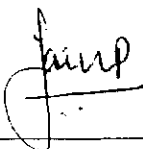

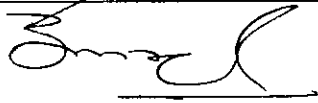



FORM A

FORMAT OF COVERING LETTER OF THE ANNUAL AUDIT REPORT TO BE FILED  
WITH THE STOCK EXCHANGES

1.	Name of the Company	Makers Laboratories Limited
2.	Annual financial statements for the year ended	31 <sup>st</sup> March, 2015
3.	Type of Audit observation,	Un-qualified
4.	Frequency of observation	Not Applicable
5.	To be signed by:	
	• CEO / Managing Director	
	• CFO	
	• Auditor of the Company	
	• Audit Committee Chairman	



**ANNUAL REPORT 2014-15**

**MAKERS LABORATORIES LIMITED**



## Five Years' Highlights

(₹ Lacs)

	2010-11	2011-12	2012-13	2013-14	<b>2014-15</b>
Total Income*	5466.37	6300.23	6314.16	6892.03	<b>6537.97</b>
Profit/(Loss) Before Tax	513.20	(64.52)	348.83	118.75	<b>339.99</b>
Profit/(Loss) After Tax	345.44	(57.21)	244.14	59.56	<b>235.19</b>
Share Capital	491.70	491.70	491.70	491.70	<b>491.70</b>
Reserves & Surplus	1552.12	1494.91	1739.05	1798.61	<b>1970.84</b>
Net Worth	2043.82	1986.61	2230.75	2290.31	<b>2462.54</b>
Net Block	1212.16	1238.08	1226.78	1385.05	<b>1417.65</b>
Earnings Per Share (₹)	7.03	(1.16)	4.97	1.21	<b>4.78</b>
Book Value Per Share (₹)	41.57	40.40	45.37	46.58	<b>49.47</b>

\*Net of Excise Duty and Sales Tax

**BOARD OF DIRECTOS**

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

**COMPANY SECRETARY**

Khushbu Thakkar (ACS 28375)

**AUDITORS**

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

**COST AUDITORS**

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

**BANKERS**

Axis Bank Ltd.

**REGISTERED AND ADMINISTRATIVE OFFICE**

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

**REGISTRAR & SHARE TRANSFER AGENT**

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

**WORKS**

1. A-163, Phase-1,  
MIDC, Dombivli (E) - 421 203,  
Dist. Thane,  
Maharashtra.  
Tel : 0251 - 244 8014 Fax : 0251 - 247 2166
2. Plot No. 29/3, Phase III,  
GIDC Industrial Estate,  
Naroda, Ahmedabad 382 330  
Gujarat.  
Tel : 079 - 2281 3057 Fax : 079 - 2282 2133

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Five Years' Highlights.....	Inside Front Cover

NOTICE is hereby given that the 30<sup>th</sup> ANNUAL GENERAL MEETING of Makers Laboratories Limited will be held at Plot No. 47, Kandivli Industrial Estate, Opposite Anand Mangal Hall, Charkop, Kandivli (West), Mumbai- 400 067 on Tuesday, 4<sup>th</sup> August, 2015 at 11.00 a.m. to transact the following business.

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the Balance Sheet of the Company as at 31<sup>st</sup> March, 2015 and the Statement of Profit & Loss for the year ended on that date and the Reports of the Directors and Auditors thereon.
2. To declare dividend on equity shares.
3. To appoint a Director in place of Mr. Saahil Parikh (DIN 00400079) who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint Auditors to hold office until the conclusion of the next Annual General Meeting and to fix their remuneration.

**SPECIAL BUSINESS:**

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

“RESOLVED that pursuant to the provisions of Sections 196, 197, 203 and Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), the Company hereby accord its approval to the re-appointment of and remuneration payable to Mr. Saahil Parikh (DIN 00400079) as the Wholtime Director of the Company for a further period of 3 years commencing 11<sup>th</sup> August, 2014 on the terms and conditions including remuneration as approved by the Nomination and Remuneration Committee of the Board and as set out in the agreement dated 27<sup>th</sup> August, 2014 entered into between the Company and Mr. Saahil Parikh, a copy whereof initialled by the Chairman for the purpose of identification is placed before the meeting, which agreement is hereby specifically approved.”

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

“RESOLVED that pursuant to the provisions of Sections 196, 197, 203 and Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), the Company hereby accord its approval to the re-appointment of and remuneration payable to Mrs. Purnima Jain (DIN 00937041) as the Wholtime Director of the Company for a further period of 3 years commencing 30<sup>th</sup> October, 2014 on the terms and conditions including remuneration as approved by the Nomination and Remuneration Committee of the Board and as set out in the agreement dated 28<sup>th</sup> August, 2014 entered into between the Company and Mrs. Purnima Jain, a copy whereof initialled by the Chairman for the purpose of identification is placed before the meeting, which agreement is hereby specifically approved.”

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

“RESOLVED THAT M/s. Kale & Associates, Cost Accountants (Firm Registration No. 101144) who have been appointed as the Cost Auditors of the Company to conduct the audit of the cost records for the financial year 2015-16 be paid remuneration of ₹ 60,000/- (Rupees Sixty Thousand Only) plus service tax and reimbursement of traveling and other out of pocket expenses.”

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

“RESOLVED THAT the new set of Articles of Association placed before the meeting and initialed by the Chairman for the purpose of identification be and the same is adopted in substitution for, and to the exclusion of, the present set of Articles of Association of the Company.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this Resolution”.

**NOTES**

- (1) **A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and a proxy need not be a member of the Company. Proxies, in order to be effective must be received at the registered office of the Company not less than 48 hours before the commencement of the meeting. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company. In case a proxy is proposed to be appointed by a member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder. A Proxy Form is attached herewith.**
- (2) Corporate Members intending to send their authorised representative to attend the meeting are requested to send a certified true copy of the Board resolution authorising their representative to attend and vote on their behalf at the meeting.
- (3) The Register of Members and Share Transfer Books of the Company will remain closed from Thursday, 30<sup>th</sup> July, 2015 to Tuesday, 4<sup>th</sup> August, 2015 (both days inclusive).
- (4) The dividend if sanctioned at the meeting will be paid to those members, whose names appear in the Register of Members on 4<sup>th</sup> August, 2015 and to those beneficial owners whose names are provided by National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) as at the close of business hours on 29<sup>th</sup> July, 2015.
- (5) The information required to be provided under Clause 49 of the Listing Agreement with the Stock Exchanges regarding the directors retiring by rotation and eligible for re-appointment as well as directors being appointed is furnished in the Report on Corporate Governance.
- (6) Members are requested to:
  - (a) intimate to the Company / their Depository Participant (“DP”), changes, if any, in their registered address at an early date;
  - (b) quote their Registered Folio No. and/or DP Identity and Client Identity number in their correspondence;
  - (c) bring their copy of the Annual Report and the Attendance Slip with them at the Annual General Meeting.
  - (d) encash the dividend warrants on their receipt as dividend remaining unclaimed for seven years are now required to be transferred to the ‘Investor Education and Protection Fund’ established by the Central Government under the provisions of the Companies Act, 2013.
  - (e) The Ministry of Corporate Affairs (MCA) on 10<sup>th</sup> May, 2012 notified the IEPF (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012 (IEPF Rules) which is applicable to the Company. The objective of the IEPF Rules is to help the shareholders ascertain status of the unclaimed amounts. In terms of the said IEPF Rules, the Company has uploaded the information of the unclaimed dividends on the website of the Company viz. [www.makerslabs.com](http://www.makerslabs.com).
- (7) All documents referred in the notice will be available for inspection by the members at the Registered Office of the Company during working hours on all working days (excluding Saturday) upto the date of the Annual General Meeting and shall also be placed before the members at the said Annual General Meeting.
- (8) Explanatory statement under Section 102 of the Companies Act, 2013 in respect of special business is annexed hereto.

(9) Electronic copy of the Notice of the 30<sup>th</sup> Annual General Meeting of the Company inter-alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent to all the members whose e-mail IDs are registered with the Company / Depository Participant(s) for communication purpose unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the notice of the 30<sup>th</sup> Annual General Meeting of the Company inter-alia indicating the process and manner of e-voting alongwith Attendance Slip and Proxy Form is being sent in the permitted mode.

(10) Members may also note that the Notice of 30<sup>th</sup> Annual General Meeting will also be available on the Company's website [www.makerslabs.com](http://www.makerslabs.com) for their download. The physical copies of the documents, if any, referred to in the notice will be available at the Company's Registered Office for inspection during 11.00 a.m. to 1.00 p.m. on all working days (excluding Saturday) upto the date of the Annual General Meeting. Even after registering for e-communication, members are entitled to receive such communication in physical form upon making a request for the same. For any communication, shareholders may also send requests to the Company's investor e-mail id [investors@makerslabs.com](mailto:investors@makerslabs.com).

(11) Voting through electronic means:

I. In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014 as substituted by the Companies (Management and Administration) Amendment Rules, 2015 (Amended Rules 2015) and Clause 35B of the Listing Agreement, the Company is pleased to provide members facility to exercise their right to vote at the 30<sup>th</sup> Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by National Securities Depository Limited (NSDL).

II. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper. The shareholders who do not have access to e-voting or who do not wish to cast the vote electronically may request the Company for physical ballot paper for casting their vote, which will be provided by the Company upon request. Such ballot paper duly filled in may be sent to The Scrutinizer C/o Makers Laboratories Ltd., 54D Kandivli Industrial Estate, Kandivli (West), Mumbai - 400 067 so as to reach the scrutinizer on or before 5.00 p.m. on 3<sup>rd</sup> August, 2015.

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

IV. The remote e-voting period commences on Saturday, 1<sup>st</sup> August, 2015 (9:00 am) and ends on Monday, 3<sup>rd</sup> August, 2015 (5:00 pm). During this period members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 29<sup>th</sup> July, 2015, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.

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

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

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

(I) Open email and open PDF file viz; "Makers Laboratories remote e-voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for remote e-voting. Please note that the password is an initial password.



- (ii) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/>
  - (iii) Click on Shareholder – Login
  - (iv) Put user ID and password as initial password/PIN noted in step (i) above. Click Login.
  - (v) Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
  - (vi) Home page of remote e-voting opens. Click on remote e-Voting: Active Voting Cycles.
  - (vii) Select “EVEN” (Remote E-Voting Event Number) of Makers Laboratories Ltd.
  - (viii) Now you are ready for remote e-voting as Cast Vote page opens.
  - (ix) Cast your vote by selecting appropriate option and click on “Submit” and also “Confirm” when prompted.
  - (x) Upon confirmation, the message “Vote cast successfully” will be displayed.
  - (xi) Once you have voted on the resolution, you will not be allowed to modify your vote.
  - (xii) Institutional shareholders (i.e. other than individuals, HUF, NRI, etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to [scrutinizer@makerslabs.com](mailto:scrutinizer@makerslabs.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
- B. In case a Member receives physical copy of the Notice of AGM [for members whose email IDs are not registered with the Company / Depository Participants or who request physical copy of notice]:
- (i) Initial password is provided as below at the bottom of the Attendance Slip for the AGM :  
EVEN (Remote E-Voting Event Number)\_USER ID\_PASSWORD/PIN
  - (ii) Please follow all steps from SI. No. (ii) to SI. No. (xii) above, to cast vote.
- VI. In case of any queries, you may refer the frequently asked questions (FAQs) for members and remote e-voting user manual for members available at the downloads section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free No. 1800 222 990.
- VII. If you are already registered with NSDL for e-voting, then you can use your existing user ID and password/PIN for casting your vote.
- VIII. You can also update your mobile number and e-mail ID in the user profile details of the folio which may be used for sending future communication(s).
- IX. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 29<sup>th</sup> July, 2015.
- X. Any person, who acquires shares of the Company and becomes member of the Company after despatch of notice and holding shares as of the cut-off date i.e. 29<sup>th</sup> July, 2015 may obtain the login ID and password by sending an e-mail to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) by mentioning their Folio No. / DP ID and Client ID No. However, if you are already registered with NSDL for remote e-voting, then you can use your existing User ID and password for casting your vote. If you forget your password, you can reset your password by using “Forgot User Details / Password” option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or contact NSDL at the following Toll Free No: 1800 222 990.

- XI. A person whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.
- XII. Mrs. Jigyasa N. Ved (Membership No. FCS 6488) or failing her Mr. P. N. Parikh (Membership No. FCS 327) of M/s. Parikh & Associates, Practising Company Secretaries have been appointed as the Scrutinizer to scrutinize the remote e-voting process (including poll at the meeting) in a fair and transparent manner.
- XIII. The Chairman shall, at the AGM, at the end of discussion on resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of ballot paper for all those members who are present at the AGM but have already not cast their votes by availing the remote e-voting / physical ballot facility.
- XIV. The Scrutinizer shall after the conclusion of voting at the AGM, will first count the votes cast at the meeting and physical ballot form received by mail and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- XV. The Results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company [www.makerslabs.com](http://www.makerslabs.com) and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to BSE Ltd. (BSE) and Ahmedabad Stock Exchange Limited (ASE).

(12) This Notice has been updated with the instructions for voting through electronic means as per amended Rules 2015.

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

By Order of the Board  
For Makers Laboratories Limited

Khushbu Thakkar  
Company Secretary  
ACS 28375

Mumbai  
29<sup>th</sup> May, 2015

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

At the meeting of the Board of Directors of the Company held on 28<sup>th</sup> July, 2014, Mr. Saahil Parikh was re-appointed as the Wholetime Director of the Company for a further period of 3 years with effect from 11<sup>th</sup> August, 2014. Mr. Saahil Parikh aged 39 years is a graduate in Bio-chemistry from Gujarat University. He is the Wholetime Director of the Company since 11<sup>th</sup> August, 2011 and has experience of 15 years in the field of Pharma Production, Quality Control, Projects and General Management.

This re-appointment is in compliance with Sections 196, 197, 203 and Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and is subject to the approval of the shareholders. Accordingly, an agreement setting out terms and conditions of his re-appointment including remuneration payable to him is entered into by the Company with Mr. Saahil Parikh, Wholetime Director on 27<sup>th</sup> August, 2014.

The Agreement referred to in the resolution at item 5 of the accompanying notice sets out the remuneration and other terms and conditions applicable to Mr. Saahil Parikh upon his re-appointment as the Wholetime Director.

The abstract of the terms and conditions of his re-appointment as contained in the said Agreement is as follows:

1. Period: 3 years with effect from 11<sup>th</sup> August, 2014.
2. The Wholetime Director shall exercise and perform such powers and duties as the Board shall from time to time, determine, and subject to any directions and restrictions, from time to time, given and imposed by the Board and perform all other acts, deeds and things which, in the ordinary course of business, he may consider necessary or proper in the interest of the Company.
3. The Wholetime Director shall devote his whole-time attention and abilities to the business of the Company and shall obey the orders, from time to time, of the Board and in all respects conform to and comply with the directions and regulations made by the Board, and shall use his best endeavors to promote interests of the Company.
4. During the period of his employment the Wholetime Director shall whenever required by the Company undertake such travelling in India and elsewhere as the Board may from time to time direct in connection with or in relation to the business of the Company.
5. The Company shall, in consideration of the performance of his duties, pay to the Wholetime Director during the continuance of this Agreement, the following remuneration :
  - a. Salary of ₹ 1,40,000/- (Rupees One Lac Forty Thousand only) per month with such increments as may be decided by the Board subject to a ceiling of ₹ 2,00,000/- (Rupees Two Lacs Only) per month.
  - b. Commission: Such remuneration by way of commission, in addition to the above salary and perquisites, calculated with reference to the net profits of the Company in a particular financial year and as may be determined by the Board of Directors of the Company, subject to the overall ceilings stipulated in Sections 197 and other applicable provisions of the Companies Act, 2013.

The specific amount payable to the Wholetime Director will be based on certain performance criteria to be laid down by the Board and will be payable annually after annual accounts have been adopted by the shareholders.

- c. Perquisites: In addition to the salary and commission the Wholetime Director shall be entitled to the following perquisites :
  - i. **Housing:** The expenditure incurred by the Company on hiring furnished accommodation for the Wholetime Director will be subject to a maximum of thirty per cent of the Salary. In case no accommodation is provided by the Company, the Wholetime Director shall be entitled to the house rent allowance subject to the said ceiling of 30% of the salary.

Explanation: The expenditure incurred by the Company on gas, electricity, water and furnishings shall be valued as per the Income-Tax Rules, 1962. This shall, however, be subject to a ceiling of ten per cent of the salary of the Wholetime Director.

- ii. Medical, Hospitalization and Health-care expenses Reimbursement: Expenses incurred for the Wholetime Director and his family to be paid in accordance with any rules specified by the Company subject to a ceiling of ₹ 25,000/- per annum.
  - iii. Leave Travel Concession: For the Wholetime Director and his family, once in a year incurred in accordance with any rules specified by the Company subject to a ceiling of 1 month salary.
  - iv. Personal accident insurance: As per the Rules specified by the Company.
  - v. Provident Fund: Company's contribution to Provident Fund shall be as per the scheme applicable to the employees of the Company.
  - vi. Contribution to National Pension Scheme: Company's contribution to any superannuation fund or national pension scheme shall be in accordance with the rules of the scheme as may be applicable or as may be framed / decided by the Company.  

Contribution to provident fund, superannuation fund and national pension scheme will not be included in the computation of perquisites to the extent these either singly or put together are not taxable under the Income-tax Act.
  - vii. Gratuity : As per the rules of the Company, payable in accordance with the Approved Gratuity Fund and which shall not exceed half a month's salary for each completed year of service.  

