

# ANNUAL REPORT



**2016-17**

**ALPA LABORATORIES LTD.**

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

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**\*\*\* Please refer the end page for the location of meeting.**

## Corporate Information

### **Directors**

1. Shri Mahendra Singh Chawla – Chairman
2. Shri Paresh Chawla- Managing Director
3. Shri Pravin Shah – Executive Director
4. Shri Devendra Baheti- Independent Director
5. Shri Sharad Chand Lunawat- Independent Director
6. Shri Krishna Das Malani- Independent Director
7. Smt. Jyoti Jain- Independent Director

### **Stakeholder Relationship Committee**

1. Shri Devendra Baheti – Chairman
2. Shri Mahendra Singh Chawla
3. Shri Pravin Shah

### **Nomination and Remuneration Committee**

1. Shri Devendra Baheti – Chairman
2. Shri Sharad Chand Lunawat
3. Shri Krishna Das Malani

### **Audit Committee**

1. Shri Devendra Baheti – Chairman
2. Shri Sharad Chand Lunawat
3. Shri Mahendra Singh Chawla

### **Corporate Social Responsibility Committee**

1. Shri Pravin Shah – Chairman
2. Shri Sharad Chand Lunawat
3. Shri Devendra Kumar Baheti

### **Chief Financial Officer (CFO)**

1. Shri Bakulesh Shah

### **Company Secretary**

1. Miss. Megha Neema

### **Cost Auditors**

Sudeep Saxena & Associates, Cost Accountants (Firm Reg. No. 100980)

### **Secretarial Auditors**

Shilpesh Dalal & Co, Company Secretaries

### **Auditors**

CH Padliya & Co, Indore  
Chartered Accountants

### **Registered Office**

33/2, Pigdamber A.B Road,  
Rau, Indore-453446  
Madhya Pradesh, India  
Phone: 0731-4294567  
Fax: 0731-4294444

### **Website:**

[www.alpalabs.in](http://www.alpalabs.in)

### **Registrar and Transfer Agent**

Bigshare Services Private Limited  
1<sup>st</sup> Floor, Bharat Tin Works Building  
Opp. Vasant Oasis  
Makwana Road, Marol Andheri (East)  
Mumbai-400059, Maharashtra  
Phone No: 022-62638200  
Fax:022-62638299

### **Investor Services Email ID**

[is@alpalabs.in](mailto:is@alpalabs.in)

### **Secondary Email ID**

[cs@alpalabs.in](mailto:cs@alpalabs.in)

**NOTICE TO SHAREHOLDERS**

Notice is hereby given that the 29<sup>th</sup> Annual General Meeting of the members of the Company will be held on Friday, **29<sup>th</sup> Day of September 2017**, at the registered office of the company situated at 33/2 Pigdamber, A.B. Road, Rau, Indore, M.P. 11:00 AM to transact the following business:

**ORDINARY BUSINESS**

1. To consider and adopt the audited Financial Statement on standalone and consolidated basis, as at **31<sup>st</sup> March 2017** 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. Pravin Shah (DIN 01232138), who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint M/s. Anuradha Ratnaparkhi & Associates Chartered Accountants (Membership No.075412), as the statutory Auditors of the Company, to hold office from the conclusion of this Annual General Meeting until the conclusion of the 34<sup>th</sup> Annual General Meeting, at such remuneration as may be determined by the Board of Directors in consultation with the Auditor.

**SPECIAL BUSINESS**

4. To consider and, if thought fit, to pass, with or without modifications, the following resolution as 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 31<sup>st</sup> March 2018, be confirmed and be paid remuneration of Rs. 70,000 per year plus reimbursement of out of pocket expenses.”

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

**“RESOLVED THAT** pursuant to provisions of Section 20 and other applicable provisions, if any, of the Companies Act, 2013 and relevant rules prescribed there under, the consent of the Company be and is hereby accorded to charge from a member fee in advance, a sum equivalent to the estimated actual expenses of delivery of the documents through a particular mode, if any request has been made by such member for delivery of such document to him/ her through such mode of service provided that such request along with the requisite fee has been duly received by the Company at least one week in advance of the dispatch of the document by the Company.

**RESOLVED FURTHER THAT** Board of the Directors of the Company be and are hereby authorized to do all acts, deeds, matters and things as they may in their absolute discretion deem necessary, proper or desirable and to settle any question, difficulty, doubt that may arise in respect of the matter aforesaid and further to do all acts, deeds, matters and things as may be necessary, proper or desirable or expedient to give effect to above resolution.”

6. 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 94 and other applicable provisions, if any, of the Companies Act, 2013 read with The Companies (Management and Administration) Rules, 2014 (including any amendment thereto or enactment thereof for the time being in force), consent of the Company be and is hereby accorded to keep the Register and Index of Members under Section 92 of the Companies Act, 2013 together with the copies of certificates and documents required to be annexed thereto or any other documents as may be required at the New office of the Registrar and Share Transfer Agent of the Company viz. BigShare Services Pvt. Ltd situated at 1st Floor, Bharat Tin Working Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri (E) Mumbai 400059.

**RESOLVED FURTHER THAT** the Board of Directors or any Committee thereof of the Company be and are hereby authorized to do all such things and take all such actions as may be required from time to time for giving effect to the above resolution and matters related thereto.”

By the order of the Board of Directors  
For **Alpa Laboratories Limited**

**Pigdamber, Rau, Indore,  
10<sup>th</sup> August, 2017**

**Megha Neema  
Company Secretary**

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

**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, 22<sup>nd</sup> September 2017 to Friday, 29<sup>th</sup> September 2017 (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](mailto: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](http://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 29th 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](http://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 29th 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 26<sup>th</sup> Day of September, 2017 at 9:00 a.m. and ends on Friday 28th Day of September, 2017 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, 22<sup>nd</sup> September 2017 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](http://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
- For CDSL: 16 digits beneficiary ID
  - For NSDL: 8 Character DP ID followed by 8 Digits Client ID
  - 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](http://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:

	<b>For Members holding shares in Demat Form and Physical Form</b>
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](mailto:helpdesk.evoting@cdslindia.com)
- After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on
- The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote
- They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in 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](http://www.evotingindia.co.in) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto: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.

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

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 2017-18 at a remuneration of Rs. 70,000 plus out of pocket expenses.

The Board of Directors recommends the resolution set out at Item No. 4 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. 5**

As per the provisions of Section 20 of the Companies Act, 2013, a document may be served on any member by sending it to him by post or by registered post or by speed post or by courier or by delivery at his office or residence address or by such electronic or other mode as may be prescribed. Further, proviso to subsection (2) of Section 20 states that a member may request for delivery of any document through a particular mode, for which shareholder shall pay such fees in advance as may be determined by the company in its Annual General Meeting. Accordingly, the Board of Directors in their meeting held on 10th August, 2017 has proposed that a sum equivalent to the estimated actual expenses of delivery of the documents through a particular mode, if any request has been made by any member for delivery of such documents to him through such mode of service, be taken to cover the cost of such delivery.

The Board recommends the Ordinary Resolution at Item No. 5, for approval of the members. None of the Directors or Key Managerial Personnel of the Company or their relatives is, in any way, concerned or interested financially or otherwise in the Ordinary Resolution set out at Item No. 5 of the Notice

**Item No. 6**

As required under the provisions of Section 94 the Companies Act, 2013, certain documents such as the Register of Members, Index of Members and Register of Transfers, are required to be kept at the registered office of the Company. However, these documents can be kept at any other place, if approved by a Special Resolution passed at a general meeting of the Company. Accordingly, the approval of the members is sought in terms of Section 94(1) of the Companies Act, 2013, for keeping the aforementioned registers and documents at the New office of the BigShare Registry Pvt Ltd at 1st Floor, Bharat Tin Working Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri (E) Mumbai 400059.

A copy of the proposed resolution will be filed to the Registrar of Companies, Maharashtra, Mumbai, as required under the said Section 94 (1) of the Companies Act, 2013. The Directors recommend the said resolution proposed vide Item No. 6 to be passed as Special Resolution by the members.

None of the Directors, Key Managerial Personnel of the Company, and/or their relatives may be deemed to be concerned or interested in the said resolution, except in capacity of Members.

**By the order of the Board of Directors  
For Alpa Laboratories Limited**

**Pigdamber, Rau.  
10<sup>th</sup> August, 2017**

**Megha Neema  
Company Secretary**

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

## Directors Report

**To,**

The Shareholders

The Directors have the pleasure of presenting the 29<sup>th</sup> Twenty Ninth Annual Report of your company together with the Audited Financial Statements for the year ended 31<sup>st</sup> March, 2017.

### 1. PERFORMANCE/OPERATIONS

#### Financial Summary ( ₹ in lacs).

Standalone Financial Results	Financial Year ended	
	Standalone	
	31/03/2017	31/03/2016
Total Income	7175.25	5959.43
Profit before finance cost & depreciation	1112.07	1290.81
Less: Finance Cost	170.95	144.62
Depreciation and Amortization	76.08	83.09
<b>Profit Before Tax</b>	<b>865.04</b>	<b>1063.10</b>
Less: Provision for Taxation		
Current Tax	(303.36)	(285)
Deferred Tax	10.36	(4.14)
<b>Net Profit</b>	<b>572.04</b>	<b>773.96</b>

The standalone and consolidated financial statements are prepared in accordance with the Accounting Standards as prescribed by Institute of Chartered Accountants of India

The audited consolidated financial statements are provided in this Annual Report.

### 2. DIVIDEND

The Directors do not recommend any dividend for the financial year ended March 31, 2017, with a view to retain internal accruals and will be used for the growth/expansion of the company.

### 3. MANAGEMENT DISCUSSIONS AND ANALYSIS

**a) Industry Structure and Development Outlook:** The Indian Pharmaceutical market is growing rapidly with a solid boost of Research and Development, in the current scenario the Indian Pharmaceuticals Market (IPM) has seen double-digit growth. The Indian Pharmaceuticals market is forecasted to grow at an annual growth rate (CAGR) of 11.8% (+/-3%), between 2015 to 2020.

**b) Financial Performance:** During the financial year under report, the company registered a total income of 7175.25 Lacs as against 5959.43 Lacs in the previous financial year, a growth of 20.38% is noticed. During the year company suffered some setbacks in the overseas market due to shortage of dollars, it will effect some liquidity crunch during the year.

During the year under report Earning before finance cost and depreciation amounted to Rs.1112.07 Lacs as compared to 1290.81 Lacs in the previous financial year. The operations have resulted 572.04 lacs as against 773.96 lacs in the previous financial year at a slightly negative growth of -26% due to increase in cost of materials as compared to previous financial year.

**c) SEGMENT REPORTING:** The Company operates in a single segment of Drugs and Chemicals, which is the primary reportable segment, and the same is given in the notes to the financial statements.

**d) OUTLOOK, RISKS AND CONCERNS:** Although some troubles in economic sector of certain regions are impending the Pharma sales growth, long-term outlook for the pharmaceutical industry remains positive, The Pharma industry growth will be driven mainly by population growth. India enjoys an important position in the global pharmaceutical sector, Indian pharmaceuticals exports have significantly increased from US\$ 2 billion in 2006 to about US\$ 15 billion, the Indian pharmaceuticals is the third largest in terms of volume and thirteenth largest in terms of value. However some risk and concerns had been faced by the organization like:

- a) Currency fluctuations,
- b) Regulatory issues,
- c) Government mandated price controls,
- d) Inflation,
- e) Litigation risk,
- f) manufacturing and supplying risk

and resultant all round increase in input costs are few causes of concern and risk needs to be control appropriately.

During the year under report, there was no change in the nature of company business.

**e) 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 reviews 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..

**f) HUMAN RESOURCES:** The human resource plays a important role in the growth and success of an organization. The company has maintained cordial and harmonious relations with employees across various locations. Company has a policy to retain talent at its high priority to enable achievement of organizational goal and vision. During the year under review, various training were conducted to improve the competency level of employees with an objective to improve the operational performance of individuals. The company strives to enhance the technical, work related and general skills of employees through training programs on a recurrent basis.

The company has 384 permanent employees as on 31<sup>st</sup> March, 2017.

**g) CAUTIONARY STATEMENT:** Certain statement in the management discussion and analysis may be forward looking within the meaning of applicable securities laws and regulations and actual results may differ materially from those expressed or implied. Factors that would make differences to company's operations include competition, currency fluctuations, regulatory issues, changes in government policies with in India and the countries in which the company conduct business and other incidental factors.

**4. SHARE CAPITAL:** The paid up equity share capital of the company as at 31<sup>st</sup> March, 2017 is Rs. 2104.06 Lacs and there is no change in share capital of the company as compared to the previous financial year.

**5. SUBSIDIARY, JOINT VENTURE AND ASSOCIATE COMPANIES\*\*\*:** There has been no material change in the nature of the business of the subsidiary. The company has no subsidiary, which can be considered as material within the meaning of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

As required, the financial data of the subsidiary is furnished in the prescribed form AOC-1 as an Annexure to the consolidated financial statements Pursuant to the provisions of section 129 (3) of the Companies Act, 2013 the consolidated financial statements of the company are attached.

\*\*\*Note: The Company is partner in Seabright Landmark Projects LLP to the extent of 18% share in profit

## **6. DIRECTORS:**

### **a) Overview:**

During the year under review Mrs. Shashi Jain (Independent director) resigned as director from 28<sup>th</sup> May, 2016. The Board places on record their appreciation of the valuable service rendered by Mrs. Shashi Jain during their tenure and for their contribution to the deliberations of the Board.

The Board of Directors has appointed Mrs. Jyoti Jain as independent director in place of Mrs. Shashi Jain and Mr. Paresh Chawla as Managing Director of the Company.

Mr. Krishnadas Malani, Mr. Sharad Chand Lunawat, Mr. Devendra Kumar Baheti and Mrs. Jyoti Jain who are Independent directors, have submitted declarations that each of them 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.

Shri Pravin Shah Executive Director of the company retires by rotation at the forthcoming Annual General Meeting, and being eligible offers himself for re-appointment.

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

### **b) Retirement by rotation:**

To appoint a director in place of Mr. Pravin Shah, who retires by rotation and being eligible, offers himself for re-appointment.

### **c) Remuneration Policy and Board Evaluation:**

In Compliance with the provision of the companies Act, 2013 and regulation 27 of the Listing Obligations and Disclosure Requirements (LODR), the Board of Directors on the recommendation of the Nomination and Remuneration Committee adopted a policy on remuneration of directors and senior management. The remuneration policy is stated in the Corporate Governance Report. Performance evaluation of the Board was carried out during the period under review. The detail of the same is mentioned in the corporate governance report.

### **d) Familiarisation Program for the Independent Directors :**

In Compliance with the requirements of SEBI Regulations, the company undertook director's familiarization programme to familiarize them with their roles, rights and responsibilities as directors, the 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

**e) Meetings of the Board and Committees thereof:**

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

**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.

**g). DIRECTOR RESPONSIBILITY STATEMENT:**

Your Director confirms:

a) that in the preparation of the annual financial statements for the year ended March 31, 2017 the applicable Accounting Standards had been followed along with proper explanation relating to material departures, if any.

b) that your directors have selected 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, 2017.

c) that your directors have taken 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) that your directors have prepared the annual financial statements have been prepared on a going concern basis.

e) that your directors have laid down internal financial controls were followed by the Company and that such internal financial controls are adequate and were operating effectively.

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

**8. CORPORATE GOVERNANCE:** As per the requirement of SEBI (Listing Obligations and Disclosure requirements) Regulations, 2015 the company has complied with the requirements of Corporate Governance in all material aspects. A report on Corporate Governance (**Annexure-1**) together with a certificate of its compliance from a practicing company secretary, forms part of the report.

**9. FIXED DEPOSITS:** During the year under review, the company has not accepted any fixed deposits and as such no amount of principal or interest on deposit from public was outstanding as on the date of the balance sheet.

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

**11. AUDITORS AUDIT REPORT AND AUDITED ACCOUNTS.** M/s. C.H Padliya & Co. Chartered Accountants (Firm Registration Number 003151C), retire as auditors of the company under the provisions of Section 139 of the Companies Act, 2013. They are not eligible for re-appointment as the auditors of the company under the provisions of Section 139 (2) of the Companies Act, 2013. The Board places on record its appreciation for the services rendered by M/s. C.H Padliya & Co. Chartered Accountants as the statutory auditors of the company for all these years.

In their place, it is proposed by the company to appoint M/s. Anuradha Ratnaparkhi and Associates Chartered Accountant (Membership No.075412) as the statutory auditor of the company for a period of 5 Years till the conclusion of 34<sup>th</sup> Annual General Meeting of the company and the necessary resolution in this regard is proposed to be passed by the members of the company at the ensuing Annual General Meeting.

The Auditor's report read with the notes to the accounts referred to therein are self-explanatory and therefore, do not call for any further comments. There are no qualifications, reservations or adverse remarks made by the auditors.

**12. COST AUDIT:** Pursuant to the provisions of Section 148 of the Companies Act, 2013, M/s. Sudeep Saxena & Associates, Cost Accountants (Registration Number 100980) were appointed as Cost Auditors for the financial year 2016-2017 to conduct audit of cost records of the company

The Cost audit report for the financial year 2015-2016 was filed on 30<sup>th</sup> September 2016.

**13. SECRETARIAL AUDITORS:** Pursuant to the provisions of Section 204 of the Companies Act, 2013 and other applicable provisions if any of the act, M/s. Shilpesh Dalal & Co. Company Secretaries were appointed as the secretarial auditors for auditing the secretarial records maintained by the company for the financial year 2016-2017.

The Secretarial Audit Report is **attached (in FORM No. MR-3)** to this report. There are no qualifications, reservations or adverse remarks made by the Secretarial Auditors

**14. CORPORATE SOCIAL RESPONSIBILITY:** The Company is always being a committed good corporate citizen, as a part of its Social responsibility, the companies undertake various activities for the benefit of needy people, company has maintain good relationship with the charitable organization and support for the people to improve the living conditions. During the year under review company has supported old age homes and promotional of Social Activities undertaken by charitable institutions and organizations

Pursuant to the provisions of section 135 of the companies act, 2013 rules made thereunder the company has constituted a CSR Committee to monitor CSR Activities of the company, the said policy may be accessed on the company website at the link [www.alpalabs.in](http://www.alpalabs.in)

An abstract on company CSR activities is furnished as **Annexure-2** to this report.

#### **15. PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS**

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.

#### **16. PARTICULARS OF CONTRACTS AND RELATED PARTY TRANSACTIONS:**

In line with the requirements of the Companies Act, 2013 and LODR, company has formulated a policy on Related Party Transactions. All related party transactions that are 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 2016-17. The policy of related party transaction, Board had approved policies on Related Party Transactions. and the same have been uploaded on the Company's website, under the web link: [www.alpalabs.in](http://www.alpalabs.in).

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

**17. SAFETY, ENVIRONMENT AND HEALTH:** The Company considers safety, environment and health as the management responsibility; regular training programmes are carried out on safety, health and environment.

**18. PREVENTION OF SEXUAL HARRASMENT AT WORK PLACE:** 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

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.

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

**19. WHISTLE BLOWER POLICY/VIGIL MECHANISM:** 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 at a link [www.alpalabs.in](http://www.alpalabs.in)

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

Your Company hereby affirms that no personnel have been denied access to the Chairman of the Audit Committee and that no complaints were received during the year.

**20. 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.

**21. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS:** 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.

**22. 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- 4** 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.

**21. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND 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-5** to this Report.

**22. EXTRACT OF ANNUAL RETURN:** An extract of annual return in Form MGT-9 as on 31<sup>st</sup> March, 2017 is furnished as **Annexure-6** this report.

