Listing Regulations. Based on disclosure provided by directors, none of them are disqualified from being appointed as Directors under section 164 of the Companies Act, 2013.

As on 31st March, 2016, Shri P.R. Patel, Managing Director Shri M.S. Chawla, Whole Time Director, Shri P.C. Shah, Whole Time Director, Shri Jayesh Patel, Chief Executive Officer, Shri Bakulesh Shah, Chief Finance Officer, Ms. Monali Patel, Company secretary are "Key Managerial Personnel" of the Company pursuant to Sections 2(51) and 203 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. Shri Sharad Lunawat, Shri K.D. Malani and Shri Devendra Baheti are independent directors as per provisions of Section 149 of Companies Act, 2013. Mrs. Shashi Jain is Woman director by the Board of Directors.

Shri M.S. Chawla, Director, retires by rotation at the forthcoming Annual General Meeting, and being eligible offers himself for re-appointment.

In Post financial year event; Shri P.R. Patel resigned from office of Managing Director as well as Director, Shri Jayesh Patel resigned from office of CEO and Ms. Monali Patel was resigned from office of Company Secretary. The Board accepted all the resignation w.e.f 9th April, 2016.

A brief note on Directors proposed for appointment is furnished in the Report on Corporate Governance.

The Independent Directors of the Company have declared that they meet the criteria of Independence in terms of Section 149(6) of the Companies Act, 2013 and that there is no change in their status of Independence.

b) Retirement by rotation

To appoint a director in place of Mr. Mahendra Singh Chawla (DIN 00362058), who retires by rotation and being eligible, offers himself for re-appointment.

c) Familiarisation Program for Independent Directors :

The company undertook director's familiarization programme for familiarizing them with company's operations and other relevant information which would enable them to effectively discharge the responsibilities and functions conferred on them. Details is placed on the company's website

d) Board Meetings.

During the year, four meetings of the Board of Directors were held. The details of the meetings are furnished in the Corporate Governance Report.

e) Board Evaluation

The Paid up Capital of Company is less than twenty Five Crores, therefore it is not mandatory evaluation of Board of Directors. However the the Board evaluates its own performance, the working of its Committees (Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee) and Independent Directors (without participation of the relevant Independent Director).

f) Code of Conduct for Board of Director:

The Company has also adopted a Code of Conduct for Board of Directors. This is also posted on company's website. All directors confirmed their abidance with the Code.

13. Auditors**a. Statutory Auditors**

C. H. Padliya & Co., Chartered Accountants, (FRN 003151C) auditors of the Company, retire at the conclusion of the forthcoming Annual General Meeting and are eligible for reappointment. The Company has received confirmation from the firm regarding their consent and eligibility under Sections 139 and 141 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 for appointment as the Auditors of the Company.

As required under Regulation 15 of the SEBI (Listing Obligations and Disclosure requirements) Regulations, 2015, the Auditors have also confirmed that they hold a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India.

The Audit Committee and the Board of Directors have recommended the appointment of the Auditors for the financial year 2016-17. The necessary resolution is being placed before the shareholders for approval.

The Auditors' Report is self-explanatory and does not contain any qualification, reservation or adverse remark.

b. Cost Auditor

The Board appointed M/s Sudeep Saxena & Associates, Practicing Cost Accountants,, (Regn No: 100980) as Cost Auditors for the financial year 2016-17 to carry out the cost audit of Company's records in respect of Drugs and Pharmaceuticals. Cost Audit Report would be submitted to Central Government.

Cost Audit Report for the financial year 2014-15 was filed on September 30, 2015 (due date- September 30, 2015).

The Cost Auditors' Report is self-explanatory and does not contain any qualification, reservation or adverse remark.

c. Secretarial Auditors

Pursuant to provisions of Section 204 of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, your Company engaged the services of Ms. Shilpesh Dalal & Co., Company Secretary in Practice, Indore to conduct the Secretarial Audit of the Company for the financial year ended March 31, 2016.

The Secretarial Audit Report (in Form MR-3) is attached as **Annexure-B** to this Report.

13. Remuneration Policy of the Company

The Remuneration policy of the Company comprising the appointment and remuneration of the Directors, Key Managerial Personnel and Senior Executives of the Company including criteria for determining qualifications, positive attributes, independence of a Director and other related matters has been provided in the Corporate Governance Report.

The Company's remuneration policy is driven by the success and performance of the individual employees and the Company. Our compensation philosophy is to align Directors and employees compensation with our business objectives, so that compensation is used as a strategic tool that helps us recruit, motivate and retain talented individuals who are committed to our core values. The Company pays remuneration by way of salary, to its Managing Director and other Executive Directors.

14. Particulars of loans, guarantees or investments under Section 186 of the Companies Act, 2013

Details of loans, guarantees and investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the financial statement.

15. Related Party Transactions:

All related party transactions entered during the financial year were on arm's length basis and in the ordinary course of business. There were no materially significant transactions with Related Parties during the financial year 2015-16. Suitable disclosures as required under AS-18 and have been put in notes to the financial statements.

The Board had approved amendment in policies on Related Party Transactions. and the same have been uploaded on the Company's website, under the web link: www.alpalabs.in.

16. Managerial Remuneration and particulars of employees

Details of remuneration as required under Section 197 (12) of the Companies Act, 2013 read with rules 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed to this report. There were no employees with remuneration in excess of the limits set out under 197 (12) of the Companies Act, 2013 read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

17. Material changes and commitments affecting the financial position of the Company.

There were no material changes and commitments affecting the financial position of the Company between the end of financial year (March 31, 2016) and the date of the Report (August 12, 2016).

18. Corporate Social Responsibility (CSR) initiatives:

Provisions of Section 135 of the Companies Act, 2013 are not applicable to company during Financial Year under review.

19. Vigil Mechanism/ Whistle Blower Policy

Pursuant to Section 177(9) of the Companies Act, 2013 read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014 and Regulation 22 of the SEBI LODR Regulation, 2015, the Board of Directors had approved the Policy on Vigil Mechanism/ Whistle Blower and the same was hosted on the website of the Company.

This Policy *inter-alia* provides a direct access to the Chairman of the Audit Committee.

Your Company hereby affirms that no Director/ employee has been denied access to the Chairman of the Audit Committee and that no complaints were received during the year.

20. Subsidiaries/Joint Venture:

Your Company has one wholly owned subsidiary. Financial statements of subsidiary are disclosed in the consolidated financial statements which forms part of this Annual Report.

Sr. No.	Name of company	Status
1	Norfolk Mercantile Pvt Ltd	Wholly Owned Subsidiary

Note: The Company is partner in Seabright Landmarks Project LLP to the extent of 18% share in profit.

21. Deposits:

During the year under review, your Company has not accepted any deposits from the public falling within the purview of section 73 of the act read with the Companies (Acceptance of Deposits) Rules, 2014.

22. Internal Control Systems and Compliance Framework:

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. The Company has a proper and adequate system of internal controls. This ensures that all transactions are authorised, recorded and reported correctly, and assets are safeguarded and protected against loss from unauthorized use or disposition. In addition there are operational controls, covering the entire spectrum of internal financial controls.

The Company also has an Audit Committee, which interact with the Statutory Auditors, Internal Auditors and Management in dealing with matters within its terms of reference. This Committee mainly deals with accounting matters, financial reporting, Related Party Transactions and internal controls.

23. Directors' Responsibility Statement

To the best of our knowledge and belief and according to the information and explanations obtained by us, your Directors make the following statements in terms of Section 134(3)(c) of the Companies Act, 2013:

- a) in the preparation of the annual financial statements for the year ended March 31, 2016, the applicable Accounting Standards had been followed along with proper explanation relating to material departures, if any.
- b) for the financial year ended March 31, 2016, such accounting policies as mentioned in the Notes to the financial statements have been applied consistently and judgments and estimates that are reasonable and prudent have been made so as to give a true and fair view of the state of affairs of the Company and of the Profit and Loss of the Company for the year ended March 31, 2016.
- c) that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- d) the annual financial statements have been prepared on a going concern basis.

e) that proper internal financial controls were followed by the Company and that such internal financial controls are adequate and were operating effectively.

f) that proper systems to ensure compliance with the provisions of all applicable laws were in place and that such systems were adequate and operating effectively.

24. Code of Conduct for prevention of Insider Trading :

The Company has also adopted a code of conduct for prevention of insider trading, This is also posted on company's website.

25. Significant and Material Orders Passed by the Regulators or Courts or Tribunals impacting the Going Concern status of the Company.

There are no significant and material orders passed by the Regulators or Courts or Tribunals which would impact the going concern status of the Company.

26. Research and Development, Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo

The particulars prescribed under Section 134 of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014, relating to Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo are furnished in **Annexure-C** to this Report.

27. Extract of Annual Return :

An Extract of Annual Return in Form MGT-9 as on 31st March, 2016 is annexed to this report in **Annexure-D**

28. Awards and Accolades :

During the year the company has not won any award

29. Gratitude & Acknowledgement

The Directors wish to express their appreciation for the continued co-operation of the Government Authorities and Agencies, bankers, customers, dealers and suppliers and also the valuable assistance and advice received from the Statutory Auditors, Companies Secretarial Auditors, Legal advisors, and all the shareholders. The Directors also wish to thank all the employees for their contribution, support and continued co-operation throughout the year.

On behalf of the Board of Directors of Alpa Laboratories Limited

Paresh Chawla
Managing Director
Pigdember, Rau, Indore
August 12, 2016

M.S. Chawla
Whole Time Director

Devendra Baheti
Chairman-Audit Committee

Annexure “A” to the Directors’ Report -Form AOC-1

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures (Pursuant to first proviso to sub-section (3) of Section 129 read with rule 5 of Companies (Accounts) Rules, 2014).

Part “A” Subsidiary Financial Summary

(Figures in ₹ Lacs)

Name of Subsidiary	Norfolk Mercantile Private Limited	
	As on 31.03.2016	As On 31.03.2015
Particulars		
Share Capital	262.00	NA
Reserves & Surplus	(89.51)	NA
Total Assets	1986.61	NA
Total Liabilities (excluding share capital and reserves and surplus)	1814.12	NA
Details of investments (In assets)	1011.00	1010.00
Turnover (Includes Other income)	16.36	0.00
Profit/ (Loss) before taxation	(89.35)	(0.16)
Provision for taxation	0.00	0.00
Profit/ (Loss) after taxation	(89.35)	(0.16)
Proposed dividend	0.00	0.00
% of share holding	100%	100%
Reporting Currency	INR	INR
Exchange Rate to INR on March 31	Nil	Nil

Certificate on Corporate Governance**For the Period ended 31st March, 2016**

To,
The Members and the Board of Directors
Alpa Laboratories Limited

I have examined the compliance of conditions of corporate governance by Alpa Laboratories Limited (the Company) of the requirements of applicable clauses under Regulation 49 of Listing Agreement /the SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015, entered into by the Company with the Stock Exchanges, for the year ended 31st March 2016. In my opinion and to the best of my information and according to the explanations given to me, I certify that the Company has complied with the conditions of Corporate Governance as stipulated therein.

The compliance of conditions of Corporate Governance is the responsibility of the Management of the Company. My examination was limited to procedures adopted, and implementation thereof, by the Company for ensuring compliance with the conditions of Corporate Governance. The examination is neither an audit nor an expression of opinion on the financial statements of the Company.

Based on the aforesaid examination and according to the information and explanations given to us, I certify that the Company has complied with the said conditions of Corporate Governance as stipulated in the above mentioned applicable clauses of Listing Agreements and SEBI (LODR) Regulations, .

I 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.

Shilpesh Dalal, Practicing Company Secretary
FCS No. 5316, Certificate of Practice No. 4235
Place: Indore, Date; 12th August 2016

Annexure “B” to the Directors’ Report

Secretarial Audit Report (MR-3)

(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, **Alpa Laboratories Limited**

33/2, A.B. Road, Village Pigdamber,
Rau, Dist Indore, (M.P.)

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Alpa Laboratories Limited (CIN-L85195MP1988PLC004446) (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts /statutory compliances and expressing our opinion thereon.

Based on our verification of the Company’s books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit and the representations made by the Company, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st 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 to the extent made available to us and maintained by the Company for the financial year ended on 31st March 2016 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contract (Regulation) Act, 1956 (‘SCRA’) and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992;
 1. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 2. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 3. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 4. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; and
 5. The other regulations of the Securities and Exchange Board of India as may be applicable to the Company.
- (vi) Other laws applicable to the Company as per representations made by the Company.
 - (a) Drugs and Cosmetic Act, 1940
 - (b) Pharmacy Acts, 1948
 - (c) Poisons Act, 1919

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

- (i) The Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited.

- (ii) Secretarial Standards with respect to board and general meetings prescribed by The Institute of Company Secretaries of India (Mandatory w.e.f 01st July, 2015).

During the period under review the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, etc. mentioned above, except some non-compliance mentioned herein below.

Sr. No.	Observations
1.	Website of the Company could not be regularly updated, as Website was hacked and compromised.
2.	Any ,Advance given to Directors Sec 185 in normal course of business
3.	Related party transaction were made with approval of Board of Directors. As per management representations there was no need to get approval of Share holders.
4.	Company has not filed MGT-10 for change exceeding 2% of share holding.
5.	Compliance of Secretarial Standards could not be made, for part of year.
6.	Adequate system and process and Internal control system to comply with the all applicable Laws, Acts, Rules.
7.	Form No. DIR-12 in relation to Appointment of CEO and CFO was filed with delay of 91 days.

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 at least seven days in advance to schedule the Board Meetings. Agenda and detailed notes on agenda were sent 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 as per Laws in force.

We further report that as per the explanations given to us and the representations made by the management and relied upon by us 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 there were no major events which had bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines etc.

Shilpesh Dalal, Practicing Company Secretary
 FCS No. 5316, Certificate of Practice No. 4235
 Place :Indore,
 Date: 12th August 2016

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 Secretarial Audit Report

To,

The Members, **Alpa 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. Where ever 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.

Shilpesh Dalal, Practicing Company Secretary

FCS No. 5316, Certificate of Practice No. 4235

Place: Indore

Date: 12th August, 2016

Annexure “C” to the Directors’ Report

Particulars of Conservation of Energy, Technology Absorption and Foreign Exchange earnings and outgo.

(A) CONSERVATION OF ENERGY

- Manufacturing plants continue their efforts in conserving energy in various forms like energy conservation projects, continuous monitoring etc and by Optimizing Plant Power load to match the demand.

The company does not use any alternate source of energy. There is no substantial amount spent on energy conservation equipment.

Carbon Credit : Nil

Details of conservation of energy, technology absorption, foreign exchange earnings and outgo

(a) Conservation of energy

(i)	the steps taken or impact on conservation of energy	Continuous Monitoring on electricity uses to reduce the misuse or wastage of electricity at factory and office premise
(ii)	the steps taken by the company for utilizing alternate sources of energy	Nil
(iii)	the capital investment on energy conservation equipments	Nil

(b) Technology absorption

(i)	the efforts made towards technology absorption	Machineries and electrical equipment are properly maintained
(ii)	the benefits derived like product improvement, cost reduction, product development or import substitution.	Nil
(iii)	in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-	Nil
	(a) the details of technology imported	Nil
	(b) the year of import;	Nil
	(c) whether the technology been fully absorbed	Nil
	(d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof	Nil
(iv)	the expenditure incurred on Research and Development	Nil

(c) Foreign exchange earnings and Outgo

During the year, the total foreign exchange used was ₹ 326.35 lacs and the total foreign exchange earned was ₹. 1811.13 lacs.

(₹ in lacs)	Year Ended 31 st March	2016	2015
Earning on Account of Export		1811.13	1,545.66
Outgoings			
• For Raw Material		301.62	511.75
• For Capital Goods		15.01	28.35
• For Professional and Consultation fees		0.00	80.87
• For Bank Charges		3.10	2.25
• For Travel Expenses		6.62	4.67

ANNEXURE “D” TO THE DIRECTORS’ REPORT

Form No. MGT-9
EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31st March, 2016
of
ALPA LABORATORIES LIMITED

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

I. REGISTRATION AND OTHER DETAILS:

i)	CIN	L85195MP1988PLC004446
ii)	Registration Date	18/03/1988
iii)	Name of the Company	ALPA LABORATORIES LIMITED
iv)	Category / Sub-Category of the Company	Limited Company Limited by Shares
v)	Address of the Registered Office and contact details	33/2, A.B. ROAD , PIGDAMBER RAU, INDORE Madhya Pradesh-453446
vi)	Whether listed company	Yes/
	No	Yes

vii)	Name, Address and contact details of Registrar & Transfer Agents (RTA), if any	Bigshare Services Private Limited E/2 Ansa Industrial Estate, Saki Vihar Road Andheri (East), Mumbai 400072 Email: ipo@bigshareonline.com Website: www.bigshareonline.com
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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.	Drugs and Pharmaceuticals	210	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -

S. NO	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% of shares held	Applicable Section
1.	Norfolk Mercantile Private Limited	U74120MH2014PTC252923	Wholly Owned Subsidiary	100	2(87)(ii)

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

(i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
(a) Individual/HUF	788850	10650820	11439670	54.37	7134350	4355020	11489370	54.61	0.24
(b) Central Govt	0	0	0	0	0	0	0	0	0
(c) State Govt (s)	0	0	0	0	0	0	0	0	0
(d) Bodies Corp.	0	0	0	0	0	0	0	0	0
(e) Banks / FI	0	0	0	0	0	0	0	0	0
(f) Any Other....	0	0	0	0	0	0	0	0	0

Sub-total (A) (1):-	788850	10650820	11439670	54.37	7134350	4355020	11489370	54.61	0.24
(2) Foreign									
(a) NRIs - Individuals	0	49900	49900	0.24	0	0	0	0	(0.24)
(b) Other – Individuals	0	0	0	0	0	0	0	0	0
(c) Bodies Corp.	0	0	0	0	0	0	0	0	0
(d) Banks / FI	0	0	0	0	0	0	0	0	0
(e) Any Other....	0	0	0	0	0	0	0	0	0
Sub-total (A) (2):-	0	49900	49900	0.24	0	0	0	0	(0.24)
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	788850	10700720	11489570	54.61	7134550	4355020	11489370	54.61	0.00
B. Public Shareholding									
1. Institutions									
(a) Mutual Funds	0	0	0	0	0	0	0	0	0
(b) Banks / FI	0	0	0	0	0	0	0	0	0
(c) Central Govt	0	0	0	0	0	0	0	0	0
(d) State Govt(s)	0	0	0	0	0	0	0	0	0
(e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
(f) Insurance Companies	0	0	0	0	0	0	0	0	0
(g) FIIs	0	0	0	0	0	0	0	0	0
(h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
(i) Others (specify)	0	0	0	0	0	0	0	0	0
Sub-total (B)(1):-	0	0	0	0	0	0	0	0	

2. Non-Institutions									
(a) Bodies Corp.	756763	0	756763	3.60	660724	0	660724	3.14	(0.46)
(i) Indian	0	0	0	0	0	0	0	0	0
(ii) Overseas	0	0	0	0	0	0	0	0	0
(b) Individuals									
(i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	5066030	5205	5071235	24.10	5509525	5205	5514730	26.21	2.11
(ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	2945225	566530	3511755	16.69	2814854	202900	3017754	14.34	(2.35)
(c) Others (specify)									
(i) Clearing Member	4136	0	4136	0.02	50585	0	50585	0.24	0.22
(ii) Non Resident Indians (NRI)	207141	0	2071410	0.98	307237	0	307237	1.46	0.48
Sub-total (B)(2):-	8979295	571735	9551030	45.39	9342925	208105	9551030	45.39	0.00
Total Public Shareholding (B)=(B)(1)+(B)(2)	8979295	571735	9551030	45.39	9342925	208105	9551030	45.39	0.00
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	9768145	11272455	21040600	100.00	16477475	4563125	21040600	100.00	0

(ii) Shareholding of Promoters

Sl No.	Shareholder's Name	Shareholding at the beginning of the year	Share holding at the end of the year	% 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.	Purushottam R. Patel	540870	2.57	0.00	-	-	-	(2.57)
2.	Mahendra Singh Chawla	1366600	6.50	0.00	2973920	14.13	0.00	7.63
3.	Pravin C. Shah	1100580	5.23	0.00	1100580	5.23	0.00	0.00
4	Bakulesh Shah	1026600	4.88	0.00	1026600	4.88	0.00	0.00
5	Paresh Chawla	634000	3.01	0.00	3044980	14.47	0.00	0.00
6	Nayana Patel	546420	2.60	0.00	-	-	-	(2.60)
7	Rima Shah	645200	3.07	0.00	645200	3.07	0.00	0.00
8	Rupal Shah	558780	2.66	0.00	558780	2.66	0.00	0.00
9	Purushottam R. Patel HUF	332800	1.58	0.00	-	-	-	(1.58)
10	Bakulesh Shah HUF	21940	0.10	0.00	21940	0.10	0.00	0.00
11	Jayesh Patel	503300	2.39	0.00	-	-	-	(2.39)
12	Jayesh Patel HUF	412930	1.96	0.00	-	-	-	(1.96)
13	Kamlaben Patel	424400	2.02	0.00	-	-	-	(2.02)
14	Jayana Patel	253500	1.20	0.00	-	-	-	(1.20)
15	Neil Patel	272880	1.30	0.00	-	-	-	(1.30)
16	Sandhya Patel	21600	0.10	0.00	-	-	-	(0.10)
17	Amita Patel	274500	1.30	0.00	-	-	-	(1.30)
18	Kusum Patel	28300	0.13	0.00	-	-	-	(0.13)
19	Chhaya Chandel	406800	1.93	0.00	-	-	-	(1.93)
20	Asha Chawla	483900	2.30	0.00	483900	2.30	0.00	0.00
21	Pooja Chawla	304750	1.45	0.00	304750	1.45	0.00	0.00
22	Soni Chawla	326800	1.55	0.00	326800	1.55	0.00	0.00
23	Saraswati Shah	173200	0.82	0.00	173200	0.82	0.00	0.00
24	Shitul Shah	286440	1.36	0.00	286440	1.36	0.00	0.00
25	Mitin Shah	205560	0.98	0.00	205560	0.98	0.00	0.00
26	Meeta Sethi	336720	1.60	0.00	336720	1.60	0.00	0.00

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

There is a change in shareholding of promoter group as on 31st March, 2016 but overall holding of promoter group is the same as previous holding i.e 54.61%.