Contribution to provident fund and gratuity will not be included in the computation of perquisites.
  - viii. Encashment of Leave: Encashment of Leave at the end of the tenure of the Wholetime Director will not be included in the computation of perquisites.
  - ix. Car: Provision of car for use on Company's business is not to be considered as perquisites.
  - x. Telephone: Telephone(s) at the residence of the Wholetime Director and mobile phone(s) for official use is not to be considered as perquisites.
6. In the event of no profit or inadequacy of profits, the Company shall pay the aforesaid remuneration to the Wholetime Director by way of salary and perquisites as minimum remuneration.
  7. The Wholetime Director shall be entitled to annual privilege leave on full salary for a period of thirty days and such leave shall be allowed to be accumulated for not more than ninety days during his tenure of appointment.
  8. The Wholetime Director shall be entitled to :
    - a) the reimbursement of entertainment expenses actually and properly incurred by him in the course of the legitimate business of the Company in accordance with the rules and regulations of the Company in force from time to time or as may be approved by the Board of Directors; and
    - b) the reimbursement of travelling, hotel and other expenses incurred by him in India and abroad exclusively on the business of the Company in accordance with the rules and regulations of the Company in force from time to time or as approved by the Board of Directors.
  9. The Wholetime Director shall devote his whole-time attention and abilities to the business of the Company and shall obey the orders, from time to time, of the Board and in all respects conform to and comply with the directions and regulations made by the Board, and shall use his best endeavors to promote interests of the Company.
  10. As long as Mr. Saahil Parikh functions as the Wholetime Director, he shall not be paid any sitting fee for attending the Meetings of the Board of Directors or Committee thereof.

11. As long as Mr. Saahil Parikh functions as Wholetime Director, he shall not become interested or otherwise concerned directly or through his wife and/or children, in any selling agency of the Company except with the consent of the Company accorded by a special resolution and the approval of the Central Government.
12. The Wholetime Director shall not during the continuance of his employment with the Company or at any time thereafter divulge or disclose to any person whomsoever or to make any use whatsoever for his own purpose or for any purpose other than that of the Company or any information or knowledge obtained by him during his employment as to the business or affairs of the Company or its methods or as to any trade secrets, or secret processes of the Company and the Wholetime Director shall during the continuance of his employment hereunder also use his best endeavor to prevent any other person from so doing PROVIDED HOWEVER that such divulgence or disclosure by the Wholetime Director to officers and employees of the Company for the purpose of business of the Company shall not be deemed to be contravention of this clause.
13. Any property of the company or relating to the business of the Company, including memoranda, notes, records, reports, plates, sketches, plans, recorded diskettes, drives, tapes, electronic memory gadgets or other documents which may be in the possession of or under the control of the Wholetime Director or to which the Wholetime Director has, at any time access shall, at the time of the termination of his employment be delivered by the Wholetime Director to the Company or as it shall direct and the Wholetime Director shall not be entitled to the copyright in any such document which he hereby acknowledges to be vested in the Company or its assigns and binds himself not to retain copies of any of them.
14. If the Wholetime Director shall at any time be prevented by ill health or accident or any physical or mental disability from performing his duties hereunder, he shall inform the Company and supply it with such details as it may reasonably require and if he shall be unable by reasons of ill health or accident or disability for a period of 180 days in any period of twelve consecutive calendar months, to perform his duties hereunder the Company may forthwith terminate his employment hereunder.
15. The Company shall be entitled to forthwith terminate the agreement if he becomes insolvent or makes any composition or arrangement with his creditors or he ceases to be a Director of the Company.
16. In case of death of the Wholetime Director in the course of his employment with the Company, the Company shall pay to his legal representatives the salary and other emoluments payable hereunder for the then current month together with any such further sum as the Board in its sole and uncontrolled discretion may determine.
17. If the Wholetime Director is guilty of inattention to or negligence in the conduct of the business or of any other act or omission inconsistent with his duties as Wholetime Director or of any breach of this Agreement which in the opinion of the Board renders his retirement from the office of Wholetime Director desirable, the Company by not less than thirty days notice in writing to the Wholetime Director determine this Agreement and upon the expiration of such notice the Wholetime Director shall cease to be the Director of the Company.
18. Notwithstanding anything to the contrary contained in the Agreement, either party shall be entitled to terminate the Agreement, at anytime by giving to the other party 60 days notice in writing in that behalf without the necessity of showing any cause and on the expiry of the period of such notice this Agreement shall stand determined and the Wholetime Director shall cease to be the Director of the Company. Provided that the aforesaid notice may be waived mutually by the parties hereto.
19. The terms and conditions including the remuneration payable to the Wholetime Director of the said appointment and/or Agreement may be altered and varied from time to time by the Board as it may, in its discretion, deem fit.

None of the Directors and Key Managerial Personnel of the Company or their relatives, except Mr. Saahil Parikh being an appointee himself, are interested or concerned, financially or otherwise, in passing of this resolution.

The Board recommends approval to his re-appointment as the Wholetime Director of the Company.

**Item No. 6**

At the meeting of the Board of Directors of the Company held on 28<sup>th</sup> July, 2014, Mrs. Purnima Jain was re-appointed as the Wholetime Director of the Company for a further period of 3 years with effect from 30<sup>th</sup> October, 2014. Mrs. Purnima Jain, aged 64 years is a Commerce and Law Graduate and has experience of 29 years in the field of Commercial and General Management. She is the Wholetime Director of the Company since 30<sup>th</sup> October, 2006.

This re-appointment is in compliance with Sections 196, 197, 203 and Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and is subject to the approval of the shareholders. Accordingly, an agreement setting out terms and conditions of her re-appointment including remuneration payable to her is entered into by the Company with Mrs. Purnima Jain, Wholetime Director on 28<sup>th</sup> August, 2014.

The Agreement referred to in the resolution at item 6 of the accompanying notice sets out the remuneration and other terms and conditions applicable to Mrs. Purnima Jain upon her re-appointment as the Wholetime Director.

The abstract of the terms and conditions of her re-appointment as contained in the said Agreement is as follows:

1. **Period: 3 years with effect from 30<sup>th</sup> October, 2014.**
2. The Whole-time Director shall exercise and perform such powers and duties as the Board shall from time to time, determine, and subject to any directions and restrictions, from time to time, given and imposed by the Board and she shall do and perform all other acts, deeds and things which, in the ordinary course of business, she may consider necessary or proper or in the interest of the Company.
3. The Whole-time Director shall devote her whole-time attention and abilities to the business of the Company and shall obey the orders, from time to time, of the Board and in all respects conform to and comply with the directions and regulations made by the Board, and shall use her best endeavors to promote interests of the Company
4. During the period of her employment the Whole-time Director shall whenever required by the Company undertake such travelling in India and elsewhere as the Board may from time to time direct in connection with or in relation to the business of the Company.
5. The Company shall, in consideration of the performance of her duties, pay to the Whole-time Director during the continuance of this Agreement, the following remuneration :
  - (a) Salary of ₹ 1,75,000/- (Rupees One Lac Seventy Five Thousand Only) per month in the scale of ₹ 1,75,000 – 2,50,000 p.m.
  - (b) Commission : Such remuneration by way of commission, in addition to the above salary and perquisite, calculated with reference to the net profits of the Company in a particular financial year and as may be determined by the Board of Directors of the Company, subject to the overall ceilings stipulated under Sections 197 and other applicable provisions of the Companies Act, 2013.

The specific amount payable to the Whole-time Director will be based on certain performance criteria to be laid down by the Board and will be payable annually after annual accounts have been adopted by the shareholders.

- (c) Perquisites : In addition to the salary, the Whole-time Director shall be entitled to the following perquisites:
  - i. **Housing:** The expenditure incurred by the Company on hiring furnished accommodation for the Wholetime Director will be subject to a maximum of twenty five per cent of the Salary. In case no accommodation is provided by the Company, the Wholetime Director shall be entitled to the house rent allowance subject to the said ceiling of 25% of the salary.

Explanation: The expenditure incurred by the Company on gas, electricity, water and furnishings shall be valued as per the Income-Tax Rules, 1962. This shall, however, be subject to a ceiling of ten per cent of the salary of the Wholetime Director.

- ii. Medical, Hospitalization and Health-care expenses Reimbursement: Expenses incurred for the Wholetime Director and her family to be paid in accordance with any rules specified by the Company subject to a ceiling of ₹ 25,000/- per annum.
  - iii. Leave Travel Concession: For the Wholetime Director and her family, once in a year incurred in accordance with any rules specified by the Company subject to a ceiling of 1 month salary.
  - iv. Personal accident insurance: As per the Rules specified by the Company.
  - v. Provident Fund: Company's contribution to Provident Fund shall be as per the scheme applicable to the employees of the Company.
  - vi. Contribution to National Pension Scheme: Company's contribution to any superannuation fund or national pension scheme shall be in accordance with the rules of the scheme as may be applicable or as may be framed / decided by the Company.  
Contribution to provident fund, superannuation fund and national pension scheme will not be included in the computation of perquisites to the extent these either singly or put together are not taxable under the Income-tax Act.
  - vii. Gratuity : As per the rules of the Company, payable in accordance with the Approved Gratuity Fund and which shall not exceed half a month's salary for each completed year of service.  
Contribution to provident fund and gratuity will not be included in the computation of perquisites.
  - viii. Encashment of Leave: Encashment of Leave at the end of the tenure of the Wholetime Director will not be included in the computation of perquisites.
  - ix. Car: Provision of car for use on Company's business is not to be considered as perquisites.
  - x. Telephone: Telephone(s) at the residence of the Wholetime Director and mobile phone(s) for official use is not to be considered as perquisites.
6. In the event of no profit or inadequacy of profits, the Company shall pay the aforesaid remuneration by way of salary and perquisites as minimum remuneration to the Whole-time Director.
  7. The Whole-time Director shall be entitled to annual privilege leave on full salary for a period of twenty five days and such leave shall be allowed to be accumulated for not more than ninety days during the tenure of this appointment.
  8. The Whole-time Director shall be entitled to :
    - a) the reimbursement of entertainment expenses actually and properly incurred by her in the course of the legitimate business of the Company in accordance with the rules and regulations of the Company in force from time to time or as may be approved by the Board of Directors; and
    - b) the reimbursement of travelling, hotel and other expenses incurred by her in India and abroad exclusively on the business of the Company in accordance with the rules and regulations of the Company in force from time to time or as approved by the Board of Directors.
  9. The Wholetime Director shall devote her whole-time attention and abilities to the business of the Company and shall obey the orders, from time to time, of the Board and in all respects conform to and comply with the directions and regulations made by the Board, and shall use her best endeavors to promote interests of the Company.
  10. As long as Mrs. Purnima Jain functions as Whole-time Director, she shall not be paid any sitting fee for attending the Meetings of the Board of Directors or Committees thereof.

11. As long as Ms. Purnima Jain functions as Whole-time Director, she shall not become interested or otherwise concerned directly or through her spouse and/or children, in any selling agency of the Company except with the consent of the Company accorded by a special resolution and the approval of the Central Government.
12. The Whole-time Director shall not during the continuance of her employment with the Company or at any time thereafter divulge or disclose to any person whomsoever or to make any use whatsoever for her own purpose or for any purpose other than that of the Company or any information or knowledge obtained by her during her employment as to the business or affairs of the Company or its methods or as to any trade secrets, or secret processes of the Company and the Whole-time Director shall during the continuance of her employment hereunder also use her best endeavor to prevent any other person from doing so provided however that such divulgence or disclosure by the Whole-time Director to officers and employees of the Company for the purpose of business of the Company shall not be deemed to be contravention of this clause.
13. Any property of the Company or relating to the business of the Company, including memoranda, notes, records, reports, plates, sketches, plans, recorded diskettes, drives, tapes, electronic memory gadgets or other documents which may be in the possession of or under the control of the Whole-time Director or to which the Whole-time Director has, at any time access shall, at the time of the termination of her employment be delivered by the Whole-time Director to the Company or as it shall direct and the Whole-time Director shall not be entitled to the copyright in any such document which she hereby acknowledges to be vested in the Company or its assigns and binds herself not to retain copies of any of them.
14. If the Whole-time Director shall at any time be prevented by ill health or accident or any physical or mental disability from performing her duties hereunder, she shall inform the Company and supply it with such details as it may reasonably require and if she shall be unable by reasons of ill health or accident or disability for a period of 90 days in any period of twelve consecutive calendar months, to perform her duties hereunder, the Company may forthwith terminate her employment hereunder.
15. The Company shall be entitled to forthwith terminate the agreement if she becomes insolvent or makes any composition or arrangement with her creditors or she ceases to be a Director of the Company.
16. In case of death of the Whole-time Director in the course of her employment with the Company, the Company shall pay to her legal representatives the salary and other emoluments payable hereunder for the then current month together with any such further sum as the Board in its sole and uncontrolled discretion may determine.
17. If the Whole-time Director is guilty of inattention to or negligence in the conduct of the business or of any other act or omission inconsistent with her duties as Whole-time Director or of any breach of this Agreement which in the opinion of the Board renders her retirement from the office of Whole-time Director desirable, the Company by not less than thirty days notice in writing to the Whole-time Director determine this Agreement and upon the expiration of such notice the Whole-time Director shall cease to be the Whole-time Director of the Company.
18. Notwithstanding anything to the contrary contained in the Agreement, either party shall be entitled to terminate the Agreement, at anytime by giving to the other party 30 days notice in writing in that behalf without the necessity of showing any cause and on the expiry of the period of such notice, this Agreement shall stand determined and the Whole-time Director shall cease to be the Whole-time Director of the Company. Provided that the aforesaid notice may be waived mutually by the parties hereto.
19. The terms and conditions including the remuneration payable to the Whole-time Director under this appointment and/or Agreement may be altered and varied from time to time by the Board as it may, in its absolute discretion, deem fit.



None of the Directors and Key Managerial Personnel of the Company or their relatives, except Mrs. Purnima Jain being an appointee herself, are interested or concerned, financially or otherwise, in passing of this resolution.

The Board recommends approval to her re-appointment as the Wholetime Director of the Company.

**Item No. 7**

The Board of Directors on the recommendation of the Audit Committee have appointed M/s Kale & Associates, Cost Accountants (Firm Registration No. 101144), as the Cost Auditors of the Company for the financial year 2015-16. A Certificate issued by the above firm regarding their eligibility for appointment as Cost Auditors will be available for inspection at the registered office of the Company during normal business hours on any working day, excluding Saturday.

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

None of the Directors and Key Managerial personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the resolution set out at Item No. 7.

The Board of Directors accordingly recommend the resolution set out at Item No. 7 of the accompanying Notice for the approval of the members.

**Item No. 8**

Following the enactment of the Companies Act, 2013, and the repeal of the Companies Act, 1956 it is necessary to alter the Articles of Association of the Company to bring them fully in conformity with the applicable /corresponding provisions of the Companies Act, 2013.

In view of the foregoing, it is proposed to substitute a new set of Articles of Association for the present set of Articles of Association; rather than making piecemeal alterations in various provisions contained in the existing Articles of Association.

Pursuant to the provisions of Section 14 of the Companies Act, 2013, the new set of Articles of Association would require to be approved by the Shareholders in general meeting by way of Special Resolution. Hence this resolution is put for the consideration of the shareholders.

The following are the material alterations made to the existing Articles of Association. These are occasioned by the enactment of the new Companies Act, 2013 and the applicable provisions thereof:

- I. The existing Article 6 relating to further issue of capital has been replaced by new Article 16 in view of the provisions of Section 62 of the Act.
- II. The existing Article 54 relating to reduction of capital has been replaced by a new Article 73 in view of the provisions of Section 66 of the Act.
- III. The New Article 75 relating to Buy-Back of shares has been incorporated in conformity with Sections 68 to 70 of the Act.
- IV. The new Article 14 relating to Sweat Equity shares has been incorporated in conformity with Section 54 of the Act.
- V. Existing Articles 17 to 23 relating to calls on shares have been suitably altered in conformity with the applicable provisions of the Act. The corresponding Articles are Articles 24 to 33.
- VI. New Article 44 to 47 relating to nomination has been incorporated in conformity with Section 72 of the Act.

- VII. Existing Article 59 relating to Restriction on Power of Board has been replaced by new Article 145 in view of the provisions of Sections 179 and 180 of the Act.
- VIII. Existing Articles 64 to 88 relating to General Meetings has been replaced by new Articles 76 to 99.
- IX. New Articles 125 to 128 relating to Managing Director has been inserted. It corresponds to existing Article 145 and 146.
- X. New Article 135 relating to Chairman has been inserted.
- XI Existing Article 118 relating to Directors may appoint Committees has been replaced by new Article 138, in view of the provisions of Section 179 of the Act.
- XII The existing Articles 151 to 164 relating to Accounts and Audit to be amended has been replaced by new Articles 161 and 162, in view of the provisions of Sections 139 to 146 of the Act.

None of the Directors and Key Managerial personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the resolution set out at Item No. 8.

A copy of the existing Articles of Association and of the proposed new set of Articles of Association will be open for inspection by Members at the Registered Office of the Company during normal working hours between 11.00 a.m. and 1.00 p.m. on all working days (except Saturdays, Sundays and Public Holidays).

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

Mumbai  
29<sup>th</sup> May, 2015

By Order of the Board  
For Makers Laboratories Limited

Khushbu Thakkar  
Company Secretary  
ACS 28375

## DIRECTORS' REPORT

### TO THE MEMBERS

Your Directors have pleasure in presenting the 30<sup>th</sup> Annual Report and Financial Statements for the year ended 31<sup>st</sup> March, 2015.