**23. ACKNOWLEDGEMENTS:**

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**

**Pigdamber, Rau.**  
**10<sup>th</sup> August, 2017**

**Paresh Chawla**  
**Managing Director**



**ANNEXURE-1****REPORT ON CORPORATE GOVERNANCE**

**(Pursuant to Regulations 17 to 27 and clauses (b) to (i) of sub regulation (2) of Regulation 46 and paragraphs C, D and E of schedule V of the Listing Obligations and Disclosure Requirements,2015 (LODR) entered into with the Stock Exchanges)**

**1. Company's Philosophy on Code of Governance**

The Company's philosophy of Corporate Governance is aimed at assisting the management of the company in the efficient conduct of its business and in meeting its obligations to stakeholders, and is guided by a strong emphasis on transparency, accountability and integrity. Board exercise its fiduciary responsibilities towards shareholders and creditors so as to ensure high accountability. All Directors and employees are bound by code of conduct and the associated standards of conduct that sets out the fundamental standards to be followed in all actions carried out on behalf of the company.

**2. Board of Directors****A. Composition and Size of the Board.**

The present strength of the Board is seven directors. The Board comprises of Executive and Non Executive Directors. The Non Executive Directors bring independent judgment in the Board's deliberations and decisions. Three Directors Including Managing Director are Executive Directors. There are four non-executive directors of which all four are independent directors.

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

<b>Category</b>	<b>Name of Director</b>
Executive Director MD:	Mr. Paresh Chawla
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, Mrs. Jyoti Jain.

**B. Board Meetings and attendance**

Six Board Meetings were held during the year ended 31<sup>st</sup> March, 2017 and the gap between two Board Meetings did not exceed four months.

The Information as required under schedule V (C) of the Listing Obligations & Disclosure Regulations,2015 is made available to the board. The agenda and papers for consideration at the Board meeting are circulated at least seven days prior to the meeting.

The dates on which meetings were held as follows:

<b>Date of Meetings</b>	<b>Board Strength</b>	<b>No. of Directors present</b>
09 <sup>th</sup> April,2016	6	5
28 <sup>th</sup> May,2016	6	5
20 <sup>th</sup> July,2016	6	6
12 <sup>th</sup> August,2016	7	7
12 <sup>th</sup> November,2016	7	7
06 <sup>th</sup> February,2017	7	6

**C. Attendance of each director at the Board meetings and last Annual General Meeting (AGM) and the shareholding held by them in the company**

Name of the Director	Category	No. of Board Meetings attended	Attendance at the last AGM held on 30 <sup>th</sup> September,2016	No. of Equity shares held in the company
Mr. Mahendra Singh Chawla	Chairman & Executive Director Promoter Director	6	Yes	24,73,920
Mr. Paresh Chawla	Managing Director, Promoter Director	4	Yes	30,44,980
Mr. Pravin Shah	Executive Director, Promoter Director	5	Yes	12.10,580
Mr. Krishnadas Malani	Non- Executive, Independent Director	6	Yes	Nil
Mr. Devendra Kumar Baheti	Non- Executive, Independent Director	6	Yes	Nil
Mr. Sharad Chand Lunawat	Non- Executive, Independent Director	6	Yes	Nil
Mrs. Jyoti Jain (From 12 <sup>th</sup> August,2016)	Non- Executive, Independent Director	3	No	Nil
Mrs. Shashi Jain (Upto 28 <sup>th</sup> May,2016)	Non- Executive, Independent Director	0	No	Nil

The above shareholding as at 31<sup>st</sup> March 2017 is in respect of shares, which are held by directors.

**D. Number of companies or committees of which the director is Member or Chairperson**

Name of the Director	No. of companies in which director (Including ALPA Laboratories Limited)	No. of Committees in which member (Including ALPALABS LTD.)***	No. of Committees of which Chairman (Including ALPALABS LTD.)
Mr. Mahendra Singh Chawla	2	2	Nil
Mr. Paresh Chawla	1	Nil	Nil
Mr. Pravin Shah	2	2	1
Mr. Krishnadas Malani	1	1	Nil
Mr. Devendra Kumar Baheti	2	4	3
Mr. Sharad Chand Lunawat	10	3	Nil
Mrs. Jyoti Jain	1	Nil	Nil
Mrs. Shashi Jain (Upto 28 <sup>th</sup> May,2016)	1	Nil	Nil

\*\*\* Includes CSR Committee.

**E. Disclosure of Relationship between director interse:**

Your Company had appointed Independent Directors in conformity of Section 149 and other applicable provisions of the Companies Act, 2013 and provisions of Listing Agreement, None of the Independent Directors are Promoters or related to Promoters or nor have any pecuniary relationship with the Company or other directors. All the independent directors have furnished declaration that they qualify the condition of being independent as per section 149 (6) of the companies act, 2013 and regulation 16(1)(b) of the Listing Regulations. These were placed before the board.

The Meetings of Independent directors were held on 04<sup>th</sup> February,2017 to review the performance of Non-Independent Directors, the Board, Committees and the chairperson. The Meeting also reviewed the quality, quantity and timeliness of flow of information between the Company and the Board.

All the terms and conditions of appointment of Independent Directors have been placed on the website of the company [www.alpalabs.in](http://www.alpalabs.in).

### **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](http://www.alpalabs.in)

### **3. 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 interalia 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, Chairperson, Shri Sharad Lunawat, both Independent Non-Executive Directors and Shri Mahendra Singh Chawla Executive Director.

The Committee met five times during the year ended 31<sup>st</sup> March 2017 on 28<sup>th</sup> May 2016, 03<sup>rd</sup> August 2016, 12<sup>th</sup> August 2016, 12<sup>th</sup> November 2016 and 06<sup>th</sup> February 2017. The members of the Committee and their attendance are given below:

Name	Designation	Category of Directorship	Attendance out of five Meetings held
Mr Devendra Kumar Baheti	Chairperson	Non- Executive & Independent	5
Mr. Sharad Chand Lunawat	Member	Non- Executive & Independent	5
Mr. Mahendra Singh Chawla	Member	Executive & Independent	5

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

The Director, Chief Financial Officer, Statutory Auditors, Internal Auditors attended a meeting of the Committee, as invitees.

The Chairman of the Audit Committee, Mr. Devendra Kumar Baheti was present at the Annual General Meeting of the company held on 30<sup>th</sup> September 2016.

Ms. Megha Neema, Company Secretary act is the Secretary to the Committee.

#### 4. 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.

During the year under review, the committee met on 28<sup>th</sup> May 2016 and 20<sup>th</sup> July 2016.

The Composition of the Committee as well as the particulars of attendance at the committee meetings during the year and other related details are given in the table below.

Name of Director	Category	No. of Meetings held during the tenure	No. of meetings attended
Mr. Devendra Kumar Baheti	Non Executive- ID	2	2
Mr. Sharad Chand Lunawat	Non Executive-ID	2	2
Mr. Krishnadas Malani	Non Executive-ID	2	2

Ms. Megha Neema, Company Secretary, provided secretarial support to the committee.

Performance evaluation criteria for Independent directors are hosted on [http://alpalabs.in/images/Remuneration\\_Policy.pdf](http://alpalabs.in/images/Remuneration_Policy.pdf).

## 5. 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.

During the year under report, the non-executive director had no pecuniary relationship or transactions with the company.

### 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 policy 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.

Details of Payments made to Non-Executive Directors in the financial year 2016-2017 as under:

Name of the Director	Sitting Fees Paid
Mr. Devendra Kumar Baheti	47,500
Mr. Sharad Chand Lunawat	47,500
Mr. Krishnadas Malani	47,500
Mrs. Jyoti Jain	24,750

### 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.
- All the Executive Directors including the Managing Director is paid such remuneration as may be mutually agreed between the company and the executive directors with in the overall limits prescribed under the Companies Act, 2013 and is subject to approval by the shareholders of the company.
- 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.
- The company has adapted remuneration policy and the same has been posted on the company website [www.alpalabs.in](http://www.alpalabs.in)

Details of Payments made to Executive Directors in the financial year 2016-2017 as under:

Name of the Director	Remuneration*	Stock Options	Commission	Total (In Rs.)
Mr. Mahendra Singh Chawla	63,00,000	Nil	Nil	63,00,000
Mr. Paresh Chawla	60,50,000	Nil	Nil	60,50,000
Mr. Pravin Shah	42,00,000	Nil	Nil	42,00,000

\*Fixed Component

The Service contract of Managing Director and Executive Director are generally for a period of 5 Years. There is no separate provision for payment of severance fee in the agreements signed by the company with them.

As on 31<sup>st</sup> March, 2017 the company has no outstanding stock options or other convertible instruments.

## 6. Stakeholder Relationship Committee:

- The Stakeholder Relationship Committee comprises of Mr. Devendra Baheti, Chairperson, Mr. Mahendra Singh Chawla. and Mr. Pravin Shah are the members of the committee. The Committee monitors share related activities and investors' complaints.

Meetings held and attendance during the financial year 2016-2017

There were 4 (four) meetings of this committee during the financial year 2016-2017. The dates on which the said meetings were held as follows.

28<sup>th</sup> May 2016, 12<sup>th</sup> August 2016, 12<sup>th</sup> November 2016 and 06<sup>th</sup> February 2017.

Name of Director	Category	No. of Meetings held during the tenure	No. of meetings attended
Mr. Devendra Kumar Baheti	Chairperson	4	4
Mr. Mahendra Singh Chawla	Member	4	4
Mr. Pravin Shah	Member	4	3

- Name and designation of compliance officer:**

Ms. Megha Neema, Company Secretary is the compliance officer of the company.

- Number of shareholder compliant received:**

During the year company received 09 complaints/communications from the shareholder mainly for asking the information of Non delivery of Annual Reports etc. Since company has a strong policy to resolve the queries of genuine shareholder only and our investor grievances team has first check all the information of shareholder in our records so that information should reach to genuine shareholders only, We, (Alpa) cannot consider any communication which according to our policy or by statute or by any regulations is prohibited to share or disclose.

- Number of Pending Complaints:**

Nil

**7. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:** In compliance with the provisions of Section 135 of the Companies Act, 2013, the composition of the Corporate Social Responsibility committee as follows:

1. Mr. Pravin Shah- Chairperson 2. Mr. Sharad Chand Lunawat- Member 3. Mr. Devendra Kumar Baheti-Member

During the year under review company met on 11<sup>th</sup> November, 2016 and the sufficient quorum was being present at the meeting

## 8. Subsidiary Companies

The Company has one non listed, non material wholly owned subsidiary company i.e Norfolk Mercantile Pvt Ltd. 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) 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](http://www.alpalabs.in/financials.html)

## 9. GENERAL INFORMATION

### • General Body Meetings

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

Year	Venue	Day/Date	Time
26 <sup>th</sup>	33/2 Pigdambar. A B Road, Rau, Indore	30 <sup>th</sup> September 2014	11.45 AM
27 <sup>th</sup>	33/2 Pigdambar. A B Road, Rau, Indore	30 <sup>th</sup> September 2015	11.45 AM
28 <sup>th</sup>	33/2 Pigdambar. A B Road, Rau, Indore	30 <sup>th</sup> September 2016	11.45 AM

The Chairman of the Audit Committee was present at all the above AGMs.

Special Resolutions have been passed in the financial year 2013-2014 and 2015-2016 in the last previous three Annual General Meetings held in 2013, 2014 and 2015.

Year	Location	Date & Time	No. of Special Resolutions
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
2016	Registered Office at Rau	30.09.2016, 11.45 AM	4 (Four)

### • Postal Ballot

The Company passed one Resolution by way of postal ballot vide notice dated 12<sup>th</sup> 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 04<sup>th</sup> April 2014.

### • 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/Choutha Sansar/Business Standard/Naidunia. These results are simultaneously posted on the website of the company at [www.alpalabs.in](http://www.alpalabs.in) and also uploaded on the website of BSE and NSE. These are not sent individually to the shareholders.

### • General Shareholders Information

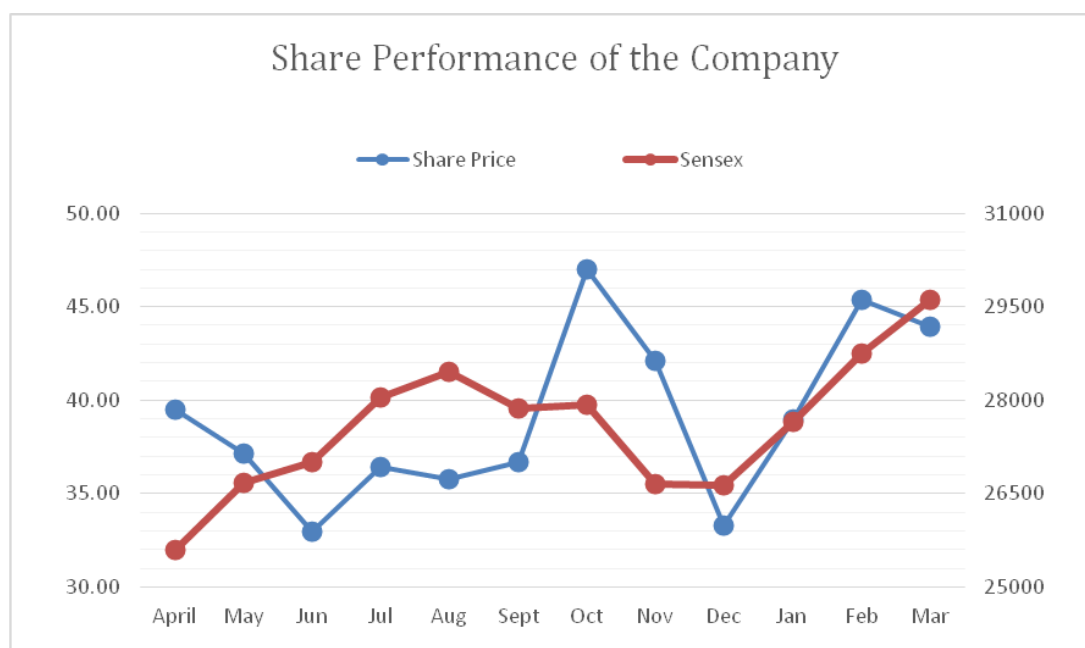
- a. **Registered Office:** 33/2 Pigdambar, A B Road, Rau, Indore (M.P.) 453446, INDIA
- b. **Compliance Officer:** Ms. Megha Neema, "is@alpalabs.in"
- c. **Annual General Meeting:** 29<sup>th</sup> September 2017 at the Registered Office of the Company at 11:00A.M.
- d. **Financial Year:** 01<sup>st</sup> April, 2016 to 31<sup>st</sup> March,2017
- e. **Date of Book Closure:** 22<sup>nd</sup> September 2017 to 29<sup>th</sup> September 2017 (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.
- h. **Stock Code:** BSE: 532878 NSE: ALPA ISIN: INE385I01010

### •. Stock Market Data

Month Month	BSE Limited			NSE Limited		
	Share Price		Sensex Points	Share Price		
	High	Low	Number of Shares Traded	High	Low	Number of Shares Traded
April	39.50	30.30	269601	39.75	30.40	334417
May	37.15	28.20	322240	37.30	28.10	361587
Jun	33.00	26.55	245714	33.50	26.55	360201
Jul	36.40	27.55	325762	36.05	27.60	332147
Aug	35.80	28.60	320959	36.05	28.55	283895
Sept	36.70	30.25	362779	36.45	30.25	409444
Oct	47.00	32.00	373105	46.80	31.90	460831
Nov	42.10	28.10	328348	41.60	27.95	366254
Dec	33.30	29.05	189212	33.50	29.00	160517
Jan	39.00	30.15	271339	38.90	30.45	260595
Feb	45.35	35.00	425272	45.95	35.00	446203
Mar	43.95	38.60	242243	43.85	39.05	725995

(Source: BSE and NSE Website)

Performance in comparison to BSE Sensex with market price of the company



### •. 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 lodgment if documents are complete in all respects.

### •.. Registrar and Share Transfer Agent:

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

Phone: +91-22-62638200 Fax: +91-22-62638299

Email: "ipo@bigshareonline.com" Website: "http://www.bigshareonline.com/"



• **Details of Unclaimed Securities Suspense Account**

There are 800 equity shares were unclaimed at the end of the financial year.

• **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	9705	79.34	17595520	8.36
5,001-10,000	1290	10.55	10704040	5.08
10,001-20,000	635	5.19	9648020	4.59
20,001-30,000	180	1.48	4651930	2.21
30,001-40,000	83	0.68	3001290	1.43
40,001-50,000	94	0.77	4416030	2.09
50,001-100,000	132	1.07	9681020	4.60
Over 100,000	110	0.92	150708150	71.63
<b>TOTAL</b>	<b>12,229</b>	<b>100.00</b>	<b>21,04,06,000</b>	<b>100.00</b>

• **List of Top Ten Shareholders of the Company as on March 31, 2017**

Name of the Shareholder	No. of Shares	Percentage (%)
Jasmin Kishor Ajmera	2,22,909	1.06
Sai Prasanna Manchineni	2,68,279	1.28
Inderjeet Singh Chawla	2,05,480	0.98
Rimpa Nihar Sarkkar	1,48,804	0.71
Gulab Rochlani	1,33,000	0.63
Rashesh Doshi	1,11,000	0.53
Jayraj Ashwin Doshi	1,11,000	0.53
Ashwin Doshi	93,414	0.44
DR Kotagiri Venkata Appa Rao	1,00,000	0.48
Rajkumar Lohia	19,489	0.09
Shanti Rani Chawla	1,58,150	0.75

• **De-materialization of Shares and Liquidity:**

97.74% of the total equity capital is held in dematerialized form with NSDL and CDSL as on 31<sup>st</sup> March, 2017. At the end of the year, there were 20565675 total number of equity shares that had been in dematerialized form. The shares of the Company being frequently traded.

• **Outstanding GDR/ADR/Warrants or any convertible Instruments:**

The company has not issued these type of securities.

• **Plant Location:**

**Manufacturing Units as on 31.03.2017:**

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

• **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: [is@alpalabs.in](mailto:is@alpalabs.in) and [cs@alpalabs.in](mailto:cs@alpalabs.in)

**10. Other Disclosures:**

- a. The Board has approved a policy for related party transactions which has been uploaded on the website of the company i.e [www.alpalabs.in](http://www.alpalabs.in). 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 noncompliance nor have any penalties imposed by Stock Exchange (s) or the Board 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 Company has complied with all the mandatory requirements of corporate governance under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The details about adoption of non-mandatory requirements are given in the table below:
- e. The Board has approved a policy for determining material subsidiaries, which has been uploaded on the website of the company [http://alpalabs.in/images/Subsidiary\\_Companies.pdf](http://alpalabs.in/images/Subsidiary_Companies.pdf).
- f. The Board has approved a policy for related party transactions, which has been uploaded on the website of the company [http://alpalabs.in/images/Related\\_Party\\_Transactions.pdf](http://alpalabs.in/images/Related_Party_Transactions.pdf).
- g. The Company is not dealing in commodity and hence disclosure relating to commodity price risks and commodity hedging activities is not applicable.

**11. Non- Compliance of any requirement of Corporate Governance Report with reasons thereof.**

There is no Non-Compliance of any requirement of Corporate Governance Report of sub –paras (2) to (10) of the above.

**12. Non Mandatory Requirements:****A. The Board:**

The Company currently has an Executive Chairman and as such he has an office maintained by the company.

**B. Shareholder Rights:** The quarterly and half-yearly results are published in widely circulating national and local dailies such as Free Press/Choutha Sansar/Business Standard/ Naidunia. These are not sent individually to the shareholders but hosted on the website of the company.