Sl. No.	Name of the Promoter	Shareholding at the beginning of the year No. of shares		Date	Purpose	Increase/(Decrease) in Shareholding		Cumulative shareholding during the year	
		No. of shares	% of total shares of the company			No. of shares	% of total shares of the company	No. of shares	% of total shares of the company

1.	Jayesh Patel	5,03,300	2.39	09.03.2016 22.03.2016	Inter se transfer Inter se transfer	9,84,700 (14,88,000)	4.68 (7.07)	14,88,000 0.00	7.07 0.00
2.	Kusum Patel	28,300	0.13	09.03.2016	Inter se transfer	(28,300)	(0.13)	0.00	0.00
3.	Sandhya Patel	21,600	0.10	09.03.2016	Inter se transfer	(21,600)	(0.10)	0.00	0.00
4.	Amita Patel	2,74,500	1.30	09.03.2016	Inter se transfer	(2,74,500)	(1.30)	0.00	0.00
5.	Chhaya Patel	4,06,800	1.93	09.03.2016	Inter se transfer	(4,06,800)	(1.93)	0.00	0.00
6.	Jayana Patel	2,53,500	1.20	09.03.2016	Inter se transfer	(2,53,500)	(1.20)	0.00	0.00
7.	Nayana Patel	5,46,420	2.60	22.03.2016	Inter se transfer	(5,46,420)	(2.60)	0.00	0.00
8.	Purshottam Patel	5,40,870	2.57	22.03.2016	Inter se transfer	(5,40,870)	(2.57)	0.00	0.00
9.	Kamlaben Patel	4,24,400	2.02	23.03.2016	Inter se transfer	(4,24,400)	(2.02)	0.00	0.00
10.	Neil Patel (Through Guardian Jayesh Patel)	2,72,880	1.30	23.03.2016	Inter se transfer	(2,72,880)	(1.30)	0.00	0.00
11.	Jayesh Patel (HUF)	4,12,930	1.96	23.03.2016	Inter se transfer	(4,12,930)	(1.96)	0.00	0.00
12.	Purshottam Patel (HUF)	3,32,800	1.58	23.03.2016	Inter se transfer	(3,32,800)	(1.58)	0.00	0.00
13.	Paresh Chawla	6,34,000	3.01	22.03.2016 23.03.2016	Inter se transfer Inter se transfer	14,88,000 9,22,980	7.07 4.39	21,22,000 30,44,980	10.08 14.47
14.	Mahendra Singh Chawla	13,66,600	6.50	22.03.2016 23.03.2016 28.03.2016	Inter se transfer Inter se transfer Market	10,87,290 5,15,353 4,677	5.17 2.45 0.02	24,53,890 29,69,243 29,73,920	11.67 14.12 14.14

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

Sl. No.	Name of the Shareholder	Shareholding at the beginning of the year		Date	Purpose	Increase/(Decrease) in Shareholding		Cumulative shareholding during the year	
		No. of shares	% of total shares of the company			No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	JASMIN KISHOR AJMERA	3,07,655	1.46	23.10.2015	Sale of shares	(5000)	0.02	302655	1.44
				30.10.2015	Sale of shares	(15000)	0.07	287655	1.37
				20.11.2015	Sale of shares	(1000)	0.01	286655	1.36
				27.11.2015	Sale of shares	(4000)	0.02	282655	1.34
				04.12.2015	Sale of shares	(2000)	0.01	280655	1.33
				25.12.2015	Sale of shares	(1000)	0.00	279655	1.33
				31.12.2015	Sale of shares	(655)	0.00	279000	1.33
2	Ashwin Doshi	3,09,000	1.47	11.12.2015	Sale of shares	(60000)	0.29	249000	1.18
				18.12.2015	Sale of shares	(70000)	0.33	179000	0.85
				25.12.2015	Sale of shares	(34610)	0.16	144390	0.69
				21.12.2015	Sale of shares	(20000)	0.01	124390	0.59
				15.01.2016	Sale of shares	(5000)	0.02	119390	0.57
				05.02.2016	Sale of shares	(5390)	0.03	114000	0.54

3	Sai Prasanna Manchineni	0	0.00	04.12.2015	Purchase of shares	16112	0.08	16112	0.08
				11.12.2015	Purchase of shares	7976	0.03	24088	0.11
				18.12.2015	Purchase of shares	32901	0.16	56989	0.27
				25.12.2015	Purchase of shares	29730	0.14	86719	0.41
				31.12.2015	Purchase of shares	30000	0.14	116719	0.55
				08.01.2016	Purchase of shares	118281	0.57	235000	1.12
				29.01.2016	Purchase of shares	13600	0.06	248600	1.18
				11.03.2016	Purchase of shares	4397	0.02	252997	1.20
				18.03.2016	Purchase of shares	2190	0.01	255187	1.21
				25.03.2016	Purchase of shares	3413	0.02	258600	1.23
4	Inderjeet Singh Chawla	205480	0.98	-	-	-	-	205480	0.98
5	Amarjeet Singh Chawla	158150	0.75	-	-	-	-	158150	0.63
6	Rimpa Nahar Sarkar	123217	0.59	10.04.2015	Purchase of shares	18000	0.08	141217	0.67
				17.04.2015	Purchase of shares	260	0.00	141477	0.67
				07.08.2015	Purchase of shares	50	0.00	141527	0.67
				25.09.2015	Purchase of shares	01	0.00	141528	0.67
				16.10.2015	Purchase of shares	7276	0.04	148804	0.71
7	Gulab Rochlani	133000	0.63	-	-	-	-	133000	0.63
8	Jayraj Doshi	111000	0.53	-	-	-	-	111000	0.53
9	Rashesh Doshi	111000	0.53	-	-	-	-	111000	0.53
10	Rajkumar Lohia	0	0	24.07.2015	Purchase of shares	69269	0.33	69269	0.33
				07.08.2015	Purchase of shares	27850	0.13	97119	0.46
				14.08.2015	Purchase of shares	19518	0.09	116637	0.55
				21.08.2015	Purchase of shares	80000	0.38	196637	0.93
				18.09.2015	Sale of shares	(476)	0.00	196161	0.93
				15.01.2016	Sale of shares	(20365)	0.09	175796	0.84
				22.01.2016	Sale of shares	(16880)	0.08	158916	0.76
				29.01.2016	Sale of shares	(32613)	0.16	126303	0.60
				05.02.2016	Sale of shares	(23320)	0.11	102983	0.49
				12.02.2016	Sale of shares	(14200)	0.07	88783	0.42
19.02.2016	Sale of shares	(457)	0.00	88326	0.42				
11	Kamlesh Punamiya	200000	0.95	31.12.2015	Sale of shares	(50000)	0.24	150000	0.71
				26.02.2016	Sale of shares	(110000)	0.52	40000	0.19

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

Sl. No.	For Each of the Directors and KMP	Date	Purpose (Allotment/ Transfers)	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	Mahendra Singh Chawla (Director)	22.03.2016	Inter se transfer	13,66,600	6.50	24,53,890	11.67
		23.03.2016	Inter se transfer	-	-	29,69,243	14.12
		28.03.2016	Market	-	-	29,73,920	14.14
2	Purshottam Patel (Managing Director)	22.03.2016	Inter se transfer	5,40,870	2.57	0.00	0.00
3	Pravin Shah (Director)	-	-	11,00,580	5.23	11,00,580	5.23
4	Shashi Jain (Independent Director)	-	-	2,000	-	-	-
4	Bakulesh Shah (CFO)	-	-	10,26,600	4.88	10,26,600	4.88
5	Jayesh Patel (CEO)	09.03.2016	Inter se transfer	5,03,300	2.39	1488000	7.07
		22.03.2016	Inter se transfer	-	-	0.00	0.00

V. INDEBTEDNESS**Indebtedness of the Company including interest outstanding/accrued but not due for payment****(₹. In Crores)**

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year (01.04.2015)				
i) Principal Amount	28.57	0.00	0.00	28.57
ii) Interest due but not paid	0.00	0.00	0.00	0.00
iii) Interest accrued but not due	0.00	0.00	0.00	0.00
Total (i+ii+iii)	28.57	0.00	0.00	28.57
Change in Indebtedness during the financial year (31.03.2016)				
• Addition	0.00	0.00	0.00	0.00
• Reduction	4.34	0.00	0.00	4.34
Net Change	(4.34)	0.00	0.00	4.34
Indebtedness at the end of the financial year				
i) Principal Amount	24.23	0.00	0.00	24.23
ii) Interest due but not paid	0.00	0.00	0.00	0.00
iii) Interest accrued but not due	0.00	0.00	0.00	0.00
Total (i+ii+iii)	24.23	0.00	0.00	24.23

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**A. Remuneration to Managing Director, Whole-time Directors and/or Manager:
(₹. In Lacs)**

Sl. No.	Particulars of Remuneration	Name of MD/WTD/Manager				Total Amount
		P.R. Patel	M.S. Chawla	P.C. Shah		
1.	Gross salary					
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	0.00	27.00	25.20		52.20
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-		-
	(c) Profits in lieu of salary under	-	-	-		-
2.	Stock Option	-	-	-		-
3.	Sweat Equity	-	-	-		-
4.	. Commission - as % of profit - others	-	-	-		-
5.	Others, please specify	-	-	-		-
	Total (A)	0.00	27.00	25.20		52.20
	Ceiling as per the Act	As per Schedule V of the Act				

**B. Remuneration to other directors:
(in ₹.)**

Sl. No.	Particulars of Remuneration	Name of Directors				Total Amount
		Mr. K. D. Malani	Mr. D.K. Baheti	Mr. S. C. Lunawat	Mrs. Shashi Jain	
	1. Independent Directors • Fee for attending board / committee meetings • Commission • Others, please specify	7500	7500	6000	7500	28500
	Total (1)	7500	7500	6000	7500	28500
	2. Other Non-Executive Directors • Fee for attending board / committee meetings- • Commission- • Others, please specify	-	-	-	-	-
	Total (2)	0.00	0.00	0.00	0.00	0.00
	Total (B)=(1+2)	7500	7500	6000	7500	28500
	Total Managerial Remuneration					
	Overall Ceiling as per the Act					

**C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD / MANAGER/WTD
(₹. In lacs)**

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			
		Jayesh Patel CEO	Company Secretary Monali Patel	Bakulesh Shah CFO	Total
1	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary	0.00	1.60	16.20	17.80

	under section 17(3) Income-tax Act, 1961				
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission - as % of profit - others, specify...	-	-	-	-
5	Others, please specify	-	-	-	-
	Total	0.00	1.60	16.20	17.80

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)
A. COMPANY					
Penalty					
Punishment					
Compounding	Section 211	For non disclosure of information u/s 211 (non disclosures of Ten particulars)	₹. 5000 per violation (For non disclosures in Annual report for FY 2006-07 for Ten Violations)	Western Bench of H'ble Company Law Board	
B. DIRECTORS					
Penalty					
Punishment					
Compounding	Section 211	For non disclosure of information u/s 211 (non disclosures of Ten particulars)	₹. 5000 per violation (For non disclosures in Annual report for FY 2006-07 for Ten Violations) (For Each of three Executive Directors viz MD and two WTD)	Western Bench of H'ble Company Law Board	

C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment					
Compounding					

DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULEs 5(1), 5(2) and 5(3) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

Ratio of the remuneration of each Director to the median remuneration of the employees of the Company for FY 2015-16, the percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during FY 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 & Designation (director/ KMP)	Ratio of Remuneration of Director to Median Remuneration of employees	% increase in Remuneration in FY 2015-16	Comparison of the Remuneration of the KMP against the performance of the Company
1	P.R. Patel (Managing Director)	0.00	0.00	During the year, the total income of a company increased to 773.96 Lacs from (139.67). and your directors and KMP work hard to maintain the company into the profit making company.
2	M.S. Chawla (Director)	32.14		
3	P.C. Shah (Director)	30.00	0.00	
4	Sharad Lunawat (Independent Director)	0.07	0.00	
5	K.D. Malani (Independent Director)	0.09	0.00	
6	D.K. Baheti (Independent Director)	0.09	0.00	
7	Mrs. Shashi Jain (Independent Director)	0.09	0.00	
8	Jayesh Patel (CEO)			
9	Bakulesh Shah (CFO)	19.29	0.00	
10	Monali Patel (Company Secretary)	1.90	0.00	

REPORT ON CORPORATE GOVERNANCE

I. Corporate Governance

The Corporate Governance standards demonstrate rights vested with various stakeholders and strong commitment to values, ethics and business conduct. Your Company is committed to good Corporate Governance, based on an effective independent Board, separation of supervisory role from the executive management and the constitution of Committees to oversee critical areas thus upholding the standards practically at every sphere ranging from action plan to performance measurement and consumer satisfaction.

II. Companies Philosophy

The Company's Corporate Governance philosophy is about intellectual honesty whereby the governance is not just about encompassing regulatory and legal requirements but also strives to enhance stakeholders' value as a whole.

Thus the standards of governance are guided by the principles of:

- Clear and ethical strategic direction and sound business decisions.
- Prudent financial management.
- Transparent and professional decision making.
- Continuous assessment of Board processes and the management systems for constant improvement.

III. Rights of Shareholders

Your Company protects and facilitates shareholders' rights, provides adequate and timely information, opportunity to participate effectively in general meeting and ensure equitable treatment to all shareholders.

IV. Role of stakeholders in Corporate Governance

Your Company recognises the rights of stakeholders and encourages co-operation between the Company and stakeholders to enable participation in Corporate Governance process.

V. Disclosures and transparency

Your Company ensures timely and accurate disclosure on all material matters including the financial situation, performance, ownership and governance of the Company.

VI. Board of Directors

A. Composition and Category of Directors

The Board of Directors is comprised of Promoter Managing Director, two Promoter Executive Directors and Four Independent Non-executive Directors who have wide and varied experience in different disciplines.

The composition and category of the Board of Directors at the **end of the year** was as follows:

Category	Name of Director
Promoter Executive MD:	Mr. Purushottam R. Patel
Promoter Executive Directors:	Mr. Mahendra Singh Chawla, Mr. Pravin C. Shah
Independent Non-Executive Directors:	Mr. Sharad Chand Lunawat, Mr. Devendra Baheti, Mr. Krishna Das Malani
Independent Non-Executive Woman Director	Mrs. Shashi Jain

The Company has no pecuniary relationship or transaction with any of the Independent Non-executive Directors. A brief write up about the Directors coming up for re-appointment has been provided in the notice to the Shareholders.

B. Board Meetings held, attendance of each director at Board meeting and AGM and other details:

The Board of Directors met Four times during the period under review on 29.05.2015, 08.08.2015, 09.11.2015, 12.02.2016. Attendance of each Director at the meeting of the Board of Director held during the year and the last Annual General Meeting and also the number of Board of Directors or Committee meetings of which he is a member/ chairman is as under:

Name of Director	Attendance Particulars		No of Directorships in domestic public limited companies (including this Company)	No of Committee Memberships ¹ in domestic public limited companies (including this Company)
	Board Meetings	Last AGM		
Mr. Purushottam R. Patel	4	Yes	1	2
Mr. Mahendra Singh Chawla	4	Yes	1	2
Mr. Pravin C Shah	4	Yes	1	-
Mr. Sharad Chand Lunawat	4	Yes	1	2
Mr. Devendra Baheti	4	Yes	1	3
Mr. Krishna Das Malani	4	Yes	1	1
Shashi Jain	4	Yes	1	-

¹None of the directors is a member of more than ten committees or acting as Chairman of more than five committees across all companies in which he is a director.

None of the above Directors are related to each other.

The company has never facilitated the participation of the Director in Board / Committee meetings through video conferencing or other audio visual mode. All the Board / Committee meetings physically held at its registered office of company.

The details of shares held by the Directors of the Company in their individual names as on March 31, 2016 are furnished below:

Name of the Director	No. of equity shares held	Designation
Mr. P.R. Patel	Nil	Managing Director
Mr. M.S. Chawla	29,73,920	Whole Time Director
Mr. P.C. Shah	11,00,580	Whole Time Director
Mr. K.D. Malani	Nil	Independent director
Mr. Devendra Baheti	Nil	Independent Director
Mr. Sharad Lunawat	Nil	Independent Director
Mrs. Shashi Jain	Nil	Independent Director

Board Meetings held during the year 2015-16

Date of Meetings	Total no. of Directors	No. of Directors present
29.05.2015	7	7
08.08.2015	7	7
09.11.2015	7	7
12.02.2016	7	7

C. Independent Directors

Your Company appointed Independent Directors in conformity of Section 149 and other applicable provisions of the Companies Act, 2013 and provisions of Listing Agreement, who are renowned people having expertise/experience in their varied field/profession. None of the Independent Directors are Promoters or related to Promoters. They do not have pecuniary relationship with the Company and further do not hold two percent or more of the total voting power of the Company.

Every Independent Director, at the first meeting of the Board in which he/she participates as a Director and thereafter at the first meeting of the Board in every financial year, gives a declaration that he/she meets the criteria of independence as required under Section 149(7) of the Companies Act, 2013.

All Independent Directors maintain their limits of directorships.

The Company had issued a formal letter of appointment to all Independent Directors and the terms and conditions of their appointment have been disclosed in the website of the Company.

D. Break-up of other Directorships

Name of the Directors	Public Company			Other Indian Companies		
	Company Name	Independent	Designation, if any	Company Name	Independent	Designation, if
Mr. P.R. Patel	-	-	-	-	-	-
Mr. M.S. Chawla	-	-	-	Norfolk Mercantile Pvt Ltd		
Mr. P.C. Shah	-	-	-	Norfolk Mercantile Pvt Ltd		
Mr. K.D. Malani	-	-	-	-	-	-
Mr. Devendra Baheti	-	-	-	Anand Krishi Yantra Udyog Limited (Under Process of Strike Off)	-	Director

Mr. Sharad Lunawat	-	-	-	Raamya Sales Pvt.Ltd. Rachit Traders Pvt.Ltd. Ranveer Metals Pvt.Ltd Palash Tradelink Pvt.Ltd Aachaman Metals Pvt.Ltd Tarini Metals Pvt.Ltd Arunouday Steels Pvt.Ltd	-	Director
Mrs. Shashi Jain	-	-	-	-	-	-

E. Meeting of Independent Directors

During the year, meeting of Independent Directors was held on 30.09.2015. to review the performance of the Board as a whole on parameters of effectiveness and to assess the quality, quantity and timeliness of flow of information between the management and the Board.

Shri Devendra Baheti, Chairman of the Meeting presented the views of the Independent Directors on matters relating to Board processes and the overall affairs of the Company to the full Board.

F. Familiarisation Programme

Your Company follows a structured orientation and familiarization programme through various reports/codes/internal policies for all the Directors with a view to update them on the Company's policies and procedures on a regular basis. Periodic presentations are made at the Board Meetings on business and performance, long term strategy, initiatives and risks involved.

The details of familiarisation programme have been posted in the website of the Company under the web link www.alpalabs.in

G. Non-executive Directors' compensation and disclosures

All fees/compensation paid to Non-executive Directors (including Independent Directors) are fixed by the Board and the compensation is within the limits prescribed under the Companies Act, 2013.

H. Other Provisions as to Board and Committees

The Board met Four times during the year and the time gap between any two meetings did not exceed 120 days. During the year under review, none of the Directors of the Company was a member of more than 10 specified Committees or Chairman of more than 5 such Committees in companies in which he/she was a Director.