### FINANCIAL RESULTS

	<b>For the year ended 31.3.2015 (₹ Lacs)</b>	For the year ended 31.3.2014 (₹ Lacs)
<b>Sales and other Income</b> (net of excise duty & sales tax)	<b>6609.56</b>	6892.03
Profit before financial cost, Depreciation and taxation	<b>530.94</b>	258.98
Less : Financial Cost	<b>38.24</b>	42.88
Depreciation & Amortisation	<b>152.71</b>	97.35
<b>Profit/(Loss) before tax</b>	<b>339.99</b>	118.75
Provision for taxation		
Current	<b>110.00</b>	58.00
Deferred	<b>(7.72)</b>	1.59
Tax provision for earlier years	<b>2.52</b>	(0.40)
<b>Net Profit/(Loss) after Tax</b>	<b>235.19</b>	59.56
<b>YOUR DIRECTORS RECOMMEND THE FOLLOWING APPROPRIATIONS</b>		
Surplus in Statement of Profit & Loss as per last Balance Sheet	<b>487.21</b>	427.65
Net Profit /(Loss)for the year	<b>235.19</b>	59.56
Less:		
Depreciation on assets which have completed the useful life (Net of deferred tax)	<b>3.78</b>	-
Transfer to General Reserve	<b>100.00</b>	-
Proposed dividend	<b>49.17</b>	-
Tax on Proposed Dividend	<b>10.01</b>	-
Balance as at year end	<b>559.44</b>	487.21

### TRANSFER TO RESERVES

The Company proposes to transfer ₹ 100 lacs to the general reserve out of the amount available for appropriation and an amount of ₹ 559.44 lacs is proposed to be retained in the statement of profit and loss.

### MANAGEMENT DISCUSSION AND ANALYSIS

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

Sales and other income for the financial year under report amounted to ₹ 6609.56 lacs as compared with ₹ 6892.03 lacs for the previous year, degrowth of 4%. The decrease in the income is mainly on account of reduction in selling prices of few products and rationalization of products portfolio and sales territories.

During the financial year under report, the operations of the Company resulted in a net profit of ₹ 235.19 lacs as compared to a net profit of Rs. 59.56 lacs in the previous financial year, a growth of 295%. Rationalization of sales territories and field operations helped the Company in increasing its profitability.

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

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

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

**(c) Internal Control Systems**

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

**(d) Human Resources**

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

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

Your Company has 140 permanent employees as at 31<sup>st</sup> March, 2015.

**(e) Cautionary Statement**

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

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

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

**SHARE CAPITAL**

The paid-up equity share capital of the Company as at 31<sup>st</sup> March, 2015 is ₹ 491.70 lacs. The Company currently has no outstanding shares issued with differential rights, sweat equity or ESOS.

**SUBSIDIARY, JOINT VENTURE AND ASSOCIATE COMPANIES**

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

**DIVIDEND**

Your directors are pleased to recommend a equity dividend of ₹ 1.00 per share (10%) for the financial year under report. The dividend will be tax free in the hands of the shareholders.

The dividend amounting to ₹ 49.17 lacs and dividend tax amounting to ₹ 10.01 lacs, if approved at the ensuing Annual General Meeting, will be appropriated out of the profits for the year.

**DIRECTORS**

Mr. Saahil Parikh retires as director by rotation at the ensuing Annual General Meeting and, being eligible, offers himself for re-appointment.

Mr. Prashant Godha resigned as a Director of the Company due to his other professional pre-occupations with effect from close of business hours on 27<sup>th</sup> May, 2014. The Board places on record its sincere appreciation for the services rendered to the Company by Mr. Prashant Godha during his tenure as a Director.

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

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

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

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

#### **KEY MANAGERIAL PERSONNEL**

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

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

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

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

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

#### **BOARD EVALUATION**

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

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

### **REMUNERATION POLICY**

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

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

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

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

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

### **DIRECTORS' RESPONSIBILITY STATEMENT**

Your Directors confirm:

- i) that in the preparation of the annual accounts, the applicable accounting standards have been followed alongwith proper explanation relating to material departures;
- ii) that your Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year March 31, 2015 and of the profit of the Company for the financial year;
- iii) that your Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv) that your Directors have prepared the annual accounts on a going concern basis;
- v) that your Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively ; and
- vi) that your Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### **CORPORATE GOVERNANCE**

As per the requirement of listing agreement with the Stock Exchanges, your Company has 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 the Statutory Auditors, forms part of this report.

### **FIXED DEPOSITS**

Your Company has not accepted any deposits from the public during the year under review and as such no amount of principal or interest on deposits from public was outstanding as on the date of the balance sheet.

### **AUDIT COMMITTEE**

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

**AUDITORS, AUDIT REPORT AND AUDITED ACCOUNTS**

M/s Agarwal & Mangal (Firm Registration No. 100061W), Chartered Accountants, retire as auditors and being eligible, offer themselves for re-appointment.

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

**COST AUDIT**

Pursuant to the provisions of Section 148 of the Companies Act, 2013, M/s. Kale & Associates, Cost Accountants (Firm Registration. No. 101144) were appointed as the Cost Auditors to conduct audit of cost records for Bulk Drugs and Formulations activities of the Company for the financial year 2014-15.

The Cost Audit Report for the financial year 2013-14, which was due to be filed with the Ministry of Corporate Affairs by 27<sup>th</sup> September, 2014 was filed on 23<sup>rd</sup> September, 2014.

**SECRETARIAL AUDIT**

Pursuant to the provisions of Section 204 and other applicable provisions, if any, of the Companies Act, 2013, M/s. Parikh & Associates, Practising Company Secretaries were appointed as the Secretarial Auditor for auditing the secretarial records of the Company for the financial year 2014-15.

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

**CORPORATE SOCIAL RESPONSIBILITY (CSR)**

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

**SAFETY, ENVIRONMENT AND HEALTH**

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

**PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS**

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

**RELATED PARTY TRANSACTIONS**

All related party transactions that were entered into during the financial year were on arm's length basis and were in the ordinary course of Company's business. The Company has not entered into any contract, arrangement or transaction with any related party which could be considered material.

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

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

Related party transactions under Accounting Standard - AS18 are disclosed in the notes to the financial statements. Prescribed Form No. AOC-2 pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014 is furnished as Annexure 2 to this report.

**PARTICULARS OF EMPLOYEES**

The information required pursuant to Section 197 read with rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement showing the names and other particulars of the employees drawing remuneration and other details as set out in the said rules are provided as an Annexure 3 in this annual report.

**CODE OF CONDUCT**

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

**WHISTLE BLOWER POLICY / VIGIL MECHANISM**

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

**PREVENTION OF INSIDER TRADING**

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

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

**BUSINESS RISK MANAGEMENT**

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

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

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

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

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

**EXTRACT OF ANNUAL RETURN**

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

**ACKNOWLEDGEMENTS**

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

For and on behalf of the Board

Mumbai  
29<sup>th</sup> May, 2015

Purnima Jain  
Wholetime Director

Saahil Parikh  
Wholetime Director



## ANNEXURE 1

### REPORT ON CORPORATE GOVERNANCE

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

#### 1. Company's philosophy of Corporate Governance is to ensure :

- i) that the Board and top management of the Company are fully apprised of the affairs of the Company that is aimed at assisting them in the efficient conduct of the Company's business so as to meet Company's obligation to the stakeholders.
- ii) that the Board exercises its fiduciary responsibilities towards shareholders and creditors so as to ensure high accountability.
- iii) that all disclosure of information to present and potential investors are maximised.
- iv) that the decision making process in the organisation is transparent and are backed by documentary evidences.
- v) The company is in compliance with the requirements stipulated under Clause 49 of the Listing Agreement entered into with the Stock exchanges with regard to Corporate Governance.

#### 2. Board of Directors

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

6 (Six) Board Meetings were held during the Financial Year 2014-15. The date on which the said meetings were held are as follows:

16 <sup>th</sup> April, 2014	28 <sup>th</sup> July, 2014	12 <sup>th</sup> November, 2014
27 <sup>th</sup> May, 2014	22 <sup>nd</sup> September, 2014	30 <sup>th</sup> January, 2015

- The last Annual General Meeting of the Company was held on 28<sup>th</sup> July, 2014.

Details of composition and category of Directors, their attendance at the Board meetings, Annual General meeting and shareholding of each Director are as follows:

Name of the Director	Category	No. of board meetings held	No. of board meetings attended	Attendance at last AGM (28.07.2014)	No. of Equity shares held in the Co.
Mr. K. C. Jain (DIN 00021239)	Non-Executive Independent Director	6	6	Yes	600
Mr. S. V. Loyalka (DIN 00016533)	Non-Executive Independent Director	6	6	Yes	Nil
Dr. Rajeshwar Singh (DIN 00347864)	Non-Executive Independent Director	6	5	Yes	Nil
Mrs. Purnima Jain (DIN 00937041)	Executive, Non Independent Director	6	6	Yes	1,075
Mr. Saahil Parikh (DIN 00400079)	Executive, Non Independent Director	6	5	Yes	660
Mr. Prashant Godha (DIN 00012759)	Promoter, Non-Executive, Non Independent Director (resigned w.e.f 27.05.2014)	6	2	*	94,375

\*Not a Director on the date of last Annual General Meeting.

**Notes:**

None of the Directors are related to each other.

At the meeting of the Board of Directors of the Company held on 27<sup>th</sup> May, 2015, Mr. Prashant Godha resigned as Director of the Company due to his other professional pre-occupations.

The above shareholding as at 31<sup>st</sup> March, 2015 is in respect of shares which are held by Directors as a first holder and in which shares they have beneficial interest.

• **Number of other companies or committees of which the Director is a Director/Member/Chairman:**

Name of Director	No. of other Companies in which Director (including private companies)	No. of Committees in which Member (other than Makers)	No. of Committees of which he is Chairman (other than Makers)
Mr. K. C. Jain	1	None	None
Mr. S. V. Loyalka	7	None	None
Dr. Rajeshwar Singh	None	None	None
Mrs. Purnima Jain	None	None	None
Mr. Saahil Parikh	None	None	None
Mr. Prashant Godha (upto 27.05.2014)	6	None	None

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

The memberships / chairmanships in Audit Committee and Stakeholders Relationship Committee only of Indian public limited companies have been considered.

The Company has a process to provide, inter-alia, the information to the Board as required under clause 49 of the listing agreement pertaining to Corporate Governance. The Board periodically reviews the compliances by the Company of all applicable laws. Video conferencing facilities are also made available in case directors wish to attend the meeting through video conference.

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 wholetime Director in any other listed company.

None of the Directors on the Board is a member of more than 10 committees and Chairman of more than 5 committees across all the companies in which they are Directors. All directors have disclosed their committee positions to the Company.

The Shareholders at their annual general meeting of the Company held on July 28, 2014 have approved the appointment of Mr. K. C. Jain, Mr. S. V. Loyalka and Dr. Rajeshwar Singh as Independent directors for a term of five years from 1<sup>st</sup> April, 2014 upto 31<sup>st</sup> March, 2019. The terms and conditions of appointment of independent directors have been disclosed on the website of the Company.

In accordance with requirements of Section 149(6) and (7) of the Companies Act, 2013, all the independent directors have given declaration of independence in the first board meeting of the current financial year held on 16<sup>th</sup> April, 2015.

All the Directors have made necessary disclosures in this regards to the Company. Independent directors are non-executive directors as defined under clause 49(II)(B) (1) of the Listing Agreements entered into with the stock exchanges. The maximum tenure of the Independent directors is in compliance with the Companies Act, 2013.

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

The Company has not entered into any materially significant transactions during the year under report with promoters, directors, key/senior management personnel, etc. other than the arms length transactions entered into in the normal/ordinary course of Company's business. Transactions with related parties are disclosed under notes forming part of the accounts.

**Information required under clause 49 VIII E (and old clause 49 IV G applicable upto September 30, 2014) of the listing agreement on Directors seeking appointment/ re-appointment**

**Mr. Saahil Parikh (DIN 00400079)**

Mr. Saahil Parikh aged 39 years has done his Bio-Chemistry from Gujarat University. He has also done his Diploma in Management Studies from Ahmedabad Management Association. He has more than 15 years experience in Pharma Production, Quality Control, Projects and General Management.

He holds 660 equity shares of the Company.

He does not hold Directorship in any other Company.

**Code of Conduct**

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

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

The Board at its meeting held on 29<sup>th</sup> May 2015 has adopted a revised Code of Prevention of Insider Trading based on the revised SEBI (Prohibition of Insider Trading) Regulations, 2015.

**3. Audit Committee**

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

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

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

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

The terms of reference to this Committee, inter-alia, covers all the matters specified under Section 177 of the Companies Act, 2013 and also all the matters listed under clause 49 of the listing agreement with stock exchanges such as oversight of the Company's financial reporting process; recommending the appointment/re-appointment, remuneration and terms of appointment of statutory auditors; review and monitor the Auditors independence and performance and effectiveness of audit process, approval of transactions with related parties, sanctioning of loans and investments, evaluation of internal financial control and risk management system, reviewing with the management annual financial statements and Auditors report thereon, quarterly financial statements and other matters as covered under role of Audit Committee in clause 49. The Audit Committee has powers, inter-alia, to investigate any activity within its terms of reference and to seek information from any employee of the Company as well as seek outside legal and professional advice.

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

- **Audit Committee meetings and the attendance during the financial year 2014-15.**

There were 6 (Six) meetings of the Audit Committee during the Financial Year 2014-15. The gap between two meetings did not exceed four months. The dates on which the said meetings were held are as follows:

16 <sup>th</sup> April, 2014	28 <sup>th</sup> July, 2014	12 <sup>th</sup> November, 2014
27 <sup>th</sup> May, 2014	22 <sup>nd</sup> September, 2014	30 <sup>th</sup> January, 2015

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

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

The previous annual general meeting of the Company was held on July 28, 2014 and was attended by Mr. K. C. Jain, Chairman of Audit committee.

#### 4. **Nomination and Remuneration Committee**

The Company has a Nomination and Remuneration Committee of the Board which currently comprises of Mr. K.C. Jain, Chairman of the Committee, Mr. S. V. Loyalka and Dr. Rajeshwar Singh, all independent directors to function in the manner and to deal with the matters specified in the clause 49 of the listing agreement and also to review the overall compensation structure and policies of the Company to attract, motivate and retain employees. The role of this Committee, inter-alia, includes:

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

There were 2 (Two) meetings of this Committee during the Financial Year 2014-15. The dates on which the said meetings were held are as follows:

28 <sup>th</sup> July, 2014	31 <sup>st</sup> March, 2015
-----------------------------	------------------------------

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

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

- The details of the remuneration payable to Wholetime Directors for the Financial Year 2014-15 are given below:

(₹)

Name of the Director	Designation	Salary	Benefits and Perquisites	Commission	Total
Mrs. Purnima Jain	Whole time Director/CEO	29,67,083	42,400	Nil	30,09,483
Mr. Saahil Parikh	Wholetime Director/CFO	24,05,100	1,49,814	Nil	25,54,914

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

The appointment of Whole-time Directors is contractual and is generally for a period of 3 years. The Company has entered into agreement with Mrs. Purnima Jain on 28<sup>th</sup> August, 2014 which is valid upto 29<sup>th</sup> October, 2017 and with Mr. Saahil Parikh on 27<sup>th</sup> August, 2014 which is valid upto 10<sup>th</sup> August, 2017. Either party is entitled to terminate the agreement by giving not less than 30 days / 60 days notice in writing to the other party.

The Non-Executive Directors do not draw any remuneration from the Company. The Non-Executive Directors are entitled only to the sitting fees for every meeting of the Board and Committee thereof attended by them. Details of sitting fees payment made to the Non-Executive Directors in the Financial Year 2014-15 are as under :

Name of the Director	Sitting fees Paid (₹)	Commission paid (₹)
Mr. K. C. Jain	1,15,000	Nil
Mr. S. V. Loyalka	1,05,000	Nil
Dr Rajeshwar Singh	1,00,000	Nil
Mr. Prashant Godha (upto 27.05.2014)	25,000	Nil

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

##### 5. Stakeholders Relationship Committee

Details of the Members, Compliance Officer, number of complaints received and pending, number of transfers pending as on close of the financial year.

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

There were 2 (two) meetings of the Stakeholders Relationship Committee during the Financial Year 2014-15 as under:

27 <sup>th</sup> May, 2014	30 <sup>th</sup> January, 2015
----------------------------	--------------------------------

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

Name of the Director	No. of meetings held	No. of meetings attended
Mr. K. C. Jain	2	2
Dr. Rajeshwar Singh	2	2
Ms. Purnima Jain (w.e.f. 27.05.2014)	2	1
Mr. Prashant Godha (upto 27.05.2014)	2	1

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

This committee monitors share transfers, transmissions and other shareholders related activities including redressal of investor grievances.

During the year, the Company received 9 complaints from the shareholders all of which are attended to. The Company had no unattended requests pending for transfer of its equity shares or unattended complaints at the close of the financial year.

## 6. Risk Management

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

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

The roles and responsibilities of the Risk Management Committee are as prescribed under Clause 49 of the Listing Agreement, as amended from time to time and includes monitoring and review of risk management plan on a quarterly basis and reporting the same to the Board of Directors periodically as it may deem fit, in addition to any other terms as may be referred to them by the Board of Directors, from time to time.

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

## 7. Independent Directors Meeting

During the year under review, the Independent Directors met on 30th January, 2015 without the attendance of non-independent directors and members of the management, inter-alia, to discuss:

- (i) Evaluation of the performance of Non-Independent Directors and the Board of Directors as a whole;
- (ii) Evaluation of the performance of the Chairman of the Company, taking into account the views of the Executive and Non Executive Directors; and
- (iii) Evaluation of the quality, content and timelines of flow of information between the management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

All the independent Directors were present at the said meeting.