**C. Audit Qualification:** There are no qualifications in the audit report

**D. Separate post of Chairman and Managing Director:** The Post of Chairman and Managing Director are separate.

**E. Reporting of Internal Auditors:** The Internal Auditor of the company reports to the Audit Committee and Managing Director.

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

- a) The Company has provided information to the board as specified in PART A of schedule ii of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 pertaining to Corporate Governance. The Board also periodically review the compliances by the company of all applicable laws.
- b) The Board of directors in their meeting shall satisfy itself that plans are in place for orderly succession for appointment to the board of directors and senior management.

- c) The Board has laid down a code of conduct for Board members and senior management personnel of the Company. The code incorporates the duties of independent directors as laid down in the Companies Act, 2013. The said code of conduct is posted on Company's website [www.alpalabs.in](http://www.alpalabs.in)

The company has adopted a code of conduct for prevention of insider trading based on SEBI (Prohibition of Insider Trading) Regulations, 2015. The same may also be accessed on [www.alpalabs.in](http://www.alpalabs.in)

- d) The Company had complied with the requirement of placing minimum information before the Board of Directors as contained in Part A of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- e) The CFO compliance certification under Part B of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 forms part of this Annual Report and is annexed with this report.
- f) The Performance evaluation of independent directors are evaluate by board in a time to time.
- g) The Policy on Related party transactions is available on [www.alpalabs.in](http://www.alpalabs.in)
- h) The Company has not entered into any material significant transactions during the year.
- i) Your company has one non-material wholly owned subsidiary company by the name and style of Norfolk Mercantile Private Limited. The financial statements of which are regularly reviewed by the audit committee and board of directors, the coy of the minutes were also placed before the board of directors in their meeting and the board has also review all significant transactions and arrangements if any, entered into by the subsidiary.
- j) None of the directors are directors in more than 20 companies at the same time and are also not serving as independent director in more than seven listed companies or serve as whole time director. In accordance with the requirements of section 149 (6) and (7) of the companies act, 2013 all the independent directors have given declaration of independence in the first board meeting of the current financial year.
- k) During the year under review, the Meetings of Independent directors were held on 04<sup>th</sup> February, 2017 to review the performance of Non Independent Directors, the Board, Committees and the chairperson. The Meeting also reviewed the quality, quantity and timeliness of flow of information between the Company and the Board.
- l) Information of directors retiring by rotation: Mr. Pravin Shah (DIN 01232138), who retires by rotation and being eligible, offers himself for re-appointment.
- m) Company has complied the provision of section 135 of the companies act, 2013 for constitution of CSR and the disclosure of the same is annexed in this report.
- n) Reconciliation of Share Capital Audit: M/s. Shilpesh Dalal & Co. qualified company secretaries carried out a share capital audit to reconcile the total admitted equity share capital with NSDL and CDSL and the total issued capital and listed capital.

**On behalf of the Board of Directors of  
Alpa Laboratories Limited**

**Pigdamber, Rau.**  
**10<sup>th</sup> August, 2017**

**Paresh Chawla**  
**Managing Director**

**Mahendra Singh Chawla**  
**Chairman and Executive Director**

**CEO/CFO CERTIFICATION**

**The Board of Directors,  
Alpa Laboratories Limited  
33/2 A.B Road Pidamber, Rau,  
Indore (M.P)-453446**

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

1. We have reviewed the financial statements and the cash flow statement 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. 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. 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) Significant changes in internal control over financial reporting during the year;

b) Significant changes in accounting policies during the year;

c) 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.

**For Alpa Laboratories Limited**

**Paresh Chawla**

**Bakulesh Shah**

**Managing Director**

**CFO**

**Place: Pigdamber, Rau**

**Date: 10<sup>th</sup> August, 2017**

**CEO/MANAGING DIRECTOR CERTIFICATION**

**To,  
The Members of  
Alpa Laboratories Limited**

It is hereby certified and confirmed in accordance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 that the Board members and the Senior Management personnel of the Company have affirmed compliance with the Code of Conduct of the Company for the financial year ended 31st March, 2017.

**Place: Pigdamber, Rau**

**For Alpa Laboratories Limited  
Managing Director**

**Date: 10<sup>th</sup> August, 2017**

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**PRACTISING COMPANY SECRETARIES' CERTIFICATE ON CORPORATE GOVERNANCE**

To  
The Members of  
**Alpa Laboratories Limited**

We have examined the compliance of the conditions of Corporate Governance by Alpa Laboratories Limited for the year ended on March 31, 2017, as stipulated in Regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of Regulation 46 and para of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Agreement and the Listing Regulations applicable for the respective periods as mentioned above.

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

**For Shilpesh Dalal & Co.**

**Practicing Company Secretaries  
Shilpesh Dalal  
FCS No.5316 and COP No.4235**

### **Disclosure with respect to Demat Suspense account/Unclaimed Suspense Account**

- a) Total Number of 800 shares lying in the suspense account
- b) No Number of shareholder approached to company for transfer of shares from suspense account.
- c) No Number of shareholder to whom shares were transferred from suspense account during the year.
- d) Aggregate number of shareholders in the suspense account is Four.

## **ANNEXURE 2**

### **ANNUAL REPORT ON CSR ACTIVITIES**

#### **1. Outline of the Company's CSR policy:**

ALPA Laboratories Limited (ALPA) has always been committed to the cause of social service and has repeatedly channeled a part of its resources and activities, such that it positively affects the society socially, ethically and also environmentally. The Company has taken up various Corporate Social Responsibility (CSR) initiatives and enhanced value in the society.

Social and environmental responsibility has always been at the forefront of Alpa Laboratories Limited operating philosophy and as a result the Company consistently contributes to socially responsible activities. CSR at Alpa Laboratories Limited portrays the deep symbiotic relationship that the Company enjoys with the communities it is engaged with. As a responsible corporate citizen, we try to contribute for social and environmental causes on a regular basis. We believe that to succeed, an organization must maintain highest standards of corporate behavior towards its employees, consumers and societies in which it operates. We are of the opinion that CSR underlines the objective of bringing about a difference and adding value in our stakeholders' lives.

The said policy can be accessed at a link [www.alpalabs.in/images/corporate social responsibility Policy.pdf](http://www.alpalabs.in/images/corporate%20social%20responsibility%20Policy.pdf)

#### **2. The Composition of the CSR Committee of the Board**

Mr. Pravin Shah - Executive Director and Chairman of the Committee  
 Mr. Sharad Chand Lunawat - Independent Director  
 Mr. Devendra Kumar Baheti - Independent Director

#### **3. Average net profit of the company for last three financial years:**

#### **4. Prescribed CSR Expenditure (two percent of the amount as in item 3 above)**

The Company was required to spend an amount of Rs. 4,50,000 CSR expenditure for the financial year ended 31st March, 2017.

#### **5. Details of CSR spent during the financial year:**

- a) Total amount to be spent for the financial year: 4,50,000
- b) Amount spent: Rs.15,00,000
- c) Manner in which the amount spent during the financial year is set out below:

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sr.No.	CSR Project	Sector in which covered	Projects or Programs (State Wise)	Amount Spent	Amount Spent on the projects	Expenditure upto the reporting period	Direct or through implementing agency
1	Educational/Old age homes/Training and skill enhancement programs	Maintenance of Old age homes/ Promotion of Education	Madhya Pradesh	15,00,000	Charitable Trust	15,00,000	Thru Charitable Trust

The CSR Committee of the board confirms that it has implemented and monitored CSR Activities in accordance with and in compliance of CSR Objectives and CSR Policy of the company.

**For Alpa Laboratories Limited**

**Paresh Chawla**  
**Managing Director**

**Pravin Shah**  
**Chairman CSR Committee**

### **ANNEXURE 3**

#### **Form No. AOC-2**

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

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

1. Details of contracts or arrangements or transactions not at arm's length basis:

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

2. Details of material contracts, arrangement, or transactions at arm's length basis:

- (a) Name(s) of the related party and nature of relationship: Not Applicable
- (b) Nature of contracts/arrangements/transactions: Not Applicable
- (c) Duration of the contracts / arrangements/transactions: Not Applicable
- (d) Salient terms of the contracts, arrangements, or transactions including the value, if any: Not Applicable
- (e) Date(s) of approval by the Board, if any: Not Applicable
- (f) Amount paid as advances, if any: Not Applicable

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

**For and on behalf of the board**  
**Paresh Chawla**  
**Managing Director**

**Place: Pigdamber, Rau**  
**Date: 10<sup>th</sup> August, 2017**

#### **ANNEXURE 4**

#### **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**

a) Ratio of the remuneration of each Director to the median remuneration of the employees of the Company for FY 2016-17, the percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during FY 2016-17 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under:

<b>Sr. No.</b>	<b>Name &amp; Designation (director/ KMP)</b>	<b>Remuneration of Director</b>	<b>% increase in Remuneration in FY 2016-17</b>	<b>Ratio of Remuneration of Director to median remuneration of employees</b>
1	Mr. Paresh Chawla (Managing Director)	60,50,000	124	67.22
2	Mr. Mahendra Singh Chawla (Executive Director)	63,00,000	133	70.00
3	Mr. Pravin Shah (Executive Director)	42,00,000	40	46.67
4	Mr. Bakulesh Shah (Chief Financial Officer)	30,00,000	85.19	33.33
5	Mr. Sharad Lunawat (Independent Director)	47500	164	0.53
6	Mr. Krishnadas Malani (Independent Director)	47500	164	0.53
7	Mr. Devendra Kumar Baheti (Independent Director)	47500	164	0.53
8	Mrs. Jyoti Jain (Independent Director)	24750	0.00	0.275
9	Ms. Megha Neema (Company Secretary)	1,90,000	0.00	2.11

b) The median remuneration of the employees of the Company during the financial year was Rs. 90,000 (Yearly)

c) In the financial year, there was an increase of 7.14% in the median remuneration of employees.

d) There were 384 permanent employees on the rolls of Company as on March 31, 2017.



e) It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees

**For and on behalf of the board**  
**Paresh Chawla**  
**Managing Director**

**Place: Pigdamber, Rau**  
**Date: 10<sup>th</sup> August, 2017**

## **ANNEXURE 5**

### **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 Rs. 326.35 lacs and the total foreign exchange earned was Rs. 2001.82 lacs.

**(₹ In Lacs)**

<b>Ended 31<sup>st</sup> March,2017</b>	<b>2017</b>	<b>2016</b>
Earning on Account of Export	2001.82	1811.13
Outgoings		
• For Raw Material	615.53	301.62
• For Capital Goods	0.00	15.01
• For Professional and Consultation fees	0.00	0.00
• For Bank Charges	7.22	3.10
• For Travel Expenses	5.14	6.62

**For and on behalf of the board**  
**Paresh Chawla**  
**Managing Director**

**Place: Pigdamber, Rau**  
**Date: 10<sup>th</sup> August, 2017**

**ANNEXURE 6**

**Form No. MGT-9**  
**EXTRACT OF ANNUAL RETURN**  
as on the financial year ended on 31<sup>st</sup> March, 2017  
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:**

CIN	L85195MP1988PLC004446
Registration Date	18/03/1988
Name of the Company	ALPA LABORATORIES LIMITED
Category / Sub-Category of the Company	Limited Company Limited by Shares
Address of the Registered Office and contact details	33/2, A.B. Road, Pigdamber Rau, Indore, Madhya Pradesh-453446
Whether listed company	Yes/ No
Name, Address and contact details of Registrar & Transfer Agents (RTA), if any	Yes Bigshare Services Private Limited E/2 Ansa Industrial Estate, Saki Vihar Road Andheri (East), Mumbai 400072 Email: <a href="mailto:ipo@bigshareonline.com">ipo@bigshareonline.com</a> Website: <a href="http://www.bigshareonline.com">www.bigshareonline.com</a>

**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)

\*\*\* The Company is partner in Seabright Landmark Projects LLP to the extent of 18% in share of profit.

**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	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
(a) Individual/HUF	7134350	4355020	11489370	54.61	11152628	336720	11489370	54.61	0
(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
<b>Sub-total (A) (1):-</b>	<b>7134350</b>	<b>4355020</b>	<b>11489370</b>	<b>54.61</b>	<b>11152628</b>	<b>336720</b>	<b>11489370</b>	<b>54.61</b>	<b>0</b>
<b>(2) Foreign</b>									
(a) NRIs - Individuals	0	0	0	0	0	0	0	0	0
(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
<b>Sub-total (A) (2):-</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total shareholding of Promoter (A) = (A)(1)+(A)(2)</b>	<b>7134350</b>	<b>4355020</b>	<b>11489370</b>	<b>54.61</b>	<b>11152628</b>	<b>336720</b>	<b>11489370</b>	<b>54.61</b>	<b>0</b>

<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
(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) FII's	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
<b>Sub-total (B)(1):-</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>2. Non-Institutions</b>									
(a) Bodies Corp.									
(i) Indian	652948	0.00	659924	3.10	539920	0.00	539920	2.60	(0.54)
(ii) Overseas	0	0	0	0	0	0	0	0	0
(b) Individuals									
(i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	5509525	5205	5514730	26.21	5557725	5205	5562930	26.44	0.23
(ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	2814854	202900	3017754	14.34	2930015	133000	3063015	14.56	0.22
(c) Others (specify)									
(i) Clearing Member	50585	0.00	50585	0.24	20644	0.00	20866	0.09	(0.15)
(ii) Non Resident Indians (NRI)	167554	0.00	167554	0.80	196772	0.00	196772	0.94	0.14
(iii) NRI-REPAT	26290	0.00	26290	0.12	29790	0.00	29790	0.14	0.02
(iv) NRI-NON REPAT	113393	0.00	113393	0.54	130083	0.00	130083	0.62	0.08
(v) Unclaimed	800	0.00	800	0.00	800	0.00	800	0.00	0.00
(vi) NBFC registered with RBI	6976	0.00	6976	0.04	7076	0.00	7076	0.03	0.00
<b>Sub-total (B)(2):-</b>	<b>9342925</b>	<b>208105</b>	<b>9551030</b>	<b>45.39</b>	<b>9412825</b>	<b>138205</b>	<b>9551030</b>	<b>45.39</b>	<b>0.00</b>
Total Public Shareholding (B)=(B)(1)+(B)(2)	9342925	208105	9551030	45.39	9412825	138205	9551030	45.39	0.00

<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	0	0	0	0	0	0	0	0	0
<b>Grand Total (A+B+C)</b>	16477475	456125	21040600	100.00	20565453	474925	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.	Mahendra Singh Chawla	2973920	14.13	0.00	2473920	11.76	0.00	(2.37)
2.	Paresh Chawla	3044980	14.47	0.00	3044980	14.47	0.00	0.00
3.	Asha Chawla	483900	2.30	0.00	483900	2.30	0.00	0.00
4.	Soni Chawla	326800	1.55	0.00	326800	1.55	0.00	0.00
5.	Meeta Sethi	336720	1.60	0.00	336720	1.60	0.00	0.00
6.	Pooja Chawla	304750	1.45	0.00	304750	1.45	0.00	0.00
7.	Bakulesh Shah	1026600	4.88	0.00	1026600	4.88	0.00	0.00
8.	Rupal Shah	558780	2.66	0.00	558780	2.66	0.00	0.00
9.	Bakulesh Shah HUF	21940	0.10	0.00	21940	0.10	0.00	0.00
10.	Pravin Shah	1100580	5.23	0.00	1210580	5.75	0.00	0.52
11.	Rima Shah	645200	3.07	0.00	775200	3.68	0.00	0.61
12.	Shitul Shah	286440	1.36	0.00	546440	2.60	0.00	1.24
13.	Saraswati Shah	173200	0.82	0.00	173200	0.82	0.00	0.00
14.	Mitin Shah	205560	0.98	0.00	205560	0.98	0.00	0.00
	<b>Total</b>	<b>11489370</b>	<b>54.61</b>	<b>0.00</b>	<b>11489370</b>	<b>54.61</b>	<b>0.00</b>	<b>11489370</b>

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

During the year under review some change has been noticed in promoters holding through inter se transfer of shares.

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.	Mahendra Singh Chawla	2973920	14.13	30.03.2017	Inter se transfer	(390000)	1.85	2583920	12.28
				31.03.2017	Inter se transfer	(110000)	0.52	2473920	11.76
2.	Pravin Shah	1100580	5.23	31.03.2017	Inter se transfer	110000	0.52	1210580	5.75
3.	Rima Shah	645200	3.07	30.03.2017	Inter se transfer	130000	0.61	775200	3.68
4.	Shitul Shah	286440	1.36	30.03.2017	Inter se transfer	260000	1.24	546440	2.60

**(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	2,79,000	1.33	09.09.2016	Sale of shares	(55091)	(0.26)	223909	1.06
				04.11.2016	Sale of shares	(1000)	0.00	222909	1.06
2	Sai Prasanna Manchineni	258600	1.23	17.06.2016	Purchase of Shares	9679	1.28	268279	0.05
3	Inderjeet Singh Chawla	205480	0.98	-	-	-	-	205480	0.98
4	Amarjeet Singh Chawla	158150	0.75	04.11.2016	Sale of Shares	(158150)	(0.75)	-	-
5	Dr Kotagiri Venkata Appa Rao	-	-	25.11.2016	Purchase of shares	13727	0.07	13727	0.07
				02.12.2016	Sale of Shares	(13727)	(0.07)	0.00	0.00
				03.02.2017	Purchase of shares	43304	0.21	43304	0.21
				10.02.2017	Purchase of shares	53216	0.25	96520	0.46
				17.02.2017	Purchase of shares	3480	0.02	100000	0.48
6	Rimpa Nahar Sarkar	148804	0.71	-	-	-	-	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	Ashwin Doshi	114000	0.54	12.08.2016	Sale of shares	(5000)	(0.02)	109000	0.52
				19.08.2016	Sale of shares	(10000)	(0.07)	99000	0.47
				23.09.2016	Sale of shares	(5000)	(0.10)	94000	0.45
				30.09.2016	Sale of shares	(5000)	(0.12)	89000	0.42
				07.10.2016	Purchase of shares	364	0.10	89364	0.44
10.02.2017	Purchase of shares	4050	0.10	93414	0.44				

11	Shantirani Chawla	158150	0.75	04.11.2016	Purchase of Shares	158150	0.75	158150	0.75
12	Rajkumar Lohia	88326	0.42	03.02.2017 10.02.2017 17.02.2017	Sale of shares Sale of shares Sale of shares	(8837) (10000) (50000)	(0.04) (0.09) (0.33)	79489 69489 19489	0.38 0.33 0.09

**(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)	30.03.2017 31.03.2017	Inter se Transfer	2973920 -	14.13	2473920	11.76
2	Pareesh Chawla (Director)	-	-	3044980	14.47	3044980	14.47
3	Pravin Shah (Director)	31.03.2017	Inter se Transfer	11,00,580	5.23	12,10,580	5.75
4	Bakulesh Shah (CFO)	-	-	1026600	4.88	1026600	4.88
5.	Megha Neema (CS)	31.03.2017	-	-	-	-	-

\*None of the independent director holds any share in the company.