VII. Audit Committee

Terms of reference of Audit Committee covers all the matters prescribed under Regulation 18 of the Listing Regulations and Section 177 of the companies Act, 2013 which inter alia includes:

- a) Recommendation for appointment, remuneration and terms of appointment of Auditor's of the company;
- b) Review and Monitor the auditor independence, performance and effectiveness of audit process followed;
- c) Examination of the financial statement and the Auditor's Report therein.
- d) Scrutiny of inter- corporate loans and Investments.
- e) Evaluation of internal financial controls and risk management systems.
- f) Approval or any subsequent modification of transactions of the company with related parties.
- g) Discussion with statutory auditors about the nature and scope of audit.
- h) Discussion with Internal Auditor of any significant findings.
- i) Review functioning of whistle blower mechanism.
- j) Reviewing with management, the quarterly and annual financial statements before submission to the board for approval

The committee consists of Shri Devendra Baheti, Chairman, Shri Sharad Lunawat, both Independent Non-Executive Directors and Shri P.R. Patel, Managing Director.

The Committee met four times during the year on 29/May/15, 8/Aug/15, 23/Oct/15 and 30/Jan/16. The members of the Committee and their attendance are given below:

Name of the Member	No. of meetings attended	Whether attended AGM
Mr. Devendra Baheti (Chairman)	4	Yes
Mr. Purushottam R. Patel	4	Yes
Mr. Sharad Chand Lunawat	4	Yes

All members of the Audit Committee are financially literate and one-half of the members have expertise in accounting/financial management.

Mr. Devendra Baheti, the Chairman – Audit Committee was present at the Annual General Meeting held on 30th September, 2015.

The Chief Financial Officer and Chief Executive Officers, Statutory Auditor attended a meeting of the Committee, as invitees.

Ms. Monali Patel, Company Secretary is the Secretary to the Committee.

IX. Nomination and Remuneration Committee

Terms of reference of Nomination and Remuneration Committee covers all the matters prescribed under Regulation 19 of the Listing Regulations and Section 178 of the companies Act, 2013 which inter alia includes:

- i. Formulate and recommend to the board of directors policy relating to the remuneration of the directors, key managerial persons 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. Formulation of criteria determining qualifications, positive attributes and independence of a director.
- v. Identifying the persons who are eligible and qualified to become directors and who may be appointed in senior management and recommend to the board of directors their appointment and removal.

There were no meeting of Nomination and Remuneration Committee held during the financial year.

The Committee comprised of 3 Independent Non-executive Directors (1 as the Chairman). The Non-executive Directors are remunerated by way of sitting fees only which is decided by the Board of Directors from time to time.

Remuneration paid/ payable to Managing Director and Executive Directors for the Year 2015-16 (no loans have been advanced):

Director	Remuneration	Sitting Fees	Total
Mr. Purushottam R. Patel	-	-	-
Mr. Mahendra Singh Chawla	27,00,000	-	27,00,000
Mr. Pravin C. Shah	25,20,000	-	25,20,000
Mr. Sharad Chand Lunawat	-	6,000	6,000
Mr. Devendra Baheti	-	7,500	7,500
Mr. Krishna Das Malani	-	7,500	7,500
Mrs. Shashi Jain	-	7,500	7,500

X. Stakeholder Relationship Committee:

The Stakeholder Relationship Committee comprises of Mr. Devendra Baheti, Chairman, Mr. P.R. Patel, and Mr. M.S. Chawla. The Committee monitors share related activities and investors' complaints. The Committee met Four times and all the members attended the meeting. The company secretary is designated as the compliance officer and acts as a secretary of the committee. Company received 40 Complaints during the year and all of them have been redressed to the satisfaction of investor. No investor complaint remained pending.

XI. REMUNERATION POLICY

1. Objective

The objective of remuneration policy of Company is to attract, motivate and retain qualified and expert individuals that the Company needs, in order to achieve its strategic and operational objectives.

2. The Nomination & Remuneration Committee

The Nomination & Remuneration Committee (Committee) is responsible for formulating and making the necessary amendments to the Remuneration Policy for the Directors, Key Managerial Personnel (KMP) and Senior Executives of Company from time to time.

3. Remuneration for Non-executive Directors

Non-executive Directors (NED) are remunerated by way of Sitting Fee for each meeting of the Board/ Committees of the Board attended by them.

NED's are reimbursed of any out of pocket expenses incurred by them for the purpose of the Company.

4. Remuneration for Executive Director, Key Managerial Personnel (KMP) and Senior Executives

The following elements are taken into consideration for determining the Remuneration of Executive Director, KMP and Senior Executives:

- The remuneration policy reflects a balance between the interests of Company's main stakeholders as well as a balance between the Company's short term and long term Goals. As a result, the structure of the remuneration package for the Directors, KMP and Senior Executives is designed to balance short term operational performance with the medium and long term objective of creating sustainable value within the Company, while taking into account the interests of its stakeholders. The Management of Company strives for a high performance in the field of sustainability and aims to maintain a good balance between economic gain, respect for people and concern for the environment.
- To ensure that highly skilled and qualified KMP/Senior Executives can be attracted and retained, the Company aims for a total remuneration level that is comparable to levels provided by other companies that are similar to the Alpa in terms of size and complexity.
- In designing and setting the levels of remuneration for the Directors, KMP and Senior Executives, the Committee also takes into account the relevant statutory provisions and provisions of the Corporate Governance regulations, societal and market trends and the interests of stakeholders.
- The total compensation of the managing director, Whole Time Director, KMP's and Senior Executives may consist of both a base salary and a variable income. Both the basic salary and the variable income are reviewed periodically.

5. Remuneration for other Employees

Remuneration of middle and lower level employees of the Company consists mostly of fixed pay and a reasonable performance pay which is reviewed on an annual basis.

Increase in the remuneration of employees is effected based on an annual review taking into account performance of the employee and the performance of the Company.

6. Remuneration for Workmen

Remuneration of workmen employed in the factories of the Company consists of fixed pay and performance incentives, which is negotiated and agreed upon on periodical basis.

Increase in the remuneration of workmen is effected based on a review of performance of the Company and increase in the general price levels / cost of living index, etc.

7. Employee Stock Options

It is a long term objective of the Company to introduce employee stock options to inculcate a sense of ownership among the employees of the Company.

8. Alignment of Remunerations

The Committee strives to achieve that the remunerations of the Directors, Senior Executives, middle and lower level employees of Company are aligned to each other.

9. Term of Appointment

Term of Managing Director is generally for a period of 5 years and renewed for similar periods from time to time. However as per the companies act, 2013 proviso the term of a managing director shall be a period of five years and the Board reserves the right to increase/decrease the period as it may deem fit. Whereas, term of the other employees, generally is upto the age of superannuation.

However, Company also employs contractual employees as 'consultants' for shorter periods on need basis.

10. Post-retirement Benefits

The Managing Director and employees are entitled for retirement benefits such as provident fund, superannuation fund and gratuity.

11. Severance Arrangements

Contracts of employment with Executive Director and regular employees, provide for compensation of upto 3 months' pay or advance notice of similar period.

12. Loans

The Company may grant Loan to Directors, KMP and employees of the Company, on case to case basis and on such Terms and Conditions on Recommendation of Nomination and Remuneration Committee. The Loan shall not at any point of time, exceed 20 times of his basic Salary keeping the EMI not exceeding 40% of his basic salary.

13. Law

All requirement of Law take precedence over Policy.

XII. Subsidiary Companies

The Company has one non listed, non material wholly owned subsidiary company, Norfolk Mercantile Pvt Ltd. Your Company monitors performance of subsidiary company, *inter-alia*, by the following means:

- a) The Company does not have any material unlisted Indian subsidiary, and hence, is not required to nominate an Independent Director of the Company on the Board of any subsidiary.
- b) The Audit Committee reviews the financial statements, in particular, the investments made by the unlisted subsidiary company.
- c) The minutes of the Board Meetings of the unlisted subsidiary companies were placed at the Board Meeting of the Company.
- d) Your Company formulated a Policy on Material Subsidiary and the policy is hosted on the website of the Company under the web link www.alpalabs.in/financials.html

XIII. Related Party Transactions

Your Company has formulated a Policy on materiality of Related Party Transactions and the same is hosted on the website of the company.

The necessary disclosures regarding the transactions with related parties are given in the Notes to the financial statements in point No.30. During the year under review, Your Company had not entered into any material transaction with any of its related parties.

XIV Internal controls and risk management

- a) Review of internal audit function and discussion on internal audit reports.
- b) Review of vigil mechanism and above all adequacy of internal control systems.
- c) Review of risk management policies especially enterprise level risk management.

XV. Details of Complaints /other Correspondence. There were no complaints pending as on 31.03.2016 all the complaints have been resolved.

XVI. GENERAL INFORMATION**1. General Body Meetings**

The details of last three Annual General Meetings are as under:

Year	Venue	Day/Date	Time
25 th	33/2 Pigdamber. A B Road, Rau, Indore	06/Aug/2013	11:45 AM
26 th	33/2 Pigdamber. A B Road, Rau, Indore	30/Sept/2014	11.45 AM
27 th	33/2 Pigdamber. A B Road, Rau, Indore	30/Sept/2015	11.45 AM

The Chairman of the Audit Committee was present at all the above AGMs.
Extra-Ordinary General Meetings (EGM) of the earlier three years
(No EGM held during last Three Years)

Special Resolutions have been passed in the financial year 2013-2014 in the last previous three Annual General Meetings held in 2013, 2014 and 2015.

<u>Year</u>	<u>Location</u>	<u>Date & Time</u>	No. of Special Resolutions
2013	Registered Office at Rau	06.08.2013, 11.45 AM	Nil
2014	Registered Office at Rau	30.09.2014, 11.45 AM	4 (Four)
2015	Registered Office at Rau	30.09.2015, 11.45 AM	Nil

2. Postal Ballot

The Company passed one Resolution by way of postal ballot vide notice dated 12th February 2014 to sell, transfer and dispose off the company's unit-II undertaking situated at 481,470,471 Sector III Industrial Area, Pithampur District Dhar (M.P) as a "Going Concern". The Resolution was declared passed by the Chairman on 04th April 2014.

3. Means of Communications

Quarterly and year to end date unaudited results and yearly audited results are published in the newspapers having wide circulation as per Regulation 41 of the Listing Agreement/SEBI (LODR) Regulation, 2015, within 48 hours of conclusion of the meeting in Free Press (English daily newspaper) and Choutha Sansar (Hindi Newspaper). These results are simultaneously posted on the website of the company at www.alpalabs.in and also uploaded on the website of BSE and NSE.

4. General Shareholders Information

- a. Registered Office:** 33/2 Pigdamber, A B Road, Rau, Indore (M.P.) 453446, INDIA
- b. Compliance Officer:** Ms. Megha Neema, "is@alpalabs.in"
- c. Annual General Meeting:** 30th September 2016 at the Registered Office of the Company at 11:45 A.M.
- d. Financial Year:** 01st April, 2016 to 31st March, 2016
- e. Date of Book Closure:** 23th September 2016 to 30th September 2016 (Both days inclusive)
- f. Dividend Payment Date:** Not Applicable
- g. Listing on Stock Exchanges:** The Bombay Stock Exchange Limited and
The National Stock Exchange of India Limited.
The Company has paid listing fees to both the stock exchange for the year 2015-16
- h. Stock Code:** BSE: 532878 NSE: ALPA ISIN: INE385I01010

5. Stock Market Data

Month (2015-16)	BSE Limited				NSE Limited	
	Share Price		Sensx Points		Share Price	
	High	Low	High	Low	High	Low
April	18.19	10.62	29094.61	26897.54	17.40	10.75
May,	16.10	12.55	28071.16	26423.99	16.20	12.20
Jun	13.40	11.34	27968.75	26307.07	13.65	11.35
Jul	17.70	13.00	28578.33	27416.39	17.55	12.80
Aug	21.25	15.45	28417.59	25298.42	21.35	15.50
Sept	25.65	16.50	26471.82	24833.54	25.70	16.80
Oct	36.45	20.55	27618.14	26168.71	37.30	20.85
Nov	65.20	30.25	26824.30	25451.42	63.45	30.20
Dec	93.00	61.35	26256.42	24867.73	92.45	61.25
Jan	79.80	53.10	26197.27	23839.76	80.70	53.60
Feb	64.65	30.40	25002.32	22494.61	65.10	30.25
Mar	43.30	29.85	25479.62	23133.18	43.65	29.30

(Source: BSE and NSE Website)

6. A greener environment - Now and for future:

The Company's philosophy focuses on making the environment greener for the benefit of posterity. In this regard, Your Company requests its shareholders to register / update the e-mail ids for communication purpose thereby contributing to our environment.

7. Share Transfer System

Shares in physical form sent for registering transfer, to the registrar and share transfer agent M/s Bigshare Services Private Limited are registered and returned within statutorily prescribed period of 15 days from the date of receipt.

8. Registrar and Share Transfer Agent:

Bigshare Services Private Limited, E/2 Ansa Industrial Estate, Saki Vihar Road, Andheri (East), Mumbai 400072
Phone: +91-22-2847-0652 Fax: +91-22-2847-5207
Email: "ipo@bigshareonline.com" Website: "http://www.bigshareonline.com/"

9. Details of Unclaimed Securities Suspense Account

There is no such amount/shares required to be transferred to such account.

10. Distribution of Shareholding at end of the year was as follows:

No. of shares	No. of share holders	%	No. of shares held	%
1-5,000	10,134	79.93	1,81,53,470	8.63
5,001-10,000	1,268	10.00	1,04,13,350	4.95
10,001-20,000	667	5.26	1,00,91,230	4.80
20,001-30,000	181	1.43	47,26,830	2.25
30,001-40,000	92	0.73	32,61,960	1.55
40,001-50,000	91	0.72	42,60,080	2.02
50,001-100,000	127	1.00	90,63,870	4.31
Over 100,000	117	0.93	15,04,35,210	71.49
TOTAL	12,677	100.00	21,04,06,000	100.00

11. Categories of Shareholding at end of the year was as follows:

Category	No. of share holders	%	No. of shares held	%
Clearing Member	51	0.40	50,585	0.24
Corporate Bodies	213	1.68	6,60,724	3.14
NRI	151	1.19	3,07,237	1.46
Promoters	14	0.11	1,14,89,370	54.61
Public	12,248	96.62	85,32,684	40.55
TOTAL	12,677	100.00	21,04,06,00	100.00

12. Share holding Pattern of Company:

Sl. No.	Category	No. of Holders	No. of Shares	% to paid up Capital
1	Promoters Holding			
	a) Indian Promoters	14	1,1489,370	54.61
	b) Foreign Promoters	Nil	Nil	Nil
2	Residents (Clearing Members)	51	50,585	0.24
3	Financial Institutions/Insurance Co. / State Govt./Govt. Companies/UTI	0	0	0

4	Foreign Institutional Investors			
5	Non-Resident Indians / OCB / Corporate Bodies - Foreign / Bank - Foreign / Foreign Nationals/ Foreign Port Folio Investor-corporate	151	3,07,237	1.46
6	Corporate Bodies/ Limited Liability Partnership	213	6,60,724	3.14
7	Mutual Funds/ Trusts/ Banks	Nil	Nil	Nil
8	Residents (Indian Public)	12,248	85,32,684	40.55
9	Others (GDR/ADR Etc)	0	0	0
Total		12,677	2,10,40,600	100.00

13. List of Top Ten Shareholders of the Company as on March 31, 2016

Name of the Shareholder	No. of Shares	Percentage (%)
Jasmin Kishor Ajmera	2,79,000	1.33
Inderjeet singh chawla	2,05,480	0.98
Amarjeet Singh Chawla	1,58,150	0.75
Rimpa Nihar Sarkar	1,48,804	0.71
Sai Prasanna Manchineni	2,58,600	1.23
Gulab Rochlani	1,33,000	0.63
Rashesh Doshi	1,11,000	0.53
Jayraj Ashwin Doshi	1,11,000	0.53
Ashwin Doshi	1,14,000	0.54
Kamlesh Punamiya	40,000	0.19
Rajkumar Lohia	88,326	0.42

14. De-materialization of Shares and Liquidity:

78.32% of the total equity capital is held in dematerialized form with NSDL and CDSL as on 31st March, 2016. At the end of the year, there were 67,09,330 equity shares that had been dematerialized, representing 31.89% of the paid up share capital of the Company. The shares of the Company are frequently traded.

15. Share holding of Promoters are in Physical Form.

Particulars	Physical Form	Demat Form
Promoters' Holding	4355020	7134350

16. Outstanding GDR/ADR/Warrants or any convertible Instruments:

The company has not issued these type of securities.

17. Plant Location:

. Manufacturing Units as on 31.03.2016:

Unit-

33/2 Pigdambar, A. B. Road, Rau
Indore (M.P.) 453446, India

18. Investor Correspondence Address:

33/2 A.B Road , Pigdambar, Rau, Indore -453446

Details of Compliance Officer:

Ms. Megha Neema

Company Secretary and Compliance officer

Contact No 0731-4294567

Email ID: megha.ndps@gmail.com

XVII. Other Disclosures:

- a. There were no transactions of material nature with its related parties that may have the potential conflict with the interest of the company at large.
- b. There were no instances of non compliance nor have any penalties imposed by exchange or sebi during the last preceding three years
- c. The Board of directors of the company has adopted and put in place a Whistle Blower Policy and no personnel have been denied access to the audit committee details of vigil mechanism/Whistle Blower Policy are provided in the Directors Report.
- d. The Managing Director and the CFO of the company have certified to the board with regard to the compliance made by them in terms of regulation 17(8) of the Listing Regulations (part B of Schedule II) and the certificate forms part of the Annual Report.
- e. There are no pecuniary relationships or transactions of Non Executive Directors with the company which has potential conflict with the interest of the company at large.
- f. The Internal auditor periodically reports to the Audit Committee.
- g. Financial Statements of the company have been prepared in accordance with the Generally Accepted Accounting Principles in India.
- h. Policy on related party transaction may be accessed on www.alpalabs.in

For and on behalf of the Board of Directors of
ALPA LABORATORIES LIMITED

Paresh Chawla
Managing Director
Pigdamber, Rau, Indore, 12th August 2016

M. S. Chawla
Director

P. C. Shah
Director

Certification Pursuant to Regulation 17 (8) of the Listing Regulations.

We, Paresh Chawla, Managing Director and Bakulesh C. Shah, Chief Financial Officer of Alpa Laboratories Limited, certify that:

1. We have reviewed the financial statements for the year and that to the best of our knowledge and belief:
 - a) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - b) these statements present a true and fair view of the state of affairs of the Company and of the results of operations and cash flows. The financial statements have been prepared in conformity, in all material respects, with the existing Generally Accepted Accounting Principles including Accounting Standards, applicable laws and regulations.
2. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.
3. We accept overall responsibility for establishing and monitoring the Company's internal control system for financial reporting and evaluating its effectiveness. Internal Audit function monitors the internal control system for financial reporting, which encompasses the examination and evaluation of the adequacy and effectiveness. Internal Audit works with all levels of management and Statutory Auditors, and reports significant issues to the Audit Committee of the Board. The Statutory Auditors and Audit Committee are appraised of any corrective action taken or proposed to be taken with regard to significant deficiencies and material weaknesses.
4. We have indicated to the Auditors and to the Audit Committee:
 - a) that there are no significant changes in internal control over financial reporting during the year;
 - b) that there are no significant changes in accounting policies during the year;
 - c) that there are no instances of significant fraud of which we have become aware of and which involve management or other employees who have significant role in the Company's internal control system over financial reporting.

Paresh Chawla
Managing Director

Bakulesh Shah
Chief Financial Officer

Place: Rau, Indore
Date: 12th August, 2016

INDEPENDENT AUDITOR'S REPORT

To the Members of Alpa Laboratories Limited,

Report on the Financial Statements

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

Management's Responsibility for the standalone Financial Statements

2. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with 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; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

3. Our responsibility is to express an opinion on these standalone financial statements based on our audit.
4. 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.
5. 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.
6. An audit involves performing procedures to obtain audit evidence about the amounts and the 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 the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

Opinion

8. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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 31st 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 Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

9. 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 A**" a statement on the matters specified in paragraphs 3 and 4 of the Order.

10. 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 purpose of our audit;
- b. in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of 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 aforesaid standalone financial statements 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 written representations received from the directors as on March 31, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 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 B**".
- 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 explanations given to us:

- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements.
- ii. The Company has made provision as at 31st March, 2016, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For and on behalf of
C H PADLIYA & CO.
Chartered Accountants
Firm's registration number: 003151C

S. C. PADLIYA
Partner
Membership number: 071666

Place: Indore
Date: This 28th Day of May, 2016

“ANNEXURE REFERRED TO IN PARAGRAPH 9 OF OUR REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS AS OF AND FOR THE YEAR ENDED MARCH 31, 2016 OF ALPA LABORATORIES LIMITED”.