## 8. General Body Meetings

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

AGM for the financial year ended	Date & time of AGM	Special Resolution passed
31 <sup>st</sup> March, 2014	Monday, 28 <sup>th</sup> July, 2014 at 4.00 p.m.	<ul style="list-style-type: none"> <li>Increase in the borrowing limit of the Company u/s 180 (1) (a) and (c) to ₹ 25 Crores.</li> </ul>
31 <sup>st</sup> March, 2013	Friday, 2 <sup>nd</sup> August, 2013 at 4.00 p.m.	<ul style="list-style-type: none"> <li>None</li> </ul>
31 <sup>st</sup> March, 2012	Thursday, 2 <sup>nd</sup> August, 2012 at 4.00 p.m.	<ul style="list-style-type: none"> <li>Re-appointment of Mrs. Purnima Jain as the Wholetime Director and remuneration payable to her.</li> <li>Appointment of Mr. Saahil Parikh as the Wholetime Director and remuneration payable to him.</li> <li>Consent to Mr. Umesh S. Parikh, father of Mr. Saahil Parikh to hold an office or place of profit as General Manager – Operations of the Company.</li> </ul>

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

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

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

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

## 9. Disclosures

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

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

There were no material significant related party transactions during the year that may have potential conflict with the interest of the Company. All the related party transactions entered into were on arm's length basis, non-material and were in the ordinary course of Company's business.

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

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

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

**None**

iii) Whistle Blower Policy/ Vigil Mechanism

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

iv) Though Clause 49 of the listing agreement is not applicable to the Company, the Company has complied materially with all the mandatory requirements of corporate governance under clause 49 of the listing agreement as amended from time to time.

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

vi) Reconciliation of Share Capital Audit:

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

**Proceeds from Initial Public Offerings (IPO), etc.**

The Company has not made any IPO during the year under report.

**Management discussions and analysis**

The management discussion and analysis forms part of this annual report.

**10. Means of communication**

Quarterly Results	:	The results of the Company are published in the Newspapers.
Newspapers in which results are generally published	:	The Free Press Journal and Nav Shakti.
Website, where displayed	:	<a href="http://www.makerslabs.com">www.makerslabs.com</a>
Whether website also displays official news releases;	:	Yes
Presentation made to institutional investors or to the analysts	:	Presentations were not made to institutional investors or analysts during the financial year 2014-15.

**11. General Shareholders Information**

AGM : Date, Time and Venue	:	Tuesday, 4 <sup>th</sup> August, 2015 at 11.00 a.m. at Plot No.47, Kandivli Industrial Estate, Opposite Anand Mangal Hall, Charkop, Kandivli (West), Mumbai- 400 067
Financial calendar	:	1st April – 31st March
First quarter results	:	last week of July*
Second quarter results	:	last week of October*
Third quarter results	:	last week of January*
Annual results	:	last week of May*
		* tentative
Date of Book closure	:	Thursday, 30 <sup>th</sup> July, 2015 to Tuesday, 4 <sup>th</sup> August, 2015 (both days inclusive).
Dividend	:	The Company has not paid any interim dividend on the equity share capital for the financial year 2014-15. It is now proposed to declare a dividend of ₹ 1 per share (10%) on equity share capital for the financial year 2014-15 which if sanctioned will be paid on or before 30 <sup>th</sup> August, 2015.



Listing on Stock Exchanges	:	BSE Ltd., (BSE) and Ahmedabad Stock Exchange Ltd. (ASE).
	:	Listing fees have been paid to both the Stock Exchanges for the financial year 2015-16 in April, 2015. The fees of the depositories for the financial year 2015-16 will be paid upon receipt of their invoices.
Corporate Identity Number allotted by Ministry of Corporate Affairs	:	L24230MH1984PLC033389
Stock code – Physical	:	506919 on BSE, 35210 on ASE
ISIN Number for NSDL & CDSL	:	INE 987A01010
Market price date : High, Low during each month in last financial year	:	Please see Annexure 'A'
Stock performance in comparison to BSE sensex	:	Please see Annexure 'B'
Registrars and Share Transfer Agents	:	Link Intime India Pvt. Ltd. C-13, Pannalal Silks Mills Compound L B S Marg, Bhandup (W) Mumbai 400 078 Tel. No. (022) 2596 3838 Fax no. (022) 2567 2693
Share Transfer system	:	All share transfers, subject to correctness and completion of all documents would normally be registered and returned within 2 weeks from the date of receipt.
Distribution of shareholding/ shareholding pattern as on 31.3.2015	:	Please see Annexure 'C'
Dematerialisation of shares and liquidity	:	91.87% of the paid-up share capital has been dematerialised as on 31 <sup>st</sup> March, 2015.
Outstanding GDRs/ADRs/warrants/ convertible instruments etc.	:	Not applicable since none of the said instruments are ever issued.
Plant Location	:	1. A-163, Phase-1, MIDC, Dombivli (E) – 421 203 District – Thane Maharashtra. 2. Plot No. 29/3, Phase III GIDC Industrial Estate Naroda, Ahmedabad – 382 330 Gujarat.
Share Transfer and other communications may be addressed to the Registrars and Share Transfer Agents	:	Link Intime India Pvt. Ltd. C-13, Pannalal Silks Mills Compound L B S Marg, Bhandup (W) Mumbai 400 078 Tel. No. (022) 2596 3838 Fax no. (022) 2567 2693
Investors complaint may be addressed to	:	Ms. Khushbu Thakkar Company Secretary Makers Laboratories Limited 54D, Kandivli Industrial Estate Kandivli (W), Mumbai 400 067 E-mail: investors@makerslabs.com Tel: (022) 6111 2800 Fax: (022) 6111 2835

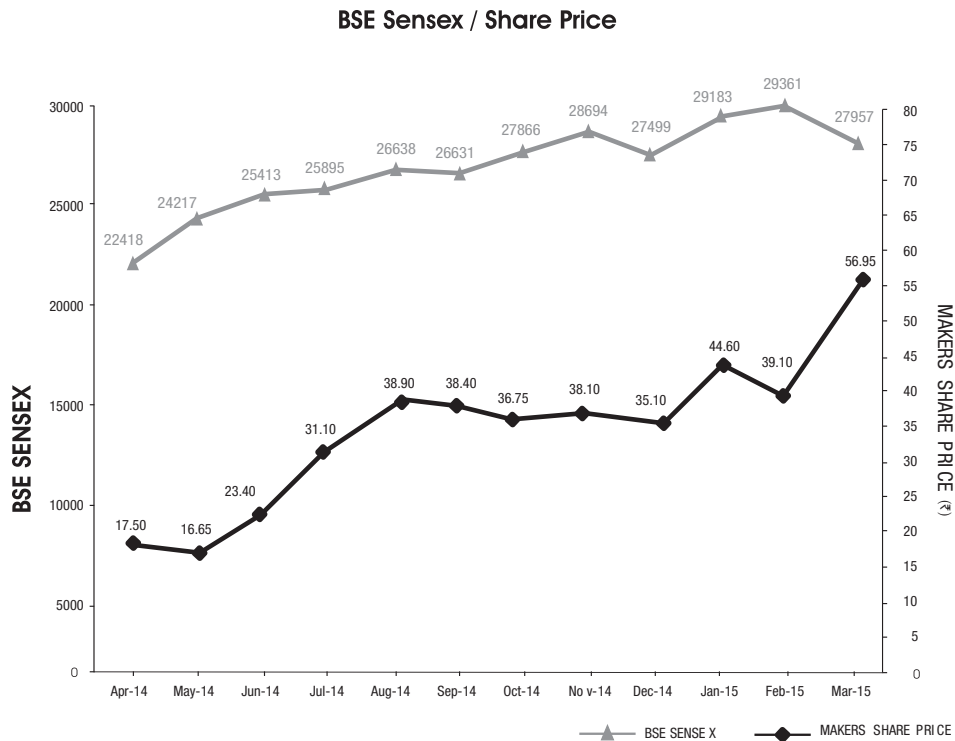
### Annexure A

High/Low of Market price of the Company's shares traded on BSE Ltd., Mumbai (BSE) during the financial year 2014-15 is furnished below:

Year	Month	Highest (₹)	Lowest (₹)	
2014	April	22.75	16.00	
	May	20.35	16.50	
	June	23.40	16.80	
	July	31.75	22.55	
	August	38.95	29.85	
	September	51.05	36.10	
	October	39.90	34.05	
	November	44.25	29.25	
	December	39.60	31.05	
	2015	January	49.90	35.00
		February	44.50	36.00
		March	67.35	35.00

### Annexure B

Graph of Share Price/ BSE Sensex



## Annexure C

The distribution of shareholding as on 31<sup>st</sup> March, 2015 is as follows :

No. of equity shares held			No. of shareholders %		No. of shares %	
Upto		500	3601	86.40	556664	11.32
501	to	1000	324	7.77	254859	5.18
1001	to	2000	113	2.71	176425	3.59
2001	to	3000	44	1.06	110435	2.25
3001	to	4000	8	0.19	29051	0.59
4001	to	5000	16	0.38	72676	1.48
5001	to	10000	28	0.67	193492	3.93
10001	&	above	34	0.82	3523378	71.66
<b>Grand Total</b>			<b>4168</b>	<b>100.00</b>	<b>4916980</b>	<b>100.00</b>
No. of shareholders in Physical Mode			1888	45.30	399632	8.13
No. of shareholders in Electronic Mode			2280	54.70	4517348	91.87

Shareholding pattern as on 31<sup>st</sup> March, 2015 is as follows :

Category	No. of shareholders	No. of shares	% holding
Indian Promoters	12	2869947	58.37
Banks and Insurance Companies	1	100	0.00
UTI and Mutual Funds	0	0	0.00
FII's and NRI's	107	63509	1.29
Domestic Companies	65	106350	2.16
Resident Individuals	3983	1877074	38.18
<b>Total</b>	<b>4168</b>	<b>4916980</b>	<b>100.00</b>

## AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To,

The Members of

### MAKERS LABORATORIES LIMITED

1. We have examined the compliance of conditions of Corporate Governance by MAKERS LABORATORIES LIMITED for the period ended on 31<sup>st</sup> March, 2015 as stipulated in clause 49 of the Listing Agreement of the said Company with stock exchanges.
2. The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
3. In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has generally complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.
4. We state that no Investor grievance is pending for a period exceeding one month against the Company as per the records and other documents maintained by the Shareholders/Investors Grievance Committee.
5. We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the company.

For Agarwal & Mangal  
Chartered Accountants  
Firm Reg. No. 100061W  
**B. P. MANGAL**  
Partner  
Memb. No. 32973

Place: Mumbai  
Dated: 29<sup>th</sup> May, 2015

May 29, 2015

To,  
All the Members of  
Makers Laboratories Ltd.

It is hereby certified and confirmed that as provided in Clause 49 II (E) of the listing agreement with the stock exchanges, the Board members and the Senior Management personnel of the Company have affirmed compliance with the Code of Conduct of the Company for the financial year ended 31<sup>st</sup> March, 2015.

For Makers Laboratories Limited

Purnima Jain  
Wholetime Director / CEO

---

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

May 29, 2015

#### CEO/CFO CERTIFICATION

We hereby certify that:

- a. We have reviewed financial statements and the cash flow statement for the year ended 31<sup>st</sup> March, 2015 and that to the best of our knowledge and belief;
  - i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - ii. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b. No transaction is entered into by the Company during the year which is fraudulent, illegal or violative of the Company's code of conduct.
- c. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d. We have indicated to the auditors and the Audit Committee:
  - i. significant changes in internal control over financial reporting during the year;
  - ii. significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - iii. instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For Makers Laboratories Ltd.

Purnima Jain  
Wholetime Director / CEO

For Makers Laboratories Ltd.

Saahil Parikh  
Wholetime Director / CFO

**ANNEXURE 2**

**Form No. AOC-2**

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

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

1. Details of contracts or arrangements or transactions not at arm's length basis:
  - (a) Name(s) of the related party and nature of relationship: Not Applicable
  - (b) Nature of contracts/arrangements/transactions: None
  - (c) Duration of the contracts / arrangements/transactions: None
  - (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: None
  - (h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188: Not Applicable
2. Details of material contracts or arrangement or transactions at arm's length basis:
  - (a) Name(s) of the related party and nature of relationship: Not Applicable
  - (b) Nature of contracts/arrangements/transactions: None
  - (c) Duration of the contracts / arrangements/transactions: Not Applicable
  - (d) Salient terms of the contracts or arrangements or transactions including the value, if any: Not Applicable
  - (e) Date(s) of approval by the Board, if any: Not Applicable
  - (f) Amount paid as advances, if any: None

Note: All related party transactions that were entered into during the financial year were non-material and were on arm's length basis and were in the ordinary course of Company's business. The Company has not entered into any contract, arrangement or transaction with any related party which could be considered as material within the meaning of Clause 49 VII C of Listing Agreement. Related party transactions under Accounting Standard - AS18 are disclosed in the notes to the financial statements.

For Makers Laboratories Ltd.

Place : Mumbai  
Dated : 29<sup>th</sup> May, 2015

Purnima Jain  
Wholetime Director

Saahil Parikh  
Wholetime Director

### ANNEXURE 3

1. DETAILS PERTAINING TO EMPLOYEES AS REQUIRED UNDER SECTION 197 (12) OF THE COMPANIES ACT, 2013 – There were no employees covered under provisions under section 197 (12) of the Companies Act, 2013.
2. DETAILS OF REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5 (1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014
  - i. The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2014-15, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2014-15 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under:

Sr. No.	Name of the Director / Key Managerial Person (KMP) and Designation	Remuneration of Director / KMP for the financial year 2014-15 (₹)	% increase/ (decrease) in remuneration in the financial year 2014-15	Ratio of remuneration of each Director/ KMP to median remuneration of employees	Comparison of the Remuneration of the KMP against the performance of the Company
1	Mrs. Purnima Jain (Wholetime Director/CEO)	30,09,483	12.86%	16.81	During the year, the net total income of the Company decreased by 4.10% to ₹ 6609.56 lacs and profit after tax increased by 295% to ₹ 235.19 lacs.
2	Mr. Saahil Parikh (Wholetime Director/CFO)	25,54,914	19.27%	14.27	
3	Mr. K. C. Jain (Independent Director)	1,15,000	35.29%	0.64	
4	Mr. S. V. Loyalka (Independent Director)	1,05,000	61.54%	0.59	
5	Dr Rajeshwar Singh (Independent Director)	1,00,000	17.65%	0.56	
6	Mr. Prashant Godha (upto 27.05.2014)	25,000	(58.33%)	0.14	
7	Ms. Khushbu Thakkar (Company Secretary - appointed w.e.f. 27.05.2014)	4,91,382	N/A	2.75	Please see remarks above

- ii. The median remuneration of the employees of the Company during the financial year was ₹ 1,78,999.
- iii. In the financial year, there was an increase of 10.38 % in the median remuneration of employees.
- iv. There were 140 permanent employees on the rolls of Company as on March 31, 2015.
- v. Relationship between average increase in remuneration and Company Performance:- The Profit before Tax for the financial year ended March 31, 2015 increased by 295% whereas the increase in median remuneration was 10.38%. The average increase in median remuneration was in line with the Company's business growth and industry trend.
- vi. Comparison of Remuneration of the Key Managerial Personnel(s) against the performance of the Company:
- viii. The total remuneration of Key Managerial Personnel increased by 25.94% from ₹ 48.09 lacs in 2013-14 to ₹ 60.56 lacs in 2014-15. During the year, the net total income of the Company decreased by 4.10% to ₹ 6609.56 lacs and profit after tax increased by 295% to ₹235.19 lacs.
  - a) Variations in the market capitalisation of the Company : The market capitalisation as on March 31, 2015 was ₹ 2800.22 lacs (₹ 776.88 lacs as on March 31, 2014).
  - b) Price Earnings ratio of the Company was 11.91 as at March 31, 2015 and was 13.06 as at March 31, 2014.
  - c) Percentage increase / decrease in the market quotations of the shares of the company as compared to the rate at which the company came out with the last public offer in the year-

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

- viii. Average percentage increase made in the salaries of employees other than the managerial personnel in the last financial year i.e. 2014-15 was 10.88% whereas the increase in the managerial remuneration for the same financial year was 25.94%.
- ix. No component of variable remuneration was paid to the Directors or Key Managerial Personnel during the financial year.
- x. The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year – Not Applicable; and
- xi. It is hereby affirmed that the remuneration paid is as per the as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.

For Makers Laboratories Ltd.

Place : Mumbai  
Dated : 29<sup>th</sup> May, 2015

Purnima Jain  
Wholetime Director

Saahil Parikh  
Wholetime Director

#### **ANNEXURE 4**

##### **1. CONSERVATION OF ENERGY**

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

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

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

Presently none.