**V. INDEBTEDNESS**

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

Particular	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year (01.04.2016)</b>				
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
<b>Total (i+ii+iii)</b>	<b>24.23</b>	<b>0.00</b>	<b>0.00</b>	<b>24.23</b>
<b>Change in Indebtedness during the financial year (31.03.2017)</b>				
• Addition	0.00	0.00	0.00	0.00
• Reduction	(14.51)	0.00	0.00	(14.51)
<b>Net Change</b>	<b>(14.51)</b>	<b>0.00</b>	<b>0.00</b>	<b>(14.51)</b>



<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	9.72	0.00	0.00	9.72
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
<b>Total (i+ii+iii)</b>	<b>9.72</b>	<b>0.00</b>	<b>0.00</b>	<b>9.72</b>

## 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			
		MS Chawla	Paresh Chawla	Pravin Shah	Total Amount
1.	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	63.00	60.50	42.00	165.50
	(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)	63.00	60.50	42.00	165.50
	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. Jyoti Jain	
1.	Independent Directors • Fee for attending board / committee meetings • Commission • Others, please specify	47500	47500	47500	24750	167250
	Total (1)	47500	47500	47500	24750	167250
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)	<b>47500</b>	<b>47500</b>	<b>47500</b>	<b>24750</b>	<b>167250</b>
	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		
		Bakulesh Shah CFO	Megha Neema Company Secretary	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 under section 17(3) Income-tax Act, 1961	30.00	1.90	31.90
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission - as % of profit - others, specify...	-	-	-
5	Others, please specify	-	-	-
	Total	30.00	1.90	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)
<b>A. COMPANY</b>					
Penalty					
Punishment					
Compounding	<b>Section 211</b>	<b>For Non-disclosure of information u/s 211  (non disclosures of Ten particulars)</b>	<b>₹. 5000 per violation  (For non disclosures in Annual report for FY 2006-07 for Ten Violations)</b>	<b>Western Bench of H'ble Company Law Board</b>	
<b>B. DIRECTORS</b>					
Penalty					
Punishment					
Compounding	<b>Section 211</b>	<b>For non-disclosure of information u/s 211  (non disclosures of Ten particulars)</b>	<b>₹. 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)</b>	<b>Western Bench of H'ble Company Law Board</b>	
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty	<b>NIL</b>				
Punishment					
Compounding					

**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 31<sup>st</sup> March 2017 generally complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined, the books, papers, minute books, forms and returns filed and other records made available to us and maintained by the Company for the financial year ended on 31<sup>st</sup> March 2017 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 (LODR) 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.

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

We further report that:

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

Adequate notice was given to all Directors 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: 10<sup>th</sup> August 2017**

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

#### **ANNEXURE A**

**To,  
The Members  
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: 10<sup>th</sup> August, 2017**

## 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, 2017, 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 Director Report, as well as evaluating the overall presentation of the financial statement. 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*

7. 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 31<sup>st</sup> March, 2017;
  - (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*

8. 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.
9. 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, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017 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 31<sup>st</sup> March, 2017, 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 29<sup>th</sup> Day of May, 2017**



**“ANNEXURE A 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, 2017 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 facia 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, 2017 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:

<b>Sr. No.</b>	<b>Nature of Dues</b>	<b>Amount (Rs. In Lacs)</b>	<b>Related Financial Year</b>	<b>Forum Where dispute is pending.</b>
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.	Income Tax	16.26	2008-09	First appeal filed with Commissioner Appeals
7.	Income Tax	16.28	2013-14	First appeal filed with Commissioner Appeals

- 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, 2017.
- 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 29<sup>th</sup> Day of May, 2017**

**“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, 2017 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, 2017, 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 29<sup>th</sup> Day of May 2017**

<b>ALPA LABORATORIES LIMITED</b>			
<b>C.I.N.: L85195MP1988PLC004446</b>			
<b>Balance Sheet as at 31st March, 2017</b>			
(₹ in Lacs)			
	Note	2017	2016
<b>Equity and Liabilities</b>			
<i>Shareholders' Funds</i>			
(a) Share Capital	1	2,104.06	2,104.06
(b) Reserves and Surplus	2	7,897.96	7,325.91
<i>Non-Current Liabilities</i>			
(a) Long Term Borrowings	3	47.20	-
(b) Other Long Term Liabilities	4	62.77	60.42
<i>Current Liabilities</i>			
(a) Short Term Borrowings	5	915.52	2,422.89
(b) Trade Payables	6	1,377.34	1,862.27
(c) Other Current Liabilities	7	389.09	475.65
(d) Short Term Provisions	8	292.83	253.37
<b>Total Equity and Liabilities</b>		<b>13,086.77</b>	<b>14,504.57</b>
<b>Assets</b>			
<i>Non-Current Assets</i>			
(a) Fixed Assets	9	-	-
(i) Tangible Assets		518.34	452.71
(ii) Capital Work in Progress			0.49
(iii) Intangible Assets (Goodwill)			
(iv) Goodwill for consolidated result only			
(b) Non current Investment	10	2,554.28	2,212.89
(c) Deferred tax assets (net)	32	15.58	5.21
(d) Long Term Loans and Advances	11	71.36	68.79
<i>Current Assets</i>			
(a) Inventories	12	1,303.88	1,499.81
(b) Trade Receivables	13	2,916.08	3,426.49
(c) Cash and Bank Balances	14	3,452.44	3,476.21
(d) Short Term Loans and Advances	15	1,924.41	3,114.32
(e) Other Current Assets	16	330.41	247.66
<b>Total Assets</b>		<b>13,086.77</b>	<b>14,504.57</b>
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 <b>ALPA LABORATORIES LIMITED</b> C.I.N.: L85195MP1988PLC004446		As Per Our Report of Even Date Attached For and on behalf of <b>C.H. PADLIYA &amp; CO.</b> Chartered Accountants Firm Registration No. : 003151C	
<b>PARESH CHAWLA</b> Managing Director D.I.N.: 00520411	<b>MS. CHAWLA</b> Director D.I.N.: 00362058	<b>B.C. SHAH</b> C.F.O.	<b>MEGHA NEEMA</b> Company Secretary
		<b>S.C. PADLIYA</b> Partner Membership No. : 071666	
<b>Place: Pigdamber, Rau, Indore</b>			
<b>Dated: This 29<sup>th</sup> Day of May, 2017</b>			

<b>ALPA LABORATORIES LIMITED</b>			
<b>C.I.N.: L85195MP1988PLC004446</b>			
<b>Statement of Profit &amp; Loss for year ended 31st March, 2017</b>			
(₹ in Lacs)			
	Note	For the Year ended 31 <sup>st</sup> March, 2017	For the Year ended 31 <sup>st</sup> March, 2016
<b>Income</b>			
(a) Revenue from Operations	16	6,561.12	5,350.20
(b) Other Income	17	614.13	609.22
<b>Total Income</b>		<b>7,175.25</b>	<b>5,959.43</b>
<b>Expenditure</b>			
(a) Cost of Materials Consumed	18	3,807.05	3,186.14
(b) Manufacturing and Operating Cost	19	325.47	284.10
(c) Changes in Inventories of Finished Goods, Work in Process and Stock in Trade	20	52.94	(398.32)
(d) Employee Benefits Expense	21	863.67	717.45
(e) Finance Costs	22	170.95	144.62
(f) Depreciation and Amortization Expense	8	76.08	83.09
(g) Other Expenses	23	802.52	879.25
<b>Total Expenses</b>		<b>6,098.67</b>	<b>4,896.33</b>
<b>Profit before Exceptional Items and Tax</b>		1,076.58	1,063.10
Less: Settlement cost of arbitration with Ranbaxy ( Refer note no. 37)		211.53	-
<b>Profit after Exceptional Items and Tax</b>		865.05	1,063.10
Add/(Less): Current Tax	24	303.37	285.00
Add/(Less): Deferred Tax (Net)		(10.36)	4.14
<b>Profit/(Loss) for the period</b>		<b>572.05</b>	<b>773.96</b>
<b>Earnings per share of face value of ₹ 10 each</b>			
Basic and Diluted (in ₹)		2.72	3.68
The notes form an integral part of these financial statements			
We authenticate the correctness of the above		As Per Our Report of Even Date Attached	
For and on behalf of the Board of <b>ALPA LABORATORIES LIMITED</b> C.I.N.: L85195MP1988PLC004446		For and on behalf of <b>C.H. PADLIYA &amp; CO.</b> Chartered Accountants Firm Registration No. : 003151C	
<b>PARESH CHAWLA</b> Managing Director D.I.N.: 00520411	<b>M.S. CHAWLA</b> Director D.I.N.: 00362058	<b>B.C. SHAH</b> C.F.O.	<b>MEGHA NEEMA</b> Company Secretary
		<b>S.C.PADLIYA</b> Partner Membership No. : 071666	
<b>Place: Pigdamber, Rau, Indore</b>			
<b>Dated: This 29<sup>th</sup> Day of May, 2017</b>			

<b>ALPA LABORATORIES LIMITED</b>		
<b>C.I.N.: L85195MP1988PLC004446</b>		
<b>Cash Flow Statement for year ended 31st March, 2017</b>		
(₹ in Lacs)		
	For the Year ended 31 <sup>st</sup> March, 2017	For the Year ended 31 <sup>st</sup> March, 2016
<b>A. Cash Flow from Operating Activities</b>		
Profit/ Loss before tax	865.05	1,063.10
<i>Adjustments for:</i>		
Depreciation and Amortization Expense	76.08	83.09
Interest Expense	163.19	127.52
Bad Debts Written Off	116.94	231.22
(Profit)/Loss on Disposal of Fixed Assets	7.13	0.63
Interest Income/ Divident income	(597.21)	(554.62)
Profit on Sale of fixed assets	(1.04)	
<b>Operating Profit Before Working Capital Changes</b>	630.15	950.94
<i>Adjustments for:</i>		
Decrease/ (Increase) in Trade Receivable	393.46	(1,209.91)
Decrease/ (Increase) in Loans & Advances & Other Current Assets	1,104.59	(2,519.74)
Decrease/ (Increase) in Inventories	195.93	(748.07)
Increase/ (Decrease) in Current Liabilities & Provision	(532.03)	1,324.32
Increase/ (Decrease) in Long Term Liabilities	(8.01)	13.94
<b>Cash Generated from Operations</b>	1,784.08	(2,188.54)
Income Tax	293.00	289.14
<b>Net Cash Generated by Operating Activities</b>	<b>1,491.08</b>	<b>(2,477.67)</b>
<b>B. Cash Flow from Investing Activities</b>		
<i>Inflow:</i>		
Investment in various securities		
Interest Received	597.21	554.62
<i>Outflow:</i>	(348.52)	
Purchase of Long Term Investments	(140.18)	(1,202.52)
Purchase of Tangible Assets		(49.28)
<b>Net Cash Used in Investing Activities</b>	<b>108.51</b>	<b>(697.19)</b>
<b>C. Cash Flow from Financing Activities</b>		
<i>Inflow:</i>		
Proceeds from Short Term Borrowings	(1,507.37)	(434.28)
<i>Outflow:</i>		
Repayment of Long Term Borrowings	47.20	
Interest Paid	(163.19)	(127.52)
<b>Net Cash Generated by Financing Activities</b>	<b>(1,623.35)</b>	<b>(561.80)</b>
<b>D. Net Increase/(Decrease) In Cash and Cash Equivalents</b>	<b>(23.77)</b>	<b>(3,736.66)</b>
<b>E. Cash and Cash Equivalents as at the beginning of the year</b>	<b>1,536.21</b>	<b>5,272.87</b>
<b>F. Cash and Cash Equivalents as at the end of the year</b>	<b>1,512.44</b>	<b>1,536.21</b>
<b>G. Cash and Cash Equivalents as at the end of the year comprise of</b>		
Cash & Bank Balances as per the Balance Sheet	3,452.44	3,476.21
(Less) Deposits Lodged towards Security Deposit & Margin Money against Bank Guarantees	(1,940.00)	(1,940.00)
	<b>1,512.44</b>	<b>1,536.21</b>
<b>Notes:</b>		
1. Figures in brackets indicate cash outgo.		
2. 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.		
3. 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 <b>ALPA LABORATORIES LIMITED</b> C.I.N.: L85195MP1988PLC004446		As Per Our Report of Even Date Attached For and on behalf of <b>C.H. PADLIYA &amp; CO.</b> Chartered Accountants Firm Registration No. : 003151C
<b>PARESH CHAWLA</b> Managing Director D.I.N.: 00520411	<b>M.S. CHAWLA</b> Director D.I.N.: 00362058	<b>B.C. SHAH</b> C.F.O.
<b>MEGHA NEEMA</b> Company Secretary	<b>S.C. PADLIYA</b> Partner Membership No. : 071666	
<b>Place: Pigdamber, Rau, Indore</b>		
<b>Dated: This 29<sup>th</sup> Day of May, 2017</b>		



<b>ALPA LABORATORIES LIMITED</b>				
<b>C.I.N.: L85195MP1988PLC004446</b>				
<b>Notes to the Financial Statements for year ended 31st March, 2017</b>				
(₹ in Lacs)				
<b>1. Share Capital</b>	<b>2017</b>		<b>2016</b>	
<b>Authorized Capital</b>				
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	
<b>Issued Capital</b>				
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	
<b>Subscribed and Paid Up Capital</b>				
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	
<b>Total Share Capital</b>	<b>2,104.06</b>		<b>2,104.06</b>	
<p>• <b>Terms and Rights attached to Equity Shares.</b> 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, after distribution of all preferential amounts, in proportion of their shareholding.</p>				
<p>• <b>Detail of Shareholders holding more than 5% of total subscribed</b></p>				
Name of Shareholders	2017	2017	2016	2016
	Quantity	%	Quantity	%
Mahendra Singh Chawla	25	11.76	30	14.13
Paresh Chawla	30	14.47	30	14.47
Pravin C. Shah	12	5.75	11	5.23
<p><b>Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting Period:</b></p>				
Particulars	Opening Balance	Fresh Issue	Closing Balance	
<i>A. Equity shares with voting rights</i>				
As at 31 <sup>st</sup> March, 2017				
Number of Shares	210	-	210	
(₹ in Lacs)	2,104	-	2,104	
As at 31 <sup>st</sup> March, 2016				
Number of Shares	210	-	210	
(₹ in Lacs)	2,104	-	2,104	
(₹ in Lacs)				
<b>2. Reserves and Surplus</b>	<b>2017</b>		<b>2016</b>	
(a) Share Premium		5,496.05		5,496.05
<i>(b) Surplus/(Deficit) in Statement of Profit and Loss</i>				
Opening Balance		1,829.86		1,055.90
Add: Profit/(Loss) for the year		572.05		773.96
Closing Balance		2,401.90		1,829.86
<b>Total Reserve and Surplus</b>		<b>7,897.96</b>		<b>7,325.91</b>

		(₹ in Lacs)	
3. Long Term Borrowing		2017	2016
<b>Secured</b>			
Term loans			
From banks		47.20	-
<b>Total Long term Borrowing</b>		<b>47.20</b>	<b>-</b>
<b>Details of terms of repayment for the long term borrowings and security provided in respect of the secured long term borrowings:</b>			
<b>A) Term Loan From Kotak Mahindra Prime Limited</b>			
<b>i) Terms of Repayment :</b>			
1) Vehicle loan was taken during the financial year 2016-2017 of 45.00 Lacs ( Previous year Nil) and carries interest rate of 9.38% ( Previous year Nil). The loan is repayable in equated 60 monthly installments of Rs.0.916 Lacs each along with interest from the date of loan. Remaining amount of loan which will mature within 1 year is Rs. 6.922 Lacs which is classified as current liabilities the last installment of loan is repayable on 01/04/2022.			
2) Vehicle loan was taken during the financial year 2016-2017 of 11.00 Lacs ( Previous year Nil) and carries interest rate of 8.92% ( Previous year Nil). The loan is repayable in equated 60 monthly installments of Rs. 0.225 Lacs each along with interest from the date of loan commencing from 01/04/2017 Remaining amount of loan which will mature within 1 year is Rs. 1.875 Lacs which is classified as current liabilities.			
<b>ii) Security Provided :</b>			
1) The car loan is secured by pledge of Sport Utility Vehicles- Land Rover Freelander 2 HSE( Jaguar) with the financial institution.			
2) The car loan is secured by pledge of Maruti CIAZ ZXI Plus with the financial institution.			
		(₹ in Lacs)	
4. Other Long Term Liabilities		2017	2016
Trade/ Security Deposits received		62.77	60.42
<b>Total Other Long Term Liabilities</b>		<b>62.77</b>	<b>60.42</b>
		(₹ in Lacs)	
5. Short Term Borrowings		2017	2016
<b>Secured</b>			
Working Capital Loans from Banks		915.52	2,422.89
<b>Total Short Term Borrowings</b>		<b>915.52</b>	<b>2,422.89</b>
<b>Security Provided:</b>			
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)		
<b>6. Trade Payables</b>	<b>2017</b>	<b>2016</b>
Micro, Small and Medium Enterprises	328.16	326.96
Others	1,049.18	1,535.31
<b>Total Trade Payables</b>	<b>1,377.34</b>	<b>1,862.27</b>
<b>Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006*</b>		
Particulars	2017	2016
(i) Principal amount due and remaining unpaid as at the end of the acctg. year	328	327
(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	-	-
*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.		
(Amount in ₹)		
<b>7. Other Current Liabilities</b>	<b>2017</b>	<b>2016</b>
(a) Current maturities of long-term debt	8.80	-
(b) Statutory remittances (Contributions to PF and ESIC, Withholding Taxes, Excise Duty, VAT, Service Tax, etc.)	23.63	11.27
(c) Payables on purchase of fixed assets	0.29	-
(d) Advances from customers	237.05	352.79
(e) Other payables *	119.33	111.60
<b>Total Other Current Liabilities</b>	<b>389.09</b>	<b>475.65</b>
* 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)		
<b>8. Short Term Provisions</b>	<b>2017</b>	<b>2016</b>
(a) Provision for employee benefits	31.60	37.25
(b) Provision for Income Tax ( net of advance tax ` 149.54 Lacs (As at 31 March, 2016 - 211.07 Lacs))	154.59	73.93
(c) Provision for litigation/dispute*	-	76.74
(d) Other provisions	106.64	65.45
<b>Total Short Term Provisions</b>	<b>292.83</b>	<b>253.37</b>

9. Fixed Assets											(₹ in Lacs)
ASSET	GROSS BLOCK				DEPRECIATION				NET BLOCK		
	As At 01 Apr 2016	Additions	Deletions	As At 31 Mar 2017	Up To 31 Mar 2016	For the Year 2016-2017	Deductions	Up To 31 Mar 2017	As At 31 Mar 2017	As At 31 Mar 2016	
<b>(i) Tangible Assets</b>											
Land and Site Development	13.42	-	-	13.42	-	-	-	-	13.42	13.42	
Building	489.14	-	-	489.14	390.12	8.92	-	399.05	90.10	99.02	
Plant and machinery	1,329.39	46.58	-	1,375.97	1,119.53	35.38	-	1,154.91	221.06	209.86	
Furniture and Fixtures	48.44	9.82	-	58.26	25.49	6.86	-	32.35	25.91	22.95	
Computers	28.22	3.55	-	31.77	25.42	2.77	-	28.19	3.58	2.81	
Vehicles	12.88	68.00	4.36	76.52	4.36	2.18	-	6.55	69.97	8.52	
Utility	175.37	-	-	175.37	151.76	1.64	-	153.39	21.98	23.62	
Electrical Installation	171.40	0.20	-	171.60	163.95	0.54	-	164.49	7.11	7.45	
QC and Lab Equipment	183.33	16.87	-	200.21	119.78	16.81	-	136.59	63.62	63.55	
Office Equipment	10.71	1.05	-	11.77	9.20	0.97	-	10.18	1.59	1.51	
<b>Total Tangible Assets</b>	<b>2,462.32</b>	<b>146.07</b>	<b>4.36</b>	<b>2,604.03</b>	<b>2,009.61</b>	<b>76.08</b>	<b>-</b>	<b>2,085.69</b>	<b>518.34</b>	<b>452.71</b>	
<b>(ii) Capital Work In Progress</b>											
Capital Work-in-Progress	0.49	-	0.49	-	-	-	-	-	-	0.49	
<b>Total</b>	<b>2,462.81</b>	<b>146.07</b>	<b>4.86</b>	<b>2,604.03</b>	<b>2,009.61</b>	<b>76.08</b>	<b>-</b>	<b>2,085.69</b>	<b>518.34</b>	<b>453.20</b>	
Previous Year	2,406.17	56.15	-	2,462.32	1,926.53	83.09	-	2,009.61	452.71	479.64	