- 1) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;
- (b) All the assets have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) The title deeds of immovable properties are held in the name of the company.
- 2) (a) We have been informed that the inventory excluding inventory with third parties (which have been substantially confirmed) has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
- b) The discrepancies noticed on physical verification of the inventory as compared to books records which has been properly dealt with in the books of account were not material.
- 3) (a) The Company has granted unsecured loans to companies covered in the register maintained under Section 189 of the Act. There are no firms /LLPs/ other parties covered in the register maintained under Section 189 of the Act.
 - (i) In respect of the aforesaid loans, the terms and conditions under which such loans were granted are not prejudicial to the Company's interest.
 - (ii) In respect of the aforesaid loans, the schedule of repayment of principal and interest has been stipulated, and the parties are repaying the principal amounts, as stipulated, and also regular in payment of interest as applicable.
 - (iii) In respect of the aforesaid loans, there is no amount which is overdue for more than ninety days.
- 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 section 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) We have broadly reviewed the books of accounts maintained by the Company pursuant to the order of the Central Government for the maintenance of cost records under sub section (1) of section 148 of the Companies Act, 2013 in respect of the products dealt with by the Company and are of the opinion that prima facie the prescribed accounts and record have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.
- 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, 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 March 31, 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 and records of the Company, the dues of there are dues of income tax, sales tax, value added tax which have not been deposited on account of any dispute are as follows:

Sr. No.	Nature of Dues	Amount (Rs. In Lacs)	Related Financial Year	Forum Where dispute is pending.
1.	Value Added Tax	2.68	2002-03	Second appeal filed before MP Appeal Board, Bhopal.
2.	Central Sales Tax	12.28	2002-03	Second appeal filed before MP Appeal Board, Bhopal.
3.	Value Added Tax	14.25	2004-05	Second appeal filed before MP Appeal Board, Bhopal.
4.	Central Sales Tax	19.24	2004-05	Second appeal filed before MP Appeal Board, Bhopal.
5.	Income Tax	21.00	2007-08	Litigation Pending in High Court.
6.	Value Added Tax	134.54	2008-09	First appeal filed with Deputy Commissioner of Sales Tax, Mumbai.
7	Sales Tax	27.77	2010-11	First appeal filed with Deputy Commissioner of Sales Tax, Mumbai.

8) According to the information and explanations provided by the management, Company has neither defaulted in the repayment of dues to banks or financial institution nor has 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) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management. However, other fraud on the Company has been noticed by us as reported under Note No. 36 of the Notes to the Financial Statements for year ended 31st March, 2016.

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;

12) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 4 (xii) of the Order are not applicable to the Company.

13) The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under Accounting Standard (AS) 18, Related Party Disclosures specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

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 him. 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 and hence not commented upon.

For and on behalf of
C H PADLIYA & CO.
Chartered Accountants
Firm's registration number: 003151C

S.C. PADLIYA
Partner
Membership number: 071666

Place: Indore
Date: This 28th Day of May, 2016

“ANNEXURE B” TO THE INDEPENDENT AUDITOR’S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF ALPA LABORATORIES LIMITED

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 ALPA LABORATORIES LIMITED (“the Company”) as of March 31, 2016 in conjunction with our audit of the standalone 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.

Auditors’ 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 March 31, 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.

For and on behalf of
C H PADLIYA & CO.
Chartered Accountants
Firm's registration number: 003151C

S.C. PADLIYA
Partner
Membership number: 071666

Place: Indore

Date: This 28th Day of May, 2016

ALPA LABORATORIES LIMITED

C.I.N.: L85195MP1988PLC004446

Balance Sheet as at 31st March, 2016

(₹ in lacs)

	Note	2016	2015
Equity and Liabilities			
<i>Shareholders' Funds</i>			
(a) Share Capital	1	2,104.06	2,104.06
(b) Reserves and Surplus	2	7,325.91	6,551.95
<i>Non-Current Liabilities</i>			
(a) Other Long Term Liabilities	3	60.42	50.62
<i>Current Liabilities</i>			
(a) Short Term Borrowings	4	2,422.89	2,857.17
(b) Trade Payables	5	1,862.27	902.82
(c) Other Current Liabilities	6	475.65	238.62
(d) Short Term Provisions	7	253.37	125.53
Total Equity and Liabilities		14,504.57	12,830.78
Assets			
<i>Non-Current Assets</i>			
(a) Fixed Assets	8		
(i) Tangible Assets		452.71	479.64
(ii) Capital Work in Progress		0.49	7.36
(b) Non current Investment	9	2,212.89	1,011.00
(c) Deferred tax assets (net)	31	5.21	9.35
(d) Long Term Loans and Advances	10	250.40	56.42
<i>Current Assets</i>			
(a) Inventories	11	1,499.81	751.74
(b) Trade Receivables	12	3,426.49	2,447.79
(c) Cash and Bank Balances	13	3,476.21	7,212.87
(d) Short Term Loans and Advances	14	2,932.70	697.21
(e) Other Current Assets	15	247.66	157.39
Total Assets		14,504.57	12,830.78
The notes form an integral part of these financial statements			

We authenticate the correctness of the above
For and on behalf of the Board of
ALPA LABORATORIES LIMITED
C.I.N.: L85195MP1988PLC004446

As Per Our Report of Even Date Attached
For and on behalf of
C.H. PADLIYA & CO.
Chartered Accountants
Firm Registration No. : 003151C

PARESH CHAWLA **M.S. CHAWLA** **B.C. SHAH** **MEGHA NEEMA** **S.C. PADLIYA**
Managing Director Director C.F.O. Company Secretary Partner
D.I.N.: 00520411 D.I.N.: 00362058

Membership No. : 071666

Place: Pigdamber, Rau, Indore

Dated: This 28th Day of May, 2016

ALPA LABORATORIES LIMITED

C.I.N.: L85195MP1988PLC004446

Statement Of Profit & Loss for year ended 31st March, 2016

(₹ in lacs)

	Note	For the Year ended 31 st March, 2016	For the Year ended 31 st March, 2015
Income			
(a) Revenue from Operations	16	5,350.20	5,739.39
(b) Other Income	17	609.22	278.81
Total Income		5,959.43	6,018.20
Expenditure			
(a) Cost of Materials Consumed	18	3,186.14	3,517.62
(b) Manufacturing and Operating Cost	19	284.10	391.18
(c) Changes in Inventories of Finished Goods, Work in Process and Stock in Trade	20	(398.32)	92.24
(d) Employee Benefits Expense	21	717.45	763.15
(e) Finance Costs	22	144.62	170.23
(f) Depreciation and Amortization Expense	8	83.09	606.60
(g) Other Expenses	23	879.25	633.44
Total Expenses		4,896.33	6,174.45
Profit before Extraordinary Items and Tax		1,063.10	(156)
Less: Loss On Slump Sale of Pithampur Unit		-	(115)
		1,063.10	(271.08)
Profit Before tax		1,063.10	(271.08)
Add/(Less): Current Tax	24	(285.00)	-
Add/(Less): Deferred Tax (Net)		(4.14)	131.41
Profit/(Loss) for the period		773.96	(139.68)
Earnings per share of face value of ₹ 10 each			
Basic and Diluted (in ₹)		3.68	(0.66)
The notes form an integral part of these financial statements			

We authenticate the correctness of the above
For and on behalf of the Board of
ALPA LABORATORIES LIMITED
C.I.N.: L85195MP1988PLC004446

As Per Our Report of Even Date Attached
For and on behalf of
C.H. PADLIYA & CO.
Chartered Accountants
Firm Registration No. : 003151C

PARESH CHAWLA **M.S. CHAWLA** **B.C. SHAH** **MEGHA NEEM**
Managing Director Director C.F.O. Company Secreta
D.I.N.: 00520411 D.I.N.: 00362058

S.C.PADLIYA
Partner
Membership No. : 071666

Place: Pigdamber, Rau, Indore

Dated: This 28th Day of May, 2016

ALPA LABORATORIES LIMITED

C.I.N.: L85195MP1988PLC004446

Cash Flow Statement for year ended 31st March, 2016

(₹ in lacs)

	For the Year ended 31 st March, 2016	For the Year ended 31 st March, 2015
A. Cash Flow from Operating Activities		
Profit/ Loss before tax	1,063.10	(271.08)
<i>Adjustments for:</i>		
Depreciation and Amortization Expense	83.09	606.60
Interest Expense	127.52	150.08
Bad Debts Written Off	231.22	80.91
(Profit)/Loss on Disposal of Fixed Assets	0.63	35.36
Interest Income/ Divident income	(554.62)	(253.74)
Operating Profit Before Working Capital Changes	950.94	348.13
<i>Adjustments for:</i>		
Decrease/ (Increase) in Trade Receivable	(1,209.91)	(520.69)
Decrease/ (Increase) in Loans & Advances & Other Current Assets	(2,519.74)	(202.07)
Decrease/ (Increase) in Inventories	(748.07)	548.70
Increase/ (Decrease) in Current Liabilities & Provision	1,324.32	(357.61)
Increase/ (Decrease) in Long Term Liabilities	13.94	(131.41)
Cash Generated from Operations	(2,188.54)	(314.93)
Income Tax	289.14	131.41
Net Cash Generated by Operating Activities	(2,477.67)	(183.53)
B. Cash Flow from Investing Activities		
<i>Inflow:</i>		
Investment in various securities		4,616.17
Interest Received	554.62	253.74
<i>Outflow:</i>		
Purchase of Long Term Investments	(1,202.52)	(1,011.00)
Purchase of Tangible Assets	(49.28)	(116.54)
Net Cash Used in Investing Activities	(697.19)	3,742.37
C. Cash Flow from Financing Activities		
<i>Inflow:</i>		
Proceeds from Short Term Borrowings	(434.28)	1,252.03
<i>Outflow:</i>		
Repayment of Long Term Borrowings		(420.07)
Interest Paid	(127.52)	(150.08)
Net Cash Generated by Financing Activities	(561.80)	681.88
D. Net Increase/(Decrease) In Cash and Cash Equivalents	(3,736.66)	4,240.72
E. Cash and Cash Equivalents as at the beginning of the year	5,272.87	1,032.15
F. Cash and Cash Equivalents as at the end of the year	1,536.21	5,272.87
G. Cash and Cash Equivalents as at the end of the year comprise of		
Cash & Bank Balances as per the Balance Sheet	3,476.21	7,212.87
(Less) Deposits Lodged towards Security Deposit & Margin Money against Bank Guarantees	(1,940.00)	(1,940.00)
	1,536.21	5,272.87

Notes:

- Figures in brackets indicate cash outgo.
- The above Cash Flow Statement has been prepared under the indirect method set out in AS-3 notified under section 133 of the Companies Act, 2013.
- The notes to accounts form an integral part of the Cash Flow Statement.

We authenticate the correctness of the above
For and on behalf of the Board of
ALPA LABORATORIES LIMITED
C.I.N.: L85195MP1988PLC004446

As Per Our Report of Even Date Attached
For and on behalf of
C.H. PADLIYA & CO.
Chartered Accountants
Firm Registration No. : 003151C

PARESH CHAWLA
Managing Director
D.I.N.: 00520411

M.S. CHAWLA
Director
D.I.N.: 00362058

B.C. SHAH
C.F.O.

MEGHA NEEMA
Company Secretary

S.C. PADLIYA
Partner
Membership No. : 071666

Place: Pigdamber, Rau, Indore

Dated: This 28th Day of May, 2016

ALPA LABORATORIES LIMITED

C.I.N.: L85195MP1988PLC004446

Notes to the Financial Statements for year ended 31st March, 2016

(₹ in lacs)

1. Share Capital	2016	2015
Authorized Capital		
2,50,00,000 Equity Shares of ₹ 10 Each (Previous Year 2,50,00,000 Equity Share of ₹ 10/- Each)	2,500.00	2,500.00
Issued Capital		
2,15,60,000 Equity Shares of ₹ 10 Each (Previous year 2,15,60,000 Equity Shares of ₹ 10/- Each)	2,156.00	2,156.00
Subscribed and Paid Up Capital		
2,10,40,600 Equity Shares of ₹ 10 Each (Previous year 2,10,40,600 Equity Shares of ₹ 10/- each)	2,104.06	2,104.06
Total Share Capital	2,104.06	2,104.06

• Terms and Rights attached to Equity Shares.

The Company has only one class of equity shares having a par value of ₹ 10 per share. Each Shareholder is eligible for one vote per share. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company, af

• Detail of Shareholders holding more than 5% of total subscribed shareholding

Name of Shareholders	2016	2016	2015	2015
	Quantity	%	Quantity	%
Mahendra Singh Chawla	29,73,920	14.13	13,66,600	6.50
Paresh Chawla	30,44,980	14.47	6,34,000	3.01
Pravin C. Shah	11,00,580	5.23	11,00,580	5.23

Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting Period:

Particulars	Opening Balance	Fresh Issue	Closing Balance
<i>A. Equity shares with voting rights</i>			
As at 31st March, 2016			
- Number of Shares	2,10,40,600	-	2,10,40,600
- Amount (in ₹)	2,104.06	-	2,104.06
As at 31st March, 2015			
- Number of Shares	2,10,40,600	-	2,10,40,600
- Amount (in ₹)	2,104.06	-	2,104.06

(₹ in lacs)

2. Reserves and Surplus	2016	2015
(a) Share Premium	5,496.05	5,496.05
<i>(b) Surplus/(Deficit) in Statement of Profit and Loss</i>		
Opening Balance	1,055.90	1,230.45
Less: Additional Depreciation pursuant to enactment of Schedule II of the Companies Act, 2013 (Refer Note 35)	-	(34.88)
Add: Profit/(Loss) for the year	773.96	(139.68)
Closing Balance	1,829.86	1,055.90
Total Reserve and Surplus	7,325.91	6,551.95

(₹ in lacs)		
3. Other Long Term Liabilities	2016	2015
Trade/ Security Deposits received	60.42	50.62
Total Other Long Term Liabilities	60.42	50.62

(₹ in lacs)		
4. Short Term Borrowings	2016	2015
<i>Secured</i>		
Working Capital Loans from Banks	2,422.89	2,857.17
Total Short Term Borrowings	2,422.89	2,857.17

Security Provided:

Working Capital Loans from banks are secured by way of hypothecation of present and future stock of raw material, finished goods, stock in process consumables, stores & spares, packing material, book debts and bank deposits.

(₹ in lacs)		
5. Trade Payables	2016	2015
Micro, Small and Medium Enterprises	326.96	122.19
Others	1,535.31	780.63
Total Trade Payables	1,862.27	902.82

Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006*

Particulars	2016	2015
(i) Principal amount due and remaining unpaid as at the end of the acctg. year	326.96	122.19
(ii) Interest due thereon remaining unpaid as at the end of the accounting year	-	-
(iii) Amount of int. paid along with payment made beyond the appointed day	-	-
(iv) The amount of interest due and payable for the year	-	-
(v) The amount of interest accrued and remaining unpaid	-	-
(vi) The amount of further interest due and payable even in the succeeding year, until such	-	-

*The above information has been determined to the extent such parties could be identified on the basis of the information available with the Company regarding the status of suppliers under the MSME.

(₹ in lacs)		
6. Other Current Liabilities	2016	2015
(a) Statutory remittances (Contributions to PF and ESIC, Withholding Taxes, Excise Duty, VAT, Service Tax, etc.)	11.27	8.72
(b) Payables on purchase of fixed assets	-	0.55
(c) Advances from customers	352.79	118.29
(d) Other payables *	111.60	111.06
Total Other Current Liabilities	475.65	238.62

* Includes security deposits of employees, salary and allowance payable to employees, employees contribution payable to PF, ESIC, etc and other miscellaneous expenses payable.

	(₹ in lacs)	
7. Short Term Provisions	2016	2015
(a) Provision for employee benefits	37.25	26.50
(b) Provision for Income Tax (net of advance tax ` 211.066 lacs(As at 31 March, 2015 - Nil))	73.93	-
(c) Provision for litigation/dispute*	76.74	-
(d) Other provisions	65.45	99.03
Total Short Term Provisions	253.37	125.53

* Provision for litigation/dispute represents claims against the Company that are expected to materialise in respect of matter of litigation.

(₹ in lacs)

8. Fixed Assets											
ASSET	GROSS BLOCK			DEPRECIATION						NET BLOCK	
	As At 01 Apr 2015	Additions	Deletions	As At 31 Mar 2016	Up To 31 Mar 2015	Retained Earnings (Refer Note No. 35)	For the Year 2015-2016	Deductions	Up To 31 Mar 2016	As At 31 Mar 2016	As At 31 Mar 2015
(i) Tangible Assets											
Land and Site Development	13.42	-	-	13.42	-	-	-	-	-	13.42	13.42
Building	489.14	-	-	489.14	380.31	-	9.81	-	390.12	99.02	108.83
Plant and machinery	1,324.43	4.96	-	1,329.39	1,078.48	-	41.05	-	1,079.36	209.86	245.96
Furniture and Fixtures	32.33	16.10	-	48.44	20.32	-	5.17	-	21.04	22.95	12.02
Computers	26.24	1.98	-	28.22	23.99	-	1.43	-	42.91	2.81	2.25
Vehicles	5.92	6.97	-	12.88	1.28	-	3.08	-	42.33	8.52	4.64
Utility	175.37	-	-	175.37	149.74	-	2.01	-	154.91	23.62	25.63
Electrical Installation	171.40	-	-	171.40	163.23	-	0.72	-	164.66	7.45	8.17
QC and Lab Equipment	157.50	25.84	-	183.33	100.86	-	18.92	-	103.94	63.55	56.64
Office Equipment	10.41	0.30	-	10.71	8.32	-	0.88	-	10.33	1.51	2.09
Total Tangible Assets	2,406.17	56.15	-	2,462.32	1,926.53	-	83.09	-	2,009.61	452.71	479.64
(ii) Capital Work In Progress											
Capital Work-in-Progress	7.36	0.49	7.36	0.49	-	-	-	-	-	0.49	7.36
Total	2,413.53	56.64	7.36	2,462.81	1,926.53	-	83.09	-	2,009.61	453.20	487.00
Previous Year	10,200.98	116.54	7,903.99	2,413.53	2,889.55	52.84	606.60	1,622.46	1,926.53	487.00	7,311.43

(₹ in lacs)

9. Non Current Investment	2016	2015
Investments (At cost, unquoted)		
<i>A. Trade</i>		
(a) Investment in equity instruments		
(i) of subsidiaries		
20,000, (As at 31 March, 2015: 0.1) shares of ₹ 10 each fully paid up in Norfolk Mercantile Private Limited	2.00	1.00
(b) Investment in preference shares		
(i) of subsidiaries		
26,00,000 (As at 31 March, 2015: Nil) 6% Redeemable, Non- Cumulative, Optionally Convertible Preference shares of ₹ 10 each fully paid up in Norfolk Mercantile Private Limited	260.00	-
(c) Investment in debentures or bonds		
(i) of subsidiaries		
1,0,10, (As at 31 March, 2015: 1010) Compulsory Convertible Unsecured Debentures of ₹ 1lac each Norfolk Mercantile Private Limited	1,010.00	1,010.00
(d) Investment in Limited Liability Partnership		
(i) Seabright Landmark Project LLP	130.55	-
(e) Investment in Mutual Funds (Quoted) (Units of ₹ 10 each unless otherwise specified) (Refer Note No. 37)		
i) 1,32,442.82 (As at 31 March 2015: NIL) Units of Axis Equity Fund-Dividend Plan (NAV ₹ 17.47 Lacs)	19.30	-
ii) 1114.058 (As at 31 March 2015: NIL) Units of Axis Equity Fund-Growth Plan (NAV ₹ 0.20 Lacs)	0.21	-
iii) 10,00,000 (As at 31 March 2015: NIL) Unit of Axis Equity Saver Fund (NAV ₹ 98.70 Lacs)	100.00	-
iv) 58,104.81 (As at 31 March 2015: NIL) Units of Birla Sun Life 95-Dividend Plan (NAV ₹ 75.85 Lacs)	86.50	-
v) 38.338 (As at 31 March 2015: NIL) Units of Birla Sun Life 95 Growth Plan (NAV ₹ 0.21 Lacs)	0.21	-
vi) 1,39,257.91 (As at 31 March 2015: NIL) Units of Birla Sunlife Top 100 Dividend Plan (NAV ₹ 21.42 Lacs)	24.40	-
vii) 499.72 (As at 31 March 2015: NIL) Units of Birla Sunlife Top 100 Growth Plan (NAV ₹ 0.20 Lacs)	0.21	-
viii) 62,950.79 (As at 31 March 2015: NIL) Units of Franklin High Growth Companies Dividend Plan (NAV ₹ 13.21 Lacs)	15.30	-
ix) 728.562 (As at 31 March 2015: NIL) Units of Franklin High Growth Companies Growth Plan (NAV ₹ 0.20 Lacs)	0.21	-
x) 443266.16 (As at 31 March 2015: NIL) Units of Franklin India Balance Dividend Plan (NAV ₹ 95.45 Lacs)	101.50	-
xi) 239.355 (As at 31 March 2015: NIL) Units of Franklin India Balance Growth Plan (NAV ₹ 0.22 Lacs)	0.21	-
xii) 33.105 (As at 31 March 2015: NIL) Units of Franklin India Prima Growth Plan (NAV ₹ 0.21 Lacs)	0.21	-

xiii) 71.540 (As at 31 March 2015: NIL) Units of Franklin India Prima Plus Dividend Plan (NAV ₹ 23.74 Lacs)	25.50	-
xiv) 11075.48 (As at 31 March 2015: NIL) Units of Franklin India Prima Plus Dividend Plan (NAV ₹ 3.68 Lacs)	4.00	-
xv) 1,70,973.04 (As at 31 March 2015: NIL) Units of HDFC Balanced Fund Dividend Plan (NAV ₹ 43.70 Lacs)	46.25	-
xvi) 197.79 (As at 31 March 2015: NIL) Units of HDFC Balanced Fund Growth Plan (NAV ₹ 0.21 Lacs)	0.21	-
xvii) 843.035 (As at 31 March 2015: NIL) Units of ICICI Prud. Balanced Adv. Fund Growth Plan (NAV ₹ 0.22 Lacs)	0.21	-
xviii) 6,43,089.08 (As at 31 March 2015: NIL) Units of ICICI Prud. Balanced Adv. Fund Divident on maturity Plan (NAV ₹84.50 Lacs)	86.50	-
xix) 3,27,056.48 (As at 31 March 2015: NIL) Units of ICICI Prud. Balanced Fund Dividend Plan (NAV ₹ 69.13 Lacs)	73.75	-
xx) 234.009 (As at 31 March 2015: NIL) Units of ICICI Prud. Balanced Fund Growth Plan (NAV ₹ 0.22 Lacs)	0.21	-
xxi) 1,87,205.99 (As at 31 March 2015: NIL) Units of Tata balance Fund Dividend on maturity Plan (NAV ₹ 117.10 Lacs)	127.00	-
xxii) 127.614 (As at 31 March 2015: NIL) Units of Tata balance Fund Growth Plan (NAV ₹ 0.21 Lacs)	0.21	-
xxiii) 982.23 (As at 31 March 2015: NIL) Reliance Yield maximiser AIF of ₹ 10,000 each	98.23	-
Total Non-current Investment	2,212.89	1,011.00

Aggregate amount of unquoted investments	1,501	1,011
Aggregate amount of quoted investments	712.10	-
Aggregate market value of listed and quoted investments	66.61	-
		(₹ in lacs)

10. Long Term Loans and Advances	2016	2015
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Unsecured, Considered Good

(a) Security deposits	68.79	56.42
(b) Inter- corporate deposits	181.61	-

Total Long Term Loans and Advances

250.40	56.42
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Details of Loans given covered u/s 186 (4) of the Companies Act, 2013:

Name of the Company	Amount Outstanding as at 31.03.2016	Amount Outstanding as at 31.03.2015
Mantram Technofeb Pvt. Ltd.	30.51	-
Pawan Shree Food International Pvt. Ltd.	100.00	-
Shri Krishna Devecon Ltd. Indore	35.71	-
Sky Earth Developer Pvt. Ltd. Indore	15.38	-

All the above loans and advances have been given for business purposes.