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

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

##### **2. TECHNOLOGY ABSORPTION**

Research & Development

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

None

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

None

###### **(c) Future Plan of Action :**

Presently None

###### **(d) Expenditure incurred on R&D:**

None

###### **(e) Imported technology (imported during last 5 years):**

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

##### **3. FOREIGN EXCHANGE EARNINGS AND OUTGO**

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

For and on behalf of the Board

Place : Mumbai  
Dated : 29<sup>th</sup> May, 2015

Purnima Jain  
Wholetime Director

Saahil Parikh  
Wholetime Director

**ANNEXURE 5**

**Form No. MGT-9**  
**EXTRACT OF ANNUAL RETURN**  
**as on the financial year ended on 31<sup>st</sup> March, 2015**  
**[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]**

**I. REGISTRATION AND OTHER DETAILS:**

- i. CIN: L24230MH1984PLC033389
- ii. Registration Date: 09.07.1984
- iii. Name of the Company: Makers Laboratories Limited
- iv. Category / Sub-Category of the Company: Company limited by shares
- v. Address of the Registered office and contact details:  
54D, Kandivli Industrial Estate,  
Kandivli (W),  
Mumbai – 400067.  
Tel: 022 – 6111 2800  
e-mail: [makers@makerslabs.com](mailto:makers@makerslabs.com) website: [www.makerslabs.com](http://www.makerslabs.com)
- vi. Whether listed company: Yes
- vii. Name, Address and Contact details of Registrar and Transfer Agent, if any:  
Link Intime India Private Limited  
C-13, Pannalal Silk Mills Compound,  
L.B.S. Marg, Bhandup (W),  
Mumbai - 400078.  
Tel: 022 – 2596 3838  
e-mail: [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in)

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

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

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

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

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

**IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity):**
**i. Category-wise Share Holding**

Category of Shareholders	No. of Shares held at the beginning of the year				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	
Promoters									
Indian									
Individual/HUF	392895	--	392895	7.99	392895	--	392895	7.99	--
Central Govt.	--	--	--	--	--	--	--	--	--
State Govt. (s)	--	--	--	--	--	--	--	--	--
Bodies Corp.	2477052	--	2477052	50.38	2477052	--	2477052	50.38	--
Banks / FI	--	--	--	--	--	--	--	--	--
Any Other....	--	--	--	--	--	--	--	--	--
Sub-total (A) (1):-	2869947	--	2869947	58.37	2869947	--	2869947	58.37	--
Foreign									
NRIs -Individuals	--	--	--	--	--	--	--	--	--
Other –Individuals	--	--	--	--	--	--	--	--	--



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	
Bodies Corp	--	--	--	--	--	--	--	--	--
Banks / FI	--	--	--	--	--	--	--	--	--
Any Other....	--	--	--	--	--	--	--	--	--
Sub-total (A) (2):-	--	--	--	--	--	--	--	--	--
Total shareholding of Promoter (A) = (A)(1) + A(2)	2869947	--	2869947	58.37	2869947	--	2869947	58.37	--
Public Shareholding									
Institutions									
Mutual Funds	--	--	--	--	--	--	--	--	--
Banks / FI	100	--	100	0.00	100	--	100	0.00	--
Central Govt.	--	--	--	--	--	--	--	--	--
State Govt. (s)	--	--	--	--	--	--	--	--	--
Venture Capital Funds	--	--	--	--	--	--	--	--	--
Insurance Companies	--	--	--	--	--	--	--	--	--
FIs	--	--	--	--	--	--	--	--	--
Foreign Venture Capital Funds	--	--	--	--	--	--	--	--	--
Others (specify)	--	--	--	--	--	--	--	--	--
Sub-total (B)(1):-	100	--	100	0.00	100	--	100	0.00	--
Non-Institutions									
Bodies Corp.									
Indian	104021	2810	106831	2.17	103540	2810	106350	2.16	(0.01)
Overseas	--	--	--	--	--	--	--	--	--
Individuals									
Individual shareholders holding nominal share capital upto Rs. 1 lakh	1125237	331586	1456823	29.63	950802	318900	1269702	25.83	(3.80)
Individual shareholders holding nominal share capital in excess of Rs 1 lakh	364942	28362	393304	8.00	545288	28362	573650	11.67	3.67
Others (specify)									
(c-i) Clearing Member	5223	--	5223	0.11	9898	--	9898	0.20	0.09
(c-ii) Market Maker	--	--	--	--	4600	--	4600	0.09	0.09
(c-iii) HUF	9454	--	9454	0.19	19224	--	19224	0.39	0.20
(c-iv) Foreign Holding									
NRI (Repatriate)	15798	50100	65898	1.34	4248	49560	53808	1.09	(0.25)
NRI (Non Repatriate)	9400	--	9400	0.19	9701	--	9701	0.20	0.01
Sub-total (B)(2):-	1634075	412858	2046933	41.63	1647301	399632	2046933	41.63	--
Total Public Shareholding (B)=(B)(1) + (B)(2)	1634175	412858	2047033	41.63	1647401	399632	2047033	41.63	--
Shares held by Custodian for GDRs & ADRs	--	--	--	--	--	--	--	--	--
Grand Total (A+B+C)	4504122	412858	4916980	100.00	4517348	399632	4916980	100.00	--

## 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	Prashant Godha	94375	1.92	--	94375	1.92	--	--
2	Bhawna Godha	32400	0.66	--	32400	0.66	--	--
3	Exon Laboratories P. Ltd.	650000	13.22	--	650000	13.22	--	--
4	Kaygee Investments Pvt. Ltd.	854400	17.38	--	854400	17.38	--	--
5	Nirmal Jain	73600	1.50	--	73600	1.50	--	--
6	Premchand Godha	97520	1.98	--	97520	1.98	--	--
7	Usha P. Godha	44000	0.89	--	44000	0.89	--	--
8	Paschim Chemicals P. Ltd.	766672	15.59	--	766672	15.59	--	--
9	Chandurkar Investments Pvt. Ltd.	64800	1.32	--	64800	1.32	--	--
10	Usha M. Chandurkar	33000	0.67	--	33000	0.67	--	--
11	Sameer M. Chandurkar	18000	0.37	--	18000	0.37	--	--
12	Mexin Medicaments Pvt. Ltd.	141180	2.87	--	141180	2.87	--	--
	Total	2869947	58.37	--	2869947	58.37	--	--

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

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

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

Sl. No.	For Each of the Top 10 Shareholders	Date	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
			No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Anirudh Mohta					
	At the beginning of the year	01.04.2014	84928	1.73	--	--
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	--	--	--	--	--
	At the End of the year	31.03.2015	--	--	84928	1.73
2.	Siddharth Shantibhai Jain					
	At the beginning of the year	01.04.2014	53043	1.08	--	--
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	12.12.2014	(2075)	(0.04)	50968	1.04
		30.01.2015	(5968)	(0.12)	45000	0.92
	At the End of the year	31.03.2015	--	--	45000	0.92
3.	Pushpaben Chhotalal Shah					
	At the beginning of the year	01.04.2014	48440	0.99	--	--
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	25.04.2014	(104)	(0.01)	48336	0.98
		16.05.2014	(2871)	(0.06)	45465	0.92
		23.05.2014	(3640)	(0.07)	41825	0.85
		30.05.2014	(7000)	(0.14)	34825	0.71
		13.06.2014	(20748)	(0.42)	14077	0.29
		20.06.2014	(399)	(0.01)	13678	0.28
		11.07.2014	(13678)	(0.28)	--	--
	At the End of the year	31.03.2015	--	--	--	--
4.	Kanwarlal Anopchand Bothra					
	At the beginning of the year	01.04.2014	35042	0.71	--	--
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	23.05.2014	2900	0.06	37942	0.77
		15.08.2014	558	0.01	38500	0.78
		05.09.2014	(6500)	(0.13)	32000	0.65
		19.12.2014	(5000)	(0.10)	27000	0.55
		13.03.2015	(7950)	(0.16)	19050	0.39
		27.03.2015	(1550)	(0.03)	17500	0.36
	At the End of the year	31.03.2015	--	--	17500	0.36

Sl. No.	For Each of the Top 10 Shareholders	Date	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
			No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
5.	Mudra Financial Services Limited					
	At the beginning of the year	01.04.2014	31781	0.65	--	--
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	--	--	--	--	--
	At the End of the year	31.03.2015	--	--	31781	0.65
6.	Sunil K Mehta					
	At the beginning of the year	01.04.2014	30940	0.63	--	--
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	--	--	--	--	--
	At the End of the year	31.03.2015	--	--	30940	0.63
7.	Suva K Bothra					
	At the beginning of the year	01.04.2014	30090	0.61	--	--
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	19.09.2014	(3414)	(0.07)	26676	0.54
		30.09.2014	(9832)	(0.20)	16844	0.34
		10.10.2014	(3622)	(0.07)	13222	0.27
		24.10.2014	(815)	(0.02)	12407	0.25
		28.11.2014	(2405)	(0.05)	10002	0.20
		12.12.2014	(1502)	(0.03)	8500	0.17
		19.12.2014	(4450)	(0.09)	4050	0.08
		13.03.2015	(4050)	(0.08)	--	--
	At the End of the year	31.03.2015	--	--	--	--
8.	G V Eswar					
	At the beginning of the year	01.04.2014	30000	0.61	--	--
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	--	--	--	--	--
	At the End of the year	31.03.2015	--	--	30000	0.61
9.	Shah Prashant Bansidhar					
	At the beginning of the year	01.04.2014	26058	0.53	--	--
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	--	--	--	--	--
	At the End of the year	31.03.2015	--	--	26058	0.53
10.	Rajeshri Tarunkumar Shah					
	At the beginning of the year	01.04.2014	24403	0.50	--	--
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	04.04.2014	500	0.01	24903	0.51
		11.04.2014	200	0.01	25103	0.51
		18.04.2014	44	--	25147	0.51
		09.05.2014	925	0.02	26072	0.53
		06.06.2014	1000	0.02	27072	0.55
		04.07.2014	(14032)	(0.28)	13040	0.27
		11.07.2014	(9073)	(0.19)	3967	0.08
		18.07.2014	(1000)	(0.02)	2967	0.06
		08.08.2014	(1500)	(0.03)	1467	0.03
		29.08.2014	(40)	--	1427	0.03
		05.09.2014	(1000)	(0.02)	427	0.01
		14.11.2014	(400)	(0.01)	27	0.00
	At the End of the year	31.03.2015	--	--	27	0.00

Sl. No.	For Each of the Top 10 Shareholders	Date	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
			No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
11.	Gyan Chand Shadija					
	At the beginning of the year	01.04.2014	--	--	--	--
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	08.08.2014	2000	0.04	2000	0.04
		15.08.2014	1676	0.03	3676	0.07
		22.08.2014	3691	0.08	7367	0.15
		29.08.2014	2639	0.05	10006	0.20
		05.09.2014	2340	0.05	12346	0.25
		12.09.2014	1529	0.03	13875	0.28
		19.09.2014	126	--	14001	0.28
		30.09.2014	526	0.01	14527	0.29
		03.10.2014	474	0.01	15001	0.30
		10.10.2014	500	0.01	15501	0.31
		31.10.2014	(796)	(0.01)	14705	0.30
		07.11.2014	1996	0.04	16701	0.34
		14.11.2014	7890	0.16	24591	0.50
		28.11.2014	1155	0.02	25746	0.52
		05.12.2014	2041	0.04	27787	0.56
		12.12.2014	13445	0.28	41232	0.84
		19.12.2014	9123	0.18	50355	1.03
		31.12.2014	176	0.00	50531	1.03
		02.01.2015	270	--	50801	1.03
		09.01.2015	500	0.01	51301	1.04
		16.01.2015	25	--	51326	1.04
		23.01.2015	420	0.01	51746	1.05
		30.01.2015	1670	0.04	53416	1.09
		06.02.2015	3590	0.07	57006	1.16
		13.02.2015	4132	0.08	61138	1.24
		20.02.2015	69	--	61207	1.24
	27.02.2015	3408	0.07	64615	1.31	
	13.03.2015	5416	0.11	70031	1.42	
	20.03.2015	23510	0.48	93541	1.90	
	At the End of the year	31.03.2015	--	--	93541	1.90
12.	Neelima Karlapudi					
	At the beginning of the year	01.04.2014	--	--	--	--
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	20.03.2015	12539	0.26	12539	0.26
		27.03.2015	32500	0.66	45039	0.92
		31.03.2015	2722	0.05	47761	0.97
	At the End of the year	31.03.2015	--	--	47761	0.97

Sl. No.	For Each of the Top 10 Shareholders	Date	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
			No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
13.	Purshottam R Bohra					
	At the beginning of the year	01.04.2014	--	--	--	--
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	31.03.2015	40000	0.81	40000	0.81
	At the End of the year	31.03.2015	--	--	40000	0.81
14.	Abhishek Sikaria					
	At the beginning of the year	01.04.2014	--	--	--	--
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	19.09.2014	2208	0.04	2208	0.04
		30.09.2014	592	0.02	2800	0.06
		10.10.2014	2000	0.04	4800	0.10
		14.11.2014	4700	0.09	9500	0.19
		21.11.2014	999	0.02	10499	0.21
		28.11.2014	4174	0.09	14673	0.30
		05.12.2014	1826	0.04	16499	0.34
		12.12.2014	2000	0.04	18499	0.38
		23.01.2015	2000	0.04	20499	0.42
		13.02.2015	38	--	20537	0.42
		20.02.2015	10061	0.20	30598	0.62
		27.02.2015	901	0.02	31499	0.64
		06.03.2015	(325)	(0.01)	31174	0.63
20.03.2015	(3526)	(0.07)	27648	0.56		
27.03.2015	10000	0.21	37648	0.77		
At the End of the year	31.03.2015	--	--	37648	0.77	
15	Rambabu Veldi					
	At the beginning of the year	01.04.2014	--	--	--	--
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	27.03.2015	31800	0.65	31800	0.65
	At the End of the year	31.03.2015	--	--	31800	0.65

**V. Shareholding of Directors and Key Managerial Personnel:**

Sl. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Mr. K.C.Jain Independent Director				
	At the beginning of the year	600	0.01	--	--
	Date wise Increase/ Decrease in Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	--	--	--	--
	At the End of the year	--	--	600	0.01
2.	Mr. S. V. Loyalka Independent Director				
	At the beginning of the year	--	--	--	--
	Date wise Increase/ Decrease in Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	--	--	--	--
	At the End of the year	--	--	--	--
3.	Dr. Rajeshwar Singh Independent Director				
	At the beginning of the year	--	--	--	--
	Date wise Increase/ Decrease in Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	--	--	--	--
	At the End of the year	--	--	--	--
4.	Mrs. Purnima Jain Wholetime Director				
	At the beginning of the year	1075	0.02	--	--
	Date wise Increase/ Decrease in Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	--	--	--	--
	At the End of the year	--	--	1075	0.02
5.	Mr. Saahil Parikh Wholetime Director and CFO				
	At the beginning of the year	660	0.01	--	--
	Date wise Increase/ Decrease in Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	--	--	--	--
	At the End of the year	--	--	660	0.01
6.	Mr. Prashant Godha Director (Resigned w.e.f. 27.05.2014)				
	At the beginning of the year	94375	1.92	--	--
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	--	--	--	--
	At the End of the year	--	--	94375	1.92
7.	Ms. Khushbu Thakkar Company Secretary				
	At the beginning of the year	1	0.00	--	--
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	--	--	--	--
	At the End of the year	--	--	1	0.00

## VI. INDEBTEDNESS (₹)

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	2,11,89,840	-	--	2,11,89,840
ii) Interest due but not paid	--	--	--	--
iii) Interest accrued but not due	--	--	--	--
Total (i+ii+iii)	2,11,89,840	--	--	2,11,89,840
Change in Indebtedness during the financial year	--	--	--	--
Addition	--	--	--	--
Reduction	(1,32,16,633)	--	--	(1,32,16,633)
Net Change	(1,32,16,633)	--	--	(1,32,16,633)
Indebtedness at the end of the financial year				
i) Principal Amount	79,73,207	--	--	79,73,207
ii) Interest due but not paid	--	--	--	--
iii) Interest accrued but not due	--	--	--	--
Total (i+ii+iii)	79,73,207	--	--	79,73,207

## VII. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sl. no.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount (₹)
		Mrs. Purnima Jain WTD/CEO	Mr. Saahil Parikh WTD / CFO	
1.	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	29,67,083	24,05,100	53,72,183
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	42,400	1,49,814	1,92,214
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission - as % of profit - others, specify...	-	-	-
5.	Others, please specify	-	-	-
	Total (A)	30,09,483	25,54,914	55,64,397
	Ceiling as per the Act	Rs. 34.00 lacs (being 10% of the profits of the Company calculated as per the Section 198 of the Companies Act, 2013)		

### B. Remuneration to other directors

Sl. no.	Particulars of Remuneration	Name of Directors				Total Amount (₹)
		Mr. K. C. Jain	Mr. S. V. Loyalka	Dr Rajeshwar Singh	Mr. Prashant Godha (Resigned w.e.f. 27.05.2014)	
1	Independent Directors					
	Fee for attending board / committee meetings	1,15,000	1,05,000	1,00,000	-	3,20,000
	Commission	-	-	-	-	-
	Other, please specify	-	-	-	-	-
	Total (1)	1,15,000	1,05,000	1,00,000	-	3,20,000
2	Other Non-Executive Directors					
	Fee for attending board / committee meetings	-	-	-	25,000	25,000
	Commission	-	-	-	-	-
	Other, please specify	-	-	-	-	-
	Total (2)	-	-	-	25,000	25,000
	Total (B)=(1+2)	1,15,000	1,05,000	1,00,000	25,000	3,45,000
	Total Managerial Remuneration					59,09,397
	Overall Ceiling as per the Act	11% of the net profit as per Section 198 of the Act – ₹ 37.40 lacs. The managerial remuneration paid is within the limits prescribed under Schedule V of the Companies Act 2013.				

### C. Remuneration to Key Managerial Personnel other than MD / MANAGER / WTD

Sl. no.	Particulars of Remuneration	Key Managerial Personnel	
		Ms. Khushbu Thakkar Company Secretary (w.e.f. 27.05.2014)	Total (₹)
1.	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	4,91,382	4,91,382
	(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	-	-
2.	Stock Option	-	-
	Sweat Equity	-	-
	Commission as % of profit others, specify.	-	-
	Others, please specify	-	-
	Total	4,91,382	4,91,382

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

### VIII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES

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



**FORM No. MR-3****SECRETARIAL AUDIT REPORT****FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2015**

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

To,

The Members,

MAKERS LABORATORIES LIMITED

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

Based on our verification of the Makers Laboratories Limited'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 authorised 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, 2015 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 Makers Laboratories Limited for the financial year ended on 31<sup>st</sup> March, 2015 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 ('SEBI Act'):
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992; and
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- (vi) Other laws as are applicable to the Company as per representations made by the Company.