(₹ in Lacs)		
10. Non Current Investment	2017	2016
Investments (At cost, unquoted)		
<u>A. Trade</u>		
<b>(a) Investment in equity instruments</b>		
(i) of subsidiaries		
20,000 (As at 31 March, 2016: 20,000) shares of ` 10 each fully paid up in Norfolk Mercantile Private Limited	2.00	2.00
<b>(b) Investment in preference shares</b>		
(i) of subsidiaries		
2,600,000 (As at 31 March, 2016: 2,600,000) 6% Redeemable, Non- Cumulative, Optionally Convertible Preference shares of ` 10 each fully paid up in Norfolk Mercantile Private Limited	260.00	260.00
<b>(c) Investment in debentures or bonds</b>		
(i) of subsidiaries		
1,010 (As at 31 March, 2016: 1010) Compulsory Convertible Unsecured Debentures of ` 1,00,000 each Norfolk Mercantile Private Limited	1,010.00	1,010.00
<b>(d) Investment in Limited Liability Partnership</b>		
(i) Seabright Landmark Project LLP	478.54	130.55
<b>(e) Investment in Mutual Funds ( Quoted) ( Units of ` 10 each unless otherwise specified) (Refer Note No. 37)</b>		
i) NIL, ( As at 31st March 2016: 1,32,442.82) Units of Axis Equity Fund Dividend Plan ( NAV : NIL)	-	19.30
ii) 1114.058, ( As at 31st March 2016: 1114.058) Units of Axis Equity Fund Dividend Plan ( NAV : 0.23 Lacs)	0.21	0.21
iii) NIL, ( As at 31st March 2016: 10,00,000) Units of Axis Equity Saver Fund ( NAV : NIL)	-	100.00
iv) 58,104.81, ( As at 31st March 2016: 58,104.81) Units of Birla Sunlife 95- Dividend Plan ( NAV : 84.89 Lacs)	86.50	86.50
v) 38.338, ( As at 31st March 2016: 38.338) Units of Birla Sunlife 95- Growth Plan ( NAV : 0.26 Lacs)	0.21	0.21
vi) 139,257.91, ( As at 31st March 2016: 139,257.91) Units of Birla Sunlife Top 100- Dividend Plan ( NAV : 24.59 Lacs)	24.40	24.40

vii) 499.72, ( As at 31st March 2016: 499.72) Units of Birla Sunlife Top 100- Growth Plan ( NAV : 0.25 Lacs)	0.21	0.21
viii) 28,533.28 ( As at 31st March 2016: NIL) Units of Birla Sunlife Saving- Growth Plan ( NAV : 90.92 Lacs)	90.00	-
ix) 62,950.79 ( As at 31st March 2016: 62,950.79) Units of Franklin India High Growth Companies -Dividend Plan ( NAV : 15.21 Lacs)	15.30	15.30
x) 728.562 ( As at 31st March 2016: 728.562) Units of Franklin India Prima- Growth Plan ( NAV : 0.25 Lacs)	0.21	0.21
xi) 4,43,266.158 ( As at 31st March 2016: 4,43,266.158) Units of Franklin India Prima- Growth Plan ( NAV : 101.56 Lacs)	101.50	101.50
xii) 239.355 ( As at 31st March 2016: 239.355) Units of Franklin India Balance- Growth Plan ( NAV : 0.25 Lacs)	0.21	0.21
xiii) 33.105 ( As at 31st March 2016: 33.105) Units of Franklin India - Growth Plan ( NAV : 0.28 Lacs)	0.21	0.21
xiv) 71,539.989 ( As at 31st March 2016: 71,539.989) Units of Franklin India Prima Plus - Dividend Plan ( NAV : 26.78 Lacs)	25.50	25.50
xv) 11,075.485 ( As at 31st March 2016: 11,075.485) Units of Franklin India Prima Plus - Dividend Plan ( NAV : 4.15 Lacs)	4.00	4.00
xvi) 1,70,973.045 ( As at 31st March 2016: 1,70,973.045) Units of HDFC Balanced - Dividend Plan ( NAV : 50.124 Lacs)	46.25	46.25
xvii) 197.796 ( As at 31st March 2016: 197.796) Units of HDFC Balanced - Growth Plan ( NAV : 0.26 Lacs)	0.21	0.21
xviii) 197.796 ( As at 31st March 2016: 197.796) Units of ICICI Pru Balanced Advantage - Growth Plan ( NAV : 0.26 Lacs)	0.21	0.21
xix) 6,43,089.085 ( As at 31st March 2016: 6,43,089.085) Units of ICICI Pru Balanced Advantage - Dividend on Maturity Plan ( NAV : 91.57 Lacs)	86.50	86.50
xx) 3,27,056.488 ( As at 31st March 2016: 3,27,056.488) Units of ICICI Pru Balanced - Dividend on Maturity Plan ( NAV : 80.75 Lacs)	73.75	73.75
xxi) 234.009 ( As at 31st March 2016: 234.009) Units of ICICI Pru Balanced - Growth Plan ( NAV : 0.27 Lacs)	0.21	0.21
xxii) 48,795.674 ( As at 31st March 2016: NIL) Units of ICICI Pru Flexible Income - Growth Plan ( NAV : 151.92 Lacs)	150.00	-
xxiii) NIL ( As at 31st March 2016: 1,87,205.99) Units of Tata Balanced Fund- Dividend on Maturity Plan ( NAV : NIL)	-	127.00
xxiv) 127.614 ( As at 31st March 2016: 127.614) Units of Tata Balanced Fund- Growth Plan ( NAV : 0.25 Lacs)	0.21	0.21
xxv) 979.34 ( As at 31st March 2016: 979.34) Reliance Yield Maximizer AIF of 10000/- Each	97.93	98.23
	<b>2,554.28</b>	<b>2,212.89</b>
<b>Total Non-current Investment</b>		
Aggregate amount of unquoted investments	1,848.48	1,501
Aggregate amount of quoted investments	705.80	712.10
Aggregate market value of listed and quoted investments	725.05	66.61

(₹ in Lacs)		
<b>11. Long Term Loans and Advances</b>	<b>2017</b>	<b>2016</b>
<b>Unsecured, Considered Good</b>		
Security deposits	71.36	68.79
<b>Total Long Term Loans and Advances</b>	<b>71.36</b>	<b>68.79</b>
(₹ in Lacs)		
<b>12. Inventories</b>	<b>2017</b>	<b>2016</b>
(a) Raw materials	585.39	731.91
(b) Work-in-progress	132.72	80.81
(c) Finished goods (other than those acquired for trading)	564.58	669.43
(d) Analytical Materials	21.19	17.65
<b>Total Inventories</b>	<b>1,303.88</b>	<b>1,499.81</b>
<b>Details of Raw Materials:</b>		
<b>Particulars</b>	<b>2017</b>	<b>2016</b>
Drugs & Chemicals	386	480
Packing Materials	199	252
<b>Total</b>	<b>585</b>	<b>732</b>
<b>Details of Work in Progress:</b>		
	<b>2017</b>	<b>2016</b>
Injection	33	20
Tablets & Capsules	57	35
Ointment & Cream	8	5
Eye/Ear Drops	12	8
Dry Powder	23	14
<b>Total</b>	<b>133</b>	<b>81</b>
<b>Details of Finished Goods:</b>		
	<b>2017</b>	<b>2016</b>
Liquid Injection	147	177
Dry Powder Injection	158	190
Tablets	147	174
Capsules	17	13
Ointment	96	115
<b>Total</b>	<b>565</b>	<b>669.4</b>
<b>Details of Analytical Materials:</b>		
	<b>2017</b>	<b>2016</b>
GC Columns	5	3
HPLC Columns	16	14
<b>Total</b>	<b>21</b>	<b>18</b>
(₹ in Lacs)		
<b>13. Trade Receivables</b>	<b>2017</b>	<b>2016</b>
<i>Trade receivables outstanding for a period exceeding six months from the date they were due for payment</i>		
Unsecured, considered good	675.29	958.82
Doubtful	104.60	78.85
<i>Other Trade receivables</i>		
Unsecured, considered good	2,136.19	2,388.81
Doubtful		
<b>Total Trade Receivables</b>	<b>2,916.08</b>	<b>3,426.49</b>

		(₹ in Lacs)	
<b>14. Cash and Bank Balances</b>		<b>2017</b>	<b>2016</b>
(a) <i>Cash and Cash Equivalents</i>			
(i) Cash on Hand		0.75	18.35
(ii) Balances with Banks		21.70	12.86
(b) <i>Other Bank Balances</i> *			
(i) In Deposit Accounts		3,430.00	3,445.00
<b>Total Cash and Bank Balances</b>		3,452.44	3,476.21
* Other Bank Balances include margin monies amounting to 3430.00 Lacs (As at 31st March, 2016 - ₹ 3430.00 Lacs) which have an original maturity of more than 12 months.			
		(₹ in Lacs)	
<b>15. Short Term Loans and Advances</b>		<b>2017</b>	<b>2016</b>
(Unsecured and Considered Good)			
(a) Loans and advances to related parties		840.09	707.79
(b) Security Deposits		47.26	13.20
(c) Loans and Advances to Employees		5.98	3.50
(d) Prepaid Expenses		14.21	6.30
(e) Balances with Government Authorities		222.69	276.73
(f) Advances for Goods & Services to be received		103.10	1,015.33
(g) Inter Corporate Deposit		158.72	181.61
(h) Advance for Capital Goods		532.35	909.85
<b>Total Short Term Loans and Advances</b>		1,924.41	3,114.32
<b>Short-term loans and advances include amounts due from:</b>		<b>2017</b>	<b>2016</b>
Private companies in which any director is a director or member		840.09	707.79
<b>Details of Loans and Advances in the nature of Loans to Subsidiaries:</b>			
<b>Name of the Company</b>	<b>Amount Outstanding As at</b>	<b>Maximum Balance during the year</b>	<b>Shares held by loanee in the Company</b>
Norfolk Mercantile Private Limited	840.09 (P.Y. 707.79)	1134.46 (P.Y.707.79)	- (P.Y. Nil)
			- (P.Y. Nil)
All the above loans and advances have been given for business purposes.			
<b>Details of Loans given covered u/s 186 (4) of the Companies Act, 2013:</b>		(₹ in Lacs)	
<b>Name of the Company</b>	<b>Amount Outstanding as at 31.03.2017</b>	<b>Amount Outstanding as at 31.03.2016</b>	
Mantram Technofeb Pvt. Ltd.	-	30.51	
Pawan Shree Food International Pvt. Ltd.	0.37	100.00	
Ameja Carriers P. Limited	8.00	-	
Satguru Developers	150.00	-	
Shri Krishna Devecon Ltd. Indore	0.13	35.71	
Sky Earth Developer Pvt. Ltd. Indore	0.22	15.38	
All the above loans and advances have been given for business purposes.			

(₹ in Lacs)		
16. Other Current Assets	2017	2016
(a) Interest Accrued on Deposits	25.68	14.94
(b) Interest accrued on Investments	163.62	81.81
(c) Duty Drawback Receivable	3.12	2.88
(d) Refund Receivable against Rebate Claim of Duty	114.30	136.72
(e) DEPB Stock	8.61	0.91
(f) Dividend/Interest Receivable	4.02	-
(g) Other Receivable	11.06	10.40
<b>Total Other Current Assets</b>	<b>330.41</b>	<b>247.66</b>
(₹ in Lacs)		
17. Revenue from Operations	2017	2016
(a) Sale of Products	6,818.02	5,459.27
(b) Sale of Services	55.16	214.47
(c) Other Operating Revenues	83.88	72.49
	<b>6,957.06</b>	<b>5,746.23</b>
Less: Excise Duty/ Service Tax Recovered	395.95	396.03
<b>Total Revenue from Operations</b>	<b>6,561.12</b>	<b>5,350.20</b>
(₹ in Lacs)		
Details of Sale of Products (Excluding Excise Duty)	2017	2016
Liquid Injection	2,762.33	2,163.04
Dry Powder Injection	1,862.96	1,474.76
Tablets	1,284.80	1,017.26
Capsules	192.72	139.58
Ointments	321.20	274.33
<b>Total</b>	<b>6,424.01</b>	<b>5,068.96</b>
(₹ in Lacs)		
Details of Sale of Services (Excluding Service Tax)	2017	2016
Analytical Charges	13.12	41.07
Conversion & Packing Charges	40.10	167.68
<b>TOTAL</b>	<b>53.22</b>	<b>208.75</b>
(₹ in Lacs)		
Details of Other Operating Revenues	2017	2016
Sale of Scrap	1.59	1.57
Duty Drawback and Other Export Incentives	76.56	66.27
Other Revenues	5.74	4.65
<b>TOTAL</b>	<b>83.88</b>	<b>72.49</b>
(₹ in Lacs)		
18. Other Income	2017	2016
(a) <i>Interest Income</i>		
(i) Interest from Banks	312.10	379.66
(ii) Interest on Long Term Investments	100.61	99.72
(iii) Interest on Loans & Advances	106.88	14.51
(iv) Interest from Others	1.32	2.09
(b) Dividend Income from Long term Investments	75.30	58.64
(c) Net Gain on Foreign Currency Transactions and Translation	-	47.14
(d) Other Non-Operating Income	17.93	7.47
<b>Total Other Income</b>	<b>614.13</b>	<b>609.22</b>



(₹ in Lacs)				
<b>19. Cost of Materials Consumed</b>				
	<b>2017</b>		<b>2016</b>	
Opening stock	731.91		384.83	
Add: Purchases	3,660.52		3,533.22	
Less: Closing stock	585.39		731.91	
<b>Total Cost of Materials Consumed</b>	<b>3,807.05</b>		<b>3,186.14</b>	
<b>Imported and Indigenous Raw Materials Consumed</b>				
<b>Particulars</b>	<b>2017</b>		<b>2016</b>	
	<b>Value</b>	<b>%</b>	<b>Value</b>	<b>%</b>
Imported	57.11	1.50	15.40	0.48
Indigenous	3,749.94	98.50	3,170.74	99.52
<b>TOTAL</b>	<b>3,807.05</b>	<b>100.00</b>	<b>3,186.14</b>	<b>100.00</b>
<b>Detail of Raw Materials Consumed</b>				
	<b>2017</b>		<b>2016</b>	
Drugs & Chemicals	2,794.57		2,470.39	
Packing Material	1,012.48		715.75	
<b>TOTAL</b>	<b>3,807.05</b>		<b>3,186.14</b>	
(₹ in Lacs)				
<b>20. Manufacturing and Operating Cost</b>				
	<b>2017</b>		<b>2016</b>	
Power and Fuel	158.27		149.30	
Repairs to Buildings	12.50		3.04	
Repairs to Machinery	54.12		47.53	
Analytical Expenses	34.46		43.97	
Other Manufacturing and Operating expenses	66.12		40.26	
<b>Total Manufacturing and Operating Cost</b>	<b>325.47</b>		<b>284.10</b>	
(₹ in Lacs)				
<b>21. Changes in Inventories of Fin. Goods, Work in Process</b>				
	<b>2017</b>		<b>2016</b>	
<u>Inventories at the end of the year:</u>				
Finished goods	544.10		649.95	
Work-in-progress	132.72		80.81	
	<b>676.83</b>		<b>730.76</b>	
<u>Inventories at the beginning of the year:</u>				
Finished goods	649.95		310.15	
Work-in-progress	80.81		41.77	
	<b>730.76</b>		<b>351.92</b>	
Excise Duty on (Increase/Decrease) of Finished goods	1.00		19.48	
<b>Total Changes in Inventories of Fin. Goods, Work in Process</b>	<b>(52.94)</b>		<b>398.32</b>	
(₹ in Lacs)				
<b>22. Employee Benefits Expense</b>				
	<b>2017</b>		<b>2016</b>	
Salaries and Wages	812.44		652.94	
Contribution to Provident and Other Funds	43.73		59.07	
Staff Welfare Expenses	7.49		5.45	
<b>Total Employee Benefits Expense</b>	<b>863.67</b>		<b>717.45</b>	
<p>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 ₹ 43.73 Lacs (Previous Year ₹ 33.66 Lacs) for Provident Fund contributions in the Statement of Profit and Loss. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.</p>				

(₹ in Lacs)		
<b>23. Finance Costs</b>	<b>2017</b>	<b>2016</b>
(a) Interest Expense on:		
(i) Borrowings	144.59	123.89
(ii) Others	18.59	3.62
(b) Other Borrowing Costs	7.76	17.11
<b>Total Finance Costs</b>	<b>170.95</b>	<b>144.62</b>
(₹ in Lacs)		
<b>24. Other Expenses</b>	<b>2017</b>	<b>2016</b>
Rent including Lease Rentals	11.75	14.32
Repairs and Maintenance (Others)	0.56	0.40
Insurance	6.96	3.03
Rates and Taxes	22.57	101.23
Communication	9.01	10.27
Traveling and Conveyance	114.47	127.74
Printing and Stationery	7.55	11.32
Freight and Forwarding	174.26	155.61
Commission On Sales	75.00	75.00
Business Promotion	15.92	29.15
Sales Discount	38.91	13.02
Donations and Contributions	11.28	0.56
Expenditure Incurred for Corporate Social Responsibility ( Refer Note No. 38)	15.00	-
Loss on currency fluctuation	1.08	-
Legal and Professional	123.10	99.02
Liquidated Damages, Testing and LSP Charges	26.15	4.99
Membership & Subscription	3.55	3.02
Payments to Auditors	3.95	3.99
Bad Trade and Other Receivables, Loans and Advances written off	116.94	231.22
Share of loss from LLP (Seabright landmark Projects LLP)	(0.28)	0.05
Prior Period Items (net)	(6.07)	(32.66)
Loss on Sale of Investment	7.13	0.63
Miscellaneous Expenses	23.76	27.32
<b>Total Other Expenses</b>	<b>802.52</b>	<b>879.25</b>
(₹ in Lacs)		
<b>Payment to Auditors Comprise</b>	<b>2017</b>	<b>2016</b>
As Auditors – Statutory Audit	2.40	2.40
For Other Services	1.55	1.59
<b>TOTAL</b>	<b>3.95</b>	<b>3.99</b>
(₹ in Lacs)		
<b>Prior Period Items (net) Represent</b>	<b>2017</b>	<b>2016</b>
Debits Relating to Earlier Years	22.53	24.44
Credits Relating to Earlier Years	(28.61)	(57.11)
<b>TOTAL</b>	<b>(6.07)</b>	<b>(32.66)</b>
(₹ in Lacs)		
<b>25. Current Tax</b>	<b>2017</b>	<b>2016</b>
Current tax	270.00	285.00
Prior Year Taxes	33.37	-
<b>Total Current Tax</b>	<b>303.37</b>	<b>285.00</b>