	(₹ in lacs)	
11. Inventories	2016	2015
(a) Raw materials	731.91	384.83
(b) Work-in-progress	80.81	41.77
(c) Finished goods (other than those acquired for trading)	669.43	310.15
(d) Analytical Materials	17.65	14.99
Total Inventories	1,499.81	751.74

Details of Raw Materials:

Particulars	2016	2015
Drugs & Chemicals	479.66	246.98
Packing Materials	252.25	137.85
Total	731.91	384.83

Details of Work in Progress:

	2016	2015
Injection	19.65	28.22
Tablets & Capsules	34.75	12.00
Ointment & Cream	5.23	1.40
Eye/Ear Drops	7.58	0.15
Dry Powder	13.60	-
Total	80.81	41.77

Details of Finished Goods:

	2016	2015
Liquid Injection	176.94	198.80
Dry Powder Injection	190.04	61.58
Tablets	173.90	40.61
Capsules	13.09	0.48
Ointment	115.46	8.67
Total	669.43	310.15

Details of Analytical Materials:

	2016	2015
GC Columns	3.44	2.42
HPLC Columns	14.21	12.56
Total	17.65	14.99

	(₹ in lacs)	
12. Trade Receivables	2016	2015
<i>Trade receivables outstanding for a period exceeding six months from the date they were due for payment</i>		
Unsecured, considered good	958.82	579.84
Doubtful	78.85	31.40
<i>Other Trade receivables</i>		
Unsecured, considered good	2,388.81	1,836.48
Doubtful	-	0.08
Total Trade Receivables	3,426.49	2,447.79

	(₹ in lacs)	
13. Cash and Bank Balances	2016	2015
(a) <i>Cash and Cash Equivalents</i>		
(i) Cash on Hand	18.35	2.54
(ii) Balances with Banks	12.86	2,120.34
(b) <i>Other Bank Balances</i> *		
(i) In Deposit Accounts	3,445.00	5,090.00
Total Cash and Bank Balances	3,476.21	7,212.87

* Other Bank Balances include margin monies amounting to ₹4,45, lac (As at 31st March, 2015 - ₹4,45 lac) which have an original maturity of more than 12 months.

	(₹ in lacs)	
14. Short Term Loans and Advances	2016	2015
(Unsecured and Considered Good)		
(a) Loans and advances to related parties	707.79	-
(b) Security Deposits	13.20	5.86
(c) Loans and Advances to Employees	3.50	10.31
(d) Prepaid Expenses	6.30	1.77
(e) Balances with Government Authorities	276.73	304.93
(f) Advances for Goods & services to be received	1,015.33	145.00
(h) Advance for Capital Goods	909.85	229.35
Total Short Term Loans and Advances	2,932.70	697.21

Short-term loans and advances include amounts due from:

	2016	2015
Private companies in which any director is a director or member	707.79	-

Details of Loans and Advances in the nature of Loans to Subsidiaries:

Name of the Company	Amount Outstanding as at 31.03.2016	Maximum Balance during the year	Amount Outstanding as at 31.03.2015	Maximum Balance during the year
Norfolk Mercantile Private Limited	707.79	707.79	-	-

All the above loans and advances have been given for business purposes.

	(₹ in lacs)	
15. Other Current Assets	2016	2015
(a) Interest Accrued on Deposits	14.94	26.20
(b) Interest accrued on Investments	81.81	-
(c) Duty Drawback Receivable	2.88	9.90
(d) Refund Receivable against Rebate Claim of Duty	136.72	118.26
(e) DEPB Stock	0.91	2.18
(f) Other Receivable	10.40	0.85
Total Other Current Assets	247.66	157.39

	(₹ in lacs)	
16. Revenue from Operations	2016	2015
(a) Sale of Products	5,459.27	5,632.69
(b) Sale of Services	214.47	479.66
(c) Other Operating Revenues	72.49	68.78
	5,746.23	6,181.13
Less: Excise Duty/ Service Tax Recovered	396.03	441.74
Total Revenue from Operations	5,350.20	5,739.39

Details of Sale of Products (Excluding Excise Duty)	2016	2015
Liquid Injection	2,163.04	2,217.16
Dry Powder Injection	1,474.76	1,511.65
Tablets	1,017.26	1,042.71
Capsules	139.58	143.07
Ointments	274.33	281.19
Total	5,068.96	5,195.79

Details of Sale of Services (Excluding Service Tax)	2016	2015
Analytical Charges	41.07	39.09
Conversion & Packing Charges	167.68	435.74
Formulation Development		
TOTAL	208.75	474.82

Details of Other Operating Revenues	2016	2015
Sale of Scrap	1.57	3.02
Duty Drawback and Other Export Incentives	66.27	60.66
Other Revenues	4.65	5.10
TOTAL	72.49	68.78

	(₹ in lacs)	
17. Other Income	2016	2015
(a) <i>Interest Income</i>		
(i) Interest from Banks	379.66	253.74
(ii) Interest on Long Term Investments	99.72	-
(iii) Interest on Loans & Advances	14.51	-
(iv) Interest from Others	2.09	2.02
(b) Dividend Income from Long term Investments	58.64	-
(c) Net Gain on Foreign Currency Transactions and Translation	47.14	11.24
(d) Compensation Received on Cancellation of Agreement	-	0.98
(e) Other Non-Operating Income	7.47	10.83
Total Other Income	609.22	278.81

	(₹in lacs)	
18. Cost of Materials Consumed	2016	2015
Opening stock	384.83	817.74
Add: Purchases	3,533.22	3,084.71
Less: Closing stock	731.91	384.83
Total Cost of Materials Consumed	3,186.14	3,517.62

Imported and Indigenous Raw Materials Consumed

Particulars	2016		2015	
	Value	%	Value	%
Imported	15.40	0.48	40.59	1.15
Indigenous	3,170.74	99.52	3,477.03	98.85
TOTAL	3,186.14	100.00	3,518	100.00

Detail of Raw Materials Consumed

	2016	2015
Drugs & Chemicals	2,470.39	2,494.57
Packing Material	715.75	1,023.04
TOTAL	3,186.14	3,517.62

	(₹in lacs)	
19. Manufacturing and Operating Cost	2016	2015
Power and Fuel	149.30	179.87
Repairs to Buildings	3.04	22.22
Repairs to Machinery	47.53	53.82
Analytical Expenses	43.97	71.34
Other Manufacturing and Operating expenses	40.26	63.93
Total Manufacturing and Operating Cost	284.10	391.18

	(₹in lacs)	
20. Changes in Inventories of Fin. Goods, Work in Process	2016	2015
<u>Inventories at the end of the year:</u>		
Finished goods	669.43	310.15
Work-in-progress	80.81	41.77
	750.24	351.92
<u>Inventories at the beginning of the year:</u>		
Finished goods	310.15	377.75
Work-in-progress	41.77	66.41
	351.92	444.15
Total Changes in Inventories of Fin. Goods, Work in Process	398.32	(92.24)

	(₹ in lacs)	
21. Employee Benefits Expense	2016	2015
Salaries and Wages	652.94	723.97
Contribution to Provident and Other Funds	59.07	32.47
Staff Welfare Expenses	5.45	6.70
Total Employee Benefits Expense	717.45	763.15

The Company makes Provident Fund contributions under defined contribution plans for qualifying employees. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognized ₹

	(₹ in lacs)	
22. Finance Costs	2016	2015
(a) Interest Expense on:		
(i) Borrowings	123.89	149.90
(ii) Others	3.62	0.19
(b) Other Borrowing Costs	17.11	20.14
Total Finance Costs	144.62	170.23

	(₹ in lacs)	
23. Other Expenses	2016	2015
Rent including Lease Rentals	14.32	8.17
Repairs and Maintenance (Others)	0.40	1.88
Insurance	3.03	3.52
Rates and Taxes	101.23	20.96
Communication	10.27	12.13
Traveling and Conveyance	127.74	137.19
Printing and Stationery	11.32	9.06
Freight and Forwarding	155.61	101.18
Commission On Sales	75.00	110.00
Business Promotion	29.15	28.52
Sales Discount	13.02	13.82
Donations and Contributions	0.56	0.79
Legal and Professional	99.02	118.34
Liquidated Damages, Testing and LSP Charges	4.99	13.95
Membership & Subscription	3.02	1.27
Payments to Auditors	3.99	2.97
Bad Trade and Other Receivables, Loans and Advances written off	231.22	80.91
Loss from LLP (Sea bright)	0.05	
Prior Period Items (net)	(32.66)	(52.07)
Loss on Sale of Investment	0.63	-
Miscellaneous Expenses	27.32	20.84
Total Other Expenses	879.25	633.44

Payment to Auditors Comprise	2016	2015
As Auditors – Statutory Audit	2.40	2.40
For Other Services	1.59	0.57
TOTAL	3.99	2.97

Prior Period Items (net) Represent	2016	2015
Debits Relating to Earlier Years	24.44	16.34
Credits Relating to Earlier Years	(57.11)	(68.41)
TOTAL	(32.66)	(52.07)

(₹ in lacs)

24. Current Tax	2016	2015
Current tax	285.00	-
Total Current Tax	285.00	-

	(₹ in lacs)	
25. Value of Imports on C.I.F. Basis	2016	2015
Raw Materials and Stock-in-Trade	301.62	511.75
Capital Goods	15.02	28.35
Total Value of Imports on C.I.F. Basis	316.64	540.11

	(₹ in lacs)	
26. Expenditure in Foreign Currency	2016	2015
Legal & Professional and Consultation fees	-	80.87
Bank Charges	3.10	2.25
Travelling Expenses	6.63	4.67
Total Expenditure in Foreign Currency	9.73	87.78

	(₹ in lacs)	
27. Earnings in Foreign Currency	2016	2015
Export of Goods Calculated on FOB Basis	1,811.13	1,689.79
Total Earnings in Foreign Currency	1,811.13	1,689.79

	(₹ in lacs)	
28. Details of Leasing Arrangements	2016	2015
<i>As Lessee (operating lease)</i>		
The Company has entered into operating lease arrangements for certain facilities and office premises.		
A. Future minimum lease payments		
- not later than one year	-	-
B. Lease Payments recognized in the Statement of Profit and Loss	14.32	6.66

	(₹ in lacs)	
29. Government Grants	2016	2015
<u>Government Grants Received by the Company during the Year towards</u>		
- Export Benefits	66.27	60.66
Total Government Grants	66.27	60.66

30. Related Party Disclosures

A. Relationships:

i. Subsidiary Companies

- a. Norfolk Mercantile Private Limited

ii. Key Management Personnel

- | | | |
|------------------|----------------|-----------------|
| a. Paresh Chawla | b. M.S. Chawla | e. P.R. Patel |
| c. P.C. Shah | d. B. C. Shah | f. Jayesh Patel |

iii. Relatives of Key Management Personnel and their enterprises where transactions have taken place

- | | | |
|-----------------|----------------------------------|---------------|
| a. Shitul Shah | b. Vinit Shah | c. Rupal Shah |
| d. Nayana Patel | e. Fortress Mercantile Pvt. Ltd. | |

(₹ in lacs)

B. Transactions carried out with related parties referred to in A above, in the ordinary course of business:

Nature of Transactions		Referred in	Referred in
		A.i. above	A. ii,iii. above
Expenses			
Remuneration		-	52.20
		(P.Y. - Nil)	(P.Y. - 79.20)
Salary		-	54.00
		(P.Y. - Nil)	(P.Y. - 66)
Income			
Interest Income		98.44	-
		(P.Y. - Nil)	
Assets			
<i>Investments</i>			
Investments made		262.00	1.00
		(P.Y. - 1011.00)	(P.Y. - Nil)
<i>Finance</i>			
Loan and Advances given		701.00	-
		(P.Y. - Nil)	(P.Y. - Nil)
Liabilities			
Payable		-	7.28
		(P.Y. - Nil)	(P.Y. - 12.79)
Receivable		790	-
		(P.Y. - Nil)	(P.Y. - 2.12)
Investment		1,274.00	-
		(P.Y. - 1011.00)	(P.Y. - Nil)

C. Disclosures in respect of material transactions with related parties during the year. (Included in B. above)

Nature of income/ expences/liabilities/assets	2016	2015
Expenses		
<i>Remuneration</i>		
PC Shah	25.20	25.20
MS Chawla	27.00	27.00
PR Patel	-	27.00
<i>Salary</i>		
Paresh Chawla	27.00	27.00
BC Shah	16.20	16.20
Jayesh Patel	-	27.00
Income		
<i>Interest</i>		
Norfolk Mercantile Private Limited	98.43	-
Assets		
<i>Investment</i>		
Norfolk Mercantile Private Limited	262.00	(-)
<i>Loan and Advances given</i>		
Norfolk Mercantile Private Limited	701.00	(-)
		(₹ in lacs)
31. Deferred Tax	2016	2015

The Company has recognized deferred tax arising on account of timing differences being the difference between the taxable income and accounting income, that originates in one period and is capable of reversal in one or more subsequent period in compliance

The Major Components of deferred tax (assets)/liabilities arising on account of timing differences are as follows:

Tax effect of items constituting deferred tax liability

- on difference between book balance and tax balance of fixed assets

-

Tax effect of items constituting deferred tax asset

- on difference between book balance and tax balance of fixed assets

5.21

9

Total Deferred Tax (asset)/Liabilities

5.21

9

(₹ in lacs)

32. Contingent Liabilities & Commitments (to the extent not provided for)

	2016	2015
a. Bank Guarantees been given to various government departments for tenders for supply of medicines.	22.37 lacs	31.00 lacs
b. Liability in respect of arbitration proceedings (Refer Note No. 38)	3927.64 Lacs	3927.64 Lacs

c. Disputed demands before relevant authorities :	2016	2015
Value Added Tax	151.47 Lacs	16.93 Lacs
Central Sales Tax	31.52 Lacs	32.62 lacs
Sales Tax	27.77 Lacs	-
Income Tax	21.00 Lacs	21.00 Lacs

33. Court Case has been filed against Innovec Laboratories Private Limited (Medicare Nagpur) for ₹28,94,502 (Previous Year- ₹28,94,502) for recovery of outstanding amounts.

34. Segment Reporting

a. As the Company operates in the single segment of Drugs and Chemicals which is the Primary Reportable Segment as per Accounting Standard (AS-17) "Segment Reporting" issued by the Institute of Chartered Accountants of India, no separate disclosure perta

b. The secondary segment based on geographical segmentation is considered to be business Outside India and Within India.

Detail of geographical segments based on location of the customers	2016		2015	
	Value	%	Value	%
Outside India	1,843.04	34.45%	1,716.32	29.90%
Within India	3,507.16	65.55%	4,023.07	70.10%
Total	5,350.20	100.00%	5,739.39	100.00%

36. A fraud has been committed against the Company by encashing a sum of ₹9,54,391 in the name of Mahalaxmi Enterprises from the bank account of the Company maintained with Bank of Baroda, A.B. Road, Indore. The Company had represented his case with the bank for reimbursement of the said amount fraudulently debited to its account through cheque number 015670 dated 16.05.2015 as the original instrument of the cheque was already in the possession of the Company. Simultaneously, Company has also filed FIR with the Mansaur Police. Till date the matter has not been resolved neither by the bank nor by the police authorities, therefore said amount has been considered as other receivable and disclosed accordingly in the financial statements.

37. During the financial year on 20.07.2015 a survey under section 133(6) of the Income Tax Act was conducted by the Income tax officials in which the Company had agreed to declare an additional income of ₹3.00 cr for the Assessment year 2016-17 and has also deposited advance tax on such additional income of 1.05 cr.

38. During the previous year, Ranbaxy Laboratories Limited (Petitioner) filed a Petition in the High Court at New Delhi to prevent the Company from selling its Unit-II division at Pithampur. To expedite the disposing of the said petition, the Company agreed to enter into arbitration proceedings with the Petitioner and furnish a bank guarantee to the tune of ₹300 lacs in the name of the Petitioner which shall remain live till the final disposal of the arbitration proceedings. The Honorable High Court was pleased to dispose of the petition without restricting the Company from selling its Unit-II division and appointing an arbitrator to settle the claims and counter claims made by the parties against each other. The Company is of the view, supported by legal opinion, that no provision is required to be made in the accounts as it expects favorable outcome of the arbitration proceedings and hence adjustments, if any, will be recorded by the Company on final outcome of the matter.

39. The Company had invested during the F. Y. 2014-15 in the unsecured debentures issued by its Wholly Owned Subsidiary "Norfolk Mercantile Private Limited" amounting to ₹10,10,00,000 for the purpose of meeting the working capital requirements and capital/investment requirement of the Company on the following terms and conditions:

- The debentures shall compulsorily be converted into fully paid shares of the Company.
- The debentures shall have a term of 20 years from the date of issue.
- The debentures shall earn interest at the rate of 9% payable at the end of each year till debentures are converted into shares.
- No interest shall be payable in the year of conversion or buyback.
- The first interest accrual date shall be 31.03.2016.
- Interest shall be paid on a yearly basis, subject to availability of funds. In case interest is not paid on or before the end of the following quarter following the end of each financial year, the Company shall also pay interest of 9% on outstanding interest till the date of payment.

40. Significant Accounting Policies and Practices adopted by the Company are disclosed in the Statement annexed to these Financial Statements as Annexure A.

41. Previous Year Figures

Comparative financial information is presented in accordance with the corresponding figure reporting framework as set out in Standards on Auditing 710 on "Comparatives". Previous Year figures have been regrouped or rearranged, as wherever appropriate to correspond to figures of the current year.

We authenticate the correctness of the above
For and on behalf of the Board of
ALPA LABORATORIES LIMITED
C.I.N.: L85195MP1988PLC004446

As Per Our Report of Even Date Attached
For and on behalf of
C.H. PADLIYA & CO.
Chartered Accountants
Firm Registration No. : 003151C

PARESH CHAWLA
Managing Director
D.I.N.: 00520411

M.S. CHAWLA
Director
D.I.N.: 00362058

B.C. SHAH
C.F.O.

MEGHA NEEMA
Company Secretary

S.C. PADLIYA
Partner
Membership No. : 071666

Place: Pigdamber, Rau, Indore

Dated: This 28th Day of May, 2016

Annexure A (Annexed to and forming part of the Accounts for the year ended 31st March, 2016)**SIGNIFICANT ACCOUNTING POLICIES AND PRACTICES****COMPANY BACKGROUND**

Incorporated as Alpa Laboratories Private Limited on 18th March 1988 under the Companies Act, 1956 and converted to public limited company on 03rd September 1998 with the name of Alpa Laboratories Limited. The Company has been listed on the Bombay Stock Exchange and the National Stock Exchange since 06th August 2007.