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

- (i) Secretarial Standards with respect to board and general meetings of The Institute of Company Secretaries of India are not in force as on the date of this report.
- (ii) The Listing Agreements entered into by the Company with BSE Limited.

During the period under review, the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, 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, as represented by the management, were taken unanimously.

We further report that as per the explanations given to us and 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.

For Parikh & Associates  
Company Secretaries

Jigyasa N. Ved  
Partner

FCS No. 6488 CP No. 6018

Place : Mumbai  
Date : 29.05.2015

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

**'Annexure A'**

To,  
The Members  
Makers Laboratories Limited

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

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the process and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. 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.

For Parikh & Associates  
Company Secretaries

Jigyasa N. Ved  
Partner  
FCS No. 6488 CP No. 6018

Place : Mumbai  
Date : 29.05.2015

## **INDEPENDENT AUDITORS' REPORT**

**TO THE MEMBERS OF**

**MAKERS LABORATORIES LIMITED**

**Report on the Financial Statements :**

We have audited the accompanying financial statements of **MAKERS LABORATORIES LIMITED** ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March, 2015, the Statement of Profit and Loss and Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

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

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

**Auditor's Responsibility:**

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

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

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

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

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

**Opinion :**

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

- a) In the case of the Balance Sheet, of the state of affairs of the Company as at 31<sup>st</sup> March, 2015;
- b) In the case of the Statement of Profit and Loss, of the Profit for the year ended on that date; and
- c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

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

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") 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 statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143 (3) of the Act, we report that:
  - a. We have sought and obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - b. In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
  - c. The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
  - d. In our opinion, the Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
  - e. On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2015, and taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2015, from being appointed as a director in terms of Section 164 (2) of the Act;
  - f. With respect to the other matters to be included in the Auditor's report in accordance with Rule 11 of the Companies (audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanation given to us:
    - i. The Company does not have any pending litigations which would impact its financial position.
    - ii. The Company did not have any long-term contracts including derivative contracts that require provision under any law or accounting standards for which there were any material foreseeable losses.
    - iii. There were no amounts which are required to be transferred to the Investor Education and Protection Fund by the Company during the year.

Place: Mumbai  
Dated: 29<sup>th</sup> May, 2015

**For Agarwal & Mangal**  
Chartered Accountants  
Firm Reg. No. 100061W  
**B. P. MANGAL**  
Partner  
Memb. No. 32973

## ANNEXURE TO INDEPENDENT AUDITORS' REPORT

### (Referred to in paragraph 1 under the heading of 'Report on Other Legal and Regulatory Requirements' of our report of even date)

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) All the fixed assets of the Company have been physically verified by the management at reasonable intervals. No material discrepancies were noticed on such verification. In our opinion, having regard to size of the Company and the nature of its business, the frequency of verification is reasonable.
- (ii) (a) The inventory of the Company has been physically verified at reasonable intervals during the year by the management. In our opinion, the frequency of verification is reasonable.
- (b) The procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) On the basis of our examination of the records of inventory, we are of the opinion that the Company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical records and the book records were not material.
- (iii) The Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013.
- (iv) In our opinion and according to the information and explanations given to us, there is adequate internal control system commensurate with the size of the Company and the nature of its business, for the purchase of fixed assets and for the sale of services. Further, on the basis of our examination of the books and records of the Company and according to the information and explanations given to us, no major weakness has been noticed or reported.
- (v) According to the information and explanation given to us, the Company has not accepted any deposits within the meaning of provisions of Section 73 to 76 or any other relevant provisions of the Act and Rules framed thereunder.
- (vi) According to the records produced and information given to us, the cost records and accounts as prescribed by the Central Govt. under sub-section (1) of section 148 of the act have been made and maintained by the company but no examination of such records and accounts have been carried out by us.
- (vii) (a) According to the information and explanations given to us and based on the records of the Company examined by us, the Company is regular in depositing the undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Value Added Tax, Cess and other material statutory dues, as applicable, with the appropriate authorities in India.
- (b) As at 31<sup>st</sup> March, 2015, there have been no disputed dues which have not been deposited with the respective authorities in respect of Income Tax, Wealth Tax, Sales Tax, Service Tax or Custom duty or Excise Duty or Value Added Tax or Cess.
- (c) There are no amounts that are due to be transferred to the Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act, 1956 ( 1 of 1956) and rules made thereunder.
- (viii) The Company does not have accumulated losses as on 31<sup>st</sup> March, 2015. The Company has not incurred any cash losses during the financial year covered by our audit and the immediately preceding financial year.
- (ix) Based on our audit procedures and on the basis of the information and explanations given by the management, the Company has not defaulted in repayment of dues to bank. The Company has not taken any loan from financial institutions. Further, no loan has been taken by way of issuance of debentures.
- (x) In our opinion, and according to the information and explanations given to us, the Company has not given any guarantee for loan taken by others from a bank or financial institution during the year.
- (xi) In our opinion, and according to the information and explanations given to us, the Company has not raised any term loans during the year.
- (xii) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

**For Agarwal & Mangal**  
Chartered Accountants  
Firm Reg. No. 100061W  
**B. P. MANGAL**  
Partner  
Memb. No. 32973

Place: Mumbai  
Dated: 29<sup>th</sup> May, 2015

## Balance Sheet as at 31<sup>st</sup> March, 2015

Particulars	Note Ref	As at 31 <sup>st</sup> March, 2015 (₹)	As at 31 <sup>st</sup> March, 2014 (₹)
<b>I EQUITY &amp; LIABILITIES</b>			
<b>1. Shareholders' Funds</b>			
(a) Share Capital	1	4,91,69,800	4,91,69,800
(b) Reserves & Surplus	2	19,70,84,061	17,98,61,178
(c) Money Received Against Share Warrants		-	-
		<u>24,62,53,861</u>	<u>22,90,30,978</u>
<b>2. Share Application Money Pending Allotment</b>			
		-	-
<b>3. Non-Current Liabilities</b>			
(a) Long-Term Borrowings		-	-
(b) Deferred Tax Liabilities (net)	3	65,43,000	75,15,000
(c) Other Long Term Liabilities	4	3,77,35,000	4,00,30,000
(d) Long Term Provisions	5	18,14,715	12,83,408
		<u>4,60,92,715</u>	<u>4,88,28,408</u>
<b>4. Current Liabilities</b>			
(a) Short-Term Borrowings	6	79,73,207	2,11,89,840
(b) Trade Payables	7	7,54,86,745	10,46,14,316
(c) Other Current Liabilities	8	37,87,750	37,22,335
(d) Short-Term Provisions	5	1,13,70,216	28,17,104
		<u>9,86,17,918</u>	<u>13,23,43,595</u>
<b>Total</b>		<u><u>39,09,64,494</u></u>	<u><u>41,02,02,981</u></u>
<b>II ASSETS</b>			
<b>1. Non-Current Assets</b>			
(a) Fixed Assets			
(i) Tangible Assets	9	11,39,68,282	11,83,67,073
(ii) Intangible Assets	9	6,94,438	9,84,285
(iii) Capital Work-in-Progress		2,71,02,757	1,91,53,426
(iv) Intangible Assets Under Development		-	-
		<u>14,17,65,477</u>	<u>13,85,04,784</u>
(b) Non-Current Investments	10	2,35,21,921	2,49,73,170
(c) Deferred Tax Assets (net)		-	-
(d) Long-Term Loans and Advances	11	31,19,153	81,53,183
(e) Other Non-Current Assets	12	40,55,470	26,44,170
		<u>17,24,62,021</u>	<u>17,42,75,307</u>
<b>2. Current Assets</b>			
(a) Current Investments		-	-
(b) Inventories	13	9,24,86,128	9,91,91,083
(c) Trade Receivables	14	11,83,54,031	12,53,31,312
(d) Cash and Bank Balances	15	7,44,926	13,86,310
(e) Short-term Loans and Advances	11	43,14,128	56,73,925
(f) Other Current Assets	12	26,03,260	43,45,044
		<u>21,85,02,473</u>	<u>23,59,27,674</u>
<b>Total</b>		<u><u>39,09,64,494</u></u>	<u><u>41,02,02,981</u></u>

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

As per our Report of even date attached

For **AGARWAL & MANGAL**

Chartered Accountants

Firm Reg. No. 100061W

**B. P. MANGAL**

Partner

Memb. No.32973

Mumbai,

29<sup>th</sup> May, 2015

**KHUSHBU THAKKAR**

Company Secretary  
(ACS 28375)

For and on behalf of the Board of Directors

**PURNIMA JAIN**  
(DIN 00937041)

- Wholetime Director

**SAAHIL PARIKH**  
(DIN 00400079)

- Wholetime Director

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

- Director

## Statement of Profit and Loss for the year ended 31<sup>st</sup> March, 2015

Particulars	Note Ref	2014-15		2013-14	
		(₹)		(₹)	
<b>Revenue</b>					
<b>I Revenue from Operations (Gross):</b>					
Sale of products	16	57,82,92,364		60,95,47,428	
Manufacturing Charges Income		8,73,04,432		9,11,84,586	
Other operating revenue	17	21,13,510		5,75,666	
Less : Excise duty		(1,85,69,413)	64,91,40,893	(1,75,75,869)	68,37,31,811
<b>II Other Income</b>	18		46,55,796		54,71,557
<b>III Total Revenue (I + II)</b>			65,37,96,689		68,92,03,368
<b>IV Expenses</b>					
Cost of Materials Consumed	19	19,46,34,613		20,36,20,339	
Purchase of Traded Goods		20,79,95,687		22,86,52,086	
Changes in inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	20	9,06,774		72,86,668	
Employee Benefit Expenses	21	6,85,99,154		7,24,14,504	
Finance Cost	22	38,24,415		42,87,569	
Depreciation & Amortisation	23	1,52,71,372		97,34,962	
Other Expenses	24	13,57,24,993	62,69,57,008	15,13,32,046	67,73,28,174
<b>Total Expenses (IV)</b>			62,69,57,008		67,73,28,174
<b>V Profit Before exceptional, extraordinary items and Tax (III-IV)</b>			2,68,39,681		1,18,75,194
<b>VI Exceptional Items</b>					
Reversal of provision for dimunition in value of investments			(71,59,685)		-
<b>VII Profit Before extraordinary items and Tax (V-VI)</b>			3,39,99,366		1,18,75,194
<b>VIII Extraordinary Items</b>			-		-
<b>IX Profit Before Tax (VII-VIII)</b>			3,39,99,366		1,18,75,194
<b>X Tax Expense</b>					
1 Current Tax		1,10,00,000		58,00,000	
2 Deferred Tax		(7,72,000)		1,59,000	
3 Tax Provision for earlier years		2,51,977	1,04,79,977	(40,177)	59,18,823
<b>XI Profit After Tax (IX-X)</b>			2,35,19,389		59,56,371
<b>XII Earnings per Equity Share (₹):</b>					
Basic/Diluted (Before exceptional item)	28		3.33		1.21
Basic/Diluted (After exceptional item)			4.78		1.21
Par Value			Rs. 10/- each		Rs. 10/- each

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

As per our Report of even date attached

For **AGARWAL & MANGAL**

Chartered Accountants

Firm Reg. No. 100061W

**B. P. MANGAL**

Partner

Memb. No.32973

Mumbai,

29<sup>th</sup> May, 2015

**KHUSHBU THAKKAR**

Company Secretary  
(ACS 28375)

For and on behalf of the Board of Directors

**PURNIMA JAIN**  
(DIN 00937041)

- Wholetime Director

**SAAHIL PARIKH**  
(DIN 00400079)

- Wholetime Director

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

- Director



## Cash Flow Statement for the year ended 31<sup>st</sup> March, 2015

Particulars	2014 - 2015		2013 - 2014	
	(₹)	(₹)	(₹)	(₹)
<b>A Cash Flow from Operating Activities</b>				
Net Profit before taxation and extraordinary item		2,68,39,681		1,18,75,194
<b>Adjustments for:</b>				
Depreciation	1,52,71,372		97,34,962	
Assets Scrapped	15,269		1,18,980	
Bad Debts Written off	20,11,734		11,65,226	
Loss on Sale of Fixed Assets	3,53,578		4,60,092	
Loss on Sale of Investments	20,16,882		30,00,000	
Profit on Sale of Fixed Assets	(1,40,530)		(48,670)	
Provision for Diminution in the value of Investments	-		3,93,559	
Dividend Income	(5,47,448)		(8,74,633)	
Interest Income	(21,80,185)		(20,11,192)	
Interest Expense	38,24,415	2,06,25,087	42,87,569	1,62,25,893
<b>Operating profit before Working Capital Changes</b>		<b>4,74,64,768</b>		<b>2,81,01,087</b>
<b>Working Capital Changes:</b>				
(Increase) / Decrease in Inventories	67,04,955		30,78,761	
(Increase) / Decrease in Receivables	70,08,932		(2,85,71,615)	
Increase / (Decrease) in Short Term Borrowings	(1,32,16,633)		(2,28,45,352)	
Increase / (Decrease) in Sundry Creditors & Provisions	(3,05,04,937)	(3,00,07,683)	3,96,70,482	(86,67,724)
<b>Cash Generated from Operations</b>		<b>1,74,57,085</b>		<b>1,94,33,363</b>
Income Tax paid		(42,54,339)		(64,47,635)
<b>Net Cash Flow from Operating Activities - I</b>		<b>1,32,02,746</b>		<b>1,29,85,728</b>
<b>B Cash Flow from Investing Activities</b>				
Purchase of Fixed Assets	(2,01,68,673)		(2,64,79,844)	
Proceeds from sale of Investments	65,94,052		1,20,00,000	
Interest received	21,78,012		20,09,730	
Proceeds from sale of Fixed Assets	8,29,746		3,87,646	
Dividend Received	5,47,448		8,74,633	
<b>Net Cash Flow from Investing Activities - II</b>		<b>(1,00,19,415)</b>		<b>(1,12,07,835)</b>
<b>Cash Flow after Investing Activities - III = (I + II)</b>		<b>31,83,331</b>		<b>17,77,893</b>
<b>C Cash Flow from Financing Activities</b>				
Interest paid	(38,24,415)		(45,42,364)	
<b>Net Cash flow from Financing Activities - IV</b>		<b>(38,24,415)</b>		<b>(45,42,364)</b>
<b>Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)</b>		<b>(6,41,084)</b>		<b>(27,64,471)</b>
Opening Cash and Cash Equivalents		9,66,565		37,31,036
Closing Cash and Cash Equivalents		<b>3,25,481</b>		<b>9,66,565</b>
<b>Components of Cash &amp; Cash Equivalents:</b>				
Cash Balances		81,683		1,99,597
Balances with banks		2,43,798		7,66,968
		<b>3,25,481</b>		<b>9,66,565</b>

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

**B. P. MANGAL**  
Partner  
Memb. No.32973  
Mumbai,  
29<sup>th</sup> May, 2015

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

For and on behalf of the Board of Directors

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

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

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

## Notes forming part of the Financial Statements for the Year ended 31<sup>st</sup> March, 2015

### Significant Accounting Policies :

**a. Basis of Preparation of Financial Statements:**

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013 (“the 2013 Act”) / Companies Act, 1956 (“the 1956 Act”), as applicable. The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year except for change in the accounting policy for depreciation as more fully described in point no. 2 (e) below.

**b. Use of Estimates:**

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

**c. Revenue Recognition:**

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

**d. Fixed Assets:**

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

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

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

Depreciation on Fixed Assets is provided on the useful lives of the assets in the manner prescribed in Schedule II of Companies Act, 2013. Depreciation for asset purchased/sold during a period is proportionately charged. Intangible Asset are amortized over their respective individual estimated useful lives on a straight-line basis, commencing from the date the asset is available to the Company for its use.