(₹ in Lacs)		
26. Value of Imports on C.I.F. Basis	2017	2016
Raw Materials and Stock-in-Trade	615.53	301.62
Capital Goods	9.35	15.02
<b>Total Value of Imports on C.I.F. Basis</b>	<b>624.88</b>	<b>316.64</b>
(₹ in Lacs)		
27. Expenditure in Foreign Currency	2017	2016
Bank Charges	7.22	3.10
Annual Membership & Subscriptions Fees	1.28	-
Travelling Expenses	-	6.63
<b>Total Expenditure in Foreign Currency</b>	<b>8.51</b>	<b>9.73</b>
(₹ in Lacs)		
28. Earnings in Foreign Currency	2017	2016
Export of Goods Calculated on FOB Basis	2,001.82	1,811.13
<b>Total Earnings in Foreign Currency</b>	<b>2,001.82</b>	<b>1,811.13</b>
(₹ in Lacs)		
29. Details of Leasing Arrangements	2017	2016
<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	11.75	14.32
(₹ in Lacs)		
30. Government Grants	2017	2016
<u>Government Grants Received by the Company during the Year towards</u>		
- Export Benefits	76.56	66.27
<b>Total Government Grants</b>	<b>76.56</b>	<b>66.27</b>
31. Related Party Disclosures		
A. <i>Relationships:</i>		
i. <u>Subsidiary Companies</u>		
a. Norfolk Mercantile Private Limited		
ii. <u>Key Management Personnel</u>		
a. Paresh Chawla	b. M.S. Chawla	c. P.R Patel ( Director upto 09/04/2016)
c. P.C. Shah	d. B. C. Shah	f. Jayesh Patel (CEO upto 09/04/2016)
iii. <u>Relatives of Key Management Personnel and their enterprises where transactions have taken place</u>		
a. Shitul Shah	b. Vinit Shah	c. Rupal Shah
d. Seabright Landmark Projects LLP	e. Auram Enterprises	f. Fortress Mercantile Pvt. Ltd. (Upto 09/04/2016)
B. <i>Transactions carried out with related parties referred to in A above, in the ordinary course of business:</i>		

C. Disclosures in respect of material transactions with related parties during the year.( Included in B. above)	(₹ in Lacs)	
	2017	2016
Nature of income/ expences/liabilities/assets		
<b>Expenses</b>		
<i>Remuneration</i>		
PC Shah	42.00	25.20
MS Chawla	63.00	27.00
Paresh Chawla	60.50	27.00
<i>Salary</i>		
Vinit Shah	9.00	-
BC Shah	30.00	16.20
Rupal Shah	9.00	-
Shitul Shah	10.20	-
<b>Income</b>		
<i>Interest</i>		
Norfolk Mercantile Private Limited	166.03	98.44
<i>Share of Profit</i>		
Seabright Landmark Projects LLP	0.28	(0.05)
<b>Assets</b>		
<i>Investment</i>		
Norfolk Mercantile Private Limited	-	262.00
Seabright Landmark Projects LLP	478.26	-
<i>Loan and Advances given</i>		
Norfolk Mercantile Private Limited	555.93	701.00
<i>Loan and Advances recovered</i>		
Norfolk Mercantile Private Limited	423.62	-
<b>Outstanding</b>		
<i>Payable</i>		
PC Shah	2.31	1.73
MS Chawla	4.84	1.78
Paresh Chawla	4.92	1.76
BC Shah	1.67	1.12
Remuneration		
<i>Receivable</i>		
Norfolk Mercantile Private Limited	989.52	789.60
<i>Investments</i>		
Norfolk Mercantile Private Limited	1,272.00	1,272.00
Seabright Landmark Projects LLP	478.54	130.55

		(₹ in Lacs)			
<b>32. Deferred Tax</b>		<b>2017</b>	<b>2016</b>		
<p>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 with Accounting Standard (“AS-22”) – “Accounting for Taxes on Income” issued by the Institute of Chartered Accountants of India.</p> <p>The Major Components of deferred tax (assets)/liabilities arising on account of timing differences are as follows:</p> <p><u>Tax effect of items constituting deferred tax liability</u></p> <p>- on difference between book balance and tax balance of fixed assets</p> <p style="text-align: right;">-</p> <p><u>Tax effect of items constituting deferred tax asset</u></p> <p>- on difference between book balance and tax balance of fixed assets</p> <p style="text-align: right;">15.58</p>					
<b>Total Deferred Tax (asset)/Liabilities</b>		<b>15.58</b>	<b>5.21</b>		
		(₹ in Lacs)			
<b>33. Contingent Liabilities &amp; Commitments (to the extent not provided for)</b>		<b>2017</b>	<b>2016</b>		
a. Bank Guarantees been given to various government departments for tenders for supply of medicines.		105.47	22.37		
b. Liability in respect of arbitration proceedings ( Refer Note No. 38)		-	392.76		
<b>c. Disputed demands before relevant authorities :</b>		<b>2017</b>	<b>2016</b>		
Value Added Tax		16.93	151.47		
Central Sales Tax		31.52	31.52		
Sales Tax		-	27.77		
Income Tax		53.54	21.00		
<b>34. Court Case</b> has been filed against Innovec Laboratories Private Limited ( Mediceure Nagpur) for ₹ 28.96 Lacs (Previous Year- ₹ 28.96 Lacs) for recovery of outstanding amounts.					
<b>35. Segment Reporting</b>					
<p>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 attributable Revenue, Profits, Assets, Liabilities and Capital Employed are given.</p> <p>b. The secondary segment based on geographical segmentation is considered to be business Outside India and Within India.</p>					
<b>Detail of geographical segments based on location of the customers</b>		<b>2017</b>		<b>2016</b>	
		<b>Value</b>	<b>%</b>	<b>Value</b>	<b>%</b>
Outside India		2,037.87	31.06%	1,843.04	34.45%
Within India		4,523.24	68.94%	3,507.16	65.55%
Total		6,561.12	100.00%	5,350.20	100.00%
<b>36.</b> A fraud has been committed against the Company by encashing a sum of ₹ 9.54 lacs 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.					
<b>37.</b> During the financial year 14-15, Sun Pharma Industries Limited, into which Ranbaxy Laboratories has amalgamated, (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. During the year a settlement agreement was executed on 12.08.2016. As per the agreement, the Company agreed to pay a sum of ₹ 100 lacs as full and final settlement of (i) the disputes, (ii) all the claims as raised by both the parties against each other, and (iii) and/or any other matter arising out of or in connection with the agreements. Accordingly, an amount of ₹ 111.53 lacs shown as receivable from Ranbaxy was also written off. As a result an expense of ₹ 211.53 lacs has been shown as exceptional item in Statement of Profit and Loss.					

(₹ in Lacs)		
<b>38. Details of Corporate Social Responsibility (CSR) Expenditure :</b>	<b>2017</b>	<b>2016</b>
Amount required to be spent as per Section 135 of the Act	4.50 Lacs	-
Amount spent during the year on:		
(i) Construction /acquisition of an asset	-	-
(ii) On the purpose other than (i) above	15.00 Lacs	-
<b>Total</b>	<b>15.00 Lacs</b>	

**39. Details Of Specified Bank Notes (Sbn) Held And Transacted During The Period 08/11/2016 To 30/12/2016 Is As Under:**

(₹ in Lacs)			
Particulars	SBNs	Other Denomination	Total
<b>Closing Cash in hand as on 08.11.2016</b>	<b>13.45</b>	<b>4.07</b>	<b>17.52</b>
(+) Permitted Receipts	-	8.39	<b>8.39</b>
(-) Permitted Payments	-	8.79	<b>8.79</b>
(-) Amount deposited in Banks	13.45	-	<b>13.45</b>
<b>Closing Cash in hand as on 30.12.2016</b>	<b>-</b>	<b>3.67</b>	<b>3.67</b>

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

**42. 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**    **MS. 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 29<sup>th</sup> Day of May, 2017

**ANNEXURE A" (Annexed to and forming part of the Accounts for the year ended 31<sup>st</sup> March, 2017)****SIGNIFICANT ACCOUNTING POLICIES AND PRACTICES****COMPANY BACKGROUND**

Incorporated as Alpa Laboratories Private Limited on 18<sup>th</sup> March 1988 under the Companies Act, 1956 and converted to public limited company on 03<sup>rd</sup> 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 06<sup>th</sup> 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 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.

**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 unconditional 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.
- c. 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 31<sup>st</sup> March, 2017, 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 31<sup>st</sup> March, 2017;
  - (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 31<sup>st</sup> March, 2017 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 31<sup>st</sup> March, 2017 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 31<sup>st</sup> March, 2017.

- 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, 2017.

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 29<sup>th</sup> day of May, 2017**

**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, 2017, 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, 2017, 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 29<sup>th</sup> Day of May, 2017**

<b>ALPA LABORATORIES LIMITED</b>			
<b>C.I.N.: L85195MP1988PLC004446</b>			
<b>Consolidated Balance Sheet as at 31st March, 2017</b>			
(₹ in Lacs)			
	Note	2017	2016
<b>Equity and Liabilities</b>			
<i>Shareholders' Funds</i>			
(a) Share Capital	2	2,104.06	2,104.06
(b) Reserves and Surplus	3	7,329.55	7,236.47
<i>Non-Current Liabilities</i>			
(a) Long Term Borrowings	4	47.20	-
(b) Other Long Term Liabilities	5	62.77	60.42
<i>Current Liabilities</i>			
(a) Short Term Borrowings	6	915.52	2,423.09
(b) Trade Payables	7	1,377.34	1,862.35
(c) Other Current Liabilities	8	407.58	490.72
(d) Short Term Provisions	9	293.00	252.56
<b>Total Equity and Liabilities</b>		<b>12,537.01</b>	<b>14,429.66</b>
<b>Assets</b>			
<i>Non-Current Assets</i>			
(a) Fixed Assets			
(i) Tangible Assets	9	518.34	452.71
(ii) Intangible Assets		606.75	1,011.26
(iii) Goodwill for (consolidated result only)		0.07	0.07
(iv) Capital Work in Progress		-	0.49
(b) Non current Investment	10	1,701.32	1,215.61
(c) Deferred tax assets (net)	32	15.58	5.21
(d) Long Term Loans and Advances	11	71.36	68.79
<i>Current Assets</i>			
(a) Inventories	12	1,303.88	1,499.81
(b) Trade Receivables	13	2,916.08	3,434.41
(c) Cash and Bank Balances	14	3,567.78	3,663.84
(d) Short Term Loans and Advances	15	1,669.05	2,010.62
(e) Other Current Assets	16	166.79	1,066.85
<b>Total Assets</b>		<b>12,537.01</b>	<b>14,429.66</b>
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 <b>ALPA LABORATORIES LIMITED</b> C.I.N.: L85195MP1988PLC004446		As Per Our Report of Even Date Attached For and on behalf of <b>C.H. PADLIYA &amp; CO.</b> Chartered Accountants Firm Registration No. : 003151C	
<b>PARESH CHAWLA</b> Managing Director D.I.N.: 00520411	<b>M.S. CHAWLA</b> Director D.I.N.: 00362058	<b>B.C. SHAH</b> C.F.O.	<b>MEGHA NEEMA</b> Company Secretary
		<b>S.C. PADLIYA</b> Partner Membership No. : 071666	
<b>Place: Pigdamber, Rau, Indore</b>			
<b>Dated: This 29<sup>th</sup> Day of May, 2017</b>			



<b>ALPA LABORATORIES LIMITED</b>			
<b>C.I.N.: L85195MP1988PLC004446</b>			
<b>Consolidated Statement Of Profit &amp; Loss for year ended 31st March, 2017</b>			
(₹ in Lacs)			
	Note	For the Year ended 31 <sup>st</sup> March, 2017	For the Year ended 31 <sup>st</sup> March, 2016
<b>Income</b>			
Revenue from Operations	17	6,568.12	5,359.00
Other Income	18	539.24	518.35
<b>Total Income</b>		<b>7,107.37</b>	<b>5,877.35</b>
<b>Expenditure</b>			
(a) Cost of Materials Consumed	19	3,807.05	3,186.14
(b) Purchases Of Stock In Trade			
(c) Manufacturing and Operating Cost	20	325.47	284.10
(d) Changes in Inventories of Finished Goods, Work in Process and Stock in Trade	21	52.94	(398.32)
(e) Employee Benefits Expense	22	869.07	720.16
(f) Finance Costs	23	170.95	144.62
(g) Depreciation and Amortization Expense	9	278.33	83.09
(h) Other Expenses	24	1,005.96	883.82
<b>Total Expenses</b>		<b>6,509.76</b>	<b>4,903.61</b>
<b>Profit before Exceptional Items and Tax</b>		597.61	973.74
Less: Settlement cost of arbitration with Ranbaxy ( Refer note no. 38)		211.53	-
<b>Profit after Exceptional Items and Tax</b>		<b>386.08</b>	<b>973.74</b>
Add/(Less): Current Tax	25	303.37	285.00
Add/(Less): Deferred Tax (Net)		(10.36)	4.14
<b>Profit/(Loss) for the period</b>		<b>93.08</b>	<b>684.61</b>
<b>Earnings per share of face value of ₹ 10 each</b>			
Basic and Diluted (in ₹)		0.44	3.25
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 <b>ALPA LABORATORIES LIMITED</b> C.I.N.: L85195MP1988PLC004446		As Per Our Report of Even Date Attached For and on behalf of <b>C.H PADLIYA &amp; CO.</b> Chartered Accountants Firm Registration No. : 003151C	
<b>PARESH CHAWLA</b> Managing Director D.I.N.: 00520411	<b>MS. CHAWLA</b> Director D.I.N.: 00362058	<b>B.C. SHAH</b> C.F.O.	<b>MEGHA NEEMA</b> Company Secretary
		<b>S.C.PADLIYA</b> Partner Membership No. : 071666	
<b>Place: Pigdamber, Rau, Indore</b>			
<b>Dated: This 29<sup>th</sup> Day of May, 2017</b>			

<b>ALPA LABORATORIES LIMITED</b>		
<b>C.I.N.: L85195MP1988PLC004446</b>		
<b>Consolidated Cash Flow Statement for year ended 31st March, 2017</b>		
(₹ in Lacs)		
	<b>For the Year ended 31<sup>st</sup> March,</b>	<b>For the Year ended 31<sup>st</sup> March, 2016</b>
<b>A. Cash Flow from Operating Activities</b>		
Profit/ Loss before tax	386.08	973.74
<i>Adjustments for:</i>		
Depreciation and Amortization Expense	278.33	83.09
Interest Expense	163.19	127.52
Bad Debts Written Off	116.94	231.22
(Profit)/Loss on Disposal of Fixed Assets	7.13	0.63
Interest Income/ Divident income	(521.32)	(463.74)
<b>Operating Profit Before Working Capital Changes</b>	430.36	952.46
<i>Adjustments for:</i>		
Decrease/ (Increase) in Trade Receivable	401.38	(1,217.83)
Decrease/ (Increase) in Loans & Advances & Other Current Assets	1,239.06	(2,235.24)
Decrease/ (Increase) in Inventories	195.93	(748.07)
Increase/ (Decrease) in Current Liabilities & Provision	(527.71)	1,338.56
Increase/ (Decrease) in Long Term Liabilities	(8.01)	13.94
<b>Cash Generated from Operations</b>	1,731.00	(1,896.19)
Income Tax	293.00	289.14
<b>Net Cash Generated by Operating Activities</b>	<b>1,437.99</b>	<b>(2,185.32)</b>
<b>B. Cash Flow from Investing Activities</b>		
<i>Inflow:</i>		
Investment in various securities		
Interest Received	521.32	463.74
<i>Outflow:</i>		
Purchase of Long Term Investments	(492.85)	(206.24)
Purchase of Tangible Assets	61.03	(1,060.54)
Purchase Intangible assets		
<b>Net Cash Used in Investing Activities</b>	<b>89.50</b>	<b>(803.04)</b>
<b>C. Cash Flow from Financing Activities</b>		
<i>Inflow:</i>		
Proceeds from Short Term Borrowings	(1,507.57)	(434.09)
<i>Outflow:</i>		
Repayment of Long Term Borrowings	47.20	
Interest Paid	(163.19)	(127.52)
<b>Net Cash Generated by Financing Activities</b>	<b>(1,623.55)</b>	<b>(561.60)</b>
<b>D. Net Increase/(Decrease) In Cash and Cash Equivalents</b>	(96.06)	(3,549.96)
<b>E. Cash and Cash Equivalents as at the beginning of the year</b>	1,723.84	5,273.80
<b>F. Cash and Cash Equivalents as at the end of the year</b>	1,627.78	1,723.84
<b>G. Cash and Cash Equivalents as at the end of the year comprise of</b>		
Cash & Bank Balances as per the Balance Sheet	3,567.78	3,663.84
(Less) Deposits Lodged towards Security Deposit & Margin Money against Bank Guarantees	(1,940.00)	(1,940.00)
	<b>1,627.78</b>	<b>1,723.84</b>
<b>Notes:</b>		
1. Figures in brackets indicate cash outgo.		
2. 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.		
3. 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 <b>ALPA LABORATORIES LIMITED</b> C.I.N.: L85195MP1988PLC004446		As Per Our Report of Even Date Attached For and on behalf of <b>C.H. PADLIYA &amp; CO.</b> Chartered Accountants Firm Registration No. : 003151C
<b>PARESH CHAWLA</b> Managing Director D.I.N.: 00520411	<b>M.S. CHAWLA</b> Director D.I.N.: 00362058	<b>B.C. SHAH</b> C.F.O.
<b>MEGHA NEEMA</b> Company Secretary	<b>S.C.PADLIYA</b> Partner Membership No. : 071666	
<b>Place: Pigdambar, Rau, Indore</b>		
<b>Dated: This 29<sup>th</sup> Day of May, 2017</b>		

**ALPA LABORATORIES LIMITED**

C.I.N.: L85195MP1988PLC004446

**Notes to the Financial Statements for year ended 31st March, 2017****1. 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 2017	As on 31st March 2016
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 )
<b>Parent:</b>				
Alpa Laboratories limited	106.03% (P.Y. - 100.96%)	10,002.02 (P.Y. - 9429.97)	6.15 (P.Y. - 113.05%)	572.05 (P.Y. - (773.93))
<b>Subsidiary:</b>				
Indian				
Norfolk Mercantile Private Limited	-3.25% (P.Y. - 1.85%)	(306.48) (P.Y. - 172.48)	(5.15) (P.Y. - 0.12%)	(478.97) (P.Y. - (89.35))
<b>Sub Total</b>		9,695.54 (P.Y. - 9602.46)		93.08 (P.Y. - (684.61))
Inter-company Elimination & Consolidation Adjustment	-2.78% (P.Y. - (2.80)%)	261.93 (P.Y. - 261.93)	- -	Nil (P.Y. - Nil)
<b>Grand Total</b>	100.00%	9,433.61 (P.Y. : 9340.53)		93.08 (P.Y. - (684.61))
Minority Interest	-	Nil (P.Y. - Nil)		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)		
<b>2. Share Capital</b>		<b>2017</b>	<b>2016</b>	
<b>Authorized Capital</b>		<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)				
<b>Issued Capital</b>		<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)				
<b>Subscribed and Paid Up Capital</b>		2,104.06	2,104.06	
2,10,40,600 Equity Shares of ₹10 Each (Previous year 2,10,40,600 Equity Shares of ₹ 10/- each)				
<b>Total Share Capital</b>		<u><u>2,104.06</u></u>	<u><u>2,104.06</u></u>	
<p>• <b>Terms and Rights attached to Equity Shares.</b> 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, after distribution of all preferential amounts, in proportion of their shareholding.</p>				
<p>• <b>Detail of Shareholders holding more than 5% of total subscribed shareholding</b></p>				
Name of Shareholders	2017	2017	2016	2016
	Quantity	%	Quantity	%
Mahendra Singh Chawla	25	11.76	30	14.13
Paresh Chawla	30	14.47	30	14.47
Pravin C. Shah	12	5.75	11	5.23
		(₹ in Lacs)		
<b>3. Reserves and Surplus</b>		<b>2017</b>	<b>2016</b>	
(a) Share Premium		5,496	5,496.05	
<i>(b) Surplus/(Deficit) in Statement of Profit and Loss</i>				
Opening Balance		1,740	1,055.81	
Add: Profit/(Loss) for the year		93	684.61	
Closing Balance		<u>1,833</u>	<u>1,740</u>	
<b>Total Reserve and Surplus</b>		<u><u>7,331</u></u>	<u><u>7,236.47</u></u>	