1. Basis of Preparation of Financial Statements

The accompanying financial statements have been prepared under the historical cost convention on the accrual basis, in accordance with Indian Generally Accepted Accounting Principles (GAAP). GAAP comprises mandatory accounting standards as prescribed under Section 133 of the Companies Act, 2013 ('Act') read with Rule 7 of the Companies (Accounts) Rules, 2014, the provisions of the Act (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI). Accounting policies have been consistently applied except where a newly – issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policies hitherto in use.

All the assets and liabilities have been classified as current or non current as per the Company's normal operating cycle and other criteria set out in Schedule III of the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalent, the Company has ascertained its operating cycle to be 12 months for the purpose of current - non current classification of assets and liabilities.

These financial statements have been prepared assuming the Company will continue as a going concern. Accordingly, the financial statements do not include any adjustments regarding the recoverability of assets and classification of liabilities that might result should the Company be unable to continue as a going concern.

2. Use of Estimates

The preparation of financial statements in conformity with the generally accepted accounting principles requires that estimates and assumptions to be made that affect the reported amounts of assets and liabilities on the date of the financial statements and the reported amounts of revenues and expenses during the reported period. Differences between the actual amount and estimates are recognized in the period in which the results are known / materialized.

3. Revenue Recognition

- a. The Company generally recognizes income on its accrual and sales at the time of dispatch of goods to the customers.
- b. Profit on sale of investments is recorded on transfer of title from the Company and is determined as the difference between the sales price and the carrying value of investment.
- c. Interest received is recognized using the time - proportion method, based on rates implicit in the transaction.
- d. The value of unutilized Customs Duty credit granted against exports under "Duty Entitlement Pass Book Scheme" are accounted in the year of export.

4. Expenditure

- a. Cost is generally accounted on accrual as it is incurred.
- b. Rent payable for premises taken on lease is charged to revenue.
- c. Petty consumables for repairs etc are charged to revenue at the time of receipt only.

5. Fixed Assets

- a. Fixed asset is stated at their historical cost (net of recoverable taxes wherever credit availed) of acquisition or construction, less accumulated depreciation. Cost includes all cost incurred to bring the asset to their working condition and location.
- b. Capital Work in Progress comprises outstanding advances paid to acquire fixed assets and the cost of fixed assets that are not yet ready for their intended use at the Balance Sheet date.
- b. Fixed assets are eliminated from financial statements either on disposal or when retired from active use.

6. Depreciation

- a. Fixed asset is depreciated on a written down value basis over the useful lives of assets as prescribed under Part C of Schedule II of the Companies Act 2013.
- b. Depreciation for assets purchased or sold during the period is charged to revenue pro-rata to the period of their use.

7. Inventories

Finished goods (including for trade), work in process and raw materials are stated at 'Cost or Net Realizable Value, whichever is lower'. Cost of Inventories comprises cost of purchases and other costs incurred in bringing the inventories to their present location and condition. 'First In First Out' cost formula is used for determination of cost of inventories.

8. Investments

Long term investment are stated at cost of acquisition or book value; book value being arrived at after adjusting provisions for diminution in values of each investment individually, provided such diminution is not temporary.

9. Foreign Currency Transactions**a. Initial Recognition**

Transactions denominated in foreign currencies are recorded at the exchange rate prevailing on the date of the transaction.

b. Conversion

At the year-end, monetary assets in foreign currency are translated at the rates of exchange at the Balance Sheet date and resultant gain or loss is recognized in the Profit and Loss Account.

c. Exchange Differences

All exchange differences arising on settlement/conversion on foreign currency transactions are included in the Profit and Loss Account, except in cases where they relate to the acquisition of fixed assets, in which case they are adjusted in the cost of the corresponding asset.

10. Employee Benefit

- a. The Company's contribution to Life Insurance Corporation of India (LIC) for group gratuity policy is charged to the Profit and Loss account each year. The contribution for Group Gratuity Policy is based on values as actually determined and demanded by LIC at the year end.
- b. Liability on account of obligation under the employee's provident fund & employee state insurance, both defined contribution plans, is charged to Profit and Loss account on the basis of actual liability calculated as a percentage of salary.

11. Borrowing Cost

- a. Interest and other borrowing costs on specific borrowing attributable to qualifying assets are capitalized.
- b. Other interest and borrowing cost are charged to revenue.

12. Service Tax Input Credit

Service tax input credit is accounted for in the books in the period when the underlying service received is accounted and when there is no uncertainty in availing / utilizing the same.

13. Provisions & Contingent liabilities and assets

- a. Provisions are recognized only when the Company has present or legal or constructive obligations as a result of past events, for which it is probable that an outflow of economic benefit will be required to settle the transaction and a reliable estimate can be made for the amount of obligation.
- b. Contingent liability is disclosed for (i) Possible obligations which will be confirmed only by future events not wholly within the control of the Company or (ii) Present obligations arising from the past events where it is probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of obligation cannot be made.
- c. Contingent assets are not recognized in the financial statements since this may result in the recognition of income that may never be realized.

14. Taxation

- a. Income taxes are computed using the tax effect accounting method, where taxes are accrued in the same period the related revenue and expense arise. A provision is made for income tax annually based on the tax liability computed after considering tax allowances and exemptions.
- b. Income tax expense comprises current tax and deferred tax charged or credit. The deferred tax asset and deferred tax liability is calculated by applying tax rate and tax laws that have been enacted or substantively enacted by the Balance Sheet date.
- c. Deferred tax asset on account of timing differences are recognized only if there is reasonable certainty that they will be realized and are reviewed for the appropriateness of their respective carrying values at each Balance Sheet date.
- d. Minimum Alternative Tax (MAT) Paid in accordance to the tax laws, which gives rise to future economic benefits in the form of adjustment of future Income Tax liability, is considered as an asset when it is probable that future economic benefit associated with it will flow to the Company and the asset can be measured reliably.

15. Events occurring after the date of Balance Sheet

Material events occurring after the date of the Balance Sheet are considered up to the date of approval of accounts by the Board of directors.

16. Prior Period Adjustments

As per the Accounting Standard – 5, issued by the ICAI, Prior Period Adjustments as a result of errors or omission in the preparation of Financial Statements of one or more prior periods are separately disclosed in the Profit and Loss Account.

17. Leases

Lease Agreements where the risk and reward incidental to ownership of assets substantially vest with the lessor, are recognized as operating leases. Lease rental under operating leases are recognizes in the Profit and Loss statement on a straight line basis.

INDEPENDENT AUDITOR'S REPORT ON THE CONSOLIDATED ACCOUNTS

To the Board of Directors of Alpa Laboratories Limited,

Report on the Consolidated Financial Statements

1. We have audited the accompanying consolidated financial statements (the "Consolidated Financial Statements") of Alpa Laboratories Limited ("the Company"), its subsidiary, herein referred to as the "Group" (refer note 1 to the attached consolidated financial statements), which comprise the consolidated Balance Sheet as at 31st March, 2016, the consolidated Statement of Profit and Loss, the consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

2. The Holding Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the group and for preventing and detecting fraud and other irregularities; the selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

3. Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the 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.
4. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.
5. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the holding company has an adequate internal financial control systems over financial reporting in place and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the

reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

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

Opinion

7. In our opinion and to the best our information and according to the explanations given to us, in our opinion, the aforesaid consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:
 - (a) in the case of the Consolidated Balance Sheet, of the Consolidated state of affairs of the Group as at 31st March, 2016;
 - (b) in the case of the Consolidated Profit and Loss Account, of the Consolidated loss for the year ended on that date; and
 - (c) in the case of the Consolidated Cash Flow Statement, of the Consolidated cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

8. 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 of the aforesaid consolidated financial statements;
 - b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept by the Company so far as it appears from our examination of those books;
 - c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of consolidated financial statements;
 - d. In our opinion, the aforesaid consolidated financial statements 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 written representations received from the directors of the Holding Company taken on record by the Board of Directors of the Holding Company and the relevant assertion contained in the audit reports of standalone financial statements of each subsidiary, none of the directors is disqualified as on 31st 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 Holding Company, its subsidiary companies and the operating effectiveness of such controls, refer to our separate Report in Annexure A.
 - 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 explanations given to us:
 - i. The consolidated financial statements disclose the impact of pending litigations as at 31st March, 2016 on its consolidated financial position of the Group.

- ii. Provision has been made in the consolidated financial statements as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts as at 31st March, 2016.
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary company during the year ended March 31, 2016.

For and on behalf of
C. H. PADLIYA & CO.
Chartered Accountants
Firm Registration No.: 003151C

S. C. PADLIYA
Partner
Membership No.: 71666

Place: Indore

Date: This 28th day of May, 2016

ANNEXURE A” TO THE INDEPENDENT AUDITOR’S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF ALPA LABORATORIES LIMITED

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

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2016, we have audited the internal financial controls over financial reporting of Alpa Laboratories Limited (hereinafter referred to as “the Holding Company”) and its subsidiary company, which is incorporated in India, as of that date.

Management’s Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding company, its subsidiary company, which is company incorporated in India, are responsible for establishing and maintaining internal financial controls based on “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 (ICAI)”. 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 the respective 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 Act.

Auditors’ 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”) issued by the ICAI and the Standards on Auditing 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 ICAI. 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 Holding Company, its subsidiary company, which is incorporated in India, have, 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 March 31, 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.

For and on behalf of
C H PADLIYA & CO.
Chartered Accountants
Firm's registration number: 003151C

S.C. PADLIYA
Partner
Membership number: 071666

Place: Indore
Date: This 28th Day of May, 2016

ALPA LABORATORIES LIMITED

C.I.N.: L85195MP1988PLC004446

Consolidated Balance Sheet as at 31st March, 2016

(` in lacs)

	Note	2016	2015
Equity and Liabilities			
<i>Shareholders' Funds</i>			
(a) Share Capital	2	2,104.06	2,104.06
(b) Reserves and Surplus	3	7,236.47	6,551.86
<i>Non-Current Liabilities</i>			
(a) Other Long Term Liabilities	4	60.42	50.62
<i>Current Liabilities</i>			
(a) Short Term Borrowings	5	2,423.09	2,857.17
(b) Trade Payables	6	1,862.35	902.82
(c) Other Current Liabilities	7	490.72	238.62
(d) Short Term Provisions	8	252.56	125.62
Total Equity and Liabilities		14,429.66	12,830.78
Assets			
<i>Non-Current Assets</i>			
(a) Fixed Assets	9		
(i) Tangible Assets		452.71	479.64
(ii) Intangible Assets		1,011.26	-
(iii) Goodwill for (consolidated result only)		0.07	0.07
(iv) Capital Work in Progress		0.49	7.36
(b) Non current Investment	10	1,215.61	1,010.00
(c) Deferred tax assets (net)	32	5.21	9.35
(d) Long Term Loans and Advances	11	743.70	61.79
<i>Current Assets</i>			
(a) Inventories	12	1,499.81	751.74
(b) Trade Receivables	13	3,434.41	2,447.79
(c) Cash and Bank Balances	14	3,663.84	7,213.80
(d) Short Term Loans and Advances	15	2,236.71	691.84
(e) Other Current Assets	16	165.85	157.39
Total Assets		14,429.66	12,830.78
The notes form an integral part of these financial statements			

We authenticate the correctness of the above
For and on behalf of the Board of
ALPA LABORATORIES LIMITED
C.I.N.: L85195MP1988PLC004446

As Per Our Report of Even Date Attached
For and on behalf of
C.H. PADLIYA & CO.
Chartered Accountants
Firm Registration No. : 003151C

PARESH CHAWLA **M.S. CHAWLA** **B.C. SHAH**
Managing Director Director C.F.O.
D.I.N.: 00520411 D.I.N.: 00362058

ME(S.C.PADLIYA
Comp Partner
Membership No. : 071666

Place: Pigdamber, Rau, Indore
Dated: This 28th Day of May, 2016

ALPA LABORATORIES LIMITED

C.I.N.: L85195MP1988PLC004446

Consolidated Statement Of Profit & Loss for year ended 31st March, 2016

(` in lacs)

	Note	For the Year ended 31 st March, 2016	For the Year ended 31 st March, 2015
Income			
Revenue from Operations	17	5,359.00	5,739.39
Other Income	18	518.35	278.81
Total Income		5,877.35	6,018.20
Expenditure			
(a) Cost of Materials Consumed	19	3,186.14	3,517.62
(b) Purchases Of Stock In Trade		-	-
(c) Manufacturing and Operating Cost	20	284.10	391.18
(d) Changes in Inventories of Finished Goods, Work in Process and Stock in Trade	21	(398.32)	92.24
(e) Employee Benefits Expense	22	720.16	763.15
(f) Finance Costs	23	144.62	170.23
(g) Depreciation and Amortization Expense	9	83.09	606.60
(h) Other Expenses	24	883.82	633.53
Total Expenses		4,903.61	6,174.54
Profit before Extraordinary Items and Tax		973.74	(156.33)
Less: Loss On Slump Sale of Pithampur Unit		-	(114.84)
		973.74	(271.17)
Profit Before tax		973.74	(271.17)
Add/(Less): Current Tax	25	285.00	-
Add/(Less): Deferred Tax (Net)		4.14	131.41
Profit/(Loss) for the period		684.61	(139.77)
Earnings per share of face value of ₹10 each			
Basic and Diluted (in ₹)		3.25	(0.66)
The notes form an integral part of these financial statements			

We authenticate the correctness of the above

For and on behalf of the Board of

ALPA LABORATORIES LIMITED

C.I.N.: L85195MP1988PLC004446

As Per Our Report of Even Date Attached

For and on behalf of

C.H. PADLIYA & CO.

Chartered Accountants

Firm Registration No. : 003151C

PARESH CHAWLA

Managing Director

D.I.N.: 00520411

M.S. CHAWLA

Director

D.I.N.: 00362058

B.C. SHAH

C.F.O.

MEGHA NEEM

Company Secreta

S.C.PADLIYA

Partner

Membership No. : 071666

Place: Pigdamber, Rau, Indore

Dated: This 28th Day of May, 2016

ALPA LABORATORIES LIMITED
C.I.N.: L85195MP1988PLC004446

Consolidated Cash Flow Statement for year ended 31st March, 2016

	(Amount in lacs)	
	For the Year ended 31 st March, 2016	For the Year ended 31 st March, 2015
A. Cash Flow from Operating Activities		
Profit/ Loss before tax	973.74	(271.17)
<i>Adjustments for:</i>		
Depreciation and Amortization Expense	83.09	606.60
Interest Expense	127.52	150.08
Bad Debts Written Off	231.22	80.91
(Profit)/Loss on Disposal of Fixed Assets	0.63	35.36
Interest Income/ Divident income	(463.74)	(253.74)
Operating Profit Before Working Capital Changes	952.46	348.04
<i>Adjustments for:</i>		
Decrease/ (Increase) in Trade Receivable	(1,217.83)	(520.69)
Decrease/ (Increase) in Loans & Advances & Other Current Assets	(2,235.24)	(202.07)
Decrease/ (Increase) in Inventories	(748.07)	548.70
Increase/ (Decrease) in Current Liabilities & Provision	1,338.56	(357.52)
Increase/ (Decrease) in Long Term Liabilities	13.94	(131.41)
Cash Generated from Operations	(1,896.19)	(314.93)
Income Tax	289.14	131.41
Net Cash Generated by Operating Activities	(2,185.32)	(183.53)
B. Cash Flow from Investing Activities		
<i>Inflow:</i>		
Investment in various securities		4,616.17
Interest Received	463.74	253.74
<i>Outflow:</i>		
Purchase of Long Term Investments	(206.24)	(1,010.00)
Purchase of Tangible Assets	(1,060.54)	(116.54)
Purchase Intangible assets		(0.07)
Net Cash Used in Investing Activities	(803.04)	3,743.30
C. Cash Flow from Financing Activities		
<i>Inflow:</i>		
Proceeds from Short Term Borrowings	(434.09)	1,252.03
<i>Outflow:</i>		
Repayment of Long Term Borrowings		(420.07)
Interest Paid	(127.52)	(150.08)
Net Cash Generated by Financing Activities	(561.60)	681.88
D. Net Increase/(Decrease) In Cash and Cash Equivalents	(3,549.96)	4,241.65
E. Cash and Cash Equivalents as at the beginning of the year	5,273.80	1,032.15
F. Cash and Cash Equivalents as at the end of the year	1,723.84	5,273.80
G. Cash and Cash Equivalents as at the end of the year comprise of		
Cash & Bank Balances as per the Balance Sheet	3,663.84	7,213.80
(Less) Deposits Lodged towards Security Deposit & Margin	(1,940.00)	(1,940.00)
Money against Bank Guarantees		
	1,723.84	5,273.80

Notes:

- Figures in brackets indicate cash outgo.
- The above Cash Flow Statement has been prepared under the indirect method set out in AS-3 notified under section 133 of the Companies Act, 2013.
- The notes to accounts form an integral part of the Cash Flow Statement.

We authenticate the correctness of the above
For and on behalf of the Board of
ALPA LABORATORIES LIMITED
C.I.N.: L85195MP1988PLC004446

As Per Our Report of Even Date Attached
For and on behalf of
C.H. PADLIYA & CO.
Chartered Accountants
Firm Registration No. : 003151C

PARESH CHAWLA **M.S. CHAWLA** **B.C. SHAH** **MEGHA NEEMA**
Managing Director Director C.F.O. Company Secretary
D.I.N.: 00520411 D.I.N.: 00362058

S.C.PADLIYA
Partner
Membership No. : 071666

Place: Pigdamber, Rau, Indore
Dated: This 28th Day of May, 2016

ALPA LABORATORIES LIMITED

C.I.N.: L85195MP1988PLC004446

Notes to the Financial Statements for year ended 31st March, 2016**I. General Information**

A. The consolidated Financial Statements presents the consolidated Accounts of Alap laboratories Limited with its following subsidiary:

I. Subsidiaries

Indian Subsidiaries

Name	Country of Incorporation	Praportion of Ownership of Interest	
		As on 31st March 2016	As on 31st March 2015
Norfolk Mercantile Private Limited	India	100%	100%

II. Disclosure mandated by Schedule III of Companies Act, 2013, by way of additional information:

Name of Entities	Net Assets i.e. total assets minus total liabilities		Share in profit/ (loss)	
	As a % of Consolidated net assets	Amount (₹ in lacs)	As a % of Consolidated net assets	Amount (₹ in lacs)
Parent:				
Alpa Laboratories limited	98.20% (P.Y. - 99.99%)	9,429.97 (P.Y. - 8,655.01)	113.05 (P.Y. - 99.93%)	773.96 (P.Y. - (139.67))
Subsidiary:				
Indian				
Norfolk Mercantile Private Limited	1.80% (P.Y. - 0.01%)	172.49 (P.Y. - 0.84)	(13.05) (P.Y. - 0.12%)	(89.35) (P.Y. - (0.16))
Sub Total		9,602.46 (P.Y. - 8655.85)		684.61 (P.Y. - (139.84))
Inter-company Elimination & Consolidation Adjustment	(2.80)% (P.Y. - (0.001)%)	261.93 (P.Y. - 0.06)	- (P.Y. - (0.05)%)	- (P.Y. - 0.07)
Grand Total		9,340.53 (P.Y. : 8,655.92)		684.61 (P.Y. - (139.77))
Minority Interest		- (P.Y. - Nil)		- (P.Y. - Nil)

B. Significant Accounting Policies and notes to these Consolidated Financial Statements are intended to serve as a means of informative disclosure and guide to better understanding the consolidated position of the Companies. Recognising this purpose, the Company has disclosed only such Policies and Notes from the individual financial

	(` in lacs)	
2. Share Capital	2016	2015
Authorized Capital	<u>2,500.00</u>	<u>2,500.00</u>
2,50,00,000 Equity Shares of ` 10 Each (Previous Year 2,50,00,000 Equity Share of ` 10/- Each)		
Issued Capital	<u>2,156.00</u>	<u>2,156.00</u>
2,15,60,000 Equity Shares of ` 10 Each (Previous year 2,15,60,000 Equity Shares of ` 10/- Each)		
Subscribed and Paid Up Capital		
2,10,40,600 Equity Shares of ` 10 Each (Previous year 2,10,40,600 Equity Shares of ` 10/- each)	2,104.06	2,104.06
Total Share Capital	<u>2,104.06</u>	<u>2,104.06</u>

• **Terms and Rights attached to Equity Shares.**

The Company has only one class of equity shares having a par value of ` 10 per share. Each Shareholder is eligible for one vote per share. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company, af

• **Detail of Shareholders holding more than 5% of total subscribed shareholding**

Name of Shareholders	2016	2016	2015	2015
	Quantity	%	Quantity	%
Mahendra Singh Chawla	2,973,920	14.13%	1,366,600	6.50%
Paresh Chawla	3,044,980	14.47%	634,000	3.01%
Pravin C. Shah	1,100,580	5.23%	1,100,580	5.23%

		(` in lacs)	
3. Reserves and Surplus		2016	2015
(a) Share Premium		5,496.05	5,496.05
(b) <i>Surplus/(Deficit) in Statement of Profit and Loss</i>		1,055.81	
Opening Balance			1,230.45
Less: Additional Depreciation pursuant to enactment of Schedule II of the Companies Act, 2013 (Refer Note No. 35)		-0.00	(34.88)
Add: Profit/(Loss) for the year		684.61	(139.77)
Closing Balance		1,740.41	1,055.81
Total Reserve and Surplus		7,236.47	6,551.86

		(` in lacs)	
4. Other Long Term Liabilities		2016	2015
Trade/ Security Deposits received		60.42	50.62
Total Other Long Term Liabilities		60.42	50.62

		(` in lacs)	
5. Short Term Borrowings		2016	2015
<i>Secured</i>			
Working Capital Loans from Banks		2,423.09	2,857.17
Total Short Term Borrowings		2,423.09	2,857.17

Security Provided:

Working Capital Loans from banks are secured by way of hypothecation of present and future stock of raw material, finished goods, stock in process consumables, stores & spares, packing material, book debts and bank deposits.