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

**f. Leased Asset :- Operating Leases:**

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

**g. Foreign Currency Transactions:**

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

**h. Investments:**

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

**i. Inventories:**

Item of inventories are valued on the basis given below:

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

**j. Employee Benefits:**

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

**k. Taxation:**

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

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

**l. Cash Flow Statement:**

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

**m. Cash and Cash Equivalent:**

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

**n. Earnings Per Share:**

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

**o. Borrowing Costs:**

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

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

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

## Notes on Financial Statements for the Year ended 31<sup>st</sup> March, 2015

### 1 SHARE CAPITAL

Particulars	As at 31-Mar-15		As at 31-Mar-14	
	Number	(₹)	Number	(₹)
Face Value	₹ 10/- each		₹ 10/- each	
Class of Shares	Equity Shares (Fully paid)		Equity Shares (Fully paid)	
Authorised Capital	75,00,000	7,50,00,000	75,00,000	7,50,00,000
Issued, Subscribed And Paid up Capital	49,16,980	4,91,69,800	49,16,980	4,91,69,800
<b>PER BALANCE SHEET</b>	<b>49,16,980</b>	<b>4,91,69,800</b>	<b>49,16,980</b>	<b>4,91,69,800</b>

#### Of the above :

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

#### i) Reconciliation of number of shares

Particulars	As at 31-Mar-15		As at 31-Mar-14	
	No. of shares	(₹)	No. of shares	(₹)
Shares outstanding at the beginning of the year	49,16,980	4,91,69,800	49,16,980	4,91,69,800
Shares Issued during the year	-	-	-	-
<b>Shares outstanding at the end of the year</b>	<b>49,16,980</b>	<b>4,91,69,800</b>	<b>49,16,980</b>	<b>4,91,69,800</b>

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

Name of Shareholder	As at 31-Mar-15		As at 31-Mar-14	
	Number of shares held	Percentage	Number of shares held	Percentage
Exon Laboratories Pvt. Ltd.	6,50,000	13.22%	6,50,000	13.22%
Kaygee Investments Pvt. Ltd.	8,54,400	17.38%	8,54,400	17.38%
Paschim Chemicals Pvt. Ltd.	7,66,672	15.59%	7,66,672	15.59%

### 2 RESERVES & SURPLUS

Particulars	As at 31-Mar-15		As at 31-Mar-14	
	(₹)	(₹)	(₹)	(₹)
<b>a) Capital Reserve</b>				
Balance as per last Balance Sheet		3,02,76,029		3,02,76,029
<b>b) Securities Premium Reserve</b>				
Balance as per last Balance Sheet		1,08,63,850		1,08,63,850
<b>c) Other Reserves</b>				
<b>General Reserve *</b>				
Balance as per last Balance Sheet	9,00,00,000		9,00,00,000	
Add: Current Year Transfer	1,00,00,000	10,00,00,000	-	9,00,00,000
<b>d) Surplus in Profit &amp; Loss account</b>				
Balance as per last Balance Sheet	4,87,21,299		4,27,64,928	
Add: Net Profit for the year	2,35,19,389		59,56,371	
	<b>7,22,40,688</b>		<b>4,87,21,299</b>	
Less:				
Depreciation on Assets which have completed the useful life as per Schedule II as on 01.04.2014 net of deferred tax of ₹ 2,00,000/- (see note no. 23)	3,78,545		-	
Transfer to General Reserve	1,00,00,000		-	
Proposed Dividend	49,16,980		-	
Tax on proposed dividend	10,00,981		-	
	<b>1,62,96,506</b>	<b>5,59,44,182</b>	-	<b>4,87,21,299</b>
<b>PER BALANCE SHEET</b>		<b>19,70,84,061</b>		<b>17,98,61,178</b>

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

### 3 DEFERRED TAX LIABILITIES (NET)

Particulars	As at 31-Mar-15	As at 31-Mar-14
	(₹)	(₹)
<b>Deferred tax liability on account of :</b>		
Depreciation	80,42,000	92,50,000
<b>Deferred tax asset on account of :</b>		
Leave Encashment	(14,99,000)	(17,35,000)
<b>PER BALANCE SHEET</b>	<b>65,43,000</b>	<b>75,15,000</b>

### 4 OTHER LONG TERM LIABILITIES

Particulars	As at 31-Mar-15	As at 31-Mar-14
	(₹)	(₹)
Security deposits from customers	3,77,35,000	4,00,30,000
<b>PER BALANCE SHEET</b>	<b>3,77,35,000</b>	<b>4,00,30,000</b>

### 5 PROVISIONS

Particulars	Long Term		Short Term	
	As at	As at	As at	As at
	31-Mar-15	31-Mar-14	31-Mar-15	31-Mar-14
	(₹)	(₹)	(₹)	(₹)
Provision for Taxation (Net of Prepaid Taxes)	-	-	23,14,539	-
Provision for Gratuity	-	-	14,42,437	-
Provision for Leave Encashment	18,14,715	12,83,408	8,47,340	18,19,344
Provision for Leave Travel Assistance (LTA)	-	-	8,47,939	9,97,760
Proposed Dividend	-	-	49,16,980	-
Corporate Tax on Dividend	-	-	10,00,981	-
<b>PER BALANCE SHEET</b>	<b>18,14,715</b>	<b>12,83,408</b>	<b>1,13,70,216</b>	<b>28,17,104</b>

#### Disclosures:

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

Particulars	Gratuity		Leave Encashment	
	2014-15	2013-14	2014-15	2013-14
<b>I. Change in Benefit Obligation</b>				
Liability at the beginning of the year	86,13,208	85,41,101	31,02,752	24,74,289
Interest cost	6,91,843	6,83,288	1,66,439	1,59,966
Current Service Cost	5,87,151	6,29,091	3,79,969	7,61,535
Past year Service Cost	-	-	-	-
Benefit Paid	(15,30,881)	(12,90,572)	(13,82,743)	(9,64,874)
Actuarial (gain)/loss on obligations	14,81,382	50,300	3,95,638	6,71,836
Curtailments and Settlements	-	-	-	-
Liability at the end of the year	98,42,703	86,13,208	26,62,055	31,02,752

**Disclosures : (contd....)**

Particulars		Gratuity		Leave Encashment	
		2014-15	2013-14	2014-15	2013-14
<b>II.</b>	<b>Fair Value of Plan Assets</b>				
	Fair Value of Plan Assets at the beginning of the year	<b>87,22,413</b>	74,94,161	-	-
	Expected Return on Plan Assets	<b>7,30,788</b>	7,16,258	-	-
	Contributions	<b>4,77,946</b>	18,02,566	-	-
	Benefit paid	<b>(15,30,881)</b>	(12,90,572)	-	-
	Actuarial gain/(loss) on Plan Assets	-	-	-	-
	Fair Value of Plan Assets at the end of the year	<b>84,00,266</b>	87,22,413	-	-
<b>III.</b>	<b>Actual Return on Plan Assets</b>				
	Expected Return on Plan Assets	<b>7,30,788</b>	7,16,258	-	-
	Actuarial gain/(loss) on Plan Assets	-	-	-	-
	Actual Return on Plan Assets	<b>7,30,788</b>	7,16,258	-	-
<b>IV.</b>	<b>Amount Recognised in the Balance Sheet</b>				
	Liability at the end of the year	<b>98,42,703</b>	86,13,208	<b>26,62,055</b>	31,02,752
	Fair Value of Plan Assets at the end of the year	<b>84,00,266</b>	87,22,413	-	-
	Difference	<b>14,42,437</b>	(1,09,205)	<b>26,62,055</b>	31,02,752
	Unrecognised Past Service Cost	-	-	-	-
	Amount Recognised in the Balance Sheet	<b>14,42,437</b>	(1,09,205)	<b>26,62,055</b>	31,02,752
<b>V.</b>	<b>Expenses Recognised in the Income Statement</b>				
	Current Service Cost	<b>5,87,151</b>	6,29,091	<b>3,79,969</b>	7,61,535
	Interest Cost	<b>6,91,843</b>	6,83,288	<b>1,66,439</b>	1,59,966
	Expected Return on Plan Assets	<b>(7,30,788)</b>	(7,16,258)	-	-
	Net Actuarial (gain)/loss to be recognised	<b>14,81,382</b>	50,300	<b>3,95,638</b>	6,71,836
	Past Service Cost (Non Vested Benefit) Recognised	-	-	-	-
	Past Service Cost (Vested Benefit) Recognised	-	-	-	-
	Effect of Curtailment or Settlements	-	-	-	-
	Expense Recognised in the Statement of Profit and Loss	<b>20,29,588</b>	6,46,421	<b>9,42,046</b>	15,93,337
<b>VI.</b>	<b>Balance Sheet Reconciliation</b>				
	Opening Net Liability	<b>(1,09,205)</b>	10,46,940	<b>31,02,752</b>	24,74,289
	Expense as above	<b>20,29,588</b>	6,46,421	<b>9,42,046</b>	15,93,337
	Past year Service cost	-	-	-	-
	Employers Contribution	<b>(4,77,946)</b>	(18,02,566)	<b>(13,82,743)</b>	(9,64,874)
	Amount Recognised in Balance Sheet.	<b>14,42,437</b>	(1,09,205)	<b>26,62,055</b>	31,02,752
<b>VII.</b>	<b>Actuarial Assumptions</b>				
	Discount Rate	<b>8.00%</b>	8.00%	<b>8.00%</b>	8.00%
	Salary Escalation Rate	<b>6.00%</b>	6.00%	<b>6.00%</b>	6.00%

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

## 6 SHORT-TERM BORROWINGS

<u>Particulars</u>	<u>As at 31-Mar-15</u>	<u>As at 31-Mar-14</u>
	(₹)	(₹)
<b>Secured Loans:</b>		
Working Capital Loan from Axis Bank	<b>79,73,207</b>	2,11,89,840
<b>PER BALANCE SHEET</b>	<b>79,73,207</b>	2,11,89,840

Secured by way of mortgage of immovable properties of the Company situated at Mumbai and Dombivli, hypothecation of all plant and machineries both present and future and hypothecation of stock-in-trade and book debts.

## 7 TRADE PAYABLES

<u>Particulars</u>	<u>As at 31-Mar-15</u>	<u>As at 31-Mar-14</u>
	(₹)	(₹)
<b>Trade Payables</b>		
- Micro Small and Medium Enterprises	-	-
- Others	<b>7,54,86,745</b>	10,46,14,316
<b>PER BALANCE SHEET</b>	<b>7,54,86,745</b>	10,46,14,316

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

## 8 OTHER CURRENT LIABILITIES

<u>Particulars</u>	<u>As at 31-Mar-15</u>	<u>As at 31-Mar-14</u>
	(₹)	(₹)
Unclaimed Dividend	<b>4,19,445</b>	4,19,745
Payable for Capital goods	<b>8,10,978</b>	2,40,034
Advances from customers	-	10,16,831
Duties & Taxes Payable	<b>25,57,327</b>	20,45,725
<b>PER BALANCE SHEET</b>	<b>37,87,750</b>	37,22,335

## 9. FIXED ASSETS

(₹)

Description of Assets	Cost				Depreciation, Amortisation & Impairment				Net Block		
	As at 1 <sup>st</sup> April, 2013	Additions (13-14)	Disposals/ Adjustments (13-14)	As at 31 <sup>st</sup> March, 2014	Additions (14-15)	Disposals/ Adjustments (14-15)	As at 31 <sup>st</sup> March, 2014	Charge for the year (14-15)	Disposals/ Adjustments (14-15)	As at 31 <sup>st</sup> March, 2014	As at 31 <sup>st</sup> March, 2015
<b>A Tangible Assets</b>											
1 Freehold Land	2,10,22,781	-	-	2,10,22,781	-	-	-	-	-	2,10,22,781	2,10,22,781
2 Leasehold Land	1,64,755	61,230	-	2,25,985	-	-	-	-	-	2,25,985	2,25,985
3 Buildings	4,99,64,716	12,66,779	-	5,12,31,495	12,93,474	15,67,641	1,49,88,817	15,06,468	-	1,64,95,285	3,62,42,678
4 Plant & Machinery	10,53,80,118	28,63,341	(20,29,776)	10,62,13,683	1,03,43,272	68,42,135	5,42,12,958	1,21,20,654	(11,38,374)	6,51,95,238	4,97,33,188
5 Effluent Treatment Plant	5,78,105	40,128	-	6,18,233	4,09,680	32,077	2,05,351	74,678	(19,037)	2,60,992	4,12,882
6 Furniture & Fixtures	63,86,310	3,55,044	(1,54,012)	65,87,342	1,62,916	3,78,749	29,97,247	7,31,202	(9,689)	37,18,760	35,90,095
7 Vehicles	64,09,615	21,23,797	(9,22,125)	76,11,287	-	7,05,800	27,39,360	11,17,068	(9,27,550)	29,28,878	48,71,927
<b>Total-A</b>	<b>18,99,06,400</b>	<b>67,10,319</b>	<b>(31,05,913)</b>	<b>19,35,10,806</b>	<b>1,22,09,342</b>	<b>95,26,402</b>	<b>7,51,43,733</b>	<b>1,55,50,070</b>	<b>(20,94,650)</b>	<b>8,85,99,153</b>	<b>11,83,67,073</b>
<b>B Intangible Assets</b>											
1 Software	6,38,832	6,71,599	-	13,10,431	10,000	2,01,025	3,48,751	2,94,195	-	6,42,946	9,61,680
2 Trade Mark	2,00,000	-	-	2,00,000	-	7,535	1,77,395	5,652	-	1,83,047	22,605
<b>Total-B</b>	<b>8,38,832</b>	<b>6,71,599</b>	<b>-</b>	<b>15,10,431</b>	<b>10,000</b>	<b>2,08,560</b>	<b>5,26,146</b>	<b>2,99,847</b>	<b>-</b>	<b>8,25,993</b>	<b>6,94,438</b>
<b>Total-A+B</b>	<b>19,07,45,232</b>	<b>73,81,918</b>	<b>(31,05,913)</b>	<b>19,50,21,237</b>	<b>1,22,19,342</b>	<b>97,34,962</b>	<b>7,56,69,879</b>	<b>1,58,49,917</b>	<b>(20,94,650)</b>	<b>8,94,25,146</b>	<b>11,95,51,358</b>

Note : Depreciation of ₹ 5,78,545/- on assets which have completed the useful life as per Schedule II as on 01.04.2014 is transferred to Surplus in Statement of Profit and Loss. (Refer note no. 23)



**10. INVESTMENTS - NON CURRENT INVESTMENTS**

(₹)

Sr. No.	Name of the Body Corporate	Subsidiary / Associate / JV/ Controlled Entity / Others	No. of Shares / Units		Face Value	Quoted / Unquoted	Partly Paid / Fully paid	Extent of Holding (%)		Amount (₹)	
			Current Year	Previous Year				Current Year	Previous Year	Current Year	Previous Year
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
<b>Investment in Equity Instruments</b>											
<b>(Stated at Cost)</b>											
1	Eilora Organics Pvt.Ltd.	Others	1,610	1,610	100	Unquoted	Fully paid	8.05%	8.05%	1,61,405	1,61,405
2	Mexin Medicaments Pvt Ltd	Shareholders	11,990	11,990	100	Unquoted	Fully paid	11.10%	11.10%	1,31,89,000	1,31,89,000
3	Mangalam Drugs & Organics Ltd *	Others	-	3,07,468	10	Quoted	Fully paid	-	2.33%	-	86,10,934
4	Ipca Laboratories Ltd	Associate	1,01,480	1,01,480	2	Quoted	Fully paid	0.08%	0.08%	1,01,71,516	1,01,71,516
<b>Total</b>										<b>2,35,21,921</b>	<b>3,21,32,855</b>
<b>Less- * Provision made for diminution in the value of Investments</b>											
										-	71,59,685
<b>PER BALANCE SHEET</b>											
1	Aggregate Book Value of Investment										<b>2,35,21,921</b>
	Unquoted										<b>1,33,50,405</b>
	Quoted										<b>1,01,71,516</b>
2	Aggregate Market Value of Quoted Investment										<b>6,48,00,054</b>
											<b>8,71,81,553</b>

## 11 LOANS & ADVANCES

Particulars	Long Term		Short Term	
	As at 31-Mar-15 (₹)	As at 31-Mar-14 (₹)	As at 31-Mar-15 (₹)	As at 31-Mar-14 (₹)
<b>Unsecured considered good</b>				
Loans & Advances given to Employees	46,270	99,002	1,90,309	3,69,737
Advances Receivable in Cash or in kind	28,075	3,23,589	9,73,432	9,71,755
Deposits	19,91,218	19,93,903	1,60,750	60,000
Prepaid Taxes (Net of Provision for Tax) *	10,53,590	57,36,689	-	-
Advance to Suppliers	-	-	29,89,637	42,72,433
<b>PER BALANCE SHEET</b>	<b>31,19,153</b>	<b>81,53,183</b>	<b>43,14,128</b>	<b>56,73,925</b>

\* Provision for Taxation includes provision for Wealth Tax of ₹ 20,000/= ( previous year ₹.5,000/=).

## 12 OTHER ASSETS

Particulars	Non Current		Current	
	As at 31-Mar-15 (₹)	As at 31-Mar-14 (₹)	As at 31-Mar-15 (₹)	As at 31-Mar-14 (₹)
FD as Bank Margin	2,70,175	2,40,885	-	-
Duties & Taxes Refundable	37,85,295	24,03,285	20,94,109	28,01,597
Gratuity Claim Receivable	-	-	4,84,559	15,21,028
Other Income Receivable	-	-	24,592	22,419
<b>PER BALANCE SHEET</b>	<b>40,55,470</b>	<b>26,44,170</b>	<b>26,03,260</b>	<b>43,45,044</b>

## 13 INVENTORIES

Particulars	As at 31-Mar-15		As at 31-Mar-14	
	(₹)	(₹)	(₹)	(₹)
Raw Materials		1,50,08,275		1,87,70,968
Packing Materials		22,98,150		42,10,960
Work In Progress		61,73,868		68,38,984
Finished Goods				
In hand				
Own	1,91,49,036		2,40,61,396	
Traded	4,56,05,880	6,47,54,916	4,34,17,969	6,74,79,365
In transit				
Own	11,24,366		9,41,620	
Traded	25,51,972	36,76,338	4,18,515	13,60,135
Stores & Spares		5,74,581		5,30,671
<b>PER BALANCE SHEET</b>		<b>9,24,86,128</b>		<b>9,91,91,083</b>

### Valuation methodology :

Raw Materials and Packing Materials	At cost
Work In Progress	At cost
Finished Goods	At cost or net realisable value which ever is lower.
Stores & Spares	At cost

**14 TRADE RECEIVABLES**

Particulars	As at 31-Mar-15		As at 31-Mar-14	
	(₹)	(₹)	(₹)	(₹)
<b>Unsecured, considered good</b>				
Outstanding for more than six months		55,776		13,04,945
Other Debts		11,82,98,255		12,40,26,367
<b>PER BALANCE SHEET</b>		<b>11,83,54,031</b>		<b>12,53,31,312</b>

**15 CASH AND BANK BALANCES**

Particulars	As at 31-Mar-15		As at 31-Mar-14	
	(₹)	(₹)	(₹)	(₹)
<b>Cash &amp; Cash Equivalents</b>				
Cash Balances	81,683		1,99,597	
Balances with banks	2,43,798	3,25,481	7,66,968	9,66,565
<b>Other Bank Balances</b>				
Unclaimed Dividend		4,19,445		4,19,745
<b>PER BALANCE SHEET</b>		<b>7,44,926</b>		<b>13,86,310</b>