		(₹ in Lacs)	
<b>4. Long Term Borrowing</b>		<b>2017</b>	<b>2016</b>
<b>Secured</b>			
Term loans			
From banks		47.20	-
<b>Total Long term Borrowing</b>		<b>47.20</b>	<b>-</b>
<b>Details of terms of repayment for the long term borrowings and security provided in respect of the secured long term borrowings:</b>			
<b>i) Terms of Repayment :</b>			
1) Vehicle loan was taken during the financial year 2016-2017 of 45.00 Lacs ( Previous year Nil) and carries interest rate of 9.38% ( Previous year Nil). The loan is repayable in equated 60 monthly installments of Rs.0.92 Lacs each along with interest from the date of loan. Remaining amount of loan which will mature within 1 year is Rs. 6.92 Lacs which is classified as current liabilities the last installment of loan is repayable on 01/04/2022.			
2) Vehicle loan was taken during the financial year 2016-2017 of 11.00 Lacs ( Previous year Nil) and carries interest rate of 8.92% ( Previous year Nil). The loan is repayable in equated 60 monthly installments of Rs.0.22 Lacs each along with interest from the date of loan commencing from 01/04/2017 Remaining amount of loan which will mature within 1 year is Rs. 1.87 Lacs which is classified as current liabilities.			
<b>ii) Security Provided :</b>			
1) The car loan is secured by pledge of Sport Utility Vehicles- Land Rover Freelander 2 HSE( Jaguar) with the financial institution.			
2) The car loan is secured by pledge of Maruti CIAZ ZXI Plus with the financial institution.			
		(₹ in Lacs)	
<b>5. Other Long Term Liabilities</b>		<b>2017</b>	<b>2016</b>
Trade/ Security Deposits received		62.77	60.42
<b>Total Other Long Term Liabilities</b>		<b>62.77</b>	<b>60.42</b>
		(₹ in Lacs)	
<b>6. Short Term Borrowings</b>		<b>2017</b>	<b>2016</b>
<b>Secured</b>			
Working Capital Loans from Banks		915.52	2,423.09
<b>Total Short Term Borrowings</b>		<b>915.52</b>	<b>2,423.09</b>
<b>Security Provided:</b>			
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)	
<b>7. Trade Payables</b>		<b>2017</b>	<b>2016</b>
Micro, Small and Medium Enterprises		328	1,862
Others		1,049	
<b>Total Trade Payables</b>		<b>1,377</b>	<b>1,862</b>
<b>Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006*</b>			
<b>Particulars</b>	<b>2017</b>	<b>2016</b>	
(i) Principal amount due and remaining unpaid as at the end of the acctg. year	328.16	1,862.35	
(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)	
<b>8. Other Current Liabilities</b>		<b>2017</b>	<b>2016</b>
(a) Current maturities of long-term debt - Secured Loans from Banks		8.80	-
(b) Statutory remittances (Contributions to PF and ESIC, Withholding Taxes, Excise Duty, VAT, Service Tax, etc.)		41.66	24.83
(c) Payables on purchase of fixed assets		0.29	-
(d) Advances from customers		237.05	352.79
(e) Other payables *		119.78	113.10
<b>Total Other Current Liabilities</b>		<b>407.58</b>	<b>490.72</b>
* Includes security deposits of employees, salary and allowance payable to employees and other miscellaneous expenses.			
		(₹ in Lacs)	
<b>9. Short Term Provisions</b>		<b>2017</b>	<b>2016</b>
(a) Provision for employee benefits		31.60	37.25
(b) Provision for Income Tax ( net of advance tax ` 149.54 (As at 31 March, 2016 - 211.07))		154.59	73.93
(c) Provision for litigation/dispute*			76.74
(b) Other provisions		106.81	64.64
<b>Total Short Term Provisions</b>		<b>293.00</b>	<b>252.56</b>
* Provision for litigation/dispute represents claims against the Company that are expected to materialise in respect of matter of litigation.			

(₹ in Lacs)										
ASSET	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As At 01 Apr 2016	Additions	Deletions	As At 31 Mar 2017	Up To 31 Mar 2016	For the Year 2016-2017	Deductions	Up To 31 Mar 2017	As At 31 Mar 2017	As At 31 Mar 2016
<b>(i) Tangible Assets</b>										
Land and Site Development	13.42	-	-	13.42	-	-	-	-	13.42	13.42
Building	489.14	-	-	489.14	390.12	8.92		399.05	90.10	99.02
Plant and machinery	1,329.39	46.58	-	1,375.97	1,119.53	35.38		1,154.91	221.06	209.86
Furniture and Fixtures	48.44	9.82	-	58.26	25.49	6.86		32.35	25.91	22.95
Computers	28.22	3.55	-	31.77	25.42	2.77		28.19	3.58	2.81
Vehicles	12.88	68.00	4.36	76.52	4.36	2.18		6.55	69.97	8.52
Utility	175.37	-	-	175.37	151.76	1.64		153.39	21.98	23.62
Electrical Installation	171.40	0.20	-	171.60	163.95	0.54		164.49	7.11	7.45
QC and Lab Equipment	183.33	16.87	-	200.21	119.78	16.81		136.59	63.62	63.55
Office Equipment	10.71	1.05	-	11.77	9.20	0.97		10.18	1.59	1.51
<b>Total Tangible Assets</b>	<b>2,462.32</b>	<b>146.07</b>	<b>4.36</b>	<b>2,604.03</b>	<b>2,009.61</b>	<b>76.08</b>		<b>2,085.69</b>	<b>518.34</b>	<b>452.71</b>
<b>(II) Intangible Assets</b>										
Goodwill on Consolidation	0.07	-	-	0.07	-	-		-	0.07	0.07
Goodwill ( Refer note 42)	1,011.26	-	-	1,011.26	-	404.50		404.50	606.75	1,011.26
(iii) Capital Work In Progress										
Capital Work-in-Progress	0.49	-	0.49	-	-	-		-	-	0.49
<b>Total</b>	<b>1,011.82</b>	<b>-</b>	<b>0.49</b>	<b>1,011.33</b>	<b>-</b>	<b>404.50</b>	<b>-</b>	<b>404.50</b>	<b>606.82</b>	<b>1,011.82</b>
<b>Previous Year</b>	<b>2,413.60</b>	<b>1,067.90</b>	<b>7.36</b>	<b>3,474.14</b>	<b>1,926.53</b>	<b>83.09</b>		<b>2,009.61</b>	<b>1,464.52</b>	<b>487.07</b>

	(₹ in Lacs)	
<b>11. Non Current Investment</b>	<b>2017</b>	<b>2016</b>
Investments (At cost):		
<u>A. Trade</u>		
<b>(a) Investment in debentures or bonds</b>		
(i) of other entities		
1,010 (As at 31 March, 2014: Nil) Compulsory Convertible Unsecured Debentures of Minefields Mercantile Private Limited	-	
<b>(b) Investment in Limited Liability Partnership</b>		
(i) Seabright Landmark Project LLP	478.54	130.55
<b>(c) Investment In Property</b>		
(i) Kailash Park Project	419.05	274.72
<b>(d) Investment in Mutual Funds ( Quoted) ( Units of ` 10 each unless otherwise specified) (Refer Note No. 37)</b>		
i) NIL, ( As at 31st March 2016: 1,32,442.82) Units of Axis Equity Fund Dividend Plan ( NAV : NIL)	-	19.30
ii) 1114.058, ( As at 31st March 2016: 1114.058) Units of Axis Equity Fund Dividend Plan ( NAV : 0.23 Lacs)	0.21	0.21
iii) NIL, ( As at 31st March 2016: 10,00,000) Units of Axis Equity Saver Fund ( NAV : NIL)	-	100.00
iv) 58,104.81, ( As at 31st March 2016: 58,104.81) Units of Birla Sunlife 95- Dividend Plan ( NAV : 84.89 Lacs)	86.50	86.50
v) 38.338, ( As at 31st March 2016: 38.338) Units of Birla Sunlife 95- Growth Plan ( NAV : 0.26 Lacs)	0.21	0.21
vi) 139,257.91, ( As at 31st March 2016: 139,257.91) Units of Birla Sunlife Top 100- Dividend Plan ( NAV : 24.59 Lacs)	24.40	24.40
vii) 499.72, ( As at 31st March 2016: 499.72) Units of Birla Sunlife Top 100- Growth Plan ( NAV : 0.25 Lacs)	0.21	0.21
viii) 28,533.28 ( As at 31st March 2016: NIL) Units of Birla Sunlife Saving- Growth Plan ( NAV : 90.92 Lacs)	90.00	-
ix) 62,950.79 ( As at 31st March 2016: 62,950.79) Units of Franklin India High Growth Companies -Dividend Plan ( NAV : 15.21 Lacs)	15.30	15.30
x) 728.562 ( As at 31st March 2016: 728.562) Units of Franklin India Prima- Growth Plan ( NAV : 0.25 Lacs)	0.21	0.21
xi) 4,43,266.158 ( As at 31st March 2016: 4,43,266.158) Units of Franklin India Prima- Growth Plan ( NAV : 101.56 Lacs)	101.50	101.50
xii) 239.355 ( As at 31st March 2016: 239.355) Units of Franklin India Balance- Growth Plan ( NAV : 0.25 Lacs)	0.21	0.21
xiii) 33.105 ( As at 31st March 2016: 33.105) Units of Franklin India - Growth Plan ( NAV : 0.28 Lacs)	0.21	0.21
xiv) 71,539.989 ( As at 31st March 2016: 71,539.989) Units of Franklin India Prima Plus - Dividend Plan ( NAV : 26.78 Lacs)	25.50	25.50
xv) 11,075.485 ( As at 31st March 2016: 11,075.485) Units of Franklin India Prima Plus - Dividend Plan ( NAV : 4.15 Lacs)	4.00	4.00
xvi) 1,70,973.045 ( As at 31st March 2016: 1,70,973.045) Units of HDFC Balanced - Dividend Plan ( NAV : 50.124 Lacs)	46.25	46.25
xvii) 197.796 ( As at 31st March 2016: 197.796) Units of HDFC Balanced - Growth Plan ( NAV : 0.26 Lacs)	0.21	0.21
xviii) 197.796 ( As at 31st March 2016: 197.796) Units of ICICI Pru Balanced Advantage - Growth Plan ( NAV : 0.26 Lacs)	0.21	0.21

xix) 6,43,089.085 ( As at 31st March 2016: 6,43,089.085) Units of ICICI Pru Balanced Advantage - Dividend on Maturity Plan ( NAV : 91.57 Lacs)	86.50	86.50
xx) 3,27,056.488 ( As at 31st March 2016: 3,27,056.488) Units of ICICI Pru Balanced - Dividend on Maturity Plan ( NAV : 80.75 Lacs)	73.75	73.75
xxi) 234.009 ( As at 31st March 2016: 234.009) Units of ICICI Pru Balanced - Growth Plan ( NAV : 0.27 Lacs)	0.21	0.21
xxii) 48,795.674 ( As at 31st March 2016: NIL) Units of ICICI Pru Flexible Income - Growth Plan ( NAV : 151.92 Lacs)	150.00	-
xxiii) NIL ( As at 31st March 2016: 1,87,205.99) Units of Tata Balanced Fund-Dividend on Maturity Plan ( NAV : NIL)	-	127.00
xxiv) 127.614 ( As at 31st March 2016: 127.614) Units of Tata Balanced Fund-Growth Plan ( NAV : 0.25 Lacs)	0.21	0.21
xxv) 979.34 ( As at 31st March 2016: 979.34) Reliance Yield Maximizer AIF of 10000/- Each	97.93	98.23
<b>Total Non-current Investment</b>	<b>1,701.32</b>	<b>1,215.61</b>
Aggregate amount of unquoted investments	97.93	98.23
Aggregate amount of quoted investments	705.80	712.10
Aggregate market value of listed and quoted investments	725.05	66.61
		(₹ in Lacs)
<b>12. Long Term Loans and Advances</b>	<b>2017</b>	<b>2016</b>
<b>Unsecured, Considered Good</b>		
Security deposits	71.36	68.79
<b>Total Long Term Loans and Advances</b>	<b>71.36</b>	<b>68.79</b>
		(₹ in Lacs)
<b>13. Inventories</b>	<b>2017</b>	<b>2016</b>
(a) Raw materials	585.39	731.91
(b) Work-in-progress	132.72	80.81
(c) Finished goods (other than those acquired for trading)	564.58	669.43
(d) Analytical Materials	21.19	17.65
<b>Total Inventories</b>	<b>1,303.88</b>	<b>1,499.81</b>
<b>Details of Raw Materials:</b>	<b>2017</b>	<b>2016</b>
Drugs & Chemicals	386.36	479.66
Packing Materials	199.03	252.25
<b>Total</b>	<b>585.39</b>	<b>731.91</b>
<b>Details of Work in Progress:</b>	<b>2017</b>	<b>2016</b>
Injection	33.18	19.65
Tablets & Capsules	57.07	34.75
Ointment & Cream	7.96	5.23
Eye/Ear Drops	11.95	7.58
Dry Powder	22.56	13.60
<b>Total</b>	<b>132.72</b>	<b>80.81</b>
<b>Details of Finished Goods:</b>	<b>2017</b>	<b>2016</b>
Liquid Injection	146.79	176.94
Dry Powder Injection	158.08	190.04
Tablets	146.79	173.90
Capsules	16.94	13.09
Ointment	95.98	115.46
<b>Total</b>	<b>564.58</b>	<b>669.43</b>
<b>Details of Analytical Materials:</b>	<b>2017</b>	<b>2016</b>
GC Columns	4.85	3.44
HPLC Columns	16.34	14.21
<b>Total</b>	<b>21.19</b>	<b>17.65</b>



(₹ in Lacs)		
<b>14. Trade Receivables</b>	<b>2017</b>	<b>2016</b>
<i>Trade receivables outstanding for a period exceeding six months from the date they were due for payment</i>		
Unsecured, considered good	675.29	
Doubtful	104.60	3,434.41
<i>Other Trade receivables</i>		
Unsecured, considered good	2,136.19	
Doubtful		
<b>Total Trade Receivables</b>	<b>2,916.08</b>	<b>3,434.41</b>
(₹ in Lacs)		
<b>15. Cash and Bank Balances</b>	<b>2017</b>	<b>2016</b>
<i>(a) Cash and Cash Equivalents</i>		
(i) Cash on Hand	1.25	19.22
(ii) Balances with Banks	136.53	199.62
<i>(b) Other Bank Balances *</i>		
(i) In Deposit Accounts	3,430.00	3,445.00
<b>Total Cash and Bank Balances</b>	<b>3,567.78</b>	<b>3,663.84</b>
* Other Bank Balances include margin monies amounting to 3445.00 Lacs (As at 31st March 2016, 3445.00 Lacs) which have an original maturity of more than 12 months.		
(₹ in Lacs)		
<b>16. Short Term Loans and Advances</b>	<b>2017</b>	<b>2016</b>
<i>(Unsecured and Considered Good)</i>		
(a) Security Deposits	47.26	13.20
(b) Loans and Advances to Employees	5.98	3.50
(c) Prepaid Expenses	14.21	6.30
(d) Balances with Government Authorities	233.29	278.52
(e) Advances for Goods & Services to be received	103.10	114.33
(f) Advance for Capital Goods	552.35	919.85
(g) Intercorporate Deposits	712.86	674.91
<b>Total Short Term Loans and Advances</b>	<b>1,669.05</b>	<b>2,010.62</b>
<b>Details of Loans given covered u/s 186 (4) of the Companies Act, 2013:</b>		
Name of the Company	Amount Outstanding as at 31.03.2017	Amount Outstanding as at 31.03.2016
Mantram Technofem Pvt. Ltd.	-	30.51
Arneja Carrier Pvt. Ltd.	8.00	-
Pawan Shree Food international Pvt. Ltd.	223.32	200.00
Zotel Hospatality Indore	-	-
Sadguru Developers	150.00	-
Apollo Creations Pvt. Ltd.	110.48	-
Shree Krishna Devecon Ltd. Indore	38.36	35.71
Sky earth Developer Pvt. Ltd. Indore	0.22	40.70
Globel trade venture pvt. Ltd.	52.56	50.87
Maa Ahilya Devecon Pvt. Ltd.	-	15.18
Om Coal Co. Pvt. Ltd.	56.04	50.64
Om Lal Ji Constructions	-	50.00
Shikhar Housing Developers	-	50.55
Shree Krishna Commercial Corporation	10.60	50.25
Shree Nath Corpoartion	7.64	50.25
Yashverdhan Builders Pvt. Ltd.	55.65	50.25
	-	-
All the above loans and advances have been given for business purposes.		