6. Trade Payables	2016	2015
Micro, Small and Medium Enterprises	326.96	122.19
Others	1,535.39	780.63
Total Trade Payables	1,862.35	902.82

Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006*

Particulars	2016	2015
(i) Principal amount due and remaining unpaid as at the end of the acctg. year	326.96	122.19
(ii) Interest due thereon remaining unpaid as at the end of the accounting year	-	-
(iii) Amount of int. paid along with payment made beyond the appointed day	-	-
(iv) The amount of interest due and payable for the year	-	-
(v) The amount of interest accrued and remaining unpaid	-	-
(vi) The amount of further interest due and payable even in the succeeding year, until such date	-	-

*The above information has been determined to the extent such parties could be identified on the basis of the information available with the Company regarding the status of suppliers under the MSME.

7. Other Current Liabilities	(` in lacs)	
	2016	2015
(a) Current maturities of long-term debt - Secured Loans from Banks		
(b) Statutory remittances (Contributions to PF and ESIC, Withholding Taxes, Excise Duty, VAT, Service Tax, etc.)	24.83	8.72
(c) Payables on purchase of fixed assets	-	0.55
(d) Advances from customers	352.79	118.29
(e) Other payables *	113.10	111.06
Total Other Current Liabilities	490.72	238.62

* Includes security deposits of employees, salary and allowance payable to employees and other miscellaneous expenses.

8. Short Term Provisions	(` in lacs)	
	2016	2015
(a) Provision for employee benefits	37.25	26.50
(b) Provision for Income Tax (net of advance tax ₹2,11,06,619 (As at 31 March, 2015 - Nil))	73.93	
(c) Provision for litigation/dispute*	76.74	
(b) Other provisions	64.64	99.12
Total Short Term Provisions	252.56	125.62

* Provision for litigation/dispute represents claims against the Company that are expected to materialise in respect of matter of litigation.

(` in lacs)

9. Fixed Assets											
ASSET	GROSS BLOCK				DEPRECIATION					NET BLOCK	
	As At 01 Apr 2015	Additions	Deletions	As At 31 Mar 2016	Up To 31 Mar 2015	Retained Earnings (Refer Note No. 35)	For the Year 2015-2016	Deductions	Up To 31 Mar 2016	As At 31 Mar 2016	As At 31 Mar 2015
(i) Tangible Assets											
Land and Site Development	13.42	-	-	13.42	-	-	-	-	-	13.42	13.42
Building	489.14	-	-	489.14	380.31	-	9.81	-	390.12	99.02	108.83
Plant and machinery	1,324.43	4.96	-	1,329.39	1,078.48	-	41.05	-	1,119.53	209.86	245.96
Furniture and Fixtures	32.33	16.10	-	48.44	20.32	-	5.17	-	25.49	22.95	12.02
Computers	26.24	1.98	-	28.22	23.99	-	1.43	-	25.42	2.81	2.25
Vehicles	5.92	6.97	-	12.88	1.28	-	3.08	-	4.36	8.52	4.64
Utility	175.37	-	-	175.37	149.74	-	2.01	-	151.76	23.62	25.63
Electrical Installation	171.40	-	-	171.40	163.23	-	0.72	-	163.95	7.45	8.17
QC and Lab Equipment	157.50	25.84	-	183.33	100.86	-	18.92	-	119.78	63.55	56.64
Office Equipment	10.41	0.30	-	10.71	8.32	-	0.88	-	9.20	1.51	2.09
Total Tangible Assets	2,406.17	56.15	-	2,462.32	1,926.53	-	83.09	-	2,009.61	452.71	479.64
(II) Intangible Assets											
Goodwill on Consolidation	0.07	-	-	0.07	-	-	-	-	-	0.07	0.07
Goodwill (Refer note 41)		1,011.26	-	1,011.26	-	-	-	-	-	1,011.26	-
(iii) Capital Work In Progress											
Capital Work-in-Progress	7.36	0.49	7.36	0.49	-	-	-	-	-	0.49	7.36
Total	2,413.60	1,067.90	7.36	3,474.14	1,926.53	-	83.09	-	2,009.61	1,464.52	487.07
Previous Year	10,200.98	116.54	7,903.99	2,413.53	2,889.55	52.84	606.60	1,622.46	1,926.53	487.00	7,311.43

	(` in lacs)	
10. Non Current Investment	2016	2015
Investments (At cost):		
<u>A. Trade</u>		
(a) Investment in debentures or bonds		
(i) of other entities		
1,010 (As at 31 March, 2014: Nil) Compulsory Convertible Unsecured Debentures of Minefields Mercantile Private Limited	-	1,010.00
(b) Investment in Limited Liability Partnership		
(i) Seabright Landmark Project LLP	130.55	-
(c) Investment In Property		
(i) Kailash Park Project	274.72	-
(d) Investment in Mutual Funds (Quoted) (Units of ₹ 10 each unless otherwise specified)		
i) 1,32,442.82 (As at 31 March 2015: NIL) Units of Axis Equity Fund-Dividend Plan (NAV ₹ 17.47 Lacs)	19.30	-
ii) 1114.058 (As at 31 March 2015: NIL) Units of Axis Equity Fund-Growth Plan (NAV ₹ 0.20 Lacs)	0.21	-
iii) 10,00,000 (As at 31 March 2015: NIL) Unit of Axis Equity Saver Fund (NAV ₹ 98.70 Lacs)	100.00	-
iv) 58,104.81 (As at 31 March 2015: NIL) Units of Birla Sun Life 95-Dividend Plan (NAV ₹ 75.85 Lacs)	86.50	-
v) 38.338 (As at 31 March 2015: NIL) Units of Birla Sun Life 95 Growth Plan (NAV ₹ 0.21 Lacs)	0.21	-
vi) 1,39,257.91 (As at 31 March 2015: NIL) Units of Birla Sunlife Top 100 Dividend Plan (NAV ₹ 21.42 Lacs)	24.40	-
vii) 499.72 (As at 31 March 2015: NIL) Units of Birla Sunlife Top 100 Growth Plan (NAV ₹ 0.20 Lacs)	0.21	-
viii) 62,950.79 (As at 31 March 2015: NIL) Units of Franklin High Growth Companies Dividend Plan (NAV ₹ 13.21 Lacs)	15.30	-
ix) 728.562 (As at 31 March 2015: NIL) Units of Franklin High Growth Companies Growth Plan (NAV ₹ 0.20 Lacs)	0.21	-
x) 443266.16 (As at 31 March 2015: NIL) Units of Franklin India Balance Dividend Plan (NAV ₹ 95.45 Lacs)	101.50	-
xi) 239.355 (As at 31 March 2015: NIL) Units of Franklin India Balance Growth Plan (NAV ₹ 0.22 Lacs)	0.21	-
xii) 33.105 (As at 31 March 2015: NIL) Units of Franklin India Prima Growth Plan (NAV ₹ 0.21 Lacs)	0.21	-
xiii) 71.540 (As at 31 March 2015: NIL) Units of Franklin India Prima Plus Dividend Plan (NAV ₹ 23.74 Lacs)	25.50	-
xiv) 11075.48 (As at 31 March 2015: NIL) Units of Franklin India Prima Plus Dividend Plan (NAV ₹ 3.68 Lacs)	4.00	-
xv) 1,70,973.04 (As at 31 March 2015: NIL) Units of HDFC Balanced Fund Dividend Plan (NAV ₹ 43.70 Lacs)	46.25	-
xvi) 197.79 (As at 31 March 2015: NIL) Units of HDFC Balanced Fund Growth Plan (NAV ₹ 0.21 Lacs)	0.21	-
xvii) 843.035 (As at 31 March 2015: NIL) Units of ICICI Prud. Balanced Adv. Fund Growth Plan (NAV ₹ 0.22 Lacs)	0.21	-

xviii) 6,43,089.08 (As at 31 March 2015: NIL) Units of ICICI Prud. Balanced Adv. Fund Divident on maturity Plan (NAV ₹84.50	86.50	-
xix) 3,27,056.48 (As at 31 March 2015: NIL) Units of ICICI Prud. Balanced Fund Dividend Plan (NAV ₹69.13 Lacs)	73.75	-
xx) 234.009 (As at 31 March 2015: NIL) Units of ICICI Prud. Balanced Fund Growth Plan (NAV ₹0.22 Lacs)	0.21	-
xxi) 1,87,205.99 (As at 31 March 2015: NIL) Units of Tata balance Fund Divident on maturity Plan (NAV ₹117.10 Lacs)	127.00	-
xxii) 127.614 (As at 31 March 2015: NIL) Units of Tata balance Fund Growth Plan (NAV ₹0.21 Lacs)	0.21	-
xxiii) 982.23 (As at 31 March 2015: NIL) Reliance Yield maximiser AIF of ₹10,000 each	98.23	-

Total Non-current Investment	1,215.61	1,010.00
Aggregate amount of unquoted investments	503.51	1,010.00
Aggregate amount of quoted investments	712.10	-
Aggregate market value of listed and quoted investments	66.61	-

(` in lacs)

11. Long Term Loans and Advances	2016	2015
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Unsecured, Considered Good

(a) Security deposits	68.79	61.79
(b) Inter- corporate deposits	674.91	

Total Long Term Loans and Advances

743.70	61.79
---------------	--------------

Details of Loans given covered u/s 186 (4) of the Companies Act, 2013:

Name of the Company	Amount Outstanding as at 31.03.2016	Amount Outstanding as at 31.03.2015
Mantram Technofem Pvt. Ltd.	30.51	-
Pawan Shree Food international Pvt. Ltd.	200.00	-
Shree Krishna Devecon Ltd. Indore	35.71	-
Sky earth Developer Pvt. Ltd. Indore	40.70	-
Globel trade venture pvt. Ltd.	50.87	-
Maa Ahilya Devecon Pvt. Ltd.	15.18	-
Om Coal Co. Pvt. Ltd.	50.64	-
Om Lal Ji Constructions	50.00	-
Shikhar Housing Developers	50.55	-
Shree Krishna Commercial Corporation	50.25	-
Shree Nath Corpoartion	50.25	-
Yashverdhan Builders Pvt. Ltd.	50.25	-

All the above loans and advances have been given for business purposes.

	(` in lacs)	
12. Inventories	2016	2015
(a) Raw materials	731.91	384.83
(b) Work-in-progress	80.81	41.77
(c) Finished goods (other than those acquired for trading)	669.43	310.15
(d) Analytical Materials	17.65	14.99
Total Inventories	1,499.81	751.74

Details of Raw Materials:	2016	2015
Drugs & Chemicals	479.66	246.98
Packing Materials	252.25	137.85
Total	731.91	384.83

Details of Work in Progress:	2016	2015
Injection	19.65	28.22
Tablets & Capsules	34.75	12.00
Ointment & Cream	5.23	1.40
Eye/Ear Drops	7.58	0.15
Dry Powder	13.60	-
Total	80.81	41.77

Details of Finished Goods:	2016	2015
Liquid Injection	176.94	198.80
Dry Powder Injection	190.04	61.58
Tablets	173.90	40.61
Capsules	13.09	0.48
Ointment	115.46	8.67
Total	669.43	310.15

Details of Analytical Materials:	2016	2015
GC Columns	3.44	2.42
HPLC Columns	14.21	12.56
Total	17.65	14.99

13. Trade Receivables	2016	2015
<i>Trade receivables outstanding for a period exceeding six months from the date they were due for payment</i>		
Unsecured, considered good	958.82	579.84
Doubtful	78.85	31.40
<i>Other Trade receivables</i>		
Unsecured, considered good	2,396.73	1,836.48
Doubtful		0.08
Total Trade Receivables	3,434.41	2,447.79

(` in lacs)

14. Cash and Bank Balances	2016	2015
(a) <i>Cash and Cash Equivalents</i>		
(i) Cash on Hand	19.22	3.47
(ii) Balances with Banks	199.62	2,120.34
(b) <i>Other Bank Balances</i> *		
(i) In Deposit Accounts	3,445.00	5,090.00
Total Cash and Bank Balances	3,663.84	7,213.80

* Other Bank Balances include margin monies amounting to 34,45.00 Lacs (As at 31st March 2015, 34,45.00 Lacs) which have an original maturity of more than 12 months.

	(` in lacs)	
15. Short Term Loans and Advances	2016	2015
(Unsecured and Considered Good)		
(a) Security Deposits	13.20	0.49
(b) Loans and Advances to Employees	3.50	10.31
(c) Prepaid Expenses	6.30	1.77
(d) Balances with Government Authorities	278.52	304.93
(e) Advances for Goods & Services to be received	1,015.33	145.00
(f) Advance for Capital Goods	919.85	229.35
Total Short Term Loans and Advances	2,236.71	691.84

	(` in lacs)	
16. Other Current Assets	2016	2015
(a) Interest Accrued on Deposits	14.94	26.20
(b) Duty Drawback Receivable	2.88	9.90
(c) Refund Receivable against Rebate Claim of Duty	136.72	118.26
(d) DEPB Stock	0.91	2.18
(e) Other Receivable	10.40	0.85
Total Other Current Assets	165.85	157.39

	(` in lacs)	
17. Revenue from Operations	2016	2015
(a) Sale of Products	5,459.27	5,632.69
(b) Sale of Services	214.47	479.66
(c) Other Operating Revenues	81.29	68.78
	5,755.03	6,181.13
Less: Excise Duty/ Service Tax Recovered	396.03	441.74
Total Revenue from Operations	5,359.00	5,739.39

Details of Sale of Products (Excluding Excise Duty)	2016	2015
Liquid Injection	2,163.04	2,217.16
Dry Powder Injection	1,474.76	1,511.65
Tablets	1,017.26	1,042.71
Capsules	139.58	143.07
Ointments	274.33	281.19
Total	5,068.96	5,195.79

Details of Sale of Services (Excluding Service Tax)	2016	2015
Analytical Charges	41.07	39.09
Conversion & Packing Charges	167.68	435.74
Formulation Development		
TOTAL	208.75	474.82

Details of Other Operating Revenues	2016	2015
Sale of Scrap	1.57	3.02
Duty Drawback and Other Export Incentives	66.27	60.66
Other Revenues	13.45	5.10
TOTAL	81.29	68.78

	(` in lacs)	
18. Other Income	2016	2015
(a) <i>Interest Income</i>		
(i) Interest from Banks	379.66	253.74
(ii) Interest on long term investment	8.82	
(iii) Interest on Loans & Advances	14.54	
(iv) Interest from Others	2.09	2.02
(b) Dividend Income from Long term Investments	58.64	
(c) Net Gain on Foreign Currency Transactions and Translation	47.14	11.24
(d) Compensation Received on Cancellation of Agreement	-	0.98
(e) Other Non-Operating Income	7.47	10.83
Total Other Income	518.35	278.81

	(` in lacs)	
19. Cost of Materials Consumed	2016	2015
Opening stock	384.83	817.74
Add: Purchases	3,533.22	3,084.71
Less: Closing stock	731.91	384.83
Total Cost of Materials Consumed	3,186.14	3,517.62

Imported and Indigenous Raw Materials Consumed

Particulars	2016		2015	
	Value	%	Value	%
Imported	15.40	0.48	40.59	1.15
Indigenous	3,170.74	99.52	3,477.03	98.85
TOTAL	3,186.14	100.00	3,517.62	100.00

Detail of Raw Materials Consumed

	2016	2015
Drugs & Chemicals	2,470.39	2,494.57
Packing Material	715.75	1,023.04
TOTAL	3,186.14	3,517.62

	(` in lacs)	
20. Manufacturing and Operating Cost	2016	2015
Power and Fuel	149.30	179.87
Repairs to Buildings	3.04	22.22
Repairs to Machinery	47.53	53.82
Analytical Expenses	43.97	71.34
Other Manufacturing and Operating expenses	40.26	63.93
Total Manufacturing and Operating Cost	284.10	391.18

Detail of Imported and Indigenous Stores

	(` in lacs)	
21. Changes in Inventories of Fin. Goods, Work in Process	2016	2015
<u>Inventories at the end of the year:</u>		
Finished goods	669.43	310.15
Work-in-progress	80.81	41.77
	750.24	351.92
<u>Inventories at the beginning of the year:</u>		
Finished goods	310.15	377.75
Work-in-progress	41.77	66.41
	351.92	444.15
Total Changes in Inventories of Fin. Goods, Work in Process	398.32	(92.24)

	(` in lacs)	
22. Employee Benefits Expense	2016	2015
Salaries and Wages	655.65	723.97
Contribution to Provident and Other Funds	59.07	32.47
Staff Welfare Expenses	5.45	6.70
Total Employee Benefits Expense	720.16	763.15

The Company makes Provident Fund contributions under defined contribution plans for qualifying employees. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognized ₹

	(` in lacs)	
23. Finance Costs	2016	2015
(a) Interest Expense on:		
(i) Borrowings	123.89	149.90
(ii) Others	3.62	0.19
(b) Other Borrowing Costs	17.11	20.14
Total Finance Costs	144.62	170.23

	(` in lacs)	
24. Other Expenses	2016	2015
Rent including Lease Rentals	14.32	8.17
Repairs and Maintenance (Others)	0.40	1.88
Insurance	3.03	3.52
Rates and Taxes	102.23	20.96
Communication	10.27	12.13
Traveling and Conveyance	126.74	137.19
Printing and Stationery	11.32	9.06
Freight and Forwarding	155.61	101.18
Commission On Sales	75.00	110.00
Business Promotion	29.15	28.52
Sales Discount	13.02	13.82
Donations and Contributions	0.56	0.79
Legal and Professional	103.53	118.31
Liquidated Damages, Testing and LSP Charges	4.99	13.95
Membership & Subscription	3.02	1.27
Payments to Auditors	4.05	3.08
Bad Trade and Other Receivables, Loans and Advances written off	231.22	80.91
Prior Period Items (net)	(32.66)	(52.07)
Loss from LLP (sea bright)	0.05	-
Loss on Sale of Investment	0.63	
Miscellaneous Expenses	27.33	20.84
Total Other Expenses	883.82	633.53

Payment to Auditors Comprise	2016	2015
As Auditors – Statutory Audit	2.46	2.46
For Other Services	1.59	0.57
TOTAL	4.05	3.02

Prior Period Items (net) Represent	2016	2015
Debits Relating to Earlier Years	24.44	16.34
Credits Relating to Earlier Years	(57.11)	(68.41)
TOTAL	(32.66)	(52.07)

	(` in lacs)	
25. Current Tax	2016	2015
Current tax	285.00	-
Total Current Tax	285.00	-

	(` in lacs)	
26. Value of Imports on C.I.F. Basis	2016	2015
Raw Materials and Stock-in-Trade	301.62	511.75
Capital Goods	13.55	28.35
Total Value of Imports on C.I.F. Basis	315.17	540.11

	(` in lacs)	
27. Expenditure in Foreign Currency	2016	2015
Legal & Professional and Consultation fees	-	80.87
Bank Charges	3.10	2.25
Travelling Expenses	6.63	4.67
Total Expenditure in Foreign Currency	9.73	87.78

	(` in lacs)	
28. Earnings in Foreign Currency	2016	2015
Export of Goods Calculated on FOB Basis	1,811.13	1,689.79
Export of Services	-	-
Total Earnings in Foreign Currency	1,811.13	1,689.79

	(` in lacs)	
29. Details of Leasing Arrangements	2016	2015
<i>As Lessee (operating lease)</i>		
The Company has entered into operating lease arrangements for certain facilities and office premises.		
A. Future minimum lease payments		
- not later than one year	-	-
B. Lease Payments recognized in the Statement of Profit and Loss	14.32	6.66

	(` in lacs)	
30. Government Grants	2016	2015
<u>Government Grants Received by the Company during the Year towards</u>		
- Export Benefits	66.27	60.66
Total Government Grants	66.27	60.66

31. Related Party Disclosures

A. Relationship:

i. Key Management Personnel

a. Paresh Chawla	b. M.S. Chawla	e. P.R. Patel
c. P.C. Shah	d. B. C. Shah	f. Jayesh Patel

ii. Relatives of Key Management Personnel and their enterprises where transactions have taken place

a. Shitul Shah	b. Vinit Shah	c. Rupal Shah
d. Nayana Patel	e. Fortress Mercantile Pvt. Ltd.	