**16 SALE OF PRODUCTS**

Particulars	2014-15		2013-14	
	(₹)	(₹)	(₹)	(₹)
Sale of Products		57,82,92,364		60,95,47,428
<b>PER STATEMENT OF PROFIT &amp; LOSS</b>		<b>57,82,92,364</b>		<b>60,95,47,428</b>
Formulations		50,59,81,595		54,97,93,959
API/ Intermediates		6,30,27,213		4,78,61,288
Others		92,83,556		1,18,92,181
<b>Total</b>		<b>57,82,92,364</b>		<b>60,95,47,428</b>

**17 OTHER OPERATING REVENUE**

Particulars	2014-15		2013-14	
	(₹)	(₹)	(₹)	(₹)
Empty containers & closure sale		4,64,161		4,08,561
Miscellaneous income from operations		16,49,349		1,67,105
<b>PER STATEMENT OF PROFIT &amp; LOSS</b>		<b>21,13,510</b>		<b>5,75,666</b>

**18 OTHER INCOME**

Particulars	2014-15		2013-14	
	(₹)	(₹)	(₹)	(₹)
Dividend Income		5,47,448		8,74,633
Interest Income		21,80,185		20,11,192
Profit on sale of Assets		1,40,530		48,670
Other non-operating income		17,87,633		25,37,062
<b>PER STATEMENT OF PROFIT &amp; LOSS</b>		<b>46,55,796</b>		<b>54,71,557</b>

**19 COST OF MATERIALS CONSUMED**

Particulars	2014-15		2013-14	
	(₹)	(₹)	(₹)	(₹)
<b>Raw Materials Consumed</b>				
Opening Stock	1,87,70,968		1,52,15,854	
Add : Purchases ( Net of Discount )	17,17,17,957		18,85,48,590	
Less : Closing Stock	1,50,08,275	17,54,80,650	1,87,70,968	18,49,93,476
<b>Packing Materials Consumed</b>				
Opening Stock	42,10,960		43,29,341	
Add : Purchases ( Net of Discount )	1,72,41,153		1,85,08,482	
Less : Closing Stock	22,98,150	1,91,53,963	42,10,960	1,86,26,863
<b>PER STATEMENT OF PROFIT &amp; LOSS</b>		<b>19,46,34,613</b>		<b>20,36,20,339</b>

**Disclosures:**
**1 Details of Raw Materials Consumption**

Paracetamol IP	4,11,43,775		4,73,94,647	
M.A.P.A	2,35,79,483		2,11,13,764	
Alpha Beta Arteether	1,69,82,620		1,43,01,426	
Chloroquine Phosphate	1,28,62,723		1,68,42,899	
Others (None of which individually forms more than 10% of the total consumption.)	8,09,12,049		8,53,40,740	
<b>Total</b>	<b>17,54,80,650</b>		<b>18,49,93,476</b>	

**2 Details of Indigenous and Imported Consumption**

	(₹)	Percentage	(₹)	Percentage
<b>Raw Materials :</b>				
Imported	-	-	-	-
Indigenous	17,54,80,650	100	18,49,93,476	100
<b>Total</b>	<b>17,54,80,650</b>	<b>100</b>	<b>18,49,93,476</b>	<b>100</b>

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

Particulars	2014-15		2013-14	
	(₹)	(₹)	(₹)	(₹)
<b>Inventory Adjustments - WIP</b>				
Work In progress at Opening	68,38,984		60,77,530	
Less : Work In progress at Closing	61,73,868	6,65,116	68,38,984	(7,61,454)
<b>Inventory Adjustments - FG</b>				
Stock at Commencement	6,88,39,500		7,62,80,466	
Less : Stock at Closing	6,84,31,254	4,08,246	6,88,39,500	74,40,966
<b>Variation in Excise duty on:</b>				
Closing Stock of finished goods	15,13,897		16,80,485	
Less : Opening Stock of finished goods	16,80,485	(1,66,588)	10,73,329	6,07,156
<b>PER STATEMENT OF PROFIT &amp; LOSS</b>		<b>9,06,774</b>		<b>72,86,668</b>
<b>Details of Finished Goods :</b>				
Formulations	6,62,00,963		6,66,84,557	
API/ Intermediates	22,30,291		21,54,943	
<b>Total</b>	<b>6,84,31,254</b>		<b>6,88,39,500</b>	

**21 EMPLOYEE BENEFITS**

Particulars	2014-15		2013-14	
	(₹)	(₹)	(₹)	(₹)
Salaries, Bonus, Perquisites, etc	6,03,38,823		6,43,38,640	
Contribution to Employees welfare funds	33,59,890		37,01,363	
Leave Encashment	9,42,046		15,93,337	
Leave Travel Assistance	5,19,438		6,66,938	
Gratuity Fund Contributions	20,29,588		6,46,421	
Recruitment and Training	64,374		33,767	
Staff Welfare expenses	13,44,995		14,34,038	
<b>PER STATEMENT OF PROFIT &amp; LOSS</b>	<b>6,85,99,154</b>		<b>7,24,14,504</b>	

**22 FINANCE COST**

Particulars	2014-15		2013-14	
	(₹)	(₹)	(₹)	(₹)
Interest expense	38,24,415		42,87,569	
<b>PER STATEMENT OF PROFIT &amp; LOSS</b>	<b>38,24,415</b>		<b>42,87,569</b>	

**23 DEPRECIATION & AMORTIZATION EXPENSES**

Particulars	2014-15		2013-14	
	(₹)	(₹)	(₹)	(₹)
Depreciation	1,55,50,070		95,26,402	
Amortisation	2,99,847		2,08,560	
Less : Depreciation transferred to Surplus in Statement of Profit & Loss (Refer note below)	5,78,545		-	
<b>PER STATEMENT OF PROFIT &amp; LOSS</b>	<b>1,52,71,372</b>		<b>97,34,962</b>	

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

**24 OTHER EXPENSES**

Particulars	2014-15		2013-14	
	(₹)	(₹)	(₹)	(₹)
Consumption of Stores	56,21,496		58,22,503	
Outside Manufacturing Charges	1,47,82,853		1,85,31,084	
Power, Fuel, Gas & Water Charges	2,51,67,853		2,41,08,271	
Repairs :				
- Building	22,11,295		17,96,938	
- Machinery	38,63,456		50,18,944	
- Others	84,665	61,59,416	3,11,816	71,27,698
Insurance		17,73,262		17,41,546
Rent		11,54,205		30,63,786

**24 OTHER EXPENSES (Contd...)**

Particulars	2014-15		2013-14	
	(₹)	(₹)	(₹)	(₹)
Rates and Taxes		<b>36,47,903</b>		27,19,538
Freight, Forwarding and Transportation		<b>1,40,53,886</b>		2,07,90,112
Commission on sales		<b>3,62,85,645</b>		2,45,32,121
Field Staff expenses		<b>95,65,567</b>		1,25,24,527
Auditors' Remuneration :				
- Audit Fees	<b>1,45,394</b>		1,45,394	
- Taxation Matters	<b>62,472</b>		62,472	
- Other Services	<b>56,180</b>		61,798	
- Reimbursement of expenses	<b>44,233</b>	<b>3,08,279</b>	33,101	3,02,765
Loss on Sale of Assets		<b>3,53,578</b>		4,60,092
Assets scrapped		<b>15,269</b>		1,18,980
Bad Debts Written off		<b>20,11,734</b>		11,65,226
Marketing & Sales Administrative expenses		<b>26,61,049</b>		1,15,61,995
Professional Charges		<b>13,09,930</b>		33,37,875
Security Charges		<b>16,65,619</b>		15,31,931
Excise Duty expenses		<b>3,84,463</b>		4,52,696
Analytical Charges		<b>34,82,025</b>		27,41,408
Communication expenses		<b>6,76,044</b>		18,38,407
Printing & Stationery		<b>8,26,659</b>		9,53,598
Bank charges		<b>1,22,216</b>		6,19,214
Provision for diminution in value of investments		-		3,93,559
Loss on sale of investments		<b>20,16,882</b>		30,00,000
Miscellaneous expenses		<b>16,79,160</b>		18,93,114
<b>PER STATEMENT OF PROFIT &amp; LOSS</b>		<b><u>13,57,24,993</u></b>		<b><u>15,13,32,046</u></b>

**Disclosures:**
**Details of Indigenous and Imported Stores, Spares & Components**

	(₹)	Percentage	(₹)	Percentage
Imported	-	-	-	-
Indigenous	<b>56,21,496</b>	<b>100</b>	58,22,503	100
<b>Total</b>	<b><u>56,21,496</u></b>	<b><u>100</u></b>	<b><u>58,22,503</u></b>	<b><u>100</u></b>

**25 CIF Value of Imports**

Particulars	2014-15	2013-14
	(₹)	(₹)
Raw Materials	-	-
Finished Goods	<b>54,73,837</b>	79,97,215
Capital Goods	<b>6,33,360</b>	13,53,220

**26 Expenditure in foreign currency**

Particulars	2014-15	2013-14
	(₹)	(₹)
Books & Subscriptions	<b>3,52,031</b>	3,42,135

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

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

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

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

Particulars	2014-15		2013-14	
	(₹)	(₹)	(₹)	(₹)
Profit after tax (before exceptional item)		<b>1,63,59,704</b>		59,56,371
Profit after tax (after exceptional item)		<b>2,35,19,389</b>		59,56,371
Equity Shares Outstanding (Nos)				
- Opening	<b>49,16,980</b>		49,16,980	
- Issued during the year	-		-	
- Closing	-	<b>49,16,980</b>	-	49,16,980
- Basic / Diluted		<b>49,16,980</b>		49,16,980
Nominal value of equity share (₹)		<b>₹ 10/- each</b>		₹ 10/- each
Earnings per share (₹)				
Basic/Diluted (before exceptional item)		<b>3.33</b>		1.21
Basic/Diluted (after exceptional item)		<b>4.78</b>		1.21

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

**Relationships:** **Country**

**A. Entities where control exists :**

**Shareholders of Makers Laboratories Ltd.**

Kaygee Investments Pvt. Ltd.

**India**

(Promoter holding together with its subsidiary more than 20%)

**B. Key Management Personnel**

Mrs. Purnima Jain - Wholetime Director

**Indian**

Mr. Saahil Parikh - Wholetime Director

**Indian**

**C. Associates**

Ipca Laboratories Ltd.

**India**

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

Mr. Umesh Parikh

**Indian**

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

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

Particulars	2014-15	2013-14
	(₹)	(₹)
i Counter Guarantees given to AXIS Bank in respect of guarantees given by the bank on behalf of the Company to Government Authorities.	<b>2,70,175</b>	2,40,885
ii Estimated amount of contracts remaining to be executed on capital account.(Net of Capital Advances)	<b>39,51,258</b>	-
iii Other moneys for which the Company is contingently liable for tax, excise, customs and other matters not accepted by the Company	-	-

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

**32** The Balance Sheet, Statement of Profit & Loss, Cash Flow Statement, Statement of significant accounting policy and other explanatory notes form an integral part of the financial statements of the Company for the year ended on 31<sup>st</sup> March, 2015

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

As per our Report of even date attached

For **AGARWAL & MANGAL**

Chartered Accountants

Firm Reg. No. 100061W

**B. P. MANGAL**

Partner

Memb. No.32973

Mumbai,

29<sup>th</sup> May, 2015

**KHUSHBU THAKKAR**

Company Secretary

(ACS 28375)

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

**PURNIMA JAIN**  
(DIN 00937041)

- Wholetime Director

**SAAHIL PARIKH**  
(DIN 00400079)

- Wholetime Director

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

- Director

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

(₹)

Description	Entities where control exists				Key Management Personnel		Associates		Other Related Parties		Total	
	Shareholders		Others									
	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14
<b>Purchase of goods and services:</b>												
Ipca Laboratories Ltd	-	-	-	-	-	-	2,39,54,757	2,88,48,286	-	-	2,39,54,757	2,88,48,286
<b>Total</b>	-	-	-	-	-	-	2,39,54,757	2,88,48,286	-	-	2,39,54,757	2,88,48,286
<b>Sales of goods and services:</b>												
Ipca Laboratories Ltd	-	-	-	-	-	-	16,00,69,412	15,26,91,851	-	-	16,00,69,412	15,26,91,851
<b>Total</b>	-	-	-	-	-	-	16,00,69,412	15,26,91,851	-	-	16,00,69,412	15,26,91,851
<b>Purchase of fixed assets:</b>												
Ipca Laboratories Ltd	-	-	-	-	-	-	4,49,277	-	-	-	4,49,277	-
<b>Total</b>	-	-	-	-	-	-	4,49,277	-	-	-	4,49,277	-
<b>Sale of fixed assets:</b>												
Ipca Laboratories Ltd	-	-	-	-	-	-	1,81,472	67,056	-	-	1,81,472	67,056
<b>Total</b>	-	-	-	-	-	-	1,81,472	67,056	-	-	1,81,472	67,056
<b>Sale of Shares:</b>												
Exon Laboratories Pvt Ltd	-	1,20,00,000	-	-	-	-	-	-	-	-	-	1,20,00,000
<b>Total</b>	-	1,20,00,000	-	-	-	-	-	-	-	-	-	1,20,00,000
<b>Excise duty, Rent and other expenses paid:</b>												
Ipca Laboratories Ltd	-	-	-	-	-	-	64,23,302	40,73,396	-	-	64,23,302	40,73,396
<b>Total</b>	-	-	-	-	-	-	64,23,302	40,73,396	-	-	64,23,302	40,73,396
<b>Salaries paid:</b>												
Others	-	-	-	-	-	-	-	-	15,21,849	19,90,080	15,21,849	19,90,080
<b>Total</b>	-	-	-	-	-	-	-	-	15,21,849	19,90,080	15,21,849	19,90,080
<b>Excise duty &amp; other expenses recovered:</b>												
Ipca Laboratories Ltd	-	-	-	-	-	-	85,08,574	67,09,519	-	-	85,08,574	67,09,519
<b>Total</b>	-	-	-	-	-	-	85,08,574	67,09,519	-	-	85,08,574	67,09,519
<b>Dividend Income :</b>												
Ipca Laboratories Ltd	-	-	-	-	-	-	2,53,700	4,56,660	-	-	2,53,700	4,56,660
<b>Total</b>	-	-	-	-	-	-	2,53,700	4,56,660	-	-	2,53,700	4,56,660
<b>Rent Income</b>												
Ipca Laboratories Ltd	-	-	-	-	-	-	18,33,041	14,76,409	-	-	18,33,041	14,76,409
<b>Total</b>	-	-	-	-	-	-	18,33,041	14,76,409	-	-	18,33,041	14,76,409
<b>Remuneration to Directors</b>												
Purnima Jain	-	-	-	-	26,82,333	26,66,494	-	-	-	-	26,82,333	26,66,494
Saahil Parikh	-	-	-	-	25,56,436	21,42,090	-	-	-	-	25,56,436	21,42,090
<b>Total</b>	-	-	-	-	52,38,769	48,08,584	-	-	-	-	52,38,769	48,08,584
<b>Balance as on 31st March</b>												
<b>Receivables:</b>												
Ipca Laboratories Ltd	-	-	-	-	-	-	1,58,45,227	2,28,79,827	-	-	1,58,45,227	2,28,79,827
Others	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	-	-	-	-	-	-	1,58,45,227	2,28,79,827	-	-	1,58,45,227	2,28,79,827
<b>Payables:</b>												
Ipca Laboratories Ltd	-	-	-	-	-	-	64,21,785	74,04,965	-	-	64,21,785	74,04,965
Others	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	-	-	-	-	-	-	64,21,785	74,04,965	-	-	64,21,785	74,04,965



**NOTES**

**Makers Laboratories Limited**

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

**ATTENDANCE SLIP**

**30<sup>TH</sup> ANNUAL GENERAL MEETING ON TUESDAY, 4<sup>TH</sup> AUGUST, 2015 AT 11.00 A.M.**

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

I / We hereby record my presence at the **30<sup>TH</sup> ANNUAL GENERAL MEETING** of the Company at Plot No. 47, Kandivli Industrial Estate, Opposite Anand Mangal Hall, Charkop, Kandivli (West), Mumbai- 400 067 on Tuesday, 4<sup>th</sup> August, 2015, at 11.00 a.m.

Member's/Proxy's name in Block Letters

Member's/Proxy's Signature

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

**Makers Laboratories Limited**

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

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

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

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

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

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

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the **30<sup>TH</sup> ANNUAL GENERAL MEETING** of the Company at Plot No. 47, Kandivli Industrial Estate, Opposite Anand Mangal Hall, Charkop, Kandivli (West), Mumbai- 400 067 on Tuesday, 4<sup>th</sup> August, 2015, at 11.00 a.m. and at any adjournment thereof in respect of such resolutions as are indicated below:

Item No.	Resolution	No. of Shares	I/We assent to the Resolution (FOR)	I/We dissent the Resolution (AGAINST)
<b>Ordinary Business:</b>				
1	Adoption of Balance Sheet, Statement of Profit and Loss, Report of the Board of Directors and Auditors for the year ended 31 <sup>st</sup> March, 2015.			
2	Declaration of dividend on equity shares.			
3	Re-appointment of Mr. Saahil Parikh (DIN 00400079), who retires by rotation, as a Director.			
4	Appointment of Auditors and fixing their remuneration.			
<b>Special Business:</b>				
5	Appointment of Mr. Saahil Parikh (DIN 00400079) as a Wholetime Director.			
6	Appointment of Mrs. Purnima Jain (DIN 00937041) as a Wholetime Director.			
7	Remuneration payable to Cost Auditors.			
8	Adoption of new Articles of Association of the Company.			

Signature of Shareholder: ..... Signed this..... day of ..... 2015

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



Notes:

- This form of proxy in order to be effective, should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the meeting.
- For the Resolutions, Explanatory Statement and Notes, please refer to the Notice of the 30<sup>th</sup> Annual General Meeting.







Registered Office:

**Makers Laboratories Limited**

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

CIN : L24230MH1984PLC033389

Ph : 022 - 6111 2800

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

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