(₹ in Lacs)		
<b>17. Other Current Assets</b>	<b>2017</b>	<b>2016</b>
(a) Interest Accrued on Deposits	25.68	14.94
(b) Duty Drawback Receivable	3.12	2.88
(c) Refund Receivable against Rebate Claim of Duty	114.30	136.72
(d) DEPB Stock	8.61	0.91
(e) Other Receivable	15.07	911.40
<b>Total Other Current Assets</b>	<b>166.79</b>	<b>1,066.85</b>
(₹ in Lacs)		
<b>18. Revenue from Operations</b>	<b>2017</b>	<b>2016</b>
(a) Sale of Products	6,825.03	5,459.27
(b) Sale of Services	55.16	214.47
(c) Other Operating Revenues	83.88	81.29
	6,964.07	5,755.03
Less: Excise Duty/ Service Tax Recovered	395.95	396.03
<b>Total Revenue from Operations</b>	<b>6,568.12</b>	<b>5,359.00</b>
<b>Details of Sale of Products (Excluding Excise Duty)</b>	<b>2017</b>	<b>2016</b>
Liquid Injection	2,765.34	2,163.04
Dry Powder Injection	1,865.00	1,474.76
Tablets	1,286.20	1,017.26
Capsules	192.93	139.58
Ointments	321.55	274.33
<b>Total</b>	<b>6,431.02</b>	<b>5,068.96</b>
<b>Details of Sale of Services (Excluding Service Tax)</b>	<b>2017</b>	<b>2016</b>
Analytical Charges	13.12	41.07
Conversion & Packing Charges	40.10	167.68
<b>TOTAL</b>	<b>53.22</b>	<b>208.75</b>
<b>Details of Other Operating Revenues</b>	<b>2017</b>	<b>2016</b>
Sale of Scrap	1.59	1.57
Duty Drawback and Other Export Incentives	76.56	66.27
Other Revenues	5.74	4.65
<b>TOTAL</b>	<b>83.88</b>	<b>72.49</b>
(₹ in Lacs)		
<b>19. Other Income</b>	<b>2017</b>	<b>2016</b>
(a) <i>Interest Income</i>		
(i) Interest from Banks	312.10	379.66
(ii) Interest on long term investment	9.71	8.82
(iii) Interest on Loans & Advances	122.89	7.57
(iv) Interest from Others	1.32	9.06
(b) Dividend Income from Long term Investments	75.30	58.64
(c) Net Gain on Foreign Currency Transactions and Translation	-	47.14
(d) Compensation Received on Cancellation of Agreement	-	-
(e) Other Non-Operating Income	17.93	7.47
<b>Total Other Income</b>	<b>539.24</b>	<b>518.35</b>

(₹ in Lacs)				
<b>20. Cost of Materials Consumed</b>		<b>2017</b>		<b>2016</b>
Opening stock		731.91		384.83
Add: Purchases		3,660.52		3,533.22
Less: Closing stock		585.39		731.91
<b>Total Cost of Materials Consumed</b>		<b>3,807.05</b>		<b>3,186.14</b>
<b>Imported and Indigenous Raw Materials Consumed</b>				
Particulars	2017		2016	
	Value	%	Value	%
Imported	57.11	1.50	15.40	0.48
Indigenous	3,749.94	98.50	3,170.74	99.52
<b>TOTAL</b>	<b>3,807</b>	<b>100</b>	<b>3,186.14</b>	<b>100</b>
<b>Detail of Raw Materials Consumed</b>		<b>2017</b>		<b>2016</b>
Drugs & Chemicals		2,794.57		2,470.39
Packing Material		1,012.48		715.75
<b>TOTAL</b>		<b>3,807.05</b>		<b>3,186.14</b>
(₹ in Lacs)				
<b>21. Manufacturing and Operating Cost</b>		<b>2017</b>		<b>2016</b>
Power and Fuel		158.27		149.30
Repairs to Buildings		12.50		3.04
Repairs to Machinery		54.12		47.53
Analytical Expenses		34.46		43.97
Other Manufacturing and Operating expenses		66.12		40.26
<b>Total Manufacturing and Operating Cost</b>		<b>325.47</b>		<b>284.10</b>
<b>Detail of Imported and Indigenous Stores</b>				
(₹ in Lacs)				
<b>22. Changes in Inventories of Fin. Goods, Work in Process</b>		<b>2017</b>		<b>2016</b>
<u>Inventories at the end of the year:</u>				
Finished goods		544.10		649.95
Work-in-progress		132.72		80.81
		<b>676.83</b>		<b>730.76</b>
<u>Inventories at the beginning of the year:</u>				
Finished goods		649.95		310.15
Work-in-progress		80.81		41.77
		<b>730.76</b>		<b>351.92</b>
Excise Duty on (Increase/Decrease) of Finished goods		1.00		19.48
<b>Total Changes in Inventories of Fin. Goods, Work in Process</b>		<b>(52.94)</b>		<b>398.32</b>
(₹ in Lacs)				
<b>23. Employee Benefits Expense</b>		<b>2017</b>		<b>2016</b>
Salaries and Wages		817.84		655.65
Contribution to Provident and Other Funds		43.73		59.07
Staff Welfare Expenses		7.49		5.45
<b>Total Employee Benefits Expense</b>		<b>869.07</b>		<b>720.16</b>
<p>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 ₹ 43,73,140/- (Previous Year 33,66,289 /-) for Provident Fund contributions in the Statement of Profit and Loss. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.</p>				

			(₹ in Lacs)	
<b>24. Finance Costs</b>	<b>2017</b>	<b>2016</b>		
(a) Interest Expense on:				
(i) Borrowings	144.59	123.89		
(ii) Others	18.59	3.62		
(b) Other Borrowing Costs	7.76	17.11		
<b>Total Finance Costs</b>	<b>170.95</b>	<b>144.62</b>		
			(₹ in Lacs)	
<b>25. Other Expenses</b>	<b>2017</b>	<b>2016</b>		
Rent including Lease Rentals	11.75	14.32		
Repairs and Maintenance (Others)	0.56	0.40		
Insurance	6.96	3.03		
Rates and Taxes	23.75	102.23		
Communication	9.01	10.27		
Traveling and Conveyance	114.47	126.74		
Printing and Stationery	7.55	11.32		
Freight and Forwarding	174.26	155.61		
Commission On Sales	75.00	75.00		
Business Promotion	15.92	29.15		
Sales Discount	38.91	13.02		
Donations and Contributions	11.28	0.56		
Expenditure Incurred for Corporate Social Responsibility ( Refer Note No.39)	15.00	-		
Loss on currency fluctuation	1.08			
Legal and Professional	122.95	103.53		
Liquidated Damages, Testing and LSP Charges	26.15	4.99		
Membership & Subscription	3.55	3.02		
Payments to Auditors	4.10	4.05		
Bad Trade and Other Receivables, Loans and Advances written off	116.94	231.22		
Prior Period Items (net)	196.18	(32.66)		
Profit/Loss from LLP ( sea bright)	(0.28)	0.05		
Loss on Sale of Investment	7.13	0.63		
Miscellaneous Expenses	23.76	27.33		
<b>Total Other Expenses</b>	<b>1,005.96</b>	<b>883.82</b>		
<b>Payment to Auditors Comprise</b>			<b>2017</b>	<b>2016</b>
As Auditors – Statutory Audit			2.55	2.46
For Other Services			1.55	1.59
<b>TOTAL</b>			<b>4.10</b>	<b>4.05</b>
<b>Prior Period Items (net) Represent</b>			<b>2017</b>	<b>2016</b>
Debits Relating to Earlier Years			224.79	24.44
Credits Relating to Earlier Years			(28.61)	(57.11)
<b>TOTAL</b>			<b>196.18</b>	<b>(32.66)</b>
			(₹ in Lacs)	
<b>26. Current Tax</b>	<b>2017</b>	<b>2016</b>		
Current tax	270.00	285.00		
Prior Yr Taxes	33.37			
<b>Total Current Tax</b>	<b>303.37</b>	<b>285.00</b>		

		(₹ in Lacs)	
<b>27. Value of Imports on C.I.F. Basis</b>	<b>2017</b>	<b>2016</b>	
Raw Materials and Stock-in-Trade	615.53	301.62	
Capital Goods	9.35	15.02	
<b>Total Value of Imports on C.I.F. Basis</b>	<b>624.88</b>	<b>316.64</b>	
		(₹ in Lacs)	
<b>28. Expenditure in Foreign Currency</b>	<b>2017</b>	<b>2016</b>	
Bank Charges	7.22	3.10	
Annual Membership & Subscription Charges	1.28	-	
Travelling Expenses	-	6.63	
<b>Total Expenditure in Foreign Currency</b>	<b>8.51</b>	<b>9.73</b>	
		(₹ in Lacs)	
<b>29. Earnings in Foreign Currency</b>	<b>2017</b>	<b>2016</b>	
Export of Goods Calculated on FOB Basis	2,001.82	1,811.13	
Export of Services	-	-	
<b>Total Earnings in Foreign Currency</b>	<b>2,001.82</b>	<b>1,811.13</b>	
		(₹ in Lacs)	
<b>30. Details of Leasing Arrangements</b>	<b>2017</b>	<b>2016</b>	
<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	11.75	14.32	
			(₹ in Lacs)
<b>31. Government Grants</b>	<b>2017</b>	<b>2016</b>	
<u>Government Grants Received by the Company during the Year towards</u>			
- Export Benefits	76.56	66.27	
<b>Total Government Grants</b>	<b>76.56</b>	<b>66.27</b>	
<b>32. Related Party Disclosures</b>			
<u>A. Relationship:</u>			
<u>i. Key Management Personnel</u>			
a. Paresh Chawla	b. M.S. Chawla	c. P.R Patel ( Director upto 09/04/2016)	
c. P.C. Shah	d. B. C. Shah	f. Jayesh Patel (CEO upto 09/04/2016)	
<u>ii. Relatives of Key Management Personnel and their enterprises where transactions have taken place</u>			
a. Shitul Shah	b. Vinit Shah	c. Rupal Shah	
d. Auram Enterprises	e. Seabright Landmark Projects LLP	d. Fortress Mercantile Pvt. Ltd. (Upto 09/04/2016)	

(₹ in Lacs)			
<i>B. Transactions carried out with related parties referred to in A above, in the ordinary course of business:</i>			
Nature of Transactions		Referred in	Referred in
		A.i. above	A. ii above
<b>Expenses</b>			
Remuneration		165.50 (P.Y.-52.20)	- (P.Y. Nil)
Salary		30.00 (P.Y.-43.20)	28.20 (P.Y.-10.80)
Purchase		- (P.Y. Nil)	0.08 (P.Y. Nil)
<b>Income</b>			
Share of profit/(loss)		- (P.Y. Nil)	0.28 (PY- (0.04700))
<b>Assets</b>			
<i>Investments</i>			
Investments made		- (P.Y. Nil)	622.59 (P.Y. 406.27)
<b>Outstandings</b>			
Payable		13.74 (P.Y. 0.031)	1.92 (P.Y. 4.12)
Receivable		- (P.Y. Nil)	- (P.Y. Nil)
Investment		- (P.Y. Nil)	0.01 (P.Y. 406.27)

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

Nature of income/ expences/liabilities/assets	(₹ in Lacs)	
	2017	2016
<b>Expenses</b>		
<i>Remuneration</i>		
PC Shah	42.00	25.20
MS Chawla	63.00	27.00
Paresh Chawla	60.50	-
<i>Salary</i>		
BC Shah	30.00	16.20
<b>Assets</b>		
<i>Investment</i>		
Seabright Landmark Projects LLP	622.59	406.27
<b>Outstanding</b>		
<i>Payable</i>		
PC Shah	2.31	1.73
MS Chawla	4.84	1.78
Paresh Chawla	4.92	1.76
BC Shah	1.67	1.12
<i>Investments</i>		
Seabright Landmark Projects LLP	0.01	406.27

		(₹ in Lacs)	
33. Deferred Tax		2017	2016
<p>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 with Accounting Standard (“AS-22”) – “Accounting for Taxes on Income” issued by the Institute of Chartered Accountants of India.</p> <p>The Major Components of deferred tax (assets)/liabilities arising on account of timing differences are as follows:</p> <p><u>Tax effect of items constituting deferred tax liability</u></p> <p>- on difference between book balance and tax balance of fixed assets -</p> <p><u>Tax effect of items constituting deferred tax asset</u></p> <p>- on difference between book balance and tax balance of fixed assets 15.58 5.21</p> <p><b>Total Deferred Tax (asset)/Liabilities 15.58 5.21</b></p>			
		(₹ in Lacs)	
34. Contingent Liabilities & Commitments (to the extent not provided for)		2017	2016
a. Bank Guarantees been given to various government departments for tenders for supply of medicines.		134.93	22.37
b. Liability in respect of arbitration proceedings (Refer Note No. 39)		-	3.93
<b>c. Disputed demands before relevant authorities :</b>		<b>2017</b>	<b>2016</b>
Value Added Tax		16.93	151.47
Central Sales Tax		31.52	31.52
Sales Tax Maharashtra		-	27.77
Income Tax		53.54	21.00
<p><b>35. Court Case</b> has been filed against Innovec Laboratories Private Limited ( Medicure Nagpur) for ₹ 28.95 Lacs (Previous Year- ₹ 28.95 lacs) for recovery of outstanding amounts.</p>			
<b>36. Segment Reporting</b>			
<p>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 attributable Revenue, Profits, Assets, Liabilities and Capital Employed are given.</p> <p>b. The secondary segment based on geographical segmentation is considered to be business Outside India and Within India.</p>			
<b>Detail of geographical segments based on location of the customers</b>		<b>2017</b>	<b>2016</b>
		<b>Value</b>	<b>%</b>
Outside India	2,037.87	31.03%	1,843.04 34.45%
Within India	4,530.25	68.97%	3,507.16 65.55%
Total	6,568.12	100.00%	5,350.20 100.00%
<p><b>37.</b> A fraud has been committed against the Company by encashing a sum of ₹ 9.54 Lacs 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.</p>			
<p><b>38.</b> During the financial year 14-15, Sun Pharma Industries Limited, into which Ranbaxy Laboratories has amalgamated, (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. During the year a settlement agreement was executed on 12.08.2016. As per the agreement, the Company agreed to pay a sum of ₹ 100 lacs as full and final settlement of (i) the disputes, (ii) all the claims as raised by both the parties against each other, and (iii) and/or any other matter arising out of or in connection with the agreements. Accordingly, an amount of ₹ 111.53 lacs shown as receivable from Ranbaxy was also written off. As a result an expense of ₹ 211.53 lacs has been shown as exceptional item in Statement of Profit and Loss.</p>			

(₹ in Lacs)			
<b>39. Details of Corporate Social Responsibility (CSR) Expenditure :</b>			
Amount required to be spent as per Section 135 of the Act	2017	2016	
Amount spent during the year on:	4.50	-	
(i) Construction /acquisition of an asset	-	-	
(ii) On the purpose other than (i) above	15.00	-	
<b>Total</b>	<b>15.00</b>		
<b>40. Details Of Specified Bank Notes (Sbn) Held And Transacted During The Period 08/11/2016 To 30/12/2016 Is As Under:</b>			
(₹ in Lacs)			
<b>Particulars</b>	<b>SBNs</b>	<b>Other Denomination</b>	<b>Total</b>
<b>Closing Cash in hand as on 08.11.2016</b>	14.22	4.07	18.29
(+) Permitted Receipts	-	10.68	10.68
(-) Permitted Payments	-	8.79	8.79
(-) Amount deposited in Banks	14.22	-	14.22
<b>Closing Cash in hand as on 30.12.2016</b>	<b>-</b>	<b>5.96</b>	<b>5.96</b>
<b>41. Capital Commitments &amp; Contingent Liability :</b>			
As Informed to us by the management there is an agreement which was executed between Karm Enterprises & Norfolk Mercantile Pvt. Ltd. ( Subsidiary) for purchase of capital properties. During the year based on the agreement entered into between Karm Enterprises and Seabright Landmark Projects LLP on 07.09.2016, the obligations of karm Enterprises has been shifted to Seabright Landmark Projects LLP. The Company is liable for capital commitment of 22.60 Lacs as amount remaining to be paid as at 31.03.2017.			
<b>42. Amalgamation of Companies</b>			
a) 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.			
b) 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 26 <sup>th</sup> 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.			
c) 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.			
d) 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.			
<b>43. Significant Accounting Policies and Practices</b> adopted by the Company are disclosed in the Statement annexed to these Financial Statements as Annexure A.			
<b>44. Previous Year Figures</b>			
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 <b>ALPA LABORATORIES LIMITED</b> C.I.N.: L85195MP1988PLC004446		As Per Our Report of Even Date Attached For and on behalf of <b>C.H. PADLIYA &amp; CO.</b> Chartered Accountants Firm Registration No. : 003151C	
<b>PARESH CHAWLA</b> Managing Director D.I.N.: 00520411	<b>M.S. CHAWLA</b> Director D.I.N.: 00362058	<b>B.C. SHAH</b> C.F.O.	<b>MEGHA NEEMA</b> Company Secretary
			<b>S.C.PADLIYA</b> Partner Membership No. : 071666
<b>Place: Pigdamber, Rau, Indore</b>			
<b>Dated: This 29<sup>th</sup> Day of May, 2017</b>			



**ANNEXURE A" (Annexed to and forming part of the Accounts for the year ended 31<sup>st</sup> March, 2017)  
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.

## 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 Particulars	Norfolk Mercantile Private Limited	
	As on 31.03.2017	As on 31.03.2016
Share Capital	262.00	262.00
Reserves & Surplus	(568.48)	(89.51)
Total Assets	1725.88	1986.61
Total Liabilities (excluding share capital and reserves and surplus)	2032.36	1814.12
Details of investments	606.75	1011.00
Turnover (Includes Other income)	98.21	16.36
Profit/ (Loss) before taxation	(478.97)	(89.35)
Provision for taxation	Nil	Nil
Profit/ (Loss) after taxation	(478.97)	(89.35)
Proposed dividend	0.00	0.00
% of share holding	100%	100%
Reporting Currency	INR	INR
Exchange Rate to INR on March 31	Nil	Nil

## PROXY FORM (FORM MGT-11)

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

[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 29<sup>th</sup> Annual General Meeting of the Company, to be held on 29<sup>th</sup> September 2017 at 11:00 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 <sup>st</sup> March 2017
2	Appointment of rotational director
3	Appointment of Auditors and Fixing their remuneration
4	Remuneration of Cost Auditors
5	Delivery of documents under section 20
6	Place of Keeping of Register and Index of Members

Affix ₹1  
Revenue  
Stamp

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2017 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.

## ATTENDANCE SLIP

**ALPA LABORATORIES LIMITED**

**REGD. OFFICE: 33/2, Pigdamber, A.B. Road, Rau, Dist. INDORE (M.P.) 453446**

**Website : [www.alpalabs.in](http://www.alpalabs.in)**

Folio No. \_\_\_\_\_ Number of Shares \_\_\_\_\_ DP Id \_\_\_\_\_ Client Id \_\_\_\_\_

I hereby record my presence at the 29<sup>th</sup> Annual General Meeting of the Company held on 29<sup>th</sup> September 2017, at 11:00 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) \_\_\_\_\_

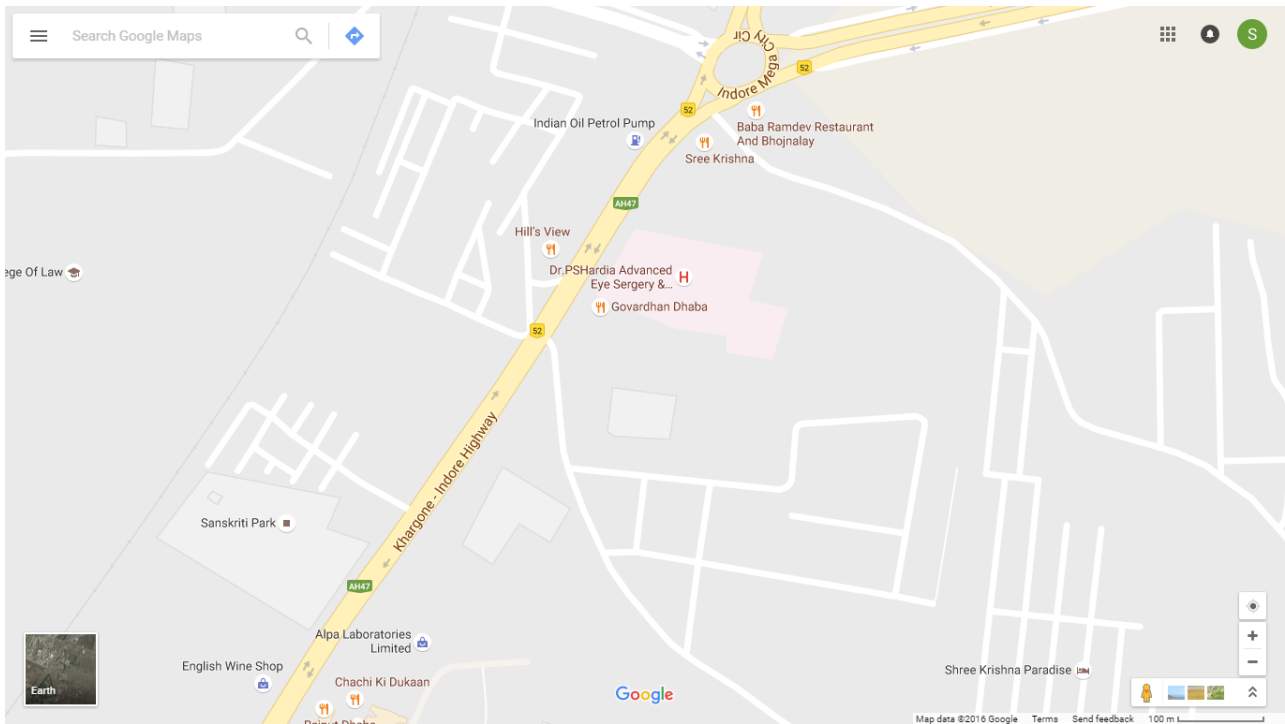
Signature of the proxy \_\_\_\_\_

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