(` in lacs)

B. Transactions carried out with related parties referred to in A above, in the ordinary course of business:

Nature of Transactions		Referred in	A.i.	Referred in
		above		A. ii above
Expenses				
Remuneration		52.20		-
		(P.Y.-79.20)		(P.Y. Nil)
Salary		43.20		10.80
		(P.Y. 66.00)		(P.Y.- 4.20)
Assets				
<i>Investments</i>				
Investments made		-		1.00
		(P.Y. Nil)		(P.Y. Nil)
Outstandings				
Payable		3.16		4.12
		(P.Y.-12.79)		(P.Y.-1.58)
Receivable		-		-
		(P.Y.-2.12)		(P.Y. Nil)

C. Disclosures in respect of material transactions with related parties during the year. (Included in B. above)

	2016	2015
Nature of income/ expenses/liabilities/assets		
Expenses		
<i>Remuneration</i>		
PC Shah	25.20	25.20
MS Chawla	27.00	27.00
PR Patel	-	27.00
<i>Salary</i>		
Paresh Chawla	27.00	27.00
BC Shah	16.20	16.20
Jayesh Patel	-	22.80
		(` in lacs)
32. Deferred Tax	2016	2015

The Company has recognized deferred tax arising on account of timing differences being the difference between the taxable income and accounting income, that originates in one period and is capable of reversal in one or more subsequent period in compliance

The Major Components of deferred tax (assets)/liabilities arising on account of timing differences are as follows:

Tax effect of items constituting deferred tax liability

- on difference between book balance and tax balance of fixed assets -

Tax effect of items constituting deferred tax asset

- on difference between book balance and tax balance of fixed assets 5.21 9.35

Total Deferred Tax (asset)/Liabilities

5.21 9.35

(In ₹Lacs)

33. Contingent Liabilities & Commitments (to the extent not provided for)	2016	2015
a. Bank Guarantees been given to various government departments for tenders for supply of medicines.	22.37 lacs	31.00 lacs
b. Liability in respect of arbitration proceedings (Refer Note No. 39)	3927.64 Lacs	3927.64 Lacs
c. Disputed demands before relevant authorities :	2016	2015
Value Added Tax	151.47 Lacs	16.93 Lacs
Central Sales Tax	31.52 Lacs	32.62 Lacs
Sales Tax Maharashtra	27.77 Lacs	-
Income Tax	21.00 Lacs	21.00 Lacs

34. Court Case has been filed against Innovec Laboratories Private Limited (Medicure Nagpur) for ₹ 28,94,502 (Previous Year- ₹ 28,94,502) for recovery of outstanding amounts.

35. Segment Reporting

- a. As the Company operates in the single segment of Drugs and Chemicals which is the Primary Reportable Segment as per Accounting Standard (AS-17) "Segment Reporting" issued by the Institute of Chartered Accountants of India, no separate disclosure pertaining to
b. The secondary segment based on geographical segmentation is considered to be business Outside India and Within India.

Detail of geographical segments based on location of the customers	2016		2015	
	Value	%	Value	%
Outside India	1,843.04	34.45%	1,716.32	29.90%
Within India	3,507.16	65.55%	4,023.07	70.10%
Total	5,350.20	100.00%	5,739.39	100.00%

- 36. a)** In accordance with the provisions of Schedule II of the Act, in case of fixed assets which have completed their useful life as at 1st April, 2014, the carrying value (net of residual value) amounting to Nil [P.Y. - ₹ 34.88 lacs (net of deferred tax of Nil (P.Y. - ₹ 17.96 Lacs))] as a transitional provision has been recognised in the retained earnings.
- b) Further, in case of assets acquired prior to 1st April, 2014, the carrying value of assets (net of residual value) is depreciated over the remaining useful life as determined effective from 1st April, 2014.
- c) Depreciation and amortisation expenses for the year would have been lower by Nil (P.Y. - ₹ 153.42 lacs), had the Company continued with the previous assessment of useful life such assets.

37. A fraud has been committed against the Company by encashing a sum of ₹ 9,54,391 in the name of Mahalaxmi Enterprises from the bank account of the Company maintained with Bank of Baroda, A.B. Road, Indore. The Company had represented his case with the bank for reimbursement of the said amount fraudulently debited to its account through cheque number 015670 dated 16.05.2015 as the original instrument of the cheque was already in the possession of the Company. Simultaneously, Company has also filed FIR with the Mansaur Police. Till date the matter has not been resolved neither by the bank nor by the police authorities, therefore said amount has been considered as other receivable and disclosed accordingly in the financial statements.

38. During the financial year on 20.07.2015 a survey under section 133(6) of the Income Tax Act was conducted by the Income tax officials in which the Company had agreed to declare an additional income of ₹ 3.00 cr for the Assessment year 2016-17 and has also deposited advance tax on such additional income of 1.05 cr.

39. During the previous year, Ranbaxy Laboratories Limited (Petitioner) filed a Petition in the High Court at New Delhi to prevent the Company from selling its Unit-II division at Pithampur. To expedite the disposing of the said petition, the Company agreed to enter into arbitration proceedings with the Petitioner and furnish a bank guarantee to the tune of ₹ 300 lacs in the name of the Petitioner which shall remain live till the final disposal of the arbitration proceedings. The Honorable High Court was pleased to dispose of the petition without restricting the Company from selling its Unit-II division and appointing an arbitrator to settle the claims and counter claims made by the parties against each other. The Company is of the view, supported by legal opinion, that no provision is required to be made in the accounts as it expects favorable outcome of the arbitration proceedings and hence adjustments, if any, will be recorded by the Company on final outcome of the matter.

40. The Company has invested during the F.Y. 2014-15 in the unsecured debentures issued by its Wholly Owned Subsidiary " Norfolk Mercantile Private Limited" amounting to ₹ 1010.00 lacs for the purpose of meeting the working capital requirements and capital/investment requirement of the Company on the following terms and conditions:
- The debentures shall compulsorily be converted into fully paid shares of the Company.
 - The debentures shall have a term of 20 years from the date of issue.
 - The debentures shall earn interest at the rate of 9% payable at the end of each year till debentures are converted into shares.
 - No interest shall be payable in the year of conversion or buyback.
 - The first interest accrual date shall be 31.03.2016.
 - Interest shall be paid on a yearly basis, subject to availability of funds. In case interest is not paid on or before the end of the following quarter following the end of each financial year, the Company shall also pay interest of 9% on outstanding interest till the date of payment.

41. Amalgamation of Companies

- Nature of business of amalgamating companies:
Norfolk Mercantile Private limited is engaged in the real estate business.
Mindfields Mercantiles Private limited is engaged in the consulting business.
- Pursuant to the Scheme of amalgamation of Mindfields Mercantiles Private limited (Hereinafter referred to as the transferor company) with Norfolk Mercantile Private Limited (hereinafter referred to as the transferee company), which is wholly owned subsidiary of Alpa, as sanctioned by the Honourable High Court of Bombay on 17.07.2015 under section 391 to 394 of the Companies Act, 1956, the assets and liabilities of the transferor companies were transferred to and vested in the transferee company with effect from 26th August, 2015. The Appointed date is 01.04.2015. The scheme has accordingly been given effect to in these accounts in the financial year 2015-16. The amalgamation has been accounted for under the Purchase method of accounting as referred in Accounting Standard (AS-14) issued by the Institute of Chartered Accountant of India.
- In accordance with the said Scheme:
The value of net identifiable asset including goodwill after reducing the liabilities of the transferor company vested in the company and after adjustment of inter company balances, if any, as on 01.04.2015 have been given effect accordingly.
- In accordance with the said scheme, the transferor companies with effect from the appointed date i.e. 01.04.2015 is carried on the businesses and activities, for and on behalf of and in trust for the transferee company and accordingly the Income, Expenses, Profit & Loss, Assets and Liabilities for the period from 01.04.2015 to 26.08.2015 have been accounted for in the books of the transferee company, as if the said business/ activities have been carried on by it.

42. Significant Accounting Policies and Practices adopted by the Company are disclosed in the Statement annexed to these Financial Statements as Annexure A.

43. Previous Year Figures

Comparative financial information is presented in accordance with the corresponding figure reporting framework as set out in Standards on Auditing 710 on "Comparatives". Previous Year figures have been regrouped or rearranged, as wherever appropriate to correspond to figures of the current year.

We authenticate the correctness of the above
For and on behalf of the Board of
ALPA LABORATORIES LIMITED
C.I.N.: L85195MP1988PLC004446

As Per Our Report of Even Date Attached
For and on behalf of
C.H. PADLIYA & CO.
Chartered Accountants
Firm Registration No. : 003151C

PARESH CHAWLA **M.S. CHAWLA**
Managing Director Director
D.I.N.: 00520411 D.I.N.: 00362058

B.C. SHAH
C.F.O.

MEGHA NEEM
Company Secretary

S.C. PADLIYA
Partner
Membership No. : 071666

Place: Pigdamber, Rau, Indore
Dated: This 28th Day of May, 2016

Annexure A (Annexed to and forming part of the Accounts for the yearended 31st March, 2016)**SIGNIFICANT ACCOUNTING POLICIES AND PRACTICES****18. Basis of Preparation of Financial Statements**

These consolidated financial statements have been prepared under the historical cost convention on the accrual basis, in accordance with Indian Generally Accepted Accounting Principles (GAAP). GAAP comprises mandatory accounting standards as prescribed under Section 133 of the Companies Act, 2013 ('Act') read with Rule 7 of the Companies (Accounts) Rules, 2014, the provisions of the Act (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI). Accounting policies have been consistently applied except where a newly – issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policies hitherto in use.

All the assets and liabilities have been classified as current or non current as per the Group's normal operating cycle and other criteria set out in Schedule III of the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalent, the Group has ascertained its operating cycle to be 12 months for the purpose of current - non current classification of assets and liabilities.

19. Principles of Consolidation

The financial statements of the Parent Company and its subsidiaries have been consolidated on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses after eliminating intra group balances, intra-group transactions and the unrealised profits.

The financial statements of the Parent Company and its subsidiaries have been consolidated using uniform accounting policies for like transactions and other events in similar circumstances.

The difference between the cost of investment in the subsidiary, and the Company's share of net assets at the time of acquisition of share in the subsidiaries is recognised in the financial statement as Goodwill or Capital Reserve as the case may be.

20. Use of Estimates

The preparation of financial statements in conformity with the generally accepted accounting principles requires that estimates and assumptions to be made that effect the reported amounts of assets and liabilities on the date of the financial statements and the reported amounts of revenues and expenses during the reported period. Differences between the actual amount and estimates are recognized in the period in which the results are known / materialized.

21. Revenue Recognition

- a. The Group generally recognizes income on its accrual and sales at the time of dispatch of goods to the Customers.
- b. Profit on sale of investments is recorded on transfer of title from the Group and is determined as the difference between the sales price and the carrying value of investment.
- c. Interest received is recognized using the time - proportion method, based on rates implicit in the transaction.
- d. The value of unutilized unconditional Customs Duty credit granted against exports under "Duty Entitlement Pass Book Scheme" are accounted in the year of export.

22. Expenditure

- a. Cost is generally accounted on accrual as it is incurred.
- b. Rent payable for premises taken on lease is charged to revenue.
- c. Petty consumables for repairs etc are charged to revenue at the time of receipt only.

23. Fixed Assets

- a. Fixed asset is stated at their historical cost (net of recoverable taxes wherever credit availed) of acquisition or construction, less accumulated depreciation. Cost includes all cost incurred to bring the asset to their working condition and location.
- b. Capital Work in Progress comprises outstanding advances paid to acquire fixed assets and the cost of fixed assets that are not yet ready for their intended use at the Balance Sheet date.
- c. Fixed assets are eliminated from financial statements either on disposal or when retired from active use.

24. Depreciation

- a. Fixed asset is depreciated on a written down value basis over the useful lives of assets as prescribed under Part C of Schedule II of the Companies Act 2013.
- b. Depreciation for assets purchased or sold during the period is charged to revenue pro-rata to the period of their use.

25. Inventories

Finished goods (including for trade), work in process and raw materials are stated at 'Cost or Net Realizable Value, whichever is lower'. Cost of Inventories comprises cost of purchases and other costs incurred in bringing the inventories to their present location and condition. 'First In First Out' cost formula is used for determination of cost of inventories.

26. Investments

Long term investment are stated at cost of acquisition or book value; book value being arrived at after adjusting provisions for diminution in values of each investment individually, provided such diminution is not temporary.

27. Foreign Currency Transactions**a. Initial Recognition**

Transactions denominated in foreign currencies are recorded at the exchange rate prevailing on the date of the transaction.

b. Conversion

At the year-end, monetary assets in foreign currency are translated at the rates of exchange at the Balance Sheet date and resultant gain or loss is recognized in the Statement of Profit and Loss.

c. Exchange Differences

All exchange differences arising on settlement/conversion on foreign currency transactions are included in the Statement of Profit and Loss, except in cases where they relate to the acquisition of fixed assets, in which case they are adjusted in the cost of the corresponding asset.

28. Employee Benefit

- a. The Group's contribution to Life Insurance Corporation of India (LIC) for group gratuity policy is charged to the Statement of Profit and Loss each year. The contribution for Group Gratuity Policy is based on values as actually determined and demanded by LIC at the year end.
- b. Liability on account of obligation under the employee's provident fund & employee state insurance, both defined contribution plans, is charged to Statement of Profit and Loss on the basis of actual liability calculated as a percentage of salary.

29. Borrowing Cost

- a. Interest and other borrowing costs on specific borrowing attributable to qualifying assets are capitalized.
- b. Other interest and borrowing cost are charged to revenue.

30. Service Tax Input Credit

Service tax input credit is accounted for in the books in the period when the underlying service received is accounted and when there is no uncertainty in availing / utilizing the same.

31. Provisions & Contingent liabilities and assets

- a. Provisions are recognized only when the Group has present or legal or constructive obligations as a result of past events, for which it is probable that an outflow of economic benefit will be required to settle the transaction and a reliable estimate can be made for the amount of obligation.
- b. Contingent liability is disclosed for (i) Possible obligations which will be confirmed only by future events not wholly within the control of the Group or (ii) Present obligations arising from the past events where it is probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of obligation cannot be made.
- c. Contingent assets are not recognized in the financial statements since this may result in the recognition of income that may never be realized.

32. Taxation

- a. Income taxes are computed using the tax effect accounting method, where taxes are accrued in the same period the related revenue and expense arise. A provision is made for income tax annually based on the tax liability computed after considering tax allowances and exemptions.
- b. Income tax expense comprises current tax and deferred tax charged or credit. The deferred tax asset and deferred tax liability is calculated by applying tax rate and tax laws that have been enacted or substantively enacted by the Balance Sheet date.
- c. Deferred tax asset on account of timing differences are recognized only if there is reasonable certainty that they will be realized and are reviewed for the appropriateness of their respective carrying values at each Balance Sheet date.
- d. Minimum Alternative Tax (MAT) Paid in accordance to the tax laws, which gives rise to future economic benefits in the form of adjustment of future Income Tax liability, is considered as an asset when it is probable that future economic benefit associated with it will flow to the Group and the asset can be measured reliably.

33. Events occurring after the date of Balance Sheet

Material events occurring after the date of the Balance Sheet are considered up to the date of approval of accounts by the Board of directors.

34. Prior Period Adjustments

As per the Accounting Standard – 5, issued by the ICAI, Prior Period Adjustments as a result of errors or omission in the preparation of Financial Statements of one or more prior periods are separately disclosed in the Statement of Profit and Loss.

35. Leases

Lease Agreements where the risk and reward incidental to ownership of assets substantially vest with the lessor, are recognized as operating leases. Lease rental under operating leases are recognizes in the Statement of Profit and Loss on a straight line basis.

ALPA LABORATORIES LIMITED CIN: L85195MP1988PLC004446
REGD. OFFICE: 33/2, Pigdamber, A.B. Road, Rau, Dist. INDORE (M.P.) 453446
Website : www.alpalabs.in

PROXY FORM(FORM MGT-11)

[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) _____ Email Id.: _____
 Registered Address _____ Folio. No./ Client Id.: _____
 _____ DP. Id.: _____

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

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

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

Name _____ Email Id.: _____
 Address _____ Signature: _____

as my/ our proxy to attend and vote (on a poll) for me/ us on my/ our behalf at the 28th Annual General Meeting of the Company, to be held on 30th September 2016 at 11:45 AM and at any adjournment thereof in respect of resolutions as are indicated below:

1	Adoption of Audited Financial Statements, Directors' Report and Auditors' Report for the Year ended 31 st March 2016
2	Appointment of rotational director
3	Appointment of Auditors and Fixing their remuneration
4	Appointment of Shri Paresh Chawla as Regular director and to approve his Remuneration as Managing Director
5	Appointment of Mrs. Jyoti Jain as Regular Director
6	Remuneration of Cost Auditors
7.	Appointment and Remuneration of Managing Director
8	Remuneration of Shri M.S. Chawla
9	Adoption of New Set of Memorandum of Association
10	Adoption of New set of Articles of Association

Affix ₹1
Revenue
Stamp

Signed this _____ day of _____ 2016 Signature of Shareholder(s) _____

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

ALPA LABORATORIES LIMITED CIN: L85195MP1988PLC004446
REGD. OFFICE: 33/2, Pigdamber, A.B. Road, Rau, Dist. INDORE (M.P.) 453446

ATTENDANCE SLIP

Folio No. _____ Number of Shares _____ DP Id _____
Client Id _____

I hereby record my presence at the 28th Annual General Meeting of the Company held on 30th September 2016, at 11:45 AM.

Name of the Shareholder (in BLOCK letters) _____

email Id. of the Shareholder (in BLOCK letters) _____

Signature of the shareholder(s) _____

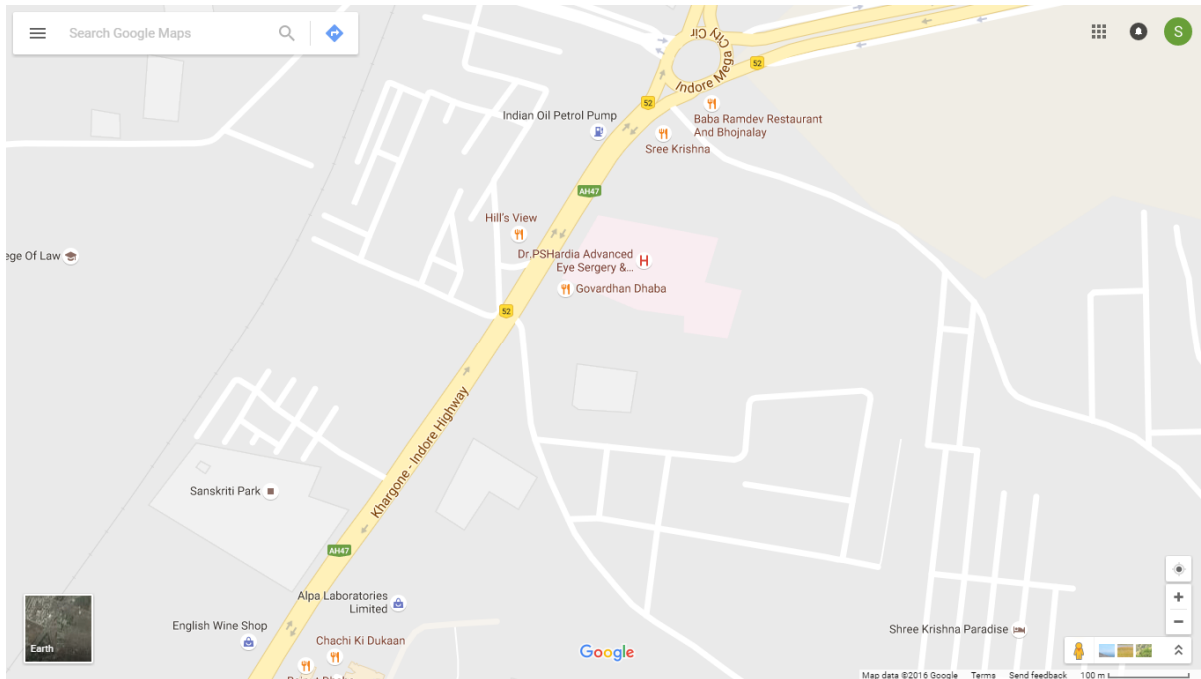
Name of the proxy (in BLOCK letters) _____

Signature of the proxy _____

- Notes: 1. Please hand over this slip at the entrance.
2. Attendance is permitted only in case shares are held on the date of the meeting.

**BOOK-POST
PRINTED MATTER**

LOCATION MAP OF VENUE OF MEETING



ALPA LABORATORIES LIMITED

If undelivered, please return to: Alpa Laboratories Limited, 33/2 Pigdamber, A.B. Road, Rau, Indore (M.P.) 